

GIBRALTAR

HOUSE OF ASSEMBLY



HANSARD

29TH MAY, 1990

BUDGET

TUESDAY THE 29TH MAY, 1990

The House resumed at 10.30 am.

PRESENT:

Mr Speaker . . . . . (In the Chair)  
(The Hon Major R J Peliza OBE, ED)

GOVERNMENT:

The Hon J Bossano - Chief Minister  
The Hon J E Pilcher - Minister for GSL and Tourism  
The Hon J L Baldachino - Minister for Housing  
The Hon M A Feetham - Minister for Trade and Industry  
The Hon J C Perez - Minister for Government Services  
The Hon Miss M I Montegriffo - Minister for Medical Services  
and Sport  
The Hon R Mor - Minister for Labour and Social Security  
The Hon J L Moss - Minister for Education, Culture and Youth  
Affairs  
The Hon K W Harris - Attorney-General  
The Hon P J Brooke - Financial and Development Secretary

OPPOSITION:

The Hon A J Canepa - Leader of the Opposition  
The Hon G Mascarenhas  
The Hon M K Featherstone OBE  
The Hon Dr R G Valarino  
The Hon Lt-Col E M Britto OBE, ED  
The Hon K B Anthony

The Hon P C Montegriffo

IN ATTENDANCE:

C M Coom Esq - Clerk of the House of Assembly

PRAYER

Mr Speaker recited the prayer.

DOCUMENTS LAID

The Hon the Minister for Trade and Industry laid on the table the following document:

Legal Notice 37/90 Building (Development Control)  
(Amendment) Regulations, 1990.

Ordered to lie.

The Hon the Minister for Medical Services and Sport laid on the table the following document:

The Gibraltar Health Authority Report and Accounts  
for the year April, 1988, to March, 1989.

Ordered to lie.

The Hon the Minister for Labour and Social Security laid on the table the following document:

The Employment Survey Report - April, 1989.

Ordered to lie.

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

- (1) Legal Notice 96/89 Rates of Tax Rules 1989.
- (2) Legal Notice 97/89 Investment (Deduction) Rules 1989.
- (3) Legal Notice 98/89 Qualifying Individual Rules 1989.
- (4) Legal Notice 99/89 Home Purchase (Deduction) Rules 1989.
- (5) Legal Notice 114/89 Income Tax (PAYE) Regulations 1989.
- (6) Legal Notice 39/90 Income tax (PAYE) (Amendment) Regulations 1990.

Ordered to lie.

BILLS

FIRST AND SECOND READINGS

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to appropriate sums of money to the service of the year ending with the 31st day of March, 1991, be read a first time.

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

## SECOND READING

### HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill be now read a second time. I will, Mr Speaker, be following the practice customary in recent years to confine myself at this stage with a short speech by way of introduction. I shall then make way for the Chief Minister to comment on the Government's policy with regards to budget formulation and specific aspects of the Estimate proposals. I look forward, however, to offering my comments and replies to the House during its consideration of the Bill.

Under the terms of this Bill the House is invited to appropriate a total of £70.12m in respect of the Consolidated Fund representing a reduction of 0.4% of the forecast outturn for 1989/90. The House is also asked to appropriate £30.142m for the purpose of the Improvement and Development Fund which doubles the projected 1989/90 outturn. The supporting details are set out in the Estimates tabled in the House on the 26th April. In funding terms when coupled with Consolidated Fund charges and projections for public revenue in 1990/91, the Estimates indicate a reduction in the balance of the Consolidated Fund essentially as the reserves available to the Fund to £2.7m. This compares with the forecast of £7.3m at the end of 1989/90 and an actual balance of £11.3m at the end of 1988/89. One point I would like to draw Members' attention to is the reorganisation of a number of Departments reflected in the Estimates before them. In order to provide as much of a guide as possible, footnotes have been included at the end of each of the affected Department's Estimates indicating the nature of the change that has taken place. If I could now clear a few technical matters relating to the Bill, Members are well aware that it has been Government policy in recent years not to submit a Finance Bill in coincidence with the Appropriation Bill. This practice is again observed this year and it is therefore not necessary for me to table a revised summary page to the Estimates. However, Members will have received new versions of pages 7.11.1 and 7.22.1 in replacement of the pages' proposed numbers in the copies of the Draft Estimates. The first relates to the Labour and Social Security Department and

corrects an omission in the original version. Entry no.25 of the Establishment which relates to the staff in the Industrial Training Units in 1989/90 had been left out even though last year's total staff of the Department was correctly shown. There are no changes in the amounts provided under personal emoluments. Similarly the new page 7.22.1 at the Department of Trade and Industry now includes under entry no.10 of the Establishment one post of PSG'D' which was omitted in the version first circulated. Again, there is no need to change the personal emoluments provision. I apologise to Members for these omissions and perhaps I should emphasise that there is absolutely no connection between them. I should also like to state that the Head of the Estimates preparation team, has through his retirement, contributed in a very direct way to the curtailment of public expenditure reflected in the Estimates now before the House. More appropriately, I would like to record my sincere thanks to Mr Olivera for his extremely supportive role since my arrival and the professionalism and dedication he has shown in putting together what has been an increasingly complex exercise over many years. With that, Mr Speaker, I make way for the Chief Minister.

### MR SPEAKER:

In accordance with Rule 32A the Chief Minister should follow the Financial and Development Secretary.

HON CHIEF MINISTER

Mr Speaker,

Before I explain to the House the position regarding the sums that we are appropriating for Government spending for this year and the inter-relationship between that and the performance of the economy, I want to deal as I promised I would, with some of the issues that were raised at Question Time about a number of variables in the measurement of the economy. In my contribution to the Appropriation Bill last year and in my first contribution when we took Government in 1988, on both occasions I drew attention to the limitations that there were on the reliability of the published statistics and the need that the Government had, for example, in order to proceed with the Economic Development Council the need the Government had to produce better quality statistics than had been done until then. In order to be able to do this I pointed out that we needed to computerise many sections of the Government which have been an on-going objective reflected in the Appropriation Bill last year and this year where fairly large sums have been provided in the Improvement and Development Fund for this purpose. However, the computerisation has progressed very slowly and therefore our systems are still predominantly manual. That has an impact on the quality but it has got an even greater impact on the length of time that it takes to get the final picture of the state of the economy and here we are, where even today we do not have final figures for our first year in Government. In looking at the way the national accounts were compiled and published, what the Government did was to enlist the services of Mr Harry Fell who Members opposite will know, who was in fact contracted in the 1970's, I believe, to produce the Census of Gibraltar and, in fact, he is a man who is considered to be a world authority on the compilation of national accounts having been engaged in advising both the United Nations and the World Bank in this respect and having himself served for many years as Chief Statistician for ODA. He visited Gibraltar in October last year and recommended a number of changes in the compilation of our accounts which we are incorporating and which will be reflected when the statistics get published in the Abstract of Statistics and these changes will be done retrospectively, otherwise what we would have would be, that as we measure changes from now on, we would not really be able to do comparisons with the past if in the past the figures have been arrived at in a different way from what they are going to be arrived at now and consequently we would not be comparing like with like. So the figures that I will give today, which will be essentially an attempt to give some of the information that was requested in Questions 84 and 85 in the House, will be reflecting the recommendations of Mr Fell which will be incorporated in our published national accounts data.

Perhaps Mr Speaker, I can briefly explain to Members what it is we are doing when we are measuring national income and what are the established methodologies for doing that and which are the ones that have been used here in the past

and which are the ones that we are going to be using in the future. Basically, what we are doing is estimating the output of the economy and there are three ways of measuring the same thing. One is effectively to aggregate the process of wealth creation by looking at the output of factories and other manufacturing units, which is not the system that is used here but is a system that is used in a number of countries. It has never been used here, we have no intentions of using it for the obvious reason that we are predominantly a service economy and you cannot adequately obtain information on value added in a service economy. Where you do not have movement of materials in and out of the manufacturing process.

The second way of measuring it is effectively to add up everybody's incomes. And the third way of measuring it is to add up everybody's expenditure and really the three should come up with the same result. They do not, they have never done so here, they have never done so anywhere, because the collection of statistics is not 100% perfect. We have tended to use as our measurement here the expenditure method of calculating the national income and therefore the published statistics are based on the expenditure method. Harry Fell's recommendation was that we should use in Gibraltar's case, the income method as opposed to the expenditure method because in fact the income method in Gibraltar's circumstances is considered to be one which will give us a higher level of accuracy. Obviously, this is particularly so now that we have an open frontier with Spain because if we are looking at the expenditure in the Gibraltar economy with an open frontier, we have great difficulty in measuring the expenditure that is made by 3 million visitors in Gibraltar and the expenditure that is made outside the economy by people who earn their living in the economy and therefore when we are looking at the performance of the domestic economy the element of expenditure that is attributed to that flow of spending in and out from residents outside and from non-residents inside is little more than guesswork. Whereas if you measure the income which is reflected in earnings and which is reflected in tax returns and which is reflected in company accounts then you can be sure that that is, if anything, likely to be understated because nobody is going to go round claiming that he is earning more than he really is in order to volunteer to pay more tax than he really is. So the income method is likely to be one which gives us a greater degree of accuracy and in fact it is obvious by looking back over the years that the gap between the expenditure and the income method has got worse since the frontier opened than it was in the past. The other element, of course, is that when you are talking about the expenditure method, again we have done a fair amount of research in this since we had the recommendations of Harry Fell last October and where the predominant factor in incomes is personal earnings as it is in Gibraltar, you sometimes get the effect showing in the economy in one year in incomes and in a subsequent year in expenditure as the money comes in and then gets spent. So if you look, for example, at the years when the effect of parity came in you see incomes shooting up first and then as a percentage the following year, incomes, in fact, virtually

stagnant or even with a slight decline because they did not keep up with inflation and nevertheless expenditures shooting up because we all know how, in fact, the impact of the pay reviews and the back money went through the economy when it came into the public sector when the money was paid out and then intended to hit the private sector subsequently through consumer spending, and of course all that needs to happen is that somebody gets paid in March and spends the money in April and it appears in one financial year in the income side and in a subsequent financial year in the expenditure side.

The other and the more significant change produced by the recommendations of Harry Fell was the treatment of the MOD in the local economy. Essentially two measures of economic activity are used internationally which are the gross domestic product and the gross national product and the basic difference between the two is that in the domestic product you are counting everything that is produced, in terms of goods and services, the value of everything that is produced in the territory, whether it is produced by residents or non-residents. So the gross domestic product is the output, the product of the territory of Gibraltar, or the United Kingdom or whatever. The gross national product is the products of the people who live in the territory wherever they produce it, so that you have got a situation where you count in GNP the output of somebody who may, in fact, be producing that output outside Gibraltar, if Gibraltar is his place of residence, and this is where he brings his earnings back to. In our situation with an open frontier and an increasing commuting workforce, obviously the contribution of the wealth in the territory is more important to measure than the contribution of the wealth of the people who live here because you would have to disregard all the people who do not live here but who may nevertheless be making an important contribution to economic growth and therefore the performance of the economy would not take into account the input of frontier workers if you are measuring it according to GNP and therefore again the advice we got is GDP is a better measure to use.

We then look how we were using GDP in the past and for reasons which are not very clear the way that the MOD was treated in the published accounts was that it was not included in the gross domestic product. So therefore instead of the output of the people employed by the Ministry of Defence being conceptually measured as being output produced in the territory of Gibraltar and exported to the United Kingdom and therefore forming part of the territorial output and therefore part of the gross domestic product, it was in fact included in the GNP and it was treated not as if we were producing something here and selling it to UK, but as if we were commuting daily to work in UK and the MOD was treated as being outside the economy of Gibraltar and therefore reflected in GNP and not reflected in GDP. If we were not to adjust that, Mr Speaker, and at the same time accept the recommendation that GDP is a more important measure than GNP because we have got, an increasingly large commuting

workforce, then what we would be doing would be we would be showing in the movement of the GDP the increasing influence and contribution of commuting frontier workers but we would not be deducting the reduction in the MOD because the MOD was never put in GDP. We would then be creating a false picture of economic growth because the economic growth would be reflected to the growth of the private sector but would not be net growth, it would not be minus the decline of MOD. So the change therefore will be that GDP will be used whenever we talk about economic growth as opposed to GNP because we are convinced that GDP, which shows the movement of frontier workers, gives us a better reflection of what is happening in the economy. Secondly, the way GDP is calculated will include the Ministry of Defence, which before it was not included, and this will be reflected retrospectively in the published statistics in the next Abstract, otherwise we would be showing a sudden jump out of nowhere because we were including MOD this year and not before, so we have to put it in the past and therefore that will show that the GDP growth is the growth after taking into account the contraction of MOD which is a more conservative, but a more accurate way of doing it. The other element is that the figure that will be published will be showing the estimate of GDP brought about by the sum of incomes and not the sum of expenditures for the reasons that I have already explained.

Having given that as the background Mr Speaker, I have got some charts which show, if they can be distributed, there are two transparencies. One is a bar chart which shows the GDP based on the income method inclusive of the Ministry of Defence, as I have already explained, and without adjusting for inflation. I have had these graphs and the underlying information calculated by the Economic and Statistics Department in the limited time available because as I explained in Question No. 84 when the Honourable Mr Montegriffo asked me what was the breakdown of the contribution of each sector of the economy to GDP for the years 1981 to 1988/89 and the projection, as I said at the time. The information that he was seeking did not exist and the information that I am giving him now is the closest that we can come to producing that kind of analysis (a) in the time available and (b) with the data available and stored in the Economic and Statistics Department. In fact, as I already explained, the GDP measured now is a more accurate now than the GDP measured in the past for the reasons that I have explained and which were incorporated on the advice of Mr Fell. If we look at the chart of GDP, this shows how the economy has progressed since 1975/76, the data before 1975/76 is totally unreliable because as Members opposite will know, they were in Government at the time, these were the years when there was widespread industrial action in the fight for parity, and Employment Surveys did not get done and the compilation of statistics is very haphazard and there are gaps there which were filled on pure guesswork. In any case the pre 1974 pay levels were all altered with retrospective effect from 1975/76 and therefore, again, you get very big jumps in the years from 1972 to 1976 which do not reflect the normal performance of the economy. The performance of the economy in this period

from 1975/76 to 1988/89 shows, in fact, a situation where the growth has been somewhat pedestrian given that it is a very long period because, of course, these are not an indicator of real growth, this shows the effect of the value of the economy from one year to the other but without adjusting for inflation. We do not have yet the inflation adjusted figures.

The second transparency which can be superimposed and if members align the transparency so that the red line, which is the trend of the GDP, matches the top of the bar chart, then I can give what is the closest to a breakdown of the contribution of each sector but I have to make clear that this is not what it is. This is as close as we can come to because in fact when we are looking at different sectors of the economy we can only do it by measuring the expenditure in those sectors and, as I explained already, the GDP figure is based on income not on expenditure and when you are looking at the expenditure pattern you need to make an adjustment for the proportions of that expenditure that uses up services produced in Gibraltar as opposed to using up goods imported into Gibraltar, so that the fact that expenditure goes up does not necessarily mean that incomes go up by the same amount because part of that expenditure is income for somebody else outside our economy who is exporting to us. So the trend lines are trend lines and are not sectors of the GDP but it gives us some indication of the influencing factors on the pattern of the economic development of Gibraltar.

The brown line, Mr Speaker, shows the MOD expenditure and I think what is clearly obvious from that is that MOD expenditure has been virtually stagnant since 82/83 in money terms, which means that it has been declining in real terms, which means that it has been providing a decreasing proportion of our national economy and all that one needs to do is to say look at 1981/82 and see the significance of that brown line against the height of the bar chart and look at 1988/89 and we see that the brown line is the same distance from the bottom but of course the bar chart is now twice as high. It does not mean that it is that proportion of the bar chart but it is a very clear indicator of how we have got stagnating MOD spending in an expanding economy and consequently a declining significance of the MOD for the economy of Gibraltar.

The next one that I would like to draw attention to is the purple line which is the investment programme of the Government of Gibraltar and that is, to all intent and purposes, the Improvement and Development Fund. We see how in 1981/82 there was one year where there was quite a high level of spending under the previous administration in the Improvement and Development Fund, which peaked and then the Improvement and Development Fund, like the MOD, has been virtually stagnant in money terms which means declining in real terms. Therefore we see from 1983/84 until 1987/88 a situation where the Improvement & Development, which was spending about £4 million a year, was effectively contributing less and less to our national economy. In fact here we are talking about gross domestic fixed capital formation. That means that we are

not looking at a situation of improving the capital stock of the economy because the figure is gross and not net and therefore we are not deducting depreciation. Frankly an expenditure on capital formation of £4 million a year in my view would do little more than keep the capital stock intact and compensate for depreciation if we had in fact net domestic capital formation I would not be surprised if some of those years were minuses, if we were to remove the depreciation of the existing stock from the expenditure of the £4 million. Obviously the 88/89 figure which is still very low but which shows a very marked increase compared to the previous years, is the reflection of our first budget were we doubled expenditure in the Improvement & Development Fund from £4m to £8m and where the emphasis is going to be. So we would expect that that would be a very fast growing element in the national economy because that is the declared policy of the Government.

I think it is interesting to see the green line which is, in fact, the non-Government investment in the Gibraltar economy, primarily the investment by the private sector, there is a little bit of investment by the MOD as well in there but this is predominantly private sector investment, where we see very clearly how it was virtually non-existent until 1983/84 and then it started shooting up in 1984/85 which is, of course, when people started investing in property in Gibraltar following the opening of the frontier. The trend is very clear. It more or less levelled off in 1987/88. The new developments that were agreed by us with the private sector have not yet shown and we would not expect that to show until the figures are available for the forthcoming 12 months, in reality the bulk of the new private sector development is only now coming into the economy and will only now be showing up in the national income statistics and in the employment figures for the construction industry.

The orange line, Mr Speaker, is the Government's final expenditure on the consumption of goods and services. That is the figure of the amount of resources that are absorbed by Government operations and it is the net figure after deducting transfer payments. Because, obviously, if the Government gives somebody supplementary benefits then the money is spent by the person receiving supplementary benefits not by the Government, so that does not count as Government spending because it will show up when that person spends his money on consumer goods and shows up as consumers' expenditure. We see that the situation has been that the expenditure of the Government has been increasing more or less in line with the increase in the economy, some years slightly less, some years more but there is clearly a relationship and that relationship has been altered in 1987/88 and in 1986/87 I think because those are the years where the private sector investment starting making a bigger impact and therefore you had a bigger economy as a result of the private sector investment. The position is that in our first year of Government the trend was still going up. Members will recall, of course, that in our first budget all that we did was in fact to simply rubber stamp the Treasury

allocation for 1988/89 and I think what that reflects is that that level of Government spending was still on an upward trend although not as can be seen, as high a trend as consumer spending, but we would expect in future years that to level off as a result of the policies we are introducing.

So in terms of the projections for the future that the Honourable Member asked me about in Question No 84, we think the total impact of the expenditure of the Government of Gibraltar on the economy will be about the same as it has been in the past but the composition of that income effect will be altered by its constituents in terms of expenditure and therefore, essentially the Government will be buying in the Gibraltar economy, we anticipate, about the same proportions of resources as it has done in the past but it will be using more of those resources in gross fixed domestic capital formation and less of those resources in recurrent consumption and we expect that as the orange trend line flattens the purple trend line will keep on increasing but the two taken together will not be dramatically different in relation to the growth of the economy from what it has been in the past.

We also expect that there will be a change in the trend of the private sector investment which is seen as flattening here, and the flattening there, of course, includes the declining MOD, because MOD is included in that figure since that is a residual figure that is fixed investment in Gibraltar minus that done by the Government, so it is that done by everybody else which includes MOD/DOE and private sector. Since MOD/DOE are going to be decreasing their investment, we expect that line, in fact, to show quite substantial increases over the next two years notwithstanding the decline in the MOD capital investment because the private sector capital investment with the developments in Westside and on the reclaimed land will be more than enough to compensate for any cutback and, in fact, to maintain the very high rates of growth produced immediately after the opening of the frontier.

The level of MOD spending will, in fact, not keep its value even in money terms after the withdrawal of the Resident Battalion and therefore in 1991/92, what we will see is that the brown line will not just be stagnating whilst everything else is going up but will actually be going into decline. We expect the blue line which shows consumer expenditure to be maintaining its correlation with the growth of the economy as a whole because there will be an increase in numbers employed and there will be an increase in incomes. Therefore looking to the future the reflection of the high rates of growth we are projecting for the next few years can be correlated to three elements consumer spending which could be a reflection of higher earnings and more people employed; private sector investment, which will be a reflection of projects that have already been approved; and Government Improvement and Development Fund expenditure, which will be increasing substantially and more than compensating for declining recurrent expenditure.

Mr Speaker, I hope that Members appreciate that the available information that we have got is, in fact, not perfect and that in no economy in the world is it possible to get 100% accurate statistics because it is not just a question of processing the information but of receiving information that people volunteer, whether we are talking about Employment Surveys or whether we are talking about tax returns or whether we are talking about company accounts. We are convinced that the work that the Statistics Office has put in train already and that the computerisation of insurance records and tax records will give us as good a picture and as accurate a picture as anybody can produce anywhere else in the world and that therefore we shall be consistently mapping a reflection of what is happening in the economy and enable us to take sound decisions in the knowledge that the statistics that we are putting together and which we are making public are a reflection of what is happening in the real world. I think we are fortunate in Gibraltar, because of the smallness of the economy and notwithstanding the fact that the movement of people in and out is so great now that it has become a more complicated exercise, we have got a number of independent ways of testing what is happening in the economy and as long as those indicators all point in the same direction then we can be sure that we are accurately mapping the movement in economic variables.

Therefore, turning to the Estimates of Expenditure and the strategy of the Government, as I have just said in relation to the analysis of the economy, the policy announced in 1988 and reflected in 1989 will continue to be the one that we pursue as the only solid basis for our economic development. Let me remind Members, as I have already said by reference to the charts that we were talking about, essentially is re-deploying human resources which is reflected in cash terms, away from recurrent consumption into capital formation and the recurrent expenditure will be kept very tight at the same time as the capital spending in the Improvement and Development Fund is dramatically increased. Without that we do not think we have an economic base, unless we do that, we will not create in Gibraltar an upgraded productive infrastructure capable of making Gibraltar competitive with other people. People will not come here because they do not have to, they will only come here because we are better than others. We will not be better than others unless we have got top class facilities. We are not going to get top class facilities unless we spend hundreds of million of pounds. There is not any other way of doing it, it cannot be done on the cheap and therefore the essence of the strategy of the Government is the Improvement and Development Fund. The rest of the Estimates of Expenditure are just what it takes to keep the show on the road, frankly the more effectively we can do this by employing less people and spending less money the better for all of us because at the end of the day there is a level of services that we have to maintain in certain areas, as a Government, which need to be done by the State because they cannot be done by the private sector but the essence of the Government is the management of the

economy. Unless the Government is managing the economy properly then the Government will not be able to produce those services because it will not have the money to do it. There is no choice because it is not a question of whether we want to create an alternative economy to the MOD, we have to create an alternative economy because there is not going to be an MOD.

Obviously it means that the job is much tougher than it has ever been in the past. It is tougher because we no longer have a monopoly situation and a captive customer, that is the truth. The reasons for the MOD presence in Gibraltar are political and military reasons not economic, it is not that they have a naval base here because we are cheaper than somewhere in the United Kingdom, it is because they want it in this particular part of the world. Irrespective of whether we are cheap or expensive they want one here.

If we gave it to them for nothing and if we subsidised it, if they do not need it they do not need it, period. So we have got a situation today where fundamentally what we have been historically has been a one crop economy and our crop is coming rapidly obsolescent by the day. The events in Eastern Europe impact on our economy very directly, Mr Speaker, in two respects. I remember that the previous administration used to have, over a number of years, a world view produced by the Financial and Development Secretary as to what was happening on the world scene in terms of devaluation and unemployment and the inflation rates and interest rates but in reality where we were virtually all employed by the Ministry of Defence, none of those really mattered. What we are seeing today matters in two fundamental aspects. The reduction of world tension and the reassessment of the military risks in Europe and of the threat of the Warsaw Pact and of the future of the Eastern block countries, all those have an effect on the value militarily and strategically that Gibraltar has. Although we must welcome, as human beings and as Europeans, the removal of tension in that area and the removal of the potential risk of nuclear war and all the rest of it, the reality of it is that the more all those risks go the less we have got a product to sell and we must not blind ourselves to that reality. The second thing is, of course, that the opening up of markets and economies that have been stagnating for the last sixty years means that we are now competing, not just us, Spain and Portugal and everybody else in Europe and the Third World, are now competing for a pool of money which is not growing and that pool of money, that international capital, will go where they are going to make the biggest profit and the potential for profit is greater where there has been least development. In many respects our potential for profit is part of that. If we had been developing Gibraltar for the last twenty years at a very high rate, it would be increasingly difficult to squeeze any more out of it. If we have not then it is much easier to put new, big projects in and if we get a lot of land that will become easier still. But getting the money for those developments will become tougher and interest rates are likely to be high because that if the price of money and the more

people want to borrow the more the people who are in a position to lend can ask for a high price for the commodity that they have available, the same as any other commodity affected by market prices.

So we will find ourselves in a situation which is really where our economy is vulnerable. We will find ourselves in a situation where on the one hand, what we have sold traditionally can no longer be sold as easily because it is no longer so much in demand and what we want to buy, which is capital for investment, a lot of other people want to buy and we are caught in the classic dilemma of developing economies, switching from one product to another product because the product that they produce on the world markets is facing declining prices and not having the foreign exchange, not having the resources, to carry out investment and therefore having to go down a road of needing an influx of outside investors to get them over the hump. If in fact we have an independent currency of our own that will be reflected in serious balance of payments problems because this is reflected in our borrowing capacity. Mr Speaker, I think I will deal with that and the impact of that on the expenditure of the Government when we return.

The House recessed at 11.30 am.

The House resumed at 3.20 pm

HON CHIEF MINISTER:

Mr Speaker, when we recessed before lunch I had got to the point of drawing attention to the fact that in an economy with its own independent currency, high rates of growth which require financing can lead to balance of payment problems which do not apply in our case but that essentially the source of the finance is the same which is investment from outside the economy given the limitations of increasing investment from within the economy which, effectively, would require a very substantial increase in the savings ratio. In the case of the Government of Gibraltar and, indeed, in the case of the private sector, in fact, the high rates of gross domestic fixed capital formation that we are projecting as the cornerstone of the economic development over the four year period is, in fact, being financed by loan capital. This is true of us as a Government and it is true of the private sector where, as I mentioned before in relation to the chart, the first year does not yet reflect what we expect to be a very substantial increase in years two, three and four. So the analysis after the review of the compilation of national accounts using an upgraded methodology that gives as a better reflection is that notwithstanding the fact that we will be reflecting the cuts in MOD between now and 1991 and after 1991, the Government is still projecting real growth in GDP over four years of 50%. And what we are saying is the figure which is the baseline is something like £152m and not £115m as was estimated in the published Abstract of Statistics for the GDP figure. What we are doing is saying we are starting from a higher base rate because we have revalued all the figures under the previous administration. We are



expecting that higher base rate to reflect cuts in MOD but we are, nevertheless, still expecting to achieve 50% real growth on top of that base. The final figures for 1988/89, even though we are two years down the road, are still not 100% certain but it is not likely to be significantly different from the figure of £175 million which is reflected in the chart that I have circulated. Therefore what we are saying is, real growth in the first year has been of the order of 10%, and we expect real growth in years 2, 3 and 4 to get even bigger, to achieve the 50% over the four years, obviously.

In our first year gross domestic fixed capital formation has been, we calculate, about 20% of GDP which makes it £35 million. We would expect to keep gross domestic fixed capital formation in the range of 20% to 25% of GDP over the four year period and, in fact, all high growth economies have investment ratios of this order. That is to say, if we look at the performance of other economies that have achieved high growth rates they have all had of the order of 20% of the national economy going into fixed investments and if we look at the economies that have grown slowly, then one of the characteristics is that they have all had a low rate of investment. The United Kingdom being a case in point. So obviously at any given time one could slow the economy and one could reduce capital formation and one could increase recurrent consumption, but only at the expense of future growth and future incomes and consequently the security of the future standard of living. The Government is clear that the priority must be, since what we are doing is replacing the Ministry of Defence by a new economic structure, the priority must be capital investments. And therefore it is to the development programme of the Government that we must look as a reflection of Government policies. In our first year we announced plans to spend £56 Million over the 4 year period, we upgraded that last year to £70 million, we are now looking at something like £75 million over the 4 year period and Members will recall that, in the first Budget immediately after the election when I gave 4 year projections, I said "this is not a four year Appropriation Bill or a four year Estimates of Expenditure, these are forward projections which every year we will go back and re-examine, and either will go up or go down." At the moment what we are saying is that we expect over the 4 year period to spend £75 million in capital investment financed from our own resources partly through savings in the recurrent spending.

In fact, if Members look at the Estimates of Expenditure, I think there are two particular elements that I want to draw their attention to. One is the amount of money that we are providing this year for the wages and salaries review which is £4 million, that is on page 7 in the summary of expenditure, subhead 25, that compares with a sum we put in last year's budget of £2½ million and which we eventually found was insufficient and we budgeted supplementary funds for £700,000 bringing it £3.2 million and in fact even there we found ourselves running short, so that in some areas the money will be rolled over into this financial year and be paid in retrospect. The £4 million in the budget is based

on a wage and salaries bill of about £42 million and with settlements in the UK running on average of 9%. We think we are going to spend the £4 million and what we have tried to do this year, in this particular area, is put in a figure which will cover us for the whole year without having to come back for supplementary funds. We have also introduced a new subhead 26, supplementary funding £1.2 million and that is intended to be the indicator of the supplementary funding we are prepared to accept during the course of the next twelve months. In the last two years we have had a situation where we have started off with certain figures at the beginning of the year and then we have kept on coming back for money during the year. It was the same in the past, of course, it is not something that is peculiar to this administration but we feel that that means that it is much more difficult to control public spending and, in fact, we have not been successful, notwithstanding the fact that Heads of Department were circulated at the time of last year's budget, and told they could not spend money in excess of the money approved in the House unless they got prior approval, we still have a situation where we have come to the House to ask for funds which have already been spent and where people have, if they have got a certain amount of money for the whole year they have come back and told us "I have run out of money six months." In Gibraltar, regrettably, the history of control of public finance at departmental level that one would expect where if somebody has got x pounds for twelve months then he would spread the X over 12 months and monitor it on a monthly basis and let somebody know if his expenditure was running above the trend. This has not happened, we have had two years of experience of Government in trying to control it and we have not been able to control it. Of course, once the money has been spent it becomes academic whether the Government approves it or whether the House votes it, the money has been spent already.

Historically there have always been comments by the Principal Auditor of money being spent first and approved afterwards. We, in fact Mr Speaker, if you recall had a situation when we first started in the House in 1988 where we had to approve monies that had been spent in 85/86 and 86/87 which had somehow been overlooked. So this year what we are saying essentially is the £70 million is the £70 million and the supplementary expenditure is already in the £70 million. I think we have not done too badly, in fact, in the last 12 months in that respect because although we started with £69.6 million we finished up with £70.3 an over spend of half a million pounds, this notwithstanding the fact that we voted £700,000 more for the pay settlement. So if we remove the £700,000 from the pay settlement we actually managed to stay within the £69.8m. Nevertheless we are tightening the system even more this year by making a block provision of £1.2 million and therefore departments will have to seek the authority of the Financial and Development Secretary to vire any supplementary funds for which there is insufficient provision in the estimates. Obviously, if we can finish up with the £1.2 million unspent at the end of the year we would be very happy. I leave that to my colleague, the Honourable the

Financial and Development Secretary to deliver.

The other advantage of including this figure is that one of the reasons why we have this long cycle in the calculations of National Income figures by the Economic and Statistics Department is because in fact, when they do the first estimate they use the figure in the approved Estimates of Expenditure and the Government is a very significant chunk of the total economic package. When we come to the House with a Forecast Outturn they go back and they change all the calculations on National Income, take out the Approved Estimate figure and insert the Forecast Outturn and then when they get the final Audited Accounts they do the exercise a third time and replace the figures with the final figure. Since we are putting a provision this year to cover us for the maximum supplementary estimates we would expect that when the Economics and Statistics Office do their calculations for the National Accounts based on the Approved Estimates of £70 million, that in a year's time they will not find themselves with a Revised Forecast Outturn which is significantly higher than that because that will not be any unexpected supplementary funds provided during the course of the year.

So I think those are two factors affecting this year's Summary of Expenditure which are consistent with what we are trying to do in controlling public spending and in producing more coherent National Accounts figures. Within the use of the resources, the £70 million figure that we for this year's target, is in fact in line with what I said in our first budget when I said we wanted to keep the increase to £1 million a year. To some extent the degree to which we are able to transfer functions out of Government, as has happened in the Telephone Department this year, will make that task easier or more difficult and therefore as my colleague the Minister for Government Services will explain in his speech in fact although this shows a provision for expenditure and income for 12 months, we all know that in fact this money is not going to be spent but at the time that the estimates were closed we had to take a decision and technically and legally we had to provide for 12 months just to make sure the money was there to pay the people if a deal had not been concluded with Nynex.

But in the light of what I have just said essentially what we are saying to ourselves is that over the next 12 months and in the preparation of the estimates what I would like to explain to the House is how we have tackled it compared to what was the practise in the past. Essentially if we look at the way we handled the Government's control of public spending and the Estimates of Expenditure and the Appropriation Bill, in our first year we simply accepted what the Treasury recommended and brought it to the House with very little input. In our second year we actually managed to cut back on Treasury allocations, we found that there were a lot of things that were simply being inflation proofed year after year without anybody questioning whether they were things we wanted to do in the first place. In the third year, effectively, what we have done is remove the machinery that

there used to be in the Treasury for the examination of the Estimates and it will be an on-going process throughout the 12 months. So instead of waiting to start putting the Estimates together in December or January, what we shall be doing is start working now to achieve next year's target of a ceiling of £70 million and not simply putting it to one side for 9 months. Therefore within then trying to do it in 3 months and therefore within the scenario that I have painted it means that we need to find ways of reducing public spending to compensate for the additional costs of the order of £5 million over the next 12 months. Part of which will be brought about by the removal of some aspects of Government activity such as the Telephone Department which will remove £1½ million of expenditure from the recurrent budget.

Essentially what we are talking about, of course, is the transfer of human and property resources so that they are used more effectively because that is what will generate the higher level of economic activity. In addition, of course, the economy is growing by employing more people and the objective of the Government is to keep this to the minimum, because we believe that it is in Gibraltar's best interest to grow by re-deployment rather than by importation of labour. However this re-deployment into new areas is not something that can happen overnight, it is something that requires the dedication of resources to retrain people which we are only now beginning to be able to do. In fact, if Members look at the Employment Survey that we tabled in this House, what we see is that the total employment in the last 12 months went up by 979 from 12,995 to 13,974 and that in fact within that total, the Official Sector went down by 100 and the private sector went up by 1,079. So in the first 12 months, between April 1988 and April 1989, 1,079 extra people were employed in the Private Sector and 100 less were employed in the Public Sector. I think this is a reflection of what I was asked in the previous sitting of the House, about how many of the extra jobs in the private sector would be taken by those leaving the Public Sector. Well the reality of it is that in our first year there were 10 times the number of jobs in the Private Sector created compared to the number of jobs lost in the Public Sector. But that is not what the Government would like to see because we think that it is a mistake to be over dependant on imported labour. Although it may well be that the work force of Gibraltar needs to get much bigger if we are going to achieve the kind of economic performances of other small places such as Lichtenstein which, for example, has a work force which is 50% higher than ours, even though they have a population which is smaller than ours. So if one assesses the performance of Liechtenstein and the performance of Gibraltar, in terms of their economic growth and the size of their economies, the reality of it is that part of the reason why Liechtenstein is much more prosperous than we are is because their population is 10% smaller than ours and their work force is 50% bigger than ours. However we can see that the transfer of human resources from public to private, is the most important thing at this particular juncture in our history because otherwise we can have a situation were the reduction in Public Sector employment

levels leads to unemployment for our own people at the same time as we are taking in increasing numbers of outsiders to fuel the growth of the Private Sector and that is something we want to avoid. In fact in the first year, the two biggest areas of Private Sector growth, apart from Financial Services, were Construction and the Ship Yard because at that point in time the Shiprepair Yard was trying to attempt to run on a large volume of business and drawing in a lot of casual workers who came primarily from Portugal, in an attempt to achieve the turn over of £15 or £16 million which was what had been estimated in the Appledore Business plan to be the level which would produce viability but which, as we all know, had the contrary effect. The more work we took on, the more money we lost. So in fact in 1989, when the final figures have been analysed and produced, we would expect that the Shiprepairing Industry as a source of employment will have gone dramatically into reverse as compared to 1988. So by the end of 1989, in the 12 months period 1989/90, we will see the growth that took place in 1988/89 being reversed and going back in the opposite direction and we will probably be having figures for April 1990 which are below what the original ones were for 1988. The Construction industry on the other hand is likely to show much faster growth over the last 12 months than it did over the preceding months.

In moving towards the provision of opportunity for the acquisition of new skills and indeed in developing the Scheme for school leavers, which until now we have had being trained under the Employment and Training Unit on an ad-hoc basis and which is still shown in the Estimates of Expenditure as being part of the Government, but as I mentioned when we passed the Bill setting up the Gibraltar Development Corporation it is the intention of the Government to pass this responsibility to the Gibraltar Development Corporation. This will enable us to do what we have been hoping to do for 2 years and which was an important part of our Election Manifesto, the creation of a new Employment and Training Ordinance. We have had great difficulty in getting this on the road and we hope to be able to use the Development Corporation as a vehicle to carry out these functions and consequently the Training Unit which is still in our Estimates of Expenditure will no longer be required to be financed out of Government spending once it comes under the Development Corporation.

Business Registration is also an area where we legislated in 1988 and has still not materialised. They are two important areas in anticipation of 1992 and we really need to get both of them going if we are going to have any real control over what is happening in the economy once the Single European Market starts operating and once the seven year transition period or the right of employment of Portuguese and Spanish nationals ends and they no longer need Work Permits or Contracts of Employment. Because then we will have even greater difficulties in being able to keep track of employment levels and what is happening in the economy. So the Business Registration, as I mentioned at the time that it was produced in the House in 1988, will give us some mechanical system,

at least, to be able to record what is happening, although in fact, keeping with Community Law, it will not be a question of licencing people and saying to them you can or you cannot do business depending on the needs of the community because that is out. That is still included in the Trade Licensing Laws, but we cannot add anything to it because under Community Law we are not able to add anything to the Trade Licensing Laws since 1973 when we joined the Community. Therefore if we are going to regulate any other area of activity which is not already covered in this law, then we need to do it in some other way and we hope that we shall now be able to do this within the Gibraltar Development Corporation given that we have not been successful in any other way until now.

Another area, where again we legislated in 1988 and we have not made any progress, has been in the sale of shares to the public and we, in fact, had to bring amending legislation because the time scale had run out in 1989. It is very likely that when we are ready to move, the first company that we shall be moving with will be the Commercial Property Company, which has investments in St Jago's, in the building that is known as The Haven and in the Europort Centre. We are still hoping to be able to get this on the road over the next 12 months, however this is not something, of course, that affects the Estimates of Expenditure, it does not have an impact on the year but it is still something that we consider to be an important part of involving people in the opportunity of participating in the economic activity and growth in the Gibraltar economy and in creating an atmosphere where people see investment in their local economy as a possible thing, given that one area where we have not really got a clue as to what is happening, is in the area of the savings ratio, in terms of incomes and expenditure in Gibraltar. It is an area where even in Expenditure Surveys the information is always highly suspect because, even when people are filling a questionnaire they do not really believe that the Government is not going to find out where they have their savings if they mention them, and nobody therefore mentions them. It is an area where, as I said at the beginning, to a very large extent it means that the growth of the economy and the growth of capital investment is financed from external resources rather than from domestic resources. In the long term this, in a normal economy, would lead to balance of payments difficulties, because you could have a situation where you are borrowing in a different currency from your own and then you are repatriating profits and dividends and that does lead to balance of payment difficulties. It does not in our case because, in fact, we have no foreign external debt. Our debt is all in sterling. Whether we borrow the sterling in Gibraltar or whether we borrow the sterling from a bank in London at the end of the day it translates into payments of interest within our own currency and we are not caught by a situation of running out of foreign exchange.

But it is preferable to create instruments which enable our people to invest some of their money into local investment opportunities rather than having a situation where the

residents of Gibraltar tend to have their investment outside Gibraltar and outsiders have their investments within Gibraltar. So we hope to be able to make some progress on that which has been an objective of ours on which we moved very early by introducing the necessary enabling legislation. I think it was in May 1988 however putting the mechanics of it into practice has proved to be much more difficult than we thought it would be.

The other area where the Government has given a great deal of importance has been the question of external promotions and of encouraging greater visits to Gibraltar by MP's and MEP's. Members will find that the sum of money provided for this in the Estimates of Expenditure are practically the same as in previous years. So we are continuing with these objectives but we feel that we can achieve the level of external exposure and also bring the numbers of people we want to bring within more or less the existing budget without having to provide additional sums. Obviously, as I have said in the past this is an area, that as a matter of Government policy, we believe is a very sound investment and if we felt at some stage that the amount was insufficient then we would increase the provision. That is one reason for the £1.2 million block vote for any supplementary spending. It would mean that notwithstanding anything that we would be willing to spend extra, on this or any where else, we will still be aiming to keep within the £70 million a year.

The areas within the budget, Mr Speaker, where we have shifted resources from recurrent spending to the Improvement and Development Fund, which will be dealt with by the Minister for Housing, who is now controlling what was previously the Maintenance Workforce of the Government, are an indication in human terms of what we are trying to do in financial and economic terms and therefore what we are doing essentially is that we are putting people to produce bricks and mortar buildings instead of simply using them to patch up what was there. We intend getting a higher level of output and therefore reflecting that money in capital investment, and that is one of the strategies in the transfer of resources which we are doing within the public sector as a complement as I explained when I gave my two year summary on television recently, is reflected in the transfer of skills that we think is so vital. In fact, the priority of the Government this year is to increase, as much as possible, the involvement of the local population, the local resident workforce in the construction industry which is where most of the growth is going to be concentrated for the next three or four years, and we have already seen a small move in that direction in our first year, because in fact, if members look at the Employment Survey breakdown by Industry for the Private Sector they will find that the Private Sector Construction Industry went up by 166 jobs in our first 12 months an increase which was quite significant in percentage terms although of course not dramatic in numbers, from about 130 to 146 in the number of Gibraltarians in the construction industry. That is an area which we shall be closely monitoring to see whether our efforts to encourage people to enter this Industry at

the level of the industrial workforce is being reflected in the statistics when they finally get compiled.

Looking at the overall financial situation of the Government, on page 5, last year I mentioned that although we were showing an expected deficit which was very substantial in the Improvement and Development Fund, we expected to be able, through Land Sales, during the course of the year, to balance the Improvement and Development Fund and in fact we are finishing this year with a £3.3 million surplus which reduces our balance to just under £1 million since we started with almost £2½ million deficit in the Improvement and Development Fund. Over the next 12 months we are looking to more or less a balanced budget on estimates of £30 million for receipts and spending. We think the expenditure is likely to be much less than £30 million but what we have done, I mean that for example, there is expenditure there on the Telephone Service, all of which have gone on reserve which will not now happen because in fact the Telephone Company will now do its own spending so that will be removed from the I & D Fund. But there are some items there on which we have already acquired a contractual obligation and which will be spent. But most of the stuff that has an arrow in the I & D Fund, next to it in the Telephone Department, means that it will not now happen and in a number of other areas we have in fact overprovided in the Improvement and Development Fund given the emphasis the Government places in the capital formation and given in fact the complication that if you provide more under one Head then when you are short on the other Head you cannot shift the money from one Head to the other. What we have done really is, put an estimate which is going to be on the high side and therefore it is unlikely that we will be able to spend as much as £30 million in the next twelve months.

But of course it is an ongoing programme. It is not like spending on Recurrent Expenditure where at the end of the day what we are trying to do is keep the cost of running the machinery of Government as low as possible. When it comes to capital spending either we build more houses one year or we build them the next year but we are trying to build them as quickly as we can. So what we do is we put as high an estimate as we think we can achieve in twelve months and if we achieve it well and good. If, in fact, we were to find ourselves over achieving then since there is a provision in the I&D Fund which of course is different from Recurrent Expenditure in that there is an item of balance to complete, then what would happen would be that we would then come back to the House for Supplementary Funds and more quicker than anticipated. However, I think it is unlikely that that will happen. Even if we spend more on one of the Heads in the I&D Fund we will be spending less on an other one. The machinery which last year spent almost £15 million and the year before spent around £8 million cannot really go from £4m to £8m and £8m to £15m and £15m to £30m and £30m to 60. It cannot double every year. I think we've probably spend in the region of £20 million. That I think is realistically what we could spend and produce in terms of

capital investment as we are organised at the moment. We may find that we are able to do better than that this year and we will try to do better than that this year, but I am just making it clear because it is not a question of saying, we think we are going to spend £30 million and then we are going to come back during the course of the year and say, as I am sure you would remember the phrase in the old days, when they used to talk about slippage. Well we are not talking about slippage here. We are talking about a target which we know to be over ambitious but which we have deliberately chosen to make over ambitious and try and reach it.

On the Recurrent spending we are now looking to a deficit over the next 12 months of just over £4½ million, leaving us with a Consolidated Fund balance of 2.7 million. The intention of the Government, as was made clear last year and the year before, is to achieve a balanced budget by 1991/92 on Recurrent spending which means that we are prepared to run down our reserves to about £½ million. That is the same as we said last year and it is the same as we said the year before that. So, essentially, we can afford to continue the present trend of spending on the Recurrent Vote in excess of Recurrent Expenditure as we are at the moment, for about 18 months. As I said recently, and then in about 18 months time we really either have to start balancing the Recurrent Vote or we will have to start cutting on the Capital Vote in order to reduce the Recurrent Vote. So in a way the transfer of resources in one direction has to end when the resources in backing the Recurrent Expenditure which are the resources of the Consolidated Fund, run out. Once that runs out there is no way we can keep on transferring resources and then we would have to put an end to it.

At the moment on the projections in front of us that situation will be reached in 18 months time. If we are successful in maintaining the restructuring of the Government Services at the rate that we are doing at the moment, slow though it is, we would expect to be able to achieve that target. If we go any slower then we will have to retrench and if we go any faster then we will reach our estimates that much quicker. We do not have, in these Estimates, any clear cut new areas that we can see as changing, except what the House knows already, which is the question of an area of the Ministry of Trade & Industry which is the Crown Lands Section where an explanation was given and although they are included here, they are expected to be setting up on their own in July this year.

In the area of Public Works my colleague the Minister for Government Services is talking to Lyonaisse Des Eaux about the water supply but we have no concrete proposals, and therefore we do not know what is going to happen. We are also looking at the question of the Philatelic Bureau but there again we have not yet been able to take a policy decision on this and therefore it is in any one of those areas where we could find ourselves with a situation during the course of the next twelve months of moving them away from Government. In looking down that road essentially what the House has

to remember is that in the way that we are managing public expenditure this is no more than a snapshot, it is not therefore a continuity of a system because we are changing the system and since we are required by the Public Finance and Control and Audit Ordinance and by the Constitution at one point in time to halt the process and come to the House and present the picture then this is the picture at the beginning of April 1990 it is not however the picture for the next twelve months, and it is not intended to be the picture for the next 12 months and therefore it can only be treated as a situation of what would happen if there were to be no further changes. But there are going to be further changes, and the results of those changes will be reflected again next year and in fact the preparatory work of the first 2 years are now going to showing through, first of all in the pattern of Government spending, secondly in the reflection on the estimate of economic growth and in the way that the statistical data compiled by our Economic and Statistics Office on the basis of the advice we have had from people who have dealt with National Accounts for many many years. We will therefore see a situation were, what we know to be happening on the ground is translated in the published statistics that give the picture of the economy of Gibraltar to the outside world.

It is an important fact, Mr Speaker, not only that the accuracy and the quality of those statistics are important to us, as a Government, in order to manage the economy efficiently but of course it is important because the truth of the matter is that nothing attracts like success and the more vibrant and successful and dynamic our economy looks to anybody that looks at the public statistics, the more people are interested in Gibraltar and the more people that are interested in Gibraltar the easier it is to keep the economy moving at a fast pace. So on balance, having now had a greater volume of statistics than we had in the last 2 years and having upgraded the quality of those statistics, and having now introduced the necessary mechanics for maintaining a much more tight rein on public spending than has been the case in the past, we think that the target of 50% of real growth is attainable and will be attained and that in fact we are now looking towards the kind of Economic Programme that needs to be prepared to take over after 1992 by which time, frankly the Ministry of Defence will constitute a very very small part of a very much bigger economy and a trend where we need no longer be in a situation of constantly being worried on how do we cope with sudden changes in the sources of our livelihood and our standard of living because of political decisions in Whitehall or because of the changing military situation in the world. The target of a self sustained growing and viable economy for Gibraltar is now within sight and we can look to achieving that without a doubt by 1992 and creating a new base for growth for the future, I commend the Bill to the House.

MR SPEAKER:

Before I put the question does any Hon Member wish to speak on the general principles and merits of the Bill? Perhaps before any Member rises to speak, I should like to point out that it is very important that they should exhaust at this time the principles and merits of the Bill because at the Committee Stage, when everybody can speak as many times as they want, I will be rather strict on the question of principles and I shall limit the speakers more to the Subheads than to the Heads.

HON A J CANEPA:

Thank you, Mr Speaker. Sir, we have, particularly this morning, had from the Chief Minister what I think can best be described as an interesting lecture on economics which has included an analysis of Gibraltar's economy and which has included some explanation of Government strategy on the economy and their approach to the Estimates of Expenditure. Therefore, in my reply, there is not a great deal that I am going to say or comment on, directly, on the Chief Minister's statement and I dare say that that is going to be the pattern very much in the debate that is going to unfold on the rest of today and perhaps tomorrow. Sir, last year when presenting the Estimates of Expenditure, the Chief Minister said, for the first time then, that his speech was about 'the State of the Nation'. And today, over two years after the Government took office, I propose, on behalf of the Opposition, to present an analysis of the real state of the Nation, of the real state of Gibraltar both its economy and the public services as we see these matters from this side of the House. I shall be dealing, not just with what the Estimates for 1990/91 reveal, but what is just as important if not more so, in our view, with what they do not reveal. In what has become this annual non-event, and in his last Ministerial broadcast of the 26th March this year, the Chief Minister boasted about the annual rate of growth in the economy which the Government was achieving. If the economy were to achieve not just a 50% growth during the four year term of office of the Government, Mr Speaker, but were actually to double that, if it were to achieve a 100% growth in the economy then that, unless it had a positive impact which the people could see, that in itself, that alone would be meaningless insofar as the ordinary man in the street is concerned. Unless, as I say, he sees some results and unless he can measure these results, either by having more money in real terms in his pocket because he has more money since every year his wages and salary are increased and there is provision in these Estimates of £4m to do that again for Government employees, so there is more money in his pocket. But does he have more money in real terms? The answer is no. Or unless the ordinary man in the street can perceive that around him there is a Gibraltar which has an improving infrastructure, which is cleaner,

which is tidier and which is offering more to him and to visitors to Gibraltar by way of value for money. But that, Mr Speaker, I am sad to say, is not the case. The reality is that the average worker, the ordinary man in the street is paying about 25% more in income tax than what he was paying when we were in office and he sees a Gibraltar that is every day dirtier, more tatty and a deteriorating public service, the morale of which just does not exist because it has plummeted right down to rock bottom. Therefore the ordinary members of the public, men and women, are constantly complaining about the public service that they receive and I saw evidence of this when I was coming to the House this morning, great queues forming outside the building just across the road due to the low state of morale in the civil service as a result of the Government's policies. The only improvement that there has been in infrastructure is the introduction in the Telephone Service of System X, a legacy of our efforts as was made clear by my Hon Friend on my left, Colonel Britto, during the election campaign when he explained in great detail the improvements and measures which we had already budgetted for. To finance this growth the GSLP are taking a huge gamble with their economic plan. A plan which is dependent on investment from outside and investment from the Government by way of an unprecedented level of borrowing. The Government already has powers to borrow up to £100m. It has already borrowed huge sums of money, many millions of pounds and this is reflected by the increase in the total public debt charges which in 1988/89 stood at £6.4m and for which there is provision in these Estimates in 1990/91 of £11.1m. It is the taxpayers of today and of tomorrow who for many years to come will have to pay back these huge debts. If the Government's plans for the economy work, we may be able to afford to pay back these debts. We will not, of course, know until after the next general election, not before, whether the Government's plans are working. I think that it is going to take well beyond 1992 for the success or otherwise to be seen for the Government's plans because they are not of a short-term nature. If the gamble does not come off and Gibraltar cannot pay back these loans then our people, the most important resource that we have, as Mr Bossano is so fond of telling us, will be the ones who are going to arrive at the crossroads and where one of the signposts point to bankruptcy. And it is people, ultimately, and not the Government, who cause an economy to succeed or to fail. They are the ones who produce the wealth that Mr Bossano is so reluctant to part with. During the last year, when we were in office, Mr Speaker, 1987/88, the actual revenue from income tax was £25.7m. The forecast estimate for the financial year which has just ended is £34.3m. So during this two year period the yield from income tax has gone up by £8.6m, almost exactly one-third. Part of the increase is due to the fact that there are more people in employment and therefore there are more taxpayers but all the indications point to the fact that working people are paying approximately 25% more in income tax than what they were

when we were in Government and yet the Government has no plans to reduce the burden of direct taxation. Mr Speaker, I believe that the Government is ignoring the aspirations of the largest group that voted for them, the working class, members of their own Union. When we were in office we used to hear Mr Bossano, at Budget time in this House, and Mr Netto through the submissions of an annual memorandum to the Government, complaining that we were the most heavily taxed people in Europe and it is only natural, therefore, that the working class, that members of their own Union should now look to the Hon Members opposite to do something about it and to bring about reductions in income tax. Last year they were unable to deny or even attempt to answer our contention that the Government could definitely afford to cut taxes, at least to the extent of restoring the real level of take-home pay to the position which it was after income tax was reduced by us by a total of £7m in our last two Budgets that we introduced in April 1986 and then in April 1987, and I have no doubt, Mr Speaker, that the expected revenue yield of £85.6m for 1990/91 is grossly underestimated because fiscal drag alone should ensure that it will be more, in fact it was £87.4m. We consider this to be a distortion intended to give the impression that the Government cannot afford to cut income tax. As I was saying, Mr Speaker, there have so far been few tangible results. We see that directly attributable to the Government's efforts is the Westside reclamation. That may be a plus but there is a hidden minus in it somewhere which is probably the large hole in the sand opposite Sandy Bay and partly responsible for the fact that our beaches on the Eastern side are not being replenished by sand as they ought to be because the sand is gravitating to fill the hole and is not being brought back by the sea. So there is already that minus.

HON J C PEREZ:

The Hon Member must have gone diving!

HON A J CANEPA:

The Hon Member would be surprised at what I get to do in my spare time. We had planned, of course, ourselves to reclaim at Westside, in fact we had invited tenders in late 1987. The reclamation was not intended to be as large and the Government chose to cancel those tenders and to negotiate directly with a Danish consortium. What we will never know, of course, is whether had they gone out to tender themselves they could have had a better deal than what they have had with the Danes. That will never be known. We were not able to plan in terms of as large a reclamation when we were in office because the Royal Navy at the time was afraid that it would result in such siltage in the harbour as to interfere seriously with the operational requirements of the Royal Navy. I do not know for what reason, perhaps as a result of a change of personnel on the spot, I do not know, but certainly matters have now been viewed differently and, in

fact, the green light has been given for a larger reclamation. Of course, we applaud that if it is going to be for Gibraltar's benefit. Mr Feetham is very fond of telling us that the Jewel in the Crown or is it the Jewel of the Mediterranean? No, just the Jewel of the Reclamation which is the Europort Building. What is, I think, of some significance, Mr Speaker, is that here you have a project which is going to produce a considerable increase in the office space available on the Rock. But the question that must be asked is "Is all that office space going to be taken up or will it lie empty as a huge white elephant?" Already the EuroLife Building at Corral Road has some twenty or so office space lying idle. There seems to be little demand for office space at present. Offices are also available at the International Commercial Centre and there are offices available at Leon House. I wonder, Mr Speaker, are these already danger signs? Are they indicative of troubles ahead and therefore a non-realisation of the Government's plans for the financial centre? And what is the sense, Mr Speaker, in permitting a change of use for a lovely old residence in the centre of town not 200 metres away from Leon House when there is plenty of office space available there and more to come with the move of the Income Tax Office to St Jago's. There is also space at Seclane House in Secretary's Lane and yet 200 metres away a change of use has been permitted from residential to office accommodation for a lovely old building with a beautiful facade. I think that the Development and Planning Commission chaired by Mr Feetham should not allow any change of use as a matter of policy now or in the future. So is the Government getting its strategy wrong, Mr Speaker? Are there already dangers signs appearing and therefore a pertinent question that must also be asked is to what use is the Government going to put the lands to be transferred by the Ministry of Defence? These are the sort of questions which we look to the Government to provide us with answers. Mr Speaker, on the question of investment from outside. Even if the Government were to be successful over the next two years in attracting investment from outside to a greater extent than they have been so far, there may well be a political price to be paid. As we have seen elsewhere, foreign investors often turn out to be what one could term 'neo colonialists'. They either virtually govern or run the country themselves or they get as close as to be seen to be doing so as in practical terms it makes no difference. And that could happen in Gibraltar, that could happen to the GSLP Government. If the Government does not shape or trim its policies in the way that foreign investors require then either they will not invest at all or if they have invested they will then pull out. And the demand for the adoption by the Government of certain policies may not just be limited to the economic field. It could include foreign affairs and then if the Government does not pursue the policies which enable these investors to get the sort of return from their investment which they are looking for, they will leave us in the lurch. Faced with such a prospect the Government might be forced to become more accommodating

in foreign affairs such as having to negotiate the sort of Airport deal that neither they nor most people in Gibraltar would want, with the possible exception, according to the FCO's Mr Greenstock, of a certain other political party. If we wish to stay more or less as we are insofar as trade and the financial sectors are concerned, then the Government may be able to continue to stonewall on the Airport. But the sort of investors that could come to Gibraltar, and they are not exactly engaged in charitable activities, are quite capable of exercising these pressures with serious consequences for Gibraltar if the Government were to be compelled to dance to their tune. The time has come for these dangers to be squarely faced, Mr Speaker, for they also go hand in hand with the Government's economic policies. Mr Speaker, one of the most important matters which is not revealed by these Estimates is how the joint venture companies are performing and how they are being funded. Taxpayers' money is going into these companies, mostly under a veil of secrecy. There is no doubt that Gibrepar owes the Government vast amounts in income tax, in social security contributions, in electricity, water, telephones and so on. We do not know what the exact position is because the Government has refused to make the information available to the House. And we do not know what the position is insofar as the joint venture companies are concerned. But we can guess that they too are in debt and that the unfortunate taxpayer is in some way or other, in some shape or form shouldering the burden as well. It can hardly be wondered, Mr Speaker, that we have fundamental objections to many of these companies and as has been gauged from our contributions in this House, we also have fundamental objections about the Gibraltar Development Corporation. I dare say, Mr Speaker, that the Estimates of Expenditure which are, indeed, getting thinner with the passage of time and which will, from what we have heard from the Chief Minister today, continue to be on a slimming diet between now and 1992. We dare say, because all this is part of the transformation, of what the Chief Minister last year called 'a transformation' which is, in our view, aimed at concealing more and more. We can surmise, therefore, that these Estimates are not likely to have a great deal to do with the funding of projects to be carried out in due course by the Gibraltar Development Corporation. Mr Speaker, one of the first actions accordingly which the next AACR Government will therefore implement will be to try to get to the bottom of how the joint venture companies and the Gibraltar Development Corporation have operated. The next AACR administration will therefore undertake an immediate and far-reaching enquiry into the state of these companies and of the Gibraltar Development Corporation and I have no doubt that what we will then uncover and which the people of Gibraltar will then get to know about, is going to be a great deal more horrific than what the Chief Minister said recently, that he uncovers new things every time he looks through the Government files of our past administration or, indeed, perhaps even more horrendous than what our lady

Minister has uncovered when she came into office at the Hospital. Again, Mr Speaker, we see the deliberate policy of the GSLP of trying to distort the picture. In 1988 and before, when the Chief Minister addressed Civil Servants he spoke of restructuring the Civil Service. They still do but only last year did it become evident that what he had in mind was the wholesale destruction of the Civil Service by cutting the number of jobs from 600 to 200. Mr Speaker, Members opposite are no fools and they know that if they had told the Civil Service what shape the establishment of departments would be taking by 1990, as shown in these Estimates, then I wonder how many of those 600 and how many of their families would have voted for the GSLP in 1988. These Estimates do show now some substantial cuts in the number of posts so that we must conclude that the bus about which the Chief Minister spoke last year which was out of control and which was running downhill has now in fact been brought to a halt and that in fact it has been turned round. Perhaps when the Chief Minister exercises his right to reply he might let us know a little bit more about that. Perhaps he might let us know whether he is still trying to make a three-point turn. But what is lamentable is the loss that there has been, the irreparable loss, in the fund of experience and knowledge which was built up by the City Council and then by the Civil Service over many years. So much so, that in fact, earlier in the year the Chief Minister had to draw back, he had to stem the slaughter otherwise the Treasury would not have been able to produce these Estimates. That was the extent that they were being denuded. Morale amongst young people in the Civil Service is abysmally low. What can a young man of twenty-five who joined.....

HON CHIEF MINISTER:

If the Hon Member will give way. Who was it that was about to get slaughtered and did not get slaughtered? Because I am not aware of any of this.

HON A J CANEPA:

I am talking of those, Mr Speaker, who it is said that their posts were going to be abolished. Who were going to be given early retirement and that if this had gone through, before the Estimates had been produced, then they would not have seen the light of day. So they have had to be kept on. This is the information that we have.

HON CHIEF MINISTER:

Then the information is wrong, Mr Speaker.



Well, if it is wrong, the Government give so little information that no doubt what we are able to pick up in the street may well be distorted. But perhaps they might answer these questions: What is the Chief Minister offering today to a young man of twenty-five who joined the Civil Service seven years ago when he was eighteen? What does he have to look forward to? What are his prospects? Will he be part of the magic figure of 200 that are going to be kept on or does he have to look to employment in the joint venture companies in order to get anywhere? I think he really owes such persons an explanation. The sort of explanation that either outside, at meetings, on television or here in the House, he has not in fact given these people, particularly if they voted for him. Because if they did he has deceived them by acting in the manner that he has with no explanations and no real words of comfort about their prospects in the future. Mr Speaker, the sort of explanation that is required from him is much clearer than the "economy with the truth" that we saw in the GSLP manifesto. Likewise, neither here in the House or outside, particularly outside because he has not said anything today, about the Income Tax dispute which lead to industrial action some months ago. The Chief Minister did have to make some statements outside this House but he has not convinced anyone about the real reasons for discontinuing the Investigation Section of the Income Tax Office. In any case, the kind of deployment that he has carried out there is the sort of thing that we were trying to do with Customs Officers when the frontier opened and which, of course, he as Branch Officer of the TGWU resisted so successfully with industrial action. I think he is lucky, in a way also, that there is no one on this side of the House who can either than through political action, try to frustrate him in any way in respect of what he is trying to do. Sir, during last year's debate I complained about the pattern which was becoming established of Government by Regulation. Since then the Government has taken a number of other steps. They have altered the Income Tax structure by Regulation, they have obtained powers to increase Import Duties by Regulation, they are by passing the House of Assembly through the Gibraltar Development Corporation and, of course, we cannot but wonder whether there is not more to come. That is why the two reasons that he has given for the provision of £1.2m of supplementary funding, the two reasons that he has given in support of that are not in themselves sufficient and make one wonder whether there is not also an ulterior motive. In other words, that it is just not a case of setting a maximum target, a ceiling of £1.2m and that it is not just a case of enabling the compilation of statistics to be made easier. The third reason could be that this is just one other step in what the Chief Minister has been doing, of not giving Members of the Opposition an opportunity to probe and to raise matters by not having to bring a Supplementary Appropriation Bill to the House because unless the Government is going to spend more than

£1.2m, by way of supplementary appropriation in 1990/91, they will not have to come to the House with a Supplementary Appropriation Bill. Instead what they will be able to do is through virements be able to meet the requirements of departments and we here will not be given an opportunity to probe and to question. We will be able to ask a specific question after the event once the statement of virements have been laid in the House. This is yet another example of Government by executive action, reducing the role of the House, a role that enabled the Chief Minister to make an impact in the past and which progressively is being denied to present Members of the Opposition. I suppose really that we ought to be grateful that there is still Head 8 - House of Assembly, that funds are still being provided under that Head. Last year, Mr Speaker, the Government contributed £10m to the Social Assistance Fund. This year there is provision for another £10m and whilst we have no doubt that the work which has been carried out by Gibraltar Community Care in paying out £26 and £39 quarterly to single persons and to married couples respectively is welcomed, many pensioners are fully aware of the fact that really what they are getting is way below what they ought to be getting if one takes the rise in the cost of living and the level of inflation. Because over the last two years alone there has been an increase of around 10% and they should be getting more than double what they are in fact receiving. A married couple should be getting at least £7 a week and not £3 a week. If the previous formula of linking pensions to average earnings had not been removed and about which I think my Hon colleague will be commenting later, then the figure would be higher. We would like, Mr Speaker, the Chief Minister to tell these people honestly once and for all, tell these pensioners and those who are to be pensioners, what they can expect in 1993. We expect them to be told before the next general election of what the plans of the Government are. How are these plans shaping up? What exactly is going to happen? How are pensions to be funded in the future? Last year when speaking about the £10m the Chief Minister said, and I quote from page 18 of Hansard: "Obviously £10m is going to be well in excess of the money that we are going to be spending in the next twelve months and that excess will go, together with the money left over from last year's £1m, to building up that reserve". And I think he later went on to speak about a reserve of some £20m. Perhaps Mr Mor, when he makes his contribution as Minister for Labour, Mr Speaker, could inform us as to whether the whole of the £10m have been used up by Gibraltar Community Car?. The forecast outturn for 1989/90 is £10m. Does that mean that all that provision has been spent or only part of it? And, if so, what amount? Also where has the amount unspent gone? Where is the reserve? How is this Fund being administered? I cannot recall that legislation has been brought to the House setting up a Social Assistance Fund. I have not seen any Legal Notice setting it up. Where is the money that has been unspent this year and the £20m as they grow in the reserve over the next few years, where are they going to be? They

are not, presumably the contributions from workers, the social insurance because that is still in the Social Insurance Fund. Is this money being put there as well? I think not. Is it perhaps going into the Post Office Savings Bank? I am serious, we would like some explanations on this matter, Mr Speaker. What is happening to the amount unspent? What is happening to the reserve in the Social Assistance Fund? We note, Mr Speaker, that in the Telephone Service only £1.8m of revenue as against £3.5m last year is anticipated. Government is aiming to privatise the Telephone Service half way through the year. Privatisation indeed, Mr Speaker, is no longer a dirty word, not even for the extreme left in Gibraltar. If anyone had said to me, Mr Speaker, at any time during the 1980's that the word 'privatisation' would have been legitimised by its use in Government Estimates of Expenditure presented by the Hon Joe Bossano as Chief Minister, I would have said that he was round the bend. In 1976, I recall, we had an offer from Cable and Wireless to denationalise the Telephone Service and we turned it down. We turned it down because we believed that what was nationalised should not be denationalised. It was something which had been created in the days of the City Council and the Telephone Service was running well and efficiently. Again, during the last administration, in the context of the negotiations with GibTel and with Cable and Wireless and the creation of the joint venture, that is, Gibtel, again proposals were received for them to take over the Telephone Service and we turned those proposals down for the same reasons, because of a fundamental political principle which was at stake. We are convinced that with the development of modern technology in telecommunications and we are concerned here with a service that can be highly profitable with great benefit to subscribers, and of great benefit for the public. The setting up of this joint venture company with Nynex, Mr Speaker, is a move that we oppose. Again, there can be no commitment on our part for a future AACR administration to continue with these arrangements. We will not commit ourselves to do so, we would have to examine them very, very carefully under a microscope and the only thing that we can commit ourselves to do is to safeguard the jobs of those people who are to be employed in the joint venture company with Nynex but beyond that we will not go. Here we have, Mr Speaker, a so-called Socialist Government implementing policies which are right wing policies, which are Conservative policies. Policies which are described as Thatcherite and which if we, on this side of the House, had ever thought about not just seriously thought of implementing, if it had been discovered that we were thinking such things then I think it would have precipitated industrial action against us. But, as I say, nowadays it is quite acceptable and the Government goes ahead unopposed. The GSLP are Socialists of what kind, Mr Speaker? Because if that is socialism then I and my colleagues must be extreme left wing Trotskyites, probably the only ones left these days. Really, Mr Speaker, an analysis of these Estimates and consideration of what the Chief Minister has had to say

leads one but to one conclusion and that is that the GSLP are so obsessed with their economic theories that they cannot see that in practice they do not work. They are keeping the economy going artificially mainly through direct and indirect Government subsidies at people's expense. Whilst the same people's aspirations are not being met. These economic policies are taking us into what are really dangerous unchartered waters and we are going to have to swim because if we sink we are not likely to leave much of a trace behind. In 1988 the people were asked to vote for change and during 1989 it started to become clear to many just how adversely these changes were affecting them. 1990, Mr Speaker, may well turn out to be the year when the majority will become convinced in their own minds about fears which, unfortunately, many of them are afraid to voice openly but more about that later. It is being said that the GSLP has no social conscience and that they are Socialists in name only. Whilst in reality they care more about power and the exercise of power than what they do about people.

HON MISS M I MONTEGRIFFO:

Mr Speaker, after hearing the contribution of the Leader of the Opposition perhaps listeners once they have heard what I have to say as far as my Departments are concerned will be convinced that we are truly a Socialist Party and that we care for the people of Gibraltar. And I would add more than any other previous Government has ever done. Therefore, Mr Speaker, I will start by giving a report on the improvements that have been undertaken by my Departments during the last financial year, namely, Medical Services, Environmental Health and Sport. I am glad to say that our on-going programme is very positive. Record sums have again been spent in improving the services that we are providing and we will continue with this policy. The impetus that has been given after only two years in office is one which has never been witnessed before. The improvements are very visible for everyone to see, Mr Speaker. In the two years we have been in office the GSLP Government has made many inroads and laid solid foundations which are enabling us to become a rapidly changing community. However, as you can imagine, Mr Speaker, the pace we have had to set ourselves is a very fast one, because apart from the task of rebuilding Gibraltar, we are conscious of our targets and of our specific commitments which have never been so clearly spelt out before to our electorate. Already in my Departments, not only have commitments been fulfilled but simultaneously other improvements have already taken place.

Within the Medical Services there are again very noticeable achievements. The new administration has been successful in implementing a system where there is constant contact with Section Managers and with the Medical and Nursing profession. The Health Authority is therefore in a better position to plan ahead as information and statistics, which were not there when I took up office, are now available. But most importantly, of course, the principle of my Government is being constantly adhered to and that is that the patient's needs will always be paramount. Consequently, there is a wide-ranging number of improvements in the services and the record sums we spent in our first year on equipment and building and repair works have in our second financial year been increased even further. I think it is of public interest, Mr Speaker, to explain what equipment the Health Authority has bought and all the refurbishment works that have been carried out, as they are quite outstanding. Napier Ward, the male surgical ward, Mr Speaker, has been completely refurbished and on furniture alone we have spent £29,000. On orthopaedic prostheses we have spent £70,000, since when we took up office, there were none in stock. A new Telephone Exchange system for St Bernard's is in the process of being installed which will provide, amongst other things, better communication between wards at a cost of £16,000. We have bought the latest in Operating Theatre Tables with radio control facilities, this piece of equipment has cost £22,000. I have quoted these figures, Mr Speaker, to give an idea of the sort of money we are talking about. We have also obtained an induction anaesthetic machine and new mattresses for the Theatre; a new controlled tilt table for the Physiotherapy Department as well as a laser attachment; a new Post-Mortem table and other accessory equipment for the Mortuary; an incubator for the laboratory; a resectoscope; ECG tester; ENT drill and light source; a reagent refrigerator, pacemakers, muscle stimulator, maternity incubator, X-ray tubes, oxygen concentrator, etc. A whole list of equipment, Mr Speaker, that actually amount to approximately £22,500. But I think I need to mention that as well as the new Telephone system presently being installed for St Bernard's Hospital there is also another new Telephone system being installed at the Health Centre. I now move on to the Wards, Mr Speaker. We have completely refurbished Napier Ward to an extremely high standard and which was completed in the incredible time-scale of four months. We are completely refurbishing the Mortuary; Roof repairs and refurbishment to the Speech Therapy Department; Roof repairs and refurbishment to the Children's Ward; to the John Mackintosh Wing roof; sound proofing for audiology; KGV patient area partition; refurbishment to the KGV domestics rest room; air conditioners in three departments; refurbishment of the top entrance of John Mackintosh Wing; provision of a dirty linen room; Pharmacy security (blind and intruder alarm) system; new filing modules built for the Records Department at St Bernard's as files were previously being stored in cardboard boxes; works are also in motion for the installation of a new boiler; the refurbishment to

the Eye Department waiting area; a new Clinic at the Health Centre to accommodate the extra GP we employed; as well as works to the treatment room at the Health Centre. We have also completed the painting of all the corridors at St Bernard's, including staircases and hallways. We have also put up hospital signs and new linoleum for all corridors will soon be fitted. I would also like to mention, Mr Speaker, that works are now being carried out to embellish the St Bernard's Hospital patio. Some of this work is being done on a voluntary basis by certain individuals. We are very grateful to these persons. It is appropriate at this stage, Mr Speaker, to thank the community for their charitable work and the donations they are providing to the Health Authority. In this coming Financial Year, Mr Speaker, as Members opposite will already have seen in the Estimates, we are placing even more emphasis on medical equipment and the figure is quite considerable, £300,000. This means that since we took up office, the GSLP Government has doubled the spending on medical equipment. Another important innovation during this Financial Year has been the introduction of computers in a number of areas. The Pharmacy was computerised and a new financial programme is being installed. We also now have the Finance, Dietetics and the Sponsored Patients' Department already computerised and we have plans to computerise two other areas, the GPMS and the Supplies Department. This measure will assist the staff in providing a better and faster service instead of having to go through so much paperwork and hundreds of files. Mr Speaker, because my Government was conscious of the financial hardship that some people suffer when they require to go to UK for specialised treatment, since January allowances for both patients and escorts have been increased. However, the fact, Mr Speaker, that my Government is providing these huge sums of money does not mean that we are neglecting our commitment for providing a new Hospital. But before we are able to take a final decision, negotiations with the MOD have to be completed. I am referring to the RNH site. Nevertheless, until such time as there is progress on this I can confirm that we intend to devote resources to continue improving the Medical Services. The Government has approved, Mr Speaker, the new post of Cytology Screener which is in the process of being filled. When the GSLP was in Opposition, Mr Speaker, we continuously fought for the provision of the post of Dietician. This, although included in the Estimates for quite a number of years, was never realised and I was given all sorts of reasons for the AACR's failure to recruit somebody. I am happy to say that the Health Authority was successful in recruiting a Dietician, who began to work in December, 1989. She has set up a Nutrition and Dietetic Service and is seeing inpatients on a regular tour of the wards, as well as responding to referrals. Diet information sheets, which in most instances were outdated by something like ten years, have already been updated and produced for use in the wards and diet sheets have been developed for patients. Outpatients are also being seen either through the Hospital

or the Health Centre. The Dietician is also involved with several community groups and links have been established with St Bernadette's and St Martin's Schools. There has been an expansion, Mr Speaker, of the District Nursing Services. This has been achieved by extra staff and by increasing the working week to a seven day rota system. This area of the service has been further enhanced by the creation of a new Community Psychiatric Nursing Services Department. This new Department offers much needed continuity of treatment to patients, following discharge from KGV Unit, and it will also be able to provide specialist treatment within the patient's own environment, for example, behaviour modification therapy. The Centre was built by the Government and it is situated at Landport Ditch. During the past year there has also been a strong emphasis on Nurse education and there has been an increase of specialist training in the UK. A total of twelve nurses have been sent to specialise in a whole range of up-to-date nursing techniques. The courses they have attended have been in Nurse Management, Psychiatry, Midwifery, Paediatrics and Dermatology for skin diseases. Locally, two courses leading to enrolment for Nurses which had previously been discontinued have been arranged with a second set starting soon after. Both courses together offer the Department the potential of having more trained nurses. Manpower resources have also been looked at and this has meant redeployment of staff to other areas within the Department. Initially this has meant ward based trained staff in the acute services area on night duty, which has enhanced the quality of care delivered to the patient. Increased expenditure in the wards on equipment and works has facilitated delivery of the nursing care provided and the feedback, I am happy to say, is that this has been a morale booster for the staff. This past year the Health Authority also embarked on a new programme to make more use of visiting consultants and it is also liaising with its doctors for the first time so that the courses they attend are those which benefit our needs. On the administrative side, new procedures have been implemented where the Authority has routine management and patient information in order that any problems which may arise can be quickly seen to and plans can be formulated for improvements. I can therefore confidently reiterate, Mr Speaker, what I said last year, that this Government is demonstrating that it is reshaping our Medical Services.

The Environmental Health Department, Mr Speaker, one of my other responsibilities, has throughout this year given a lot of emphasis to Health Education. As a result, an awareness has been created among schools and other sectors of the community. A health promotion strategy was set up last September with help from the professionals within the Health Authority - Doctors, Physiotherapists and the Dietician. They have made valuable contacts with schools where they have been giving lectures on the environment, the dangers of smoking, etc. The Department also participated in World Health Day, involving the community and school children.

Talks and class exercises were carried out and children also cleared up an open playing area. To coincide with World Health Day, the Department mounted a public mobile exhibition which consisted of stands showing some of the projects undertaken by the children. Also as part of prevention plans, within the Department, all health professionals working within certain areas of the Medical Services have been immunised against Hepatitis B. On the food hygiene field, courses offered to the public, which were started in our first year in office, again have been extremely successful this year and the individuals who pass them are awarded a Basic Food Hygiene Certificate. Mr Speaker, for the coming financial year, a Health Education Promotion Programme has already been formulated which will continue to lay emphasis on the most important health and environmental related matters and the Government will again undertake an immunization campaign. The programme will involve the Specialist in Community Medicine, Physicians, the Dietician and Health Visitors. Together they will work with health promotional initiatives to make our community aware of such matters as the dangers of smoking, the severe problems caused by alcohol abuse as well as providing information on other health topics. As part of the Government's clean-up campaign, the Department has also planned an expansion of its environmental protection programme with particular emphasis on an anti-litter campaign together with other Government Departments, the Tourism Agency and voluntary organisations. It is important that the public should respond in order that we shall be able to enjoy living in a healthier Gibraltar.

I will now move on, Mr Speaker, to my other responsibility, Sport. During the year a lot of major works have been undertaken at the Victoria Stadium, which had been lacking proper maintenance for a considerable number of years. We have refurbished the outdoor changing rooms, the outdoor facilities' toilets and a new perimeter fence adjoining the airfield was completed for hockey and football. Two extra entry points for the hockey pitch have been provided and still on the outdoor facilities, two new water heaters have been installed. A panel wall damaged by the recent storms is presently being rebuilt. The grandstand toilet facilities have as well been refurbished and improvements have been made to the floodlights in the main pitch. As far as the indoor facilities are concerned, here again, funds have been made available for equipment and refurbishment works. The north side entrance now has a new wall and an extra gate plus a disposable waste compound. The changing rooms in the indoor facilities have been upgraded and also converted from two changing rooms into four, with an extra room for showers. Two for ladies and two for gents. All four changing rooms have been provided with new lockers. We have also bought two new boilers to replace the old ones which had reached the end of their lifespan. These boilers had been there since the Stadium was built and as a result were breaking down frequently. I remember in last year's Budget,

Mr Speaker, that the Hon and Gallant Colonel Britto expressed reservations about the new scoreboard for the sportshall and wished me luck in a scoreboard that would meet the needs of every sport that used the hall. Well, I am more than happy to say, that such a scoreboard has already been installed. I can confirm that it is suitable for all indoor sports. It has an incorporated P/A system with a day clock, game clock, team scores, fouls, sets, periods, timers, horns, etc. It even has ten computed generated tunes and it can be easily handled through a very cleverly designed electronic keyboard. Turning to the question of community use of sporting facilities at the schools, for which we provided the money last year, during meetings with Headmasters and teachers the administrators of the Stadium have been able to provide even more allocations, plus the use of Saturdays and for the first time they are being used during the summer school holidays. Again, for the first time, arrangements have been made for the admittance of spectators, something which has been welcomed by the Sporting Associations. The £40,000 grant is providing financial assistance to Sporting Associations on a scale never seen before and it is gratifying to hear so many of them thanking us publicly. Mr Speaker, as I have already informed Members, the deadline for the proposed suppliers of the artificial surfaces to produce a schedule of works expired and this has meant that the Government now has the option to start fresh negotiations. In March, I informed the House that we were actively pursuing alternative proposals and today I can say that we are well advanced in negotiations and as soon as they are concluded I will be in a position to make public a date in which works will commence. In this year's Estimates there is a considerable amount of money for continuing a full programme of improvements to sporting facilities and we also intend to provide floodlights for the Bayside School outdoor playing area. This will give the community yet more sporting allocations. So, again, Mr Speaker, very noticeable improvements for sport in general. My congratulations to many Sporting Associations for all their achievements during the year. They have represented us in International and European competitions and conferences. I would also like to express my thanks to all those organisations that have invited me to accompany them abroad and although, because of previous commitments, I have sometimes unfortunately had to decline, I nevertheless thank them all and those I have been able to accompany I must say that it has been quite an experience to see how Gibraltar benefits, as a whole, when our sports people, who are such good ambassadors, do so well against much bigger nations.

I would now like to end my contribution, Mr Speaker, by sincerely thanking all my staff in my different Departments for their dedication and valuable support they have given me in providing better services for our people. Thank you, Mr Speaker.

MR SPEAKER:

The House will now recess for twenty minutes.

The House recessed at 5.15 pm.

The House resumed at 5.35 pm.

HON M K FEATHERSTONE:

Mr Speaker, this year the Estimates pose a number of queries which should be answered if we are to get a proper perspective of the financial situation for 1990/91. According to the financial statements, the planned deficit of £4.6m is an increase of £0.6m on the previous year and is probably the excuse used by the Government to say that there is no leeway to cut income tax. However, there are some very glaring shortcomings in the revenue side. Income Tax by fiscal drag increased almost £5m from 1989/90. This year the Estimates plan an increase of £1.2m. If you are going to have £4m increase in wages for the Government sector they alone will provide the £1.2m so what about the private sector? I would prophesy here and now that this increase in the current year will follow previous trends and will be nearer the £5m mark so the current revenue is being underestimated by at least £3m. People are paying over 20% to 25% more in income tax since the Government took office and there is no sign of any respite. When the Chief Minister was in Opposition he used to advocate thresholds in parity with the UK. Well, he is well out of step with the UK now where thresholds are 50% greater. There a Conservative Government keeps thresholds in line with inflation. Here a Socialist Government keeps its heel firmly on the electorate and refuses the slightest relief. Wages are rising steadily and the average wage today is £180 per week. The more you earn the more the Government soaks you for income tax. As an aside, I will comment, that the old age pension at present is £73 a week for a married couple and under the AACR formula, which we used to implement every year, it would have been upped to £90 a week to keep it in line with average earnings. Therefore pensioners are getting a raw deal from the GSLP Government. There is an estimated fall of

£½m in the general rates. Does this mean that we are losing property in spite of all the development that is going on? Rates increased from 1988/89 to 1989/90 by nearly £1m. I cannot see the trend being so radically reversed so it is most likely that another £1m will be added making the estimate unrealistic by £1.5m. Import duties rose over £2m from 1988/89 to 1989/90 yet this year they are only scheduled to rise £1m. Here again the Government seems to be estimating on the side of extreme caution. The same is the case with Stamp Duties which are scheduled to yield £400,000 less. The Currency Note Income Fund is also estimated to have a fall in yield by £360,000. This when we have a larger circulation of notes than ever in the region of, I believe, £12m at the moment and when interest rates are very high indeed. If you have £12m invested and you are getting 14% on it that is £1.6m, nothing near what is shown in the estimated figure. I would not hesitate to calculate that the year's outturn for revenue will be nearer £90m than the £85.6m in the Estimates thus reducing the deficit to a negligible figure. Of course, Recurrent Expenditure will rise as well. One feature is that all departments' Minor Works, which last year totalled £620,000, are put as a token £1,700. But if strict control is kept on expenditure it should not rise by more than £1m. A new feature is the £1.2m for the Head 'Supplementary Funding'. This is a cushion to contain rises during the year in departmental votes so the rise in expenditure of £1m that I have mentioned may be contained in the £1.2m Supplementary Funding and the total recurrent expenditure can be kept to the estimated £90.2m. This would produce a small deficit of only £0.2m with Revenue at £90m and will make the Government proclaim that they have balanced the books in their third year of office. The Improvement and Development Fund shows £25m from other sales. What is going to be sold to bring in this handsome sum? Perhaps the Minister for Trade and Industry in his intervention will give us some indication. The subvention to the Government Health Authority is cut by £1m. This augurs for another swingeing increase in Social Security Contributions when they come up for review in order to make up the balance. Another £10m goes to the Social Assistance Fund. How does this Fund stand now? There are no figures to show the state of the Fund although large sums are being poured into it. Perhaps the Minister for Labour and Social Security will tell us how healthy the Fund is today in view of the lack of information in the Estimates. I see that in the Improvement and Development Fund we are going to spend some £900,000 on a reverse osmosis plant. This seems to be a change of heart or a change of thinking on the part of the advisers of the PWD because in my days in office they were against reverse osmosis. I hope the plant will work and will not prove to be an expensive white elephant. I see that at last we have the Gibraltar Health Authority's Accounts for 1988/89. They show an overspending of some £674,000 which has been met by a loan from the Consolidated Fund. Will this ever be repaid or will this trend of overspending continue? More ammunition for the theory that the contributions to the

Group Practice Medical Scheme will go up sharply in the future. We in the Opposition do not regret any expenditure on our Health Services but let the Government come clean and say just how much is needed rather than overspend and then ask for the money. It will also be useful for the Authority to set up an internal audit machinery as this will help to curb excessive spending. This has been advocated by the Government Auditor. It is also worthy to note the £1.5m spent on the Group Practice Medical Scheme. The cost of drugs is much higher than the general level of inflation and about £½m was spent on sending patients to the UK and although this is money well spent, and I congratulate the Minister for it, it shows that this is a Budget in which revenue seems to have been considerably underestimated. The events of time will show this to be the case and the recurrent deficit will, in my estimation, be almost nil by the end of the year. Is it too much to hope that we will see some relief in income tax in the year 1991/92? It is getting near to an election year so it is about time we had some goodies. Thank you, Sir.

HON J C PEREZ:

Mr Speaker, before I go into details of the performance of the Departments which lie under my responsibility, I think several things have been said which need to be answered, particularly with regard to the comments made by the Hon the Leader of the Opposition. I am surprised, Mr Speaker, at what he has said, and which perhaps makes him the only political leader in the Western world, or even in the Eastern world, who would be cautious about foreign investment nowadays. But the reasons that he gave for being cautious, and which he described as neo-colonialism, I find even more surprising, since the position of the GSLP over the airport, for example, which is the example that he used, has been known before the elections, during the election campaign, immediately after the election campaign and today. One cannot say the same for Members opposite, and particularly for a particular Member opposite, if the rumours that one hears are correct. The point I am making, Mr Speaker, is that in saying that we should be cautious not to fall in this trap with foreign investors, the Leader of the Opposition loses sight of the fact that the growth in the economy that has taken place and that is taking place, is against the background of the policies of this Government. These are wellknown and we stand by them and we shall not fudge for the sake of any foreign investor or for the sake of expediency, Mr Speaker. It has been proved already that that is not such an important issue in terms of the kind of growth that Gibraltar is experiencing today. I now turn to the points made on infrastructure which I think were totally ridiculous for the Hon Leader of the Opposition to make. He said: "if the people had something to see on infrastructure", at least, I think those were his exact

words. Mr Speaker, it is ridiculous for the Hon Member, after his record in Government, to come out saying this when the two years that we have been in office alone compare favourably in some fields and in particular to infrastructure with the sixteen years of the AACR administration. When we came into office the legacy that was left by the AACR was not the Digital Exchange, it was that there was no sewage capacity even for the developments that they had approved let alone for salt and fresh water pipes, for the electricity supplies which would have been nil had we not taken immediate steps to correct the situation and get a contract to ensure that Gibraltar would have electricity for the next twenty years. Road resurfacing was something which was unknown and if you add to that the growth that we are experiencing then none of these projects would have been possible. For example, for road resurfacing they had estimated £80,000 compared to our £400,000 and the Hon Member is saying that we have failed on infrastructure and that if the people were at least seeing expenditure on infrastructure. Has the Hon Member not looked at the Improvement and Development Fund? Development and infrastructure is everything that is in the Improvement and Development Fund and yes, the people are seeing it, of course they are seeing it, Mr Speaker.

I will now turn to the other point which the Hon Member made which is this legacy that they left us, the Digital Exchange. The legacy was not the Digital Exchange, the legacy they actually left us was a very bad deal which they had negotiated with British Telecom and which we had to renegotiate. Whereas they had already accepted, signed and sealed a 4,000 line exchange as part of the deal, in the renegotiation, we obtained a 10,000 line exchange which we then increased by an extra 4,000 lines and which were paid by us. Therefore the Hon Member cannot say that it was his idea and his package because he knows very well, because I have been telling this House over the first six or seven months when we came into Government, of all the renegotiations that had taken place as a result of what we would describe as the very bad deals done by the previous administration and I am glad to say that we have been able to renegotiate and we have been able to, at least, get a decent package out of the legacy that they left behind. Mr Speaker, the Hon Leader of the Opposition then goes on to say that when he was in Government he had been against the commercialisation of the Telephone Department but I remember what one of his previous colleagues used to tell me, I am referring to Mr Brian Perez, that they were not prepared to go ahead with this proposal because they did not think they could pull it through and deliver such a deal. Not as the Hon Leader of the Opposition has said because of political objections. I am not surprised that they have not criticised.....

HON A J CANEPA:

If the Hon Member will give way. There are colleagues here of mine who will testify to what I have said that there was a considerable majority of Council of Ministers who objected politically and it was a vast majority in Council of Ministers.

HON J C PEREZ:

That is not the information I had from his colleague but, fine, be that as it may, it is still a mistaken objection and I will tell the Hon Member why. Mr Speaker, Gibraltar is very small and Gibraltar has to survive in this outside competitive work and we could not keep up with the kind of technology that is taking place in telecommunications or give the up-to-date service to the finance centre if we were to go it alone like the Hon Member has suggested. We have learned this through the experiences of the joint venture which the previous Government completed with British Telecom. The advantage of having the same telecommunications partner as the one supplying the City of London with telecommunications was a step in the right direction. I have just added to that telecommunications partner that supplies the City of London with telecommunications with a new company that supplies the telecommunications to Wall Street and that is a source of comfort to investors coming into Gibraltar who know they can rely on a quick and rapid service. Mr Speaker, the technology that is being produced is being held back by manufacturers because it is moving so quickly that manufacturers would lose a lot of money if they were to change this technology with their own manufacturing processes. No sooner have they put out a new product into the market than there is a different one out already. The people who are investing in this technology are being approached by manufacturers and these ideas are being purchased from them so that the products that are being manufactured have a timespan in which they can be marketed. That is the kind of business we are in and we are too small to be able to keep up with that and we have to give that type of service because that is what the customers in Gibraltar want. That is the type of investment that we are attracting. Apart from that, Mr Speaker, when you go in with a partner like Nynex or when you go in with a partner like British Telecom and you to buy a Digital Exchange, for example, then the company says: 'Let us look at the customer and how much purchases we have had from Gibraltar'. And they say: 'Yes, the Exchange will cost you Exm'. However if one of your partners is Nynex and another of your partners is British Telecom and you buy the equipment through them then they look at the customer which is either British Telecom or Nynex and they will give you a realistic price for the Digital Exchange because these companies have turnovers of millions of pounds. That, Mr Speaker, is what we have bought. But, of course, the Hon Member has not criticised the package as such because he cannot. He has criticised the

principle because he cannot criticise the package because it is a very good one for Gibraltar and he knows it and so do the rest of the Oppositio.

HON A J CANEPA:

Do we know?

HON J C PEREZ:

Yes, I made it public. If the Hon Member has not read it it is not my fault, Mr Speaker.

Mr Speaker, the Estimates of Revenue and Expenditure reflect the changes that have taken place in the restructuring of the Government Services throughout the year. Hon Members will note, as the Hon Mr Canepa has, that the Telephone Service still appears as a Government Department. As the Chief Minister explained previously, this is because the effective date of the joint venture entered into with Nynex International did not come into effect until the beginning of May when the Estimates had already been published. The final result of the Estimates will not be affected, however, because the decrease in expenditure as a result of the joint venture will be offset by an equivalent decrease in revenue. As happened with Gibtel, the Government's investment in Gibraltar/Nynex is held by the Telecommunications Fund. This completes, Mr Speaker, the full restructuring of our telecommunications service and augurs well for the future in that it is intended to provide subscribers with a more efficient, modern and sophisticated service. Although the main thrust of the improvements in the network, as I have said, is primarily aimed at the Financial Services community, it will also greatly benefit domestic subscribers in both the range of new services that shall be provided and the quality of the present service. Over the past year, the community as a whole has had to put up with an unsatisfactory state of affairs because of the transition to a Digital Exchange. The demand on our resources in terms of both staff and capacity was such that it was impossible to do better. I am glad to report that the new Digital Exchange has already proved to be a tremendous success. It has also allowed Gibtel to increase their capacity for international calls thus doing away with the much dreaded delays in communicating with the outside world. New services arising from the Digital Exchange will be available to the public shortly. The transformation of our telecommunication service from a second class standard to one of the best in the world, has only just began. It is a vital ingredient to the success of our economy and to attracting new business opportunities for Gibraltar. I would like to thank, Mr Speaker, all those concerned for their cooperation and support in the fruition of Government policy in this area.

Mr Speaker, I now turn to Postal Services where a number of improvements have taken place during the year, both in the local and overseas arrangements. As from the beginning of this year we have introduced an outgoing Datapost Service for items addressed to the United Kingdom. Arrangements are in hand to extend this service to other countries using the British Post Office as an intermediary administration. Outgoing surface parcel post which was previously sent by sea to Great Britain about once every three weeks, is now routed overland through Spain thus providing for weekly despatches. Facilities for the encashment of postcheques has been extended to include cheques issued in Switzerland. We have also finalised agreements with six other Postal Administrations to accept incoming datapost items thereby increasing the incoming service to eighteen countries. As far as the local service is concerned, there is now 24-hours access to the PO boxes following the installation of a security alarm system. We also purchased bomb-detection equipment for use in the Sorting Office to provide greater security for the postal service. On the Savings Bank, Mr Speaker, following the amendments introduced earlier this year, it is now possible for joint accounts to be operated on one signature and for transactions to be undertaken by correspondence. We have also introduced the One-year Fixed Term Deposit Bond offering investors greater return for monies invested. Arrangements are already in hand to increase the amount which depositors may withdraw on demand from £30 to £100 thereby allowing greater flexibility to depositors. The introduction of the legislation regulating CB radios has resulted in licences being issued to eighty CB enthusiasts. Philately, Mr Speaker, tells a different story. We have continued to attend Exhibitions overseas, the last one being in London two weeks ago, which proved to be a resounding success for both the British Islands and ourselves since, being a British Postal Administration, we were able to take full opportunity of the 150th Anniversary of the Penny Black. However, stamp collecting is on the decline worldwide and Gibraltar is no exception. Nonetheless, there is evidence that certain postal administrations are tapping new markets and doing better, and after having recently discussed matters with our agents in central Europe we might be taking some new measures shortly. Quite apart from this, a study is presently being undertaken on how best to restructure the Philatelic Section to try and make it more cost effective. Hon Members will recall that an investigation instigated by the Government of Gibraltar in 1989 into the availability of Gibraltar stamps in the local market below face value, resulted in Scotland Yard in the United Kingdom making several arrests. The Metropolitan Police was already investigating certain matters in UK at the time. I have just returned from the United Kingdom where I held a meeting with Scotland Yard who have concluded that, although their own investigation continues, there is no evidence to ascertain that Gibraltar stamps have in any way been manipulated. They have, nonetheless, welcomed the introduction of legislation



earlier this year prohibiting the importation of consignments of Gibraltar stamps into Gibraltar with a face value in excess of £25. We shall therefore be informing collectors of Gibraltar stamps of the result of the investigation thus restoring confidence to those who support Gibraltar Philately.

I now turn, Mr Speaker, to the Electricity Undertaking where Members will have noted that provision is being included in this year's Estimates for the purchase of electricity from Omrod Diesel. Provision has been made in the recurrent expenditure for the actual cost of the units being purchased, appearing under the Improvement and Development Fund since these costs are considered as depreciable assets as a result of the terms of the contract with Omrod. We might find this year that there is a certain amount of duplication whilst King's Bastion Generating Station remains in operation. King's Bastion will close down when there is sufficient capacity available in the new Station to take over its operations also and any increase in demand. We are expecting to have reached that stage early in 1991. In the meantime a restructuring of the Department needs to take place to reflect these changes and ensure the availability of employment for all those affected. Many will have reached retirement age by that time and others will need to be redeployed. Some moves in this direction have already taken place, although I regret to say, not without problems. The City Electrical Engineer, Mr Victor Bensadon, is to retire shortly. His Deputy, Mr Tony Aguilera, will be taking over as City Electrical Engineer in his present grade and the post of Deputy City Electrical Engineer will disappear. This has been agreed with those affected. Let me take this opportunity to record my appreciation to Mr Bensadon for his personal support to me during my two years in office and for the service he has rendered Government for many years. His skills as an engineer are indeed unsurpassed as is his devotion to duty. I am sure all Members will join me in wishing him the best on his retirement.

I now turn, Mr Speaker, to those aspects of Public Works which still fall under my responsibility. I say this because, as it now already known, a large chunk of the Department was recently passed on to my colleague Michael Feetham. This includes road surfacing where I am happy to report that the programme completed this last year exceeded that which had been planned. This is reflected in the increase in expenditure under that Head in the Improvement and Development Fund - the Hon the Leader of the Opposition please take note. Hon Members will recall that Refuse Collectors passed on to a company under new conditions. Although there has undoubtedly been an improvement in this area, the full impact of it will not be felt until the new refuse vehicles have arrived. The new bin lifters which have already been ordered will be able to lift a variety of bins and this will enable us to purchase new bins with lids and place them in different areas of our City thus providing a

further incentive for people not to dump their refuse on street corners. May I take this opportunity, Mr Speaker, to remind the general public that there is a very efficient collection service operated by the Department for those wishing to dispose of old furniture, etc. It is there for free, the important thing is that people should learn to use it. Refuse disposal continues to be a problem. Government have been studying a wide range of proposals which have been put to us by commercial entities. In our strive to find a cost effective, environmentally sound and practical long-term solution to the problem of how we dispose of our refuse, we have studied a wide range of methods of doing this. In the meantime, because new EEC directives have an immediate impact on the cost of any operation, we are striving to tap EEC funds for this purpose and in this context I recently met officials at the Foreign and Commonwealth Office. In view of the fact that we knew we were going to take some time in looking at sound alternatives, earlier this year we went out to tender to seek a commercial arrangement for the disposal of our refuse during those periods of time when the incinerator was out of order. Only one company but in a bid - and let me stress this for the benefit of the Leader of the Opposition who seemed to suggest otherwise recently in a Question - and the tender was awarded on the understanding that this company had already investigated the possibility of tipping at Los Barrios. Correspondence passed on to me by that company suggests that political impediments are being put in its way by our neighbours and that therefore whilst this persists, the company is unable to honour the tender. Hon Members will recall that I have repeatedly said in this House that what the Spaniards want is a political deal and not a practical commercial operation. Their attitude proves, once again, that they are neither concerned for the environment nor our welfare but to advance their claim over Gibraltar in every aspect of our daily relations.

I now turn, Mr Speaker, to the Fire Service. During 1989 the City Fire Brigade attended a total of 1,076 emergency calls, this is the second highest number of calls ever attended. The Department is to be congratulated in its operational procedures and efficiency particularly as regards the fire on the Upper Rock, which involved the Brigade's total strength over a period of 48 hours and the severe flooding over several days of heavy rainfall during which the Brigade answered 111 calls in 48 hours. Recently the Brigade also successfully rescued two men from the East side of the Rock. These three incidents clearly show the wide range of emergency incidents covered by the Brigade. The Fire Prevention Department is heavily committed with the wide range of development and growth taking place throughout Gibraltar. In fact, it is pleasing to note that this small section has gained a reputation for professionalism and expertise from architects and developers. In March of this year the senior management team was increased by one senior officer as part of an upgrading. This became necessary as a

result of the Brigade's wider role in the field of emergency planning and follows the European trend where Fire Services are absorbing similar responsibilities. As for the future, the Brigade has its own development plan which should ensure that Gibraltar has a Fire Service which is well equipped, efficient and capable of meeting demands on its services and fulfil public expectations. The Government, obviously, supports the Brigade's plans.

I will now deal with Traffic and Transport. The benefits of the agreement that Government reached with the Public Service Vehicle Operators Association are now apparent. A considerable number of new buses can be seen on our roads and the frequency has improved noticeably. There is still room for improvement in some specific areas and these are being paid particular attention now. There are plans to further improve the services but these are, to an extent, dependent on the completion of certain construction developments and major infrastructural work on some of our roads. A comprehensive agreement was reached with the Gibraltar Taxi Association during the course of last year. Meters were introduced and a general standardisation programme was introduced which will be finalised by the end of this year by which time all taxis will be white in colour. Here too, a general improvement on the service can be appreciated. We continue to work with the Taxi Association with a view to further improving the services generally. An agreement in principle was reached with Spain for taxis and private hire cars to be able to operate to the other territory on reciprocal terms. We are hopeful that it may be possible to implement the agreement in the not too distant future. The composition of the Traffic Commission was amended to include representatives of both the Gibraltar Taxi Association and the Public Service Vehicles Operators' Association. This was one of the aspects included in the agreements reached with these bodies. The expertise that they have in transport matters generally, and in their own fields, in particular, can only but complement the work and deliberations of the Commission. Government is continuing with its efforts to clean our roads of derelict vehicles. Only recently another exercise was carried out in some parts of Gibraltar and it is our intention to keep up the pace. As for parking, the schemes for the creation of car parks in highly populated areas are advanced but no final decision has been taken yet. The intention is to either sell or hire parking bays to residents in those areas. Government has also regulated, only this morning, for a mandatory number of parking bays to be provided on all new residential developments. More parking meters will be installed in other central areas of town as soon as the equipment is received. On the international aspects of road transport, and in particular road haulage, Gibraltar has been included in a number of agreements the UK has with different European countries. This means that our hauliers now have the opportunity of extending their operations further into Europe. This, together with the general EEC liberalisation

moves towards the Single Market in 1992, will provide great opportunities in this particular field. May I take this opportunity, Mr Speaker, to thank all members of the Traffic Commission for their hard work during the past year and particularly the Chairman and the two independent members who continue to put in many hours without any sort of remuneration.

Mr Speaker, before I enter into the Prison Service, which is my last Department, I am reminded that the Hon Mr Featherstone raised the issue of the Reverse Osmosis Plant and said that there must have been a change of heart on the part of the advice given to this Government. There has been a change of heart on the part of the advisers, particularly so because I think the Government, politically, were convinced before the officials that Reverse Osmosis Plants, were a viable proposition. Since then, and since the operation of the PSA plant, even the officials are convinced that it will not be a white elephant as the Hon Member has suggested.

As far as the Prison Service is concerned, Mr Speaker, I am glad to report that the new Superintendent has consolidated his position over the year and that, together with his staff, is to be congratulated for a job well done. The number of inmates has fallen over the past year and certain minor works have been effected, although the major security works are still to be carried out and have been delayed as a result of the non-availability of material. Although I have stressed there is no commitment whatsoever to move the Prison from its present location during this term of office, Government is nonetheless looking at possible sites to do this in the future. Press reports are not a good indicator.

Finally, Mr Speaker, Hon Members will note that the underlying commitment of this Government to provide a more efficient and cost effective service to the community has not been lost on us. We continue to strive to do better and in the process provide the necessary ingredients for the new economic framework which we are building in order to survive as a community in the very competitive commercial world in which we live in. I always finish off by saying that there is still a lot more to be done but only after listing all that has been done already. Progress follows progress and therefore it would not be too optimistic to expect a similar, if not a better, result next year. Thank you, Mr Speaker.

HON K B ANTHONY

Mr Speaker, I am not going to speak at depth on this particular debate, but I am going to start off by saying how much I regret that there is no Finance Bill. I have to say this, and as I said last year and no doubt I shall say again next year. It would have been a very pleasant bonus, Mr Speaker, to many of the population of Gibraltar if there had been some concession to help them with the rising cost of living. As my colleague, the Leader of the Opposition has said, tax levels are now over 20% higher than when the AACR Government was in power. This is a regrettable situation but it is a fact of life and I feel strongly that a Finance Bill to help members of our community would have been an advantage. I have been looking through the Estimates very closely. I am not going to go into the Estimates, Mr Speaker, that come out of the Consolidated Fund, we will have enough time for that at the Committee Stage and Third Reading. But those of the Improvement and Development Fund for £13m to be invested. I am going to use a term that I am sure everybody is familiar with to obfuscate, to hide away and to conceal, and these Estimates are basically an obfuscation, they are hiding things away. You get a broad general outline but you get no detail and you have to drill away to try and get details and it is like extracting a bad tooth without an anaesthetic at times. A lot of them are unsuccessful but we are going to keep trying. Looking at the Housing Head I see that we are going to invest £4m this year but apart from that there is little else of great investment value here, painting of Government houses only £½m; refurbishment of Government housing £700,000, very, very vague. Under Education, the bulk of the money goes to the repairs to Bayside School and there is a Feasibility Study. It does not say what the feasibility is about, is the feasibility about 1992 and its effect on education in Gibraltar? Is the feasibility on getting all the children under one Head? I do not know. It is a vague term, obfuscation again. Tourism, one of the points that I always like to have a go at because I think that now that we have a Gibraltar Tourism Agency it is getting harder and harder to pin them down to what they are doing with the money. For example, we have £30,000 for improvements to planted areas. Now, does this include the Alameda Gardens which is basically our one and only park? I do not think that is a large sum of money and if it is not including the Alameda Gardens, then it is perhaps too much for the remaining small little areas around. It is a vague term - "Improvements to Planted Areas". What is a planted area? Is it window boxes on the bus station down at Market Place? I do not know exactly what is meant by a "planted area", perhaps the Minister will explain.

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HON J E PILCHER:

At the Committee Stage I will tell the Hon Member unless he wants an explanation now.

HON K B ANTHONY:

I sincerely hope the Hon Minister will explain. I am saying that this is again a vague heading which is very difficult to pin down at this stage and I do not think we should go into Committee Stage and have every 'i' dotted and 't' crossed, there should be more explanations not just a vague broad heading. Going back to this morning when the Hon Chief Minister spoke about some of his plans for the future, he spoke of an Employment and Training Unit to be set up under the ambit of the Gibraltar Development Corporation and that he intended to introduce a Training Ordinance and yet, over the past two years, the Government's history on training and apprenticeships has been abysmal. There has been none. I do not think that an apprentice has passed through the works in the past two years and now all of a sudden training is important and it is going to come under the umbrella of the Gibraltar Development Corporation, rather a change of face there I am afraid. I get the feeling that the Gibraltar Development Corporation, Mr Speaker, is seen as a potential panacea for all the things that the Government could not do, Employment and Training Unit, Business Registration, what they could not do in the previous two years the Development Corporation is now going to wave its magic wand and do all these things. The Hon the Chief Minister spoke of enabling legislation to get people to invest in Gibraltar and not outside. Well, there is only one way to get people to invest in Gibraltar and that is to make it more tax free, make it less liable to taxation. People will not invest money here unless it is going to benefit them financially. If they can go somewhere else they will invest their money elsewhere.

HON CHIEF MINISTER:

There was an amendment in the Income Tax Ordinance in 1988, if the Hon Member looks back.

HON K B ANTHONY:

But if people are still investing abroad, Mr Speaker, then perhaps it was not sufficiently far reaching. Visits to Gibraltar by Members of Parliament and MEP's, we are having a sum of money this year the same as in previous years. I cannot help wondering, Mr Speaker, why the sum of money has not been increased. We are coming closer and closer to 1992. This is the time when we need more and more friends in Europe and if by spending more money we are going to get more MEP's over here to fight our cause, then it is

46.

money well spent and I think this is something that should be seriously considered. The Hon the Chief Minister spoke of Crown Lands in July becoming privatised and the possibility of our water supply being privatised as well as plans for the Philatelic Bureau. From our point of view this is not an achievement because once anything is privatised in Gibraltar they become an imponderable, we do not know whether they are making money or whether they are losing money because the Accounts no longer come to this House. So although from the Government's point of view a joint venture company might be of great advantage, they are asking us to accept that on face value, because we have no way of checking in this House. Accounts do not come to this House and every time something is privatised it is something else on which we have no check, so therefore we cannot regard it as an achievement. If I can refer very briefly to what my colleague believes the Opposition said in his contribution to the debate, Mr Speaker. He spoke about sand not returning to the beaches on the Eastern side. I am not going to mention any names, Mr Speaker, but I did write about this to a particular Minister eighteen months ago who passed it to another Minister and I am still waiting for a reply on this very question of the possibility of sand not coming back. My colleague also spoke of empty offices and questioned the viability of the Europort with further offices. When I speak of development I like to see things happening. Development is not an empty site and yet not so far from here, on Queensway, there is a development site that, to the best of my knowledge, has been absolutely static for six months. Again, an example of development that is not continuing as development and no doubt the Hon Minister will be speaking on this when he makes his contribution. I must reiterate what my colleague said, the diminishing powers of the House of Assembly by the increasing use of Regulation that is being adopted by the Government. It is a pity that the powers of the House of Assembly are being reduced since it is important that we have an active Opposition in our democracy and every time that powers are taken away it reduces the overall power of the Opposition and thereby reduces the House of Assembly's powers and that, I think, is wrong. If I can refer very briefly to what the Hon Minister for Government Services had to say. The Hon Minister spoke of the telephone system and I am the first to agree that it is now a much better system than it was six months ago. The Minister also said, Mr Speaker, that in the future it will aid the Financial Services Industry obviously, and it will aid customers with a new range of benefits and that there will be new services, a Digital Exchange which will be available to the public shortly but I cannot help wondering at what price. Because the Financial Services Industry can pass on the cost to its customers but the domestic consumer cannot pass on theirs. This is an imponderable and I am sure the Minister will agree that we do not know what it is going to cost the customer. I agree that the Minister may well know, Mr Speaker, but we in the Opposition do not know at this stage.

HON J C PEREZ:

If the Hon Member will give way.

HON K B ANTHONY:

Of course.

HON J C PEREZ:

Mr Speaker, the standard rates for providing a telephone are to remain as they are now. If there are added services and added improvements other than the sole purpose of having a telephone then they must find their level in the market and if there is a demand for it, then it is priced depending on the demand and depending on the market. Some of these things will be available to everybody and some will be specifically for the business community. They will be marketed depending on the market.

HON K B ANTHONY:

Thank you, Mr Speaker. I do understand that. But it does come back to what I said, that if you are in the Finance Centre and you buy a piece of equipment that is going to enhance your business the cost will be passed on to the customers whereas if it is a domestic consumer and he buys something extra he has to pay. What he will have to pay, I do not know but it may well be that this equipment will not be bought by the domestic consumer because they are doing to be too expensive. Again this is something that we will have to wait and see. Turning very briefly to the Electricity Undertaking, I can see that it is getting to the stage where Omrod is going to achieve in 1991 what I said last year, that it is going to become the prime provider of electricity in Gibraltar and Gib Elec will be a "top-up" supply. I think that that is a serious state of affairs, Mr Speaker, because, as the Hon Minister has said, it is going to lead to restructuring, retirement and re-deployment of staff.

HON J C PEREZ:

And that is why it is serious?

HON K B ANTHONY:

Yes. It is very easy to be smug about it when you are not one of the people being restructured, re-deployed or retired.

HON J C PEREZ:

Mr Speaker, I am being restructured all the time!

HON K B ANTHONY:

On a serious note, Mr Speaker, I am sure everybody on this side of the House will join me in reiterating the Hon Minister's words of congratulations to Mr Victor Bensadon for his many years of excellent service and wish him a very long and happy retirement.

I was interested to hear, Mr Speaker, about the Public Works Department and the new tippers that have been ordered with lidded bins. I do not know whether these lidded bins are going to be supplied free of charge by Government or free of charge by the joint venture company or whether the poor old domestic consumer will have to go out and buy a lidded bin to fit the tipper. I do not know. No doubt we will find out in the future. I appreciate, Mr Speaker, the political impediments being put by Spain to prevent tipping in Los Barrios. I cannot help asking, what now? Where do we go from here? Do we continue tipping in the sea for the indefinite future? It is something that has to be answered some time. One of the most remarkable developments, Mr Speaker, has been the way that the Government has deliberately set out to give more information. However, they do it by hiding matters and a very good example of this is the Fuel Cost Adjustment that changed to the Flexible Cost Adjustment. What a difference the changing of that first word has made. In this manner by calling it a "Flexible" Cost Adjustment the Government does not have to come to this House to increase the electricity charges. Because any increases or variables other than fuel with the Fuel Cost Adjustment would not trigger the cost. But "Flexible", if wages go up or the cost of spares increase suddenly, these can be included under this lovely umbrella heading of "Flexible Cost Adjustment" and when it does this it does not have to tell the public because it is "flexible" and covers the whole range. The Government goes ahead and implements this, as it did four times between August last year and February of this year, and then the Chief Minister who is perhaps economical with the truth on occasions, does not have to explain. With the Fuel Cost Adjustment under the AACR fuel actually went down. It went down from 0.87p to 0.04p in August last year and then up again after it was replaced by the Flexible Cost Adjustment.

HON CHIEF MINISTER:

No, Mr Speaker, that is not correct. The Hon Member is responsible for the accuracy of the statements that he makes in this House and what he is saying is not true and I was not being economical with words. What I said on television was that the Formula had operated exactly the same way in the two years we had been in Government as it had operated, since it was introduced in 1978, by the AACR Government. I also said that in the intervening period

since we took office it had changed seven times, four times going down, three times going up and after all seven changes it was still lower than when the AACR were kicked out of office. Those were the words that I used on television and consequently it is misleading to tell people that we were charging more for electricity now than when they were in Government. There has been no change in the formula, Mr Speaker. We have created enabling powers and if the Hon Member had done his homework, which he is paid to do, he would know that the enabling powers are not being used.

HON K B ANTHONY:

Well, Mr Speaker, this may well be the case but I must go on to end by simply saying that I feel sincerely that the economic policies of the GSLP Government is an exercise to put into practice certain economic theories and this could lead to a very, very dangerous situation. All theories have loopholes because if they did not have loopholes they would not be theories and therefore I fear that the Government is going too fast to be able to avoid these loopholes. It is an economic rollercoaster which could, as my colleague the Hon Mr Canepa has already warned, lead to bankruptcy. The only safeguard in any democracy is the ability of an active Opposition to be an effective watchdog and we are seeing week after week, Mr Speaker, the powers of the Opposition being eroded by joint venture companies, which are not accountable to the House, by the creation of the Gibraltar Development Corporation which, again, is not accountable to the House and rule by Regulations which does not have to come to this House. Nevertheless, Mr Speaker, despite all these factors we will continue to attempt to influence the GSLP Government, whenever the opportunity arises, to ensure that Gibraltar for the next generation is preserved and not destroyed as a result of the economic theories being put into hasty practice. And also by the secrecy, and for the last time in my contribution, by the obfuscation being used. Thank you, Mr Speaker.

HON R MOR:

Mr Speaker, the Hon the Leader of the Opposition made a reference to "a building over there" where he said that there were queues. Let me tell the Hon Member that if he was, in fact, referring to The Haven .....

HON A J CANEPA:

No, Mr Speaker, the queues at The Haven form outside the public eye, I would say. The queues that I was referring to this morning were there openly in a balcony and that is why as I came by into the House I could not help seeing

that there was a row going on. No, it is not the DLSS that I was referring to. I think it was where people go to make complaints, the Arrears Section of Electricity and Water. I think it is there, Mr Speaker.

HON R MOR:

I am grateful, anyway, Mr Speaker, for the clarification. The Hon Member did, however, accuse us of making holes all over the place. I hope he is not going to blame us for the hole in the ozone layer. Mr Speaker, as you may recall, we said prior to the 1988 election that Gibraltar had two main resources, our land and our people, and it is how we utilise these resources that our identity and our survival depends. The utmost importance is therefore being given by the Government on how we utilise our people. We must ensure that the contribution of our own people is maximised so that the future prosperity of Gibraltar is assured by depending as little as possible on imported labour. That way the wealth generated by our people's efforts is retained within Gibraltar. It is commonly known, Mr Speaker, that currently, the labour market is being subjected to a changing pattern. This new pattern shows a marked shift from a declining public sector to an increasing demand in the private sector. The Government, therefore, considers that we must all ensure that the Gibraltarian is encouraged to take up the new job opportunities which are currently arising in the private sector. To this end, our Youth Employment and Training Scheme is playing a major and important role. Most of the youngsters joining our Scheme are being directed into job opportunities in the private sector. This, in effect, means that with the current lack of job opportunities in the public sector and with the impending contraction of the Ministry of Defence presence in Gibraltar, the future of our youngsters is being guaranteed by their orientation towards securing jobs in the private sector. Let me say, Mr Speaker, that prior to the 1988 Election there was relative widespread concern amongst parents in Gibraltar about the difficulties which their sons and daughters were encountering in finding employment once they left school. It was, in fact, true that youngsters were finding great difficulty in finding jobs and this was mainly due to lack of qualifications, lack of training in specific areas and simply lack of work experience generally. This placed a considerable handicap on these young people when they had to compete for jobs in the labour market. Let me say, Mr Speaker, that the problem of youth unemployment is by no means a problem particular to Gibraltar, it is recognised as a serious problem worldwide and very much so in Europe itself. In fact, the European Community is recommending that Member States should all introduce Training Schemes during 1990 in order to ensure that they keep down the unemployed youth population. It is therefore a matter of pride for the Government, Mr Speaker, that many of the

recommendations which the European Community has been making to Member States had already been introduced in Gibraltar in 1988 when our own Scheme was introduced. Mr Speaker, our Youth Employment and Training Scheme has achieved what we set out to do and which is to secure employment prospects for our young people. We have been very successful in this respect and this can be demonstrated by statistics. Since the Scheme started in October, 1988, Mr Speaker, 131 young people under the age of 18 have been employed full-time through the Scheme. Another 129 youngsters under 18 are still in the Scheme with guarantees of full-time employment at the end of their training period. Since March, 1989, when we extended the Scheme to cover those who were aged between 18 and 24, another 29 young people aged between 18 and 24 are also in full-time employment through the Scheme. In addition, a further 40 are still undergoing training, again with guarantees of employment. Despite the good results, Mr Speaker, it does not necessarily follow that we are completely satisfied. I keep impressing on those who are responsible for the Scheme that there is always room for improvement and we are always trying to find ways in which this can be improved. This is why during the year we have introduced new courses which run parallel to the Scheme and these courses are designed to improve the quality of training and enhance the Vocational Cadets' training and experience. The new courses which have been introduced so far, Mr Speaker, include a Basic Electrical Course. This course is aimed at providing core skills in Electrical and Refrigeration Engineering. It means that those young people undertaking employer-based training can be day released to obtain theoretical training which will no doubt enhance the quality and be an addition to the practical training that they are receiving from their sponsors. Another course introduced is a Food Hygiene Course and this is obviously aimed at Vocational Cadets in the food trade. This course is designed to provide awareness and social skills in the preparation and handling of food. We have also started a Mechanical Course which is primarily aimed at the Motor Transport Industry and provides basic skills in Motor Engineering. Again, Mr Speaker, the idea of this course is to provide theoretical training to go hand-in-hand with the practical on-the-job training which the Cadets are receiving. A further course that has already been introduced is an Information Technology Application Course, an ITA, which is designed to provide skills on the use of computers in business. This course runs for a period of 15 weeks and each trainee is allotted six hours per week. There are currently 30 Cadets making use of this course and all indications are that the course will be repeated after the completion of the 15 weeks period. It is also intended to provide shortly further courses in Practical Office Skills. As I have already said, Mr Speaker, all these courses run parallel to the actual on-the-job training which Vocational Cadets are receiving with their prospective employers and they are intended to enhance the training aspect. Another

event which took place during the course of the year in connection with the Scheme, was the launching of the Vocational Cadet of the Year Award Scheme. This "Scheme within the Scheme" came about as a result of sponsorship by two local firms, Air Europe and Exchange Travel, who very kindly donated an amount of money to our Training Scheme for us to put to good use. The Cadet of the Year Award will go to the best Cadet judged by a Selection Committee, which will select an overall winner and runner up and will also recommend some consolation prizes. All Vocational Cadets will be split into five different groups related to their occupational aspirations and after close consultation by means of questionnaires between the Scheme Monitors, Supervisors and Employers, five finalists, one from each group, will be shortlisted and the Cadet of the Year will be chosen. I think, Mr Speaker, I have to say that I have been most impressed by the enthusiasm and positive manner in which employers have participated in the Scheme. We have had many instances where employers have taken on Cadets on full-time employment long before the end of their training period and this is something which the Government very much appreciates and encourages. I also think that the fact that firms are prepared to donate funds to the Scheme demonstrates the high regard and the confidence which employers have on the Government's Youth Employment and Training Scheme. Mr Speaker last year I drew attention to the fact that we had encountered problems in producing legislation in order to enable us to set up the Employment and Training Board. As you know, the purpose of this organisation is to examine the manpower needs of Gibraltar and to ensure that we meet those demands as much as possible from our existing human resources. This organisation would also be responsible to keep an adequate control of the labour market and equally be responsible for the training of our people to meet future demands by matching the training needs with the job opportunities available. As I said last year, Mr Speaker, some complexities in producing adequate legislation resulted in delaying the setting up of this organisation. However, Mr Speaker, as the Chief Minister pointed out earlier the enabling powers given to the Gibraltar Development Corporation, will allow the Corporation to make use of human resources and it will now be possible to set up an Employment and Training Unit under the Corporation. The Government is in the process of looking at this at the moment.

Mr Speaker, in connection with the handicapped, there have been some events which have taken place during the year and which I feel should be mentioned. Apart from the fact that the Government is already committed to provide and has already, in fact, provided funds for the building of a new St Bernadette's Occupational Therapy Centre, there is something else that has been done during the year which is very important for those concerned and those who were involved. I am referring to the Special Olympics of Gibraltar. Mr Speaker, the Government has given recognition

to the Special Olympics as a Sporting Body in their own right and they will therefore be entitled to any sports grants and be in the same position as any other Sporting Association in Gibraltar. I am also happy to say that we were able to open St Bernadette's during the summer months on two days a week. This offered parents a respite which they would otherwise not have enjoyed due to St Bernadette's being closed down as a result of the summer holidays.

Mr Speaker, there have been changes in connection with the Social Services provided in Gibraltar. As the House is aware and as has been pointed out on many occasions, the Government will not be making any public statements in this connection in order not to run the risk of being misquoted or misinterpreted. The Government has, however, already said that it is prepared to provide any information to the Opposition, on a strictly confidential basis, whenever Opposition Members so wish. The offer still stands.

Lastly, Mr Speaker, I would like to record my appreciation to my staff at the Department of Labour and Social Security, to the staff at the Family Care Unit, to those who in any way have anything to do with the running of the Youth Employment and Training Scheme, to the staff at St Bernadette's and the staff at the two Children's Homes for the support and assistance given to me during the course of the year. Thank you, Mr Speaker.

HON DR R G VALARINO:

Mr Speaker, Sir, speaking on the general principles of the Bill, my speech follows very much the line taken last year in my intervention. Again this year the obvious salient facts that emerge from the Estimates of Revenue and Expenditure is the gradual reduction of the level in the Consolidated Fund, at least for the next eighteen months, and the continued increase in expenditure in the Improvement and Development Fund. Now, looking at the Estimates, if one looks at the forecast Recurrent Revenue, this is £85.6m. Last year the forecast figure was underestimated by nearly £6m and I feel that the same degree of underestimation has taken place this year in the preparation of the Draft Estimates. On taxes on income, taking into account the increase in employment levels and take-home pay, the figure of £35½m is low in consideration to revenue last year. The figure for indirect taxation is similarly not totally realistic whilst the figure for internal revenue actually shows a drop, far in excess than the mere removal of the Airport Departure Tax. I estimate that the total revenue figure will have been undercalculated by a similar £6m. As it is obvious that the Government wants to keep a controlled rein on Supplementary Funding, as the Hon the Chief Minister has pointed out, the figure of £1.2m has been provided for Supplementary Funding. This is included in projected expenditure and an appreciable surplus of

revenue over expenditure should be the end result. Following the pattern set last year, a further amount of £10m has been set aside for the Social Assistance Fund and £4m for the cost of "Pay Settlement" in 1990/1991. Taking these figures into account and the removal of certain items of expenditure, ie The Telephone Department Vote, consideration should have been given for a sizeable reduction in Income Tax specifically to help those in the lower income group. Because these are the ones who are falling behind in their earnings capacity in order to meet increasing living costs. Justice must not only be done but must be seen to be done. In dealing with Departmental Heads, I would like, first of all, to deal with the Labour and Social Security. I note a reduction in the figure for the Occupational Therapy Centre of £2600, yet three new Classroom Aides appear in the establishment. I wonder whether there are any posts which are vacant and, if so, which are they? I welcomed last year the opening during the summer months of the OTC two days a week. I hope this will continue this year and I urge the Minister that if possible this should be increased to three days a week, thereby providing a valuable service to those handicapped adults and providing great help and relief to those parents who deserve every praise. I notice that the Family Care Unit staff remains totally unaffected and I welcome this as they perform a thankless task. This brings me to another point. The Treasury Subvention for the John Mackintosh Homes remains at £230,000, but what is going to happen to both Homes? I know that the Government is not directly responsible for running the Homes but many relatives and the public in general are wondering and are worried deeply and a statement of policy from the Government would help to allay their fears. If it is indeed going to be a positive statement of intent. The Workers' Hostels are still running under a deficit. I hear from the grapevine that when the Gibraltar Regiment move out of their present site the prison could well be resited there. I wonder whether consideration has been given to resiting either the Casemates Hostel and, if possible, also Devil's Tower Hostel. This would release both areas for development and would allow foreign workers better standards of living. I feel they deserve it more than those who lodge at Her Majesty's expense. I am glad to say that press reports are not accurate as the Minister pointed out. In Heads 102 and 104, in the Improvement and Development Fund, I welcome the amount put down to repair the roof at St Martin's Special School. I hope all defects of water penetration will be overcome. I am also pleased to see the money allocated for the new Occupational Therapy Centre. I hope that there will not be a revote for this item next year. As far as Head 16, Post Office Savings Bank and Philatelic Bureau is concerned, I note with dismay that philatelic sales from £306,000 net in 1988/89, show a reduction to £285,000 last year and the estimated figure for 1991 is only £266,000. I know the Minister concerned has been fully occupied with other matters but this area is one of considerable revenue, I would expect the figures to be on the increase rather than on the decrease. The Chief Minister has already suggested that there could well be changes in the Philatelic Bureau and I also take

the Minister's remarks into consideration. As I did mention previously, £10m has been earmarked for the Social Assistance Fund. In his speech last year the Honourable the Chief Minister said "so what we are saying is that what we hope to have in 1993 is a situation where the annual payments from the Social Assistance Fund will be comfortably met from the invested income of the £20m and whatever the Government puts in into the annual budget". However, as yet there is no indication in the Estimates as to the level of the Fund at present or any indication as to what the Fund will be in the future or where it is invested or how. The Leader of the Opposition may well be right and part of the Fund could well be invested in the Savings Bank. If we now look towards the Employment Survey Report and Pensions, the Government should now be paying pensions based on the formula which has now been abolished to couples over sixty five of approximately £90 weekly and not the present figure of £73 paid for maximum contributions to Gibraltar pensioners. This difference is appreciable. Even if we ignore the formula, if pensions we based on the cost of living formula that would take us up nearly to £90 per week. This bears some thought and I think that the Government should address itself to revising the low level of pensions. Mr Speaker, I believe I have covered both the general principles of the Bill and the Departments that I have responsibility to shadow. I have posed several questions and I would be grateful if the Chief Minister, in his right to reply, or other Ministers who have yet to speak or at Committee Stage, I could be given an answer to the questions I have posed. Thank you.

HON J L BALDACHINO:

Mr Speaker, in my contribution to this House I will be basing myself on the changes that have occurred in my Department and the future changes that we intend to carry out. I will also refer to the works that have been carried out by our Maintenance Section and those that are to start in this Financial Year as well as a brief account on Home-ownership. Before I go into that Mr Speaker, I would like to answer a point that Mr Anthony made in passing, and that is that there is only £4m for Painting. If he were to go back through the Estimates since 1984, the period that I have been here Mr Speaker, it will be seen that there has never been so large an amount as that in this year's Estimates for Painting. I will however go into that and what we intend to do and what jobs we intend to carry out and what painting of Estates and different small pre-war flats. Also, Mr Speaker, Members opposite have shown reluctance at the fact that there is no Finance Bill and I would like to remind Honourable Members opposite that since I have been here in 1984 the Finance Bill is not only to give out goodies but also a revenue raising measure and Honourable Members opposite must also remember that the goodies that they used to give were always in the last two years of their term of office. Of course Mr Speaker, to give out goodies we do not need a Finance Bill and I will prove to the Honourable Members



opposite that this is the case. Mr Speaker, when I took office in 1988, the Housing Department, and I would like to clarify that, was the Cinderella of all Government Departments in the antiquated procedures and system being used and only by introducing at that stage in 1988 a very limited memory computer, belonging to the DLSS and which was not being used, and I must say that even though I borrowed it at the time they are not getting it back, did we manage to fully computerise the whole Waiting List. We have now also computerised the Requisitions. My department Sir, during this Financial Year will be further computerised and with more advanced computers the intention is that we might even be able to collect rents on a computer basis. On the Maintenance Section, Sir, and if one refers to the Estimates in Head 101 Housing, the intention is that first of all we will completely renew the roof tiles up Humphreys. This Estate is a clear sign of the neglect that there has been in maintaining our housing stock through the years. We intend, and as a matter of fact, work is already in process in one of the blocks which had its plastering peeling of completely and in dangerous condition. We are trying to carry out remedial works as well. The intention is also to paint Vineyard and Rosia Houses which have been left unpainted for many many years. We also intend to start painting Varyl Begg Estate which also has been neglected for the past fifteen years ever since it was built. All in all, Sir, the maintenance work that will be carried out by my department has never been carried out by any previous Government. We have also already painted the roof of Schomberg which was suffering water penetration. And we have carried out work in Churchill House as well. Kent House has also been fully painted and see the way it looks now. We have also carried out remedial works at Knights Court and we intend to carry out remedial works at St John's Court. Therefore, Sir, apart from the normal routine maintenance work we have carried out an incentive programme on maintenance. We have refurbished Richardson's Passage and changed the corridors from what used to be wooden to a more permanent structure. We must not forget Danino's Ramp and I do not want to go too much into that because I have already spoken before about the shortcomings of the previous administration and the way they accepted this building from the private landlord without taking legal action as was their prerogative under the law that it should become habitable. In Danino's Ramp we have changed the complete roof structure to one of the blocks, we have rendered the building safe. We have also painted the building and changed the windows with aluminium ones. We are also doing that in McPhail's Passage and in Castle Street. Therefore Sir, my department, on the maintenance side has proved itself and I must thank the staff for their cooperation. Because without them it could not have been done. Apart from all this Sir, we have also taken on the construction of houses. Let me say, Mr Speaker, that already out of the nine possible flats that were being constructed in Glacis, six have already been completed and allocated. In St Jago's four have been completed and allocated. In Poca Roca ten have been completed

and allocated and of course the pre-fabs which gave us eightyone units. Those that are still to be completed are three at Road to the Lines which will then give us a total of one hundred and seven. One hundred and seven, Mr Speaker, which have helped a lot of families who were either living in overcrowded conditions or living in sub-standard conditions. The flats that then became available and which, I think, was in the region of twenty have been allocated to people on social grounds, making a total of around one hundred and twenty families having been housed. All in all, Mr Speaker, my department since I took office has allocated in the region of three hundred to three hundred and fifty flats. We also intend, Mr Speaker, to start construction in this financial year. The areas that we have already identified and are possible and are now at the planning stage. These are an additional storey to what used to be the Lake Chard buildings at Laguna. These buildings have four storeys at the moment and will give us the opportunity, not only of increasing our housing stock but also to carry out major refurbishing to the building and also give it a lick of paint which is badly required. That I am told will give us in the region of thirty more flats. We have also, Mr Speaker, reached agreement with the Varyl Begg Tenants' Association, to whom the previous administration had promised a social club, to provide them with temporary accommodation whilst we build a block where a new social club will be housed on the ground floor as had been promised by the previous administration. That will give us in the region of another twenty flats. So all in all, Mr Speaker, what we have is the start of building fifty new flats in this financial year even though, Mr Speaker, there might be more because we are now looking at different areas, and I do not want to identify them because at this stage they are only in a primary stage, so therefore, Sir, my department has provided more in two years in office than the AACR did in the last four years that they were in office. Mr Speaker, if one were to look at Head 104 in the Improvement and Development Fund they will see that under sub-head 12 my department will be investing £176,000 on new equipment and if Honourable Members opposite bear with me I will inform them of what we intend to spend the money on. The intention is, Mr Speaker, to buy Site Cranes, Compressors, Tippers and other relevant equipment required to enter into construction. It is important, Mr Speaker, to recognise that the labour force prior to 1988 was used purely on maintenance and is now carrying out construction work and producing much needed flats for people in the waiting list. Mr Speaker, at Varyl Begg, the roofs that were erected at the time, have given us many many problems and that is one of the areas that we are looking at and where we intend to carry out works. If it is not possible to remedy the fault with the existing roof we may have to erect one more storey and introduce a different type of roof which may be pitched. In Moorish Castle Estate we intend to carry out certain works which will include replacing of the soil pipes and guttering. We will be completely refurbishing and painting the Red Ensign Building at Engineer Lane and

we intend to provide a pitched roof from 1 to 8 Hospital Steps. In the town area we intend to refurbish windows and shutters and in some instances we might have to change them to aluminium windows. We have purchased a very expensive paint which is working very well. We have tried it at Schomberg and other areas. We need a site office and we also require to build the columns on slabs for the construction and the foundations. Apart from that Mr Speaker, we are looking at other areas even though they are small, especially in the town area where we are having the worst problems with roofs and our intention is to carry out as many roof repairs as possible by changing tiles and also converting flat roofs into pitched. My department, Mr Speaker, has now become one of the biggest employers of manpower in relation to the industrial workforce and it is clear that the change has given us the opportunity to carry out more work than previously was being carried out at almost the same cost. Because Honourable Members opposite will remember from when they were previously in Government that housing was a permanent feature every year seeking Supplementary Funds. Now this year Housing has not come for any Supplementary Funds. If I may turn now, Mr Speaker, to Homeownership. Construction work has already started at the Brympton site as well as at Westside I, where the buildings are now five storey high. I have been informed that letters of appointment for Westside II have gone out today. At Westside II, Mr Speaker, of people who have shown an interest in buying there are seventy who will be releasing Government accommodation. Nevertheless, Mr Speaker, what is important is that we have received six hundred applications and most of the people, or nearly all, are in the Housing Waiting List. Mr Speaker, the Government has also introduced a £10,000 allowance which one could say is a "goodie" because if one looks at the Estimates one cannot argue that we are receiving £10m more in income tax and if you consider that the £10,000 allowance will probable cost the Government around £12m then that in itself is a "goodie". I think that the Honourable the Chief Minister, in his first Budget Speech, said that the Government was prepared to give money back to the people in an area of the economy that the Government thought could be of benefit and one cannot argue that the Government is not giving something back. The Government is giving back money to people to give them an advantage and to give them an incentive to go for Homeownership. We are committed to Homeownership and this is not something that I am saying now just because I am in the Government. We always supported the AACR when they came out with the Vineyards Project but the only thing that we did not agree with them was when they announced the system of selling and to whom it could be sold. Because at that stage if the Government is giving land free then it is a contribution that the whole of Gibraltar is making and therefore if the whole of Gibraltar is making a contribution the benefits should be for the people generally and not to speculators. Because when speculators come in prices sore and some people then cannot afford to buy a flat. That is why, Mr Speaker, we have laid down certain conditions so that no speculation can take place in projects that the

Government in a certain way, maybe be subsidising, subsidising may not be the right word, but up to a certain point "subsidise" by means of lands or by means of providing the infrastructure, is that there is a Government contribution. I heard the Honourable Member opposite and the Shadow Minister for Housing many times saying in interviews that the £10,000 was an extension to the AACR policy. I must disagree with him totally because the £10,000, in money terms Mr Speaker, cannot be an extension. It is five times more but anyway if you want to promote Homeownership it must be with financial help. If we look at the people who will be entitled to claim the £10,000 it will be seen that it goes further, much further than what the £2,000 did. For example, the £10,000 can be claimed by people who will be constructing their own homes whilst the £2,000 did not cover that. It is also very flexible in the way that people can claim and it is also flexible in the sense, Mr Speaker, that spouses can either decide to claim 50% each or one can claim the total amount. It even goes much further than that, that is, that if people want to live together and we have certain cases where people have wanted to live together, then they can claim the allowance on the proportion of what their entitlement to the house or the flat is. So the £10,000 Mr Speaker, goes much further than what the £2,000 did and therefore it is not an extension to the AACR policy but something new in concept. It is an extension of money like I have already explained. It has to be an extension of money because financial help is the only way that we can help people who want to buy their own flats. There is a great interest, Mr Speaker and it is a pity that Homeownership was not introduced many many years back because the problem that we are having now, and I can quite safely say that the problem of the future in housing, will be solved. But the problem that we have now is of people who have been waiting for a Government flat for twenty years and now find that due to their age they cannot obtain a mortgage. That is the problem that we have and it is a problem that must be looked at and an area that must be solved because unless better facilities for Homeownership are introduced we will have no other option than to build a certain amount of flats for these types of persons. Nevertheless, Mr Speaker, the Government has a commitment to the people of Gibraltar and it is in our Manifesto that we wish to reserve the right on the five hundred houses until we can clearly assess the amount of flats that are required after the sales through Homeownership. In the end Mr Speaker, it will be cheaper or more economical to own one's flat than to rent because even though the burden is at the initial stages, it is like when one buys a car the burden is that in the first year you have difficulty in paying but as the years go by then the burden becomes less and less. But the advantages of buying one's own home is that if one has a big family today, in ten or twenty years time when he no longer requires a big flat then obviously, he can sell and buy a smaller one and make a profit. So up to a certain point it is an investment in that sense. It must be an investment although sometimes we make the mistake of trying to promote Homeownership by saying to people "buy your home because that is an investment". That is totally, in my opinion, incorrect. Because when a person sells his flat he has to have somewhere else to live and unless one has a lot

of money and can own twenty flats then that is a completely different thing to Homeownership. But what will happen once Homeownership gets off the ground in Gibraltar is that there will be more mobility in the future something which does not occur today. We have to be realistic to know that many people living in Government rented accommodation are just a couple and are still living in a five room, kitchen and bathroom flat. The whole concept of housing, Mr Speaker, is totally inadequate because we cannot move people about if they pay their rent and up to a certain point it would be immoral because people in Gibraltar tend to spend a lot of money in their flats and therefore it would be immoral to force them to move. My department is all the time trying to convince people to move but I must say with very little success. Sir, I am sure that by tackling the problem like we are doing on all sides because as I said when in Opposition that the problem must be tackled at all levels. We cannot isolate things. It must be a comprehensive programme and this is what I am trying to do. It must take into account private rented accommodation, it must take into account Government rented accommodation and we must also take into account Homeownership and make a comprehensive policy where everything is interlinked. There are a lot of people still living in slum conditions. One has to accept this, Mr Speaker. It is a very difficult task but nevertheless with the help I am getting from my staff, both clerical, supervisors and industrials I am sure that progress will be made and by trying one can only go and have as many flats as possible we will be able to win in the end. On refurbishment of Government housing we have £206,000 for remedial works and will entail works at MacMillan House because the balconies are in a dangerous state, we will also have to rewire the whole of the Alameda Estate. This has already started and we think that we will be able to complete the project this year. By painting and renovating our buildings, we will give a clear indication that this Government is committed to housing. That it is committed to provide better housing to our people and with that tone and once again thanking my staff who have always been willing to help me and without their invaluable help the progress that has been made in housing could not have taken place, I thank you very much, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, I have listened with interest to the comments the Honourable Mr Baldachino, Minister for Housing has made and I would like to take him up on a couple of points he has made. The progress towards the target of five hundred houses which we would, on both sides of the House, like to see move at a much faster is not quite as fast or as dramatic as his figures add up to. He quoted a figure of one hundred odd so far and a proposed thirty further in Laguna next year and twenty in Varyl Begg. I am rounding up the figures slightly. I think the Minister will accept that from there you have to deduct the figure of eighty which are the

temporary housing which presumably he still undertakes to vacate after a period of approximately four years. I am glad to hear that there is intention of constructing an extra level or an extra storey at Laguna and perhaps I missed something the Minister said but can he confirm that there is no intention of doing the same sort of thing at Varyl Begg? I had the impression that he said that was going to be one of the ways of tackling the water penetration problem. I will give way to the Minister if he would like to answer that.

HON J L BALDACHINO:

I accept that Mr Speaker. Given the construction of the type of roof that we have at Varyl Begg if it is possible to carry out the remedial works without removing the existing pitched roof so be it but if we have to replace it with a different type of roof, as the Honourable Member is fully aware because there are many houses in Varyl Begg with problems especially in the bigger blocks, then it might be possible to carry it out in the manner of adding an additional storey to Varyl Begg. We have asked for a feasibility study from the Structural Engineer who designed Varyl Begg and I will have to look at it and make a decision when the time comes. That is what I have said, Mr Speaker.

HON LT-COL E M BRITTO:

I thank the Minister for that clarification. Carrying on to the news of a further block at Varyl Begg, this obviously raises the spectre, and the Minister resides there and I have resided there, and we both know how serious the parking problem is. We have heard earlier today that the Government is laying the liability at the door of developers to provide parking facilities in all new developments. Is the Government accepting this liability themselves when providing a new block at Varyl Begg? Providing the additional facilities to help the problem of the residents of Varyl Begg which is so great especially at night?

HON J L BALDACHINO:

Yes, and perhaps I should have explained to the Honourable Member that opposite in Westside II we have reached an agreement with the developers that as they have surplus parking in the development, and I must make this quite clear in case people are listening, that to go into a parking at Westside II there is no need to enter into the Estate. So the Estate will not be inundated by vehicles from Varyl Begg. They will be going into a normal parking like the car park in Casemates without any intrusion into the privacy of the people who are paying. The intention is that there are people in Varyl Begg who are willing to buy a parking and we also look at the parking facilities that exist at Varyl Begg, at the moment, and then I will make a decision to perhaps allocate one to each flat. There could also

be surplus parking at the reclamation where the Building Components Factory is. This is now full of lorries etc, that could be an overflow to the parking problem that we have at Varyl Begg. We are looking at the problem of parking and also the excess parking space at Westside II. With these areas I think we will have sufficient parking for the people residing at Varyl Begg. The problem at Varyl Begg is a problem that exists everywhere else. For example I live in Varyl Begg and I go home late and find it very difficult to find a parking so I park outside and then walk home. However everybody wants to park right where they live. That is the problem, not only at Varyl Begg but everywhere else in the other Estates. I am afraid that I have already spoken to the Tenants' Association because I prefer that people should belong to the Tenants' Association. It is easier for me to deal with the Tenants' Association and then they can raise problems with me not only at Varyl Begg, for example the new Tenants' Association at Humphreys and the new Tenants' Association at the Coach Park. I have already spoken to the Tenants' Association at Varyl Begg and I think that we will probably be able to provide them with more parking facilities.

HON LT-COL E M BRITTO:

Mr Speaker, once again I thank the Minister for that explanation. Sticking to Varyl Begg I have been made aware during the past few days of a problem that is arising and which possibly has not yet been brought to the notice of the Minister because I see no provision to remedy the matter in these Estimates. In fact I am not sure whether it is a Government problem or whether it is a problem of the developer. The new "road" that circumvents the outside of Varyl Begg whose entrance is through what was the Pilot Station and continues into the Reclamation is, as Ministers know I am certain, a very much on a temporary surface and I presume laid by the developer. Now, Mr Speaker, what is causing serious problems, and could even be causing public health problems, is the amount of extra dust or extra sand or whatever that is being shunned off by these lorries as they go backwards and forwards. The long-suffering people along that part of the Estate are by and large, I understand, fairly silently putting up with the inconvenience of having part of the Sahara Desert on their very doorstep but are now finding that life is becoming almost intolerable by the extra strain on their families and on their children. I went down to see the problem for myself and I not only saw, but was given to understand, that because the entrance is wide open, and I appreciate the problems of trying to close the entrance, it has become a favourite drag car racing track for want of a better word for motorcycles, cars, bicycles and anything else at hand. Now to make matters worse, the perimeter fence which exists along that edge of Varyl Begg is fouled in a number of places and I could see young children having gone through these holes and happily playing on the edge of this road. To me the whole thing looks

like a recipe for a serious accident sooner than later. I would put it to the Minister that there is case for (a) the studying of how the barrier can be made more permanent, (b) whether the public health aspect needs to be investigated and (c) of getting the developer to control access into the site.

HON J L BALDACHINO:

Mr Speaker, the Hon Member is quite right in saying that one has to be grateful to the people of Varyl Begg for the way they have put up with what is an abnormal situation. I have already spoken to the developers and to the Land Reclamation Company and they are going to try and minimise the problem. Although I am sure that we will not be able to find a permanent solution, we can at least try and minimise the problem by hosing down the area where vehicles pass at least twice a day if that is possible. I have already made representations to them, even though I have not received representations from the people at Varyl Begg, I understand that they have been trying to get in touch with me. I had a representation made by the Tenants' Association and I said that I would look into the problem. Mr Speaker I also live at Varyl Begg and I know the problem and they have told me that they would try and hose down the track where the big lorries pass. Mr Speaker, I have through negotiations managed to get out of the developers a swimming pool for the people of Varyl Begg. This is to compensate them for the loss of the waterfront and even if that was not an acquired right I think it is only fair that they should contribute something for what the people at Varyl Begg have really put up with. I am very grateful, Mr Speaker, because they have not really made a song and dance of it and if that had happened in other areas then we would have probably have had people with more complaints than normal and up to a certain point I understand the problem they are having especially with the sand but it is something that unfortunately in Gibraltar whatever you do as we are so small it always affects somebody else. At least I think as the Honourable Member rightly points out they should try and minimise that inconvenience and that is something that I have brought to the attention of the developers and the Land Reclamation Company and I hope that what they have promised me materialises.

HON LT-COL E M BRITTO:

Now, Mr Speaker, coming to the point made by the Honourable Minister Mr Baldachino on the definition of the word "extension" and "going further", I think that the Hon Minister and I shall have to disagree on this one. I think the word "extension" means what it says and as the Minister has put it "to go further". The AACR started the £2,000 tax allowance, the principle is the same, the principle is to encourage Homeownership and the principle is to get people to pay less tax. The Government have extended the figure to £10,000 which I accept as his definition. I

put it to him that I feel that what they have done is extend the conditions under which this tax allowance can be obtained and extend the range of people that can fall into the catchment area. Although I do not think that it is worth labouring the point Mr Speaker. A final point on Housing, Mr Speaker, I cannot in all conscience let the opportunity to go by without taking the Government to task on the question of "emergency housing". What I had written down here was "Fiasco at the Queensway", the ex NOP Courts. Mr Speaker, it took Government a very long time to produce what they themselves have described as "emergency housing". We have never had a satisfactory explanation in this House, for the delay that occurred and now once houses are finished, and one cannot but welcome the fact that eighty families have been accommodated whereas before they were living in worse conditions, but having said that, conditions within the houses are not as good as they could have been and the finishing is not as good as it could have been. I have seen instances of walls which move with the wind literally or should I say sections of walls which move with the wind and you can actually see through the gap in the wall and out to the ground. But of course worst of all is the problem of condensation. To my knowledge there is water penetration in a couple of flats but I do not think it is a serious complaint, but the question of condensation within the flats certainly is. I took the matter up with the Minister at Question Time sometime back and I was given to understand that he was in consultation with the makers of the "emergency housing". I was informed that representatives of the firm were coming out and that some sort of remedial work was going to be carried out. I understand that so far nothing has happened and I see no provision for this, unless it is going to be at the cost of the original suppliers, and unless this is looked into the problem of condensation will as the weather cools down and there is an appreciable difference in temperature between the ambient temperature outside and the temperature within the building. I will give way.

HON J L BALDACHINO:

Yes, Mr Speaker, that is correct. I think that we have now come up with a solution but one never knows if this is the solution until one tries it out. We are trying out what my experts have told me is the best solution for condensation or to remove condensation. The answer is to have an open end on both sides so that air flows through. The problem is that we also want to divide the top floor and we are looking at a possible way of doing this and at the same time cutting down on the condensation. The flats that are most affected are the top floor flats. There are numbers of people who have complained because I have received those complaints. It is also true, Mr Speaker, that there are people who are very happy to be there, the majority. Others have complained because they have a problem and I will try my best to find an acceptable solution and I hope that we will start the work soon. I accept the

constructive criticism that the Honourable Member has made but what I cannot agree with him is that it is a fiasco. Because it is not a fiasco. It cannot be a fiasco when you have accommodated eighty one families that were living in a worst type of condition than what they are living now. It is a question of opinion because I think that if they had been on this side of the House, the Emergency Housing would not have been provided and it would have been far longer for those eighty one families to have obtained better accommodation.

HON LT-COL E M BRITTO:

Mr Speaker, the definition of fiasco was in terms of both the time and the final product, not the alleviation of the housing problem, but we will leave the matter there. Mr Speaker, I find myself in a little bit of a quandary. I understand that we are going to adjourn at eight o'clock.

MR SPEAKER:

There is no reason why you cannot carry on tomorrow morning.

HON LT-COL E M BRITTO:

Well that is the point that I was going to make. There is no way I am going to be able to finish my contribution in five minutes. On the other hand I do not think I can make my contribution on sport in five minutes either and I understand that the Minister for Sport will not be here tomorrow.

HON MISS M I MONTEGRIFFO:

That is right, Mr Speaker, I have been invited by the Grammarians Hockey Team to accompany them to the European Cup Finals.

HON LT-COL E M BRITTO:

I am in your hands Mr Speaker. I can now move into sport and try to keep it as short as possible but I cannot guarantee it will be five minutes.

MR SPEAKER:

I believe there are a number of Members who have to go somewhere so staying later than eight is going to be very difficult.

HON CHIEF MINISTER:

Mr Speaker, I have an appointment that I have got to keep but the other Members of the House can stay if the House so wishes.

HON LT-COL E M BRITTO:

Let me reassure you, Mr Speaker, that I will not be all that much longer.

MR SPEAKER:

Very well we shall carry on and then those who have to go can do so.

HON LT-COL E M BRITTO:

Fine, Mr Speaker. On the question of sport, Mr Speaker, I must first of all take up the Honourable Miss Montegriffo on the question of the artificial surfaces at Victoria Stadium. I could not help writing down what she said towards the end of her explanation as to why after two years and so many months we still are no further than where we were before. The Hon Member said "We are well advanced in our negotiations and will soon be in a position to make public a date when the artificial pitch will be installed". I cannot help but smile, Mr Speaker, because I think I have heard that on several occasions in answer to Questions thrown in the two years in which she has been negotiating with the previous supplier.

HON MISS M I MONTEGRIFFO:

If the Hon Member will give way. As I explained to the Hon Member a couple of months ago, the Government had no option but to keep on with the Agreement that it had with the proposed suppliers and until we gave them the deadline we were not in a position to pursue alternative proposals and that happened only a couple of months ago, Mr Speaker.

HON LT-COL E M BRITTO:

I hope the Minister having been bitten once will be shy a second time. I will not give her a two year deadline, but seriously Mr Speaker, it is getting on for the unacceptable, that after two years nothing has happened. There has been complete failure and now we are starting again and there is no indication when the thing will be completed. Sport is suffering and sport is what I am concerned with. The Minister made no mention of the pool for GASA or the temporary provisions that have been made and again I must point out the situation that exists at the moment where the two pools are there side by side, the Calpe pool has been inaugurated and is ready for use and the temporary pool for GASA is not yet ready.

HON MISS M I MONTEGRIFFO:

Mr Speaker, if the Honourable Member will give way again. I did not make any mention about this Mr Speaker because the Honourable Mr Feetham will be mentioning the question of the temporary arrangements in his contribution.

HON LT-COL E M BRITTO:

Fine, I look forward to the Member's contribution and if at some stage gives way I will expand if necessary. Mr Speaker what I am objecting to is the principle that GASA should be second in the race for the two pools. They should have at least been opened together or if not preference should have been given to GASA. I will however give the Hon Minister a chance to explain and if necessary I hope he will give me a chance to speak if I need to. Mr Speaker, I must also mention the Sports Advisory Body and repeat the criticisms that I made last year. I understand that there is a certain degree of unrest or of unhappiness amongst the members of the Sport Advisory Body. I understand that once again this year and the Minister might not be aware of this, but she can take my word for it that there is, I understand that the Sport Advisory Body has met on a limited number of occasions, I do not know on how many and I put it to the Minister that the concern or the unhappiness that exists could lead to some resignations and it is due to the fact that members feel that they are being used, to a certain extent, as a rubber stamp for the question of Financial Grants to Sporting Associations and that on some occasions when some of them have wanted to raise other matters which do not have a direct financial implication they have not been allowed to do so. The point that I am making is that she herself has told me, when I have asked her for the terms of reference sometime back, that the Sport Advisory Body is there to advise Government on all matters, and I will quote the words as approximately as I can "on all matters to do with sport" and that therefore that is what it should be used for and not just to discuss the Financial Grants.

HON MISS M I MONTEGRIFFO:

Mr Speaker, I can assure the Honourable Member that we have met on many, many occasions and that members have had the opportunity, before the meetings, to include any matter related to sport in the Agenda. The can even raise any matter without putting it in the Agenda. In fact we have spoken about such matters and meetings usually go on for as long as three and four hours every time, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, this is again a question of two different stories from two different sides of the fence. I put it to the Minister, and it is a thought that has just occurred to me that, unless she considers that the Minutes of this meetings are confidential that maybe it would assist me in my contributions on this subject in order to be more positive and constructive if she could let me have sight of the Minutes of meetings on a confidential basis. I leave the decision to the Minister.

HON MISS M I MONTEGRIFFO:

Mr Speaker, if the Honourable Member will give way. If the Hon Member gives me the information on those members that are unhappy I will be happy to take the matter up with them.

HON LT-COL E M BRITTO:

With respect, Mr Speaker, it is not up to me to speak on behalf of the members of the Advisory Body. Any member that has spoken to me in confidence about the fact that they are unhappy it is up to that individual member to inform the Minister. I hope she will accept my word that I am not inventing the facts and that I have been told of this. Finally, Mr Speaker, in order not to keep anybody here any longer than necessary an additional point, a repetition of a point that I made last year. I do feel that with the Sports Grants up to £40,000 there is a case to be made for insisting that a proportion of the money given be used for the furtherance of sport of the majority and not just the minority that travel out of Gibraltar. In general terms I think the Minister will agree that the greater part, if not the total of these grants, are used for travelling abroad by teams or by groups. I feel the majority of participants in any given sport stay behind in Gibraltar and that there is a need for using some of that money on coaching. There is a need to use some of that money to promote the sport at a junior level and there is a need for better facilities, but I will not go into that, but definitely coaching and for juniors is a must.

HON MISS M I MONTEGRIFFO:

Before the Honourable Member finishes, Mr Speaker, I can guarantee that the Sports Advisory Body looks at all specific commitments that are brought to its attention. If no one applies for that type of Grant it is then impossible for the Committee to grant the Sporting Association the money.

HON LT-COL E M BRITTO:

Mr Speaker, with respect, the Minister misses the point. It is not what the Sporting Associations ask for. What I am saying is that Government should give a leadership and say that one of the conditions is that part of that £40,000 should be set aside for the majority of people who stay behind in Gibraltar. It is not a question of waiting for people to ask. In round figures say £10,000 should be allocated for coaching schemes for the benefit of junior sportsmen, for the benefit of non-international .....

HON MISS M I MONTEGRIFFO:

But this is being done already Mr Speaker. This is what I am telling the Honourable Member. I remember a couple

of meetings ago in the House of Assembly that the Honourable Member specifically asked me what the money being used for, other than events out of Gibraltar and I confirmed to him that money was being allocated towards coaching, conferences and other things apart from international events Mr Speaker. I answered the question in the House.

HON LT-COL E M BRITTO:

Mr Speaker, maybe I missed that. The list of grants that the Honourable Minister gave me did not indicate the money being spent in Gibraltar. Island Games, the Grammarians with GHA, Eagles with GHA, Commonwealth Games, the Squash Association, Basketball, the Gibraltar AAA's, Volleyball, GAA, Badminton, Fishing, Table Tennis and Cricket.

HON MISS M I MONTEGRIFFO:

I said, Mr Speaker that it is because this year the Sporting Associations had only asked for grants to be given to them for going outside Gibraltar Mr Speaker, this is what I said originally.

HON LT-COL E M BRITTO:

Mr Speaker, I will not labour the point because we have gone round in a full circle. What I am saying is that a proportion of that money be it 25%, 20% or 30%.....

HON MISS M I MONTEGRIFFO:

But I cannot earmark it if they are not going to use it.

HON LT-COL E M BRITTO:

If it was not available for going out of Gibraltar. It would be used for coaching etc and if it was not used for that they would not get it. But I will not labour the point. Obviously the Minister does not agree with me. I think it should be a specific contribution.

HON MISS M I MONTEGRIFFO:

It is not a question of agreeing Mr Speaker, there has not been the demand this year.

HON LT-COL E M BRITTO:

Mr Speaker, with your permission if I may I would like to stop there.

MR SPEAKER:

The House will recess until tomorrow morning at 10 o'clock.

The House recessed at 8.05 pm.

The House resumed at 10.05 am.

MR SPEAKER:

I will ask the Hon and Gallant Colonel Britto to continue with his contribution.

HON LT-COL E M BRITTO:

Mr Speaker, the Chief Minister yesterday in his explanation on the various ways of measuring the growth of the economy spoke about measuring it by looking at the production of a country, by measuring expenditure, by measuring income. He then explained that you could freeze, as it were, this economic growth taking a "snapshot" I think was the word he used, as they are for example reflected in these Estimates today. He also went on to say that you can, or that it is done, that this snapshot is touched up or updated periodically. For example when the figure is first estimated in stage 1, when the outturn is predicted in stage 2 and when the final figure is confirmed being stage 3. Well all this is fine as economic theory. However what he did not say, Mr Speaker, was that there is a fourth way of measuring the economy. A way that is used much more frequently to update the photograph or the snapshot, a way that is practised monthly, weekly or even daily by the man in the street when he checks his state of economy, what he is mostly interested in, his own personal economy, when he checks his bank balance, when he puts his hands in his pockets to check his cash, when he sees what amount of money he has been able to save or invest and when he sees what extra money he has available to spend on luxuries for himself and for his family. That is the economy, Mr Speaker, that is not behaving as bouyantly as the Chief Minister would have us believe. The case is that the man in the street is today certainly no better of and in some cases, he is worse of, because of higher income tax deductions, than he was when this Government came into power two years ago. Listening to speakers from the other side, Mr Speaker, and especially to the Chief Minister, one comes to the conclusion, if that conclusion had not already been reached before, that here is a Government that has two preoccupations or two obsessions. An obsession with statistics and an obsession with secrecy. This obsession with secrecy, Mr Speaker, is reflected in these Estimates and about which I will give examples as I go along and it stems directly from the attitude of the Chief Minister and is faithfully reflected, if I may say, by his speeches and by the speech of other members on that side of the House throughout our meetings. The Chief Minister has made no bones about his declared policy of giving the Opposition as little information as possible. A Chief Minister who it is whispered in the corridors of power, and I choose the word whisper, advisedly, in the corridors of power of No.6 Convent Place regularly instructs Civil Servants to carry out this policy of keeping

information as disguised, or as little, as possible. Now, Mr Speaker, this, as I say, is copied by other Ministers. It is very noticeable in their interventions and most noticeable when answering Questions. For example, Mr Speaker, we have the example of the Honourable Mr Feetham earlier on in this same session of the House humming and laughing and denying and coming back and eventually admitting that there was an intention, in answer to a question from me, to move part of his department to new premises at Town Range when it would have been quite simple to have admitted this. It was rather an innocuous question. I admitted this from the word go. Instead the Hon Minister spends ten minutes of the Houses's time trying to pretend that there was no intention to move. We also had it from the Honourable the Minister for Housing, Mr Baldachino. In the last meeting or the previous meeting, I think it was, when again in answer to a perfectly simple question from me, on the level of rents in Government housing, he hid behind the provisions of Standing Orders to say that this information was publicly available because it had been answered in a question to him some years ago. That Mr Speaker, reflects an attitude of secrecy to a question of purely statistical information made available to him when I was not a Member of the House. We had it in the attitude of the Honourable Miss Montegriffo. For the past two years we have been trying to find out what is happening to the artificial surfaces at Victoria Stadium and for two years she has refused to give any information at all. Mr Speaker, I could go on but at the risk of boring the House I will pass on to other things. We had an early signal of this attitude of secrecy at the inception or the setting up of the Joint Venture Companies. Joint Venture Companies which continue to function without Members on this side of the House having any information as to their financial situation. Joint Venture Companies that we understand, as we have not had it confirmed, that are using public funds and yet there is no reflection of this in these Estimates or anywhere else as to how these funds are being used and furthermore Mr Speaker, there is therefore no public accountability for the use of these public funds in these Joint Venture Companies. If we now look, Mr Speaker, at the Improvement and Development Fund and specifically Receipts. Page 83, Mr Speaker, we see under Subhead 2 that the Government having estimated some £3¼m of Receipts from the sale of Government properties for this past year is now predicting an outturn of just over £16m from £3¼m. It is predicting, or it is estimating, for the year 1990/91 an increase to £25m in Sales of Government properties and all this, Mr Speaker, without a word. Throughout the year the public of Gibraltar is not aware of what has been sold. Who it has been sold to? How it has been sold? And much less what it has been sold for? Because, of course, it would be an offence to tell anybody what it has been sold for. It would be damaging to the commercial position of the Government. Total and utter nonsense Mr Speaker. There may be some justification for not disclosing figures beforehand and for not disclosing actual figures afterwards. But to refuse to disclose



information of what has been sold and to whom is not acceptable Mr Speaker. To refuse to give the information in global terms so that one is not able to identify actual figures is again difficult to swallow. It is another product, Mr Speaker, of this attitude of secrecy that this Government has and furthermore in the absence of a Tender Procedure or anything similar to a Tender Procedure, there is no satisfaction or no guarantee that such sales are being achieved for the best possible prices or in the best possible conditions for the people of Gibraltar. We only have the word of the Minister, on the few occasions when he is prepared to get up and talk about this. And that in general terms is not enough, Mr Speaker, not that I am doubting the Minister's word as such, but that in general terms is not enough for the public for something that is public property. There has to be public accountability and the Government should be prepared to stand up to the responsibility and to say what it is doing. Another example Mr Speaker, and I am sorry if I seem to be concentrating on the Minister for Trade and Industry, but if I now take you to Head 22 of the Estimates of Expenditure and specifically the department that the Honourable Mr Feetham heads we see under Subhead 80 a provision of £30,000 for the City Plan, a revote I may say of £30,000 which was the money voted last year. Mr Speaker, not so many days ago we had the privilege of seeing the Honourable Mr Feetham on the front page of the Gibraltar Chronicle waving a map of Gibraltar painted in pretty colours of the five zones that the Minister is dividing Gibraltar into. Does not the Minister think that the people of Gibraltar deserve to be consulted? Does not the Minister think that the continuing delay of the City Plan which was supposed to have been ready so many months ago, the last Government if I remember rightly left one shortly before leaving office, that was supposed and promised by the Government to be ready if I remember for February last year and we voted £30,000 in these Estimates last year. Well nothing has happened during the year and we now have the same item appearing again. Mr Speaker, the facts speak for themselves. If we now go to the Consolidated Fund Charges on page 704 and specifically Subhead 26 and 27 on Commercial Borrowing we see another example of what I am talking about. It has been the practice, Mr Speaker, to itemise Commercial Borrowing as can be seen from the previous two pages of Consolidated Fund Charges on page 702 and 703, it has been the practice, as I say, to itemise borrowing under each individual item of borrowing and to keep the individual details during the life of the loan or the servicing of the loan. Well we see an interesting development this year, Mr Speaker, of the loan repayments and interest charges of commercial borrowing done, presumably, locally, all being dumped together under one Head. And why we ask, Mr Speaker, is there some ulterior motive? Does the Government intend to borrow in the future and it does not intend us or the people of Gibraltar to know who it is borrowing from? What is the need to linkup all these loans together under one Head and therefore hide

the origins of the loan? One more example of this secrecy complex appearing once again. If we now go to Head 26 of the Expenditure in this Estimates and specifically to the item of Supplementary Funding which was referred to by the Chief Minister yesterday and to which rather exceptionally we were given an explanation of their intention. I must admit, Mr Speaker, that I had also questioned the motives for this Supplementary Funding which in itself is self contradictory because it should be unnecessary to provide Supplementary Funding at this stage because if you know that there is a need for Supplementary Funding then the causes should be itemised and included and it should then no longer become Supplementary Funding. Now if you do not know what it is required, then there should be no need for it. I am however prepared to accept the Chief Minister's explanations that it is intended to set a limit on the extent of the Supplementary Funding and that it is a signal to Government departments. But I ask the Chief Minister to give us is an undertaking that he will give details, as the year progresses, of how this Supplementary Funding is being used. In order that it is seen that they are not hiding behind the veil of secrecy and the measure was to spend that money in whatever way the Government saw fit without giving any information to this House. And I ask him to give us the information on how it is being spent and further I would ask him when he exercises his right to reply to clarify whether it is his intention, at this stage, not to have any further Supplementary Funding during the year? Mr Speaker, the Minister for Labour and Social Security yesterday spoke at some length on the merits of the Youth Employment and Training Scheme. I will not go into details on both aspects of it, but what I will highlight is the fact that I find it a little bit disturbing that there is no indication to the public throughout these Estimates on what is happening to the money being contributed by every employer in Gibraltar, not just by the Government, but by every employer in Gibraltar on a weekly basis through the Social Insurance Fund, to fund the training scheme. It is public money. It is not a donation. It has been contributed under the force of legislation and it is obligatory that there should be a certain degree of public accountability for it. Again this attitude of secrecy because nowhere is there any indication, or has there been any indication in the past, from the Government on what amounts of money have been collected, how this money is being used, how it is being controlled and where it is being kept. We now come Mr Speaker, to what we on this side of the House see as the best, or should I say the worst example, of Government secrecy and this is the creation of the Gibraltar Development Corporation and the so far lack of detail of what it is intended to do beyond one or two items that have already been mentioned like the Training Scheme and the Airport. How it is going to be financed and what public money, if any, is going to be used. Once again, Mr Speaker, there is no indication in these Estimates of any intention at least no outward and unequivocal indication in these

Estimates of what, if any, public funds will be used to finance the Corporation. As we all know, Mr Speaker, the GSLP Government has designed the perfect secret vehicle in this Corporation. It is able to do what it likes virtually because of the very wide powers given to it. It will be able to do what it likes, how it likes. It will be able to pay for it in whatever manner it chooses without anybody outside the Government knowing what is going on because the Gibraltar Development Corporation will have no obligation, not just to publish Accounts or to come to this House and give details of its activities, but it will have no obligation to publish any Reports that will be available for the public describing what it is doing and it will not have any obligation to tell anybody outside Government circles of its activities. That, Mr Speaker, is using public funds in an unacceptable manner as far as this side of the House is concerned. That is why the Leader of the Opposition announced yesterday that it is the intention of the AACR to hold an inquiry into these activities once the next AACR Government comes into power. Mr Speaker, as a final item on this attitude of secrecy I would like to reflect on how this is also adversely affecting the sovereignty of this House of Assembly and is striking at the very root of Gibraltarian democracy. Yes Mr Speaker, if you look at the definition of the word "sovereignty" it does not just mean royal, it means other things as well. It means independence, it means the power, it means the ruling capability. There are many examples, Mr Speaker, of legislation being passed which effectively is eroding the powers of this House. Legislation which is aimed at allowing the Government to rule by Regulation. This is not good for Gibraltar, Mr Speaker, and the GSLP will pay the penalty for this element of electoral dictatorship that it is introducing into our society. Mr Speaker for the first time in our history, people are afraid to speak out, they are afraid to be seen publicly opposing the Government and in the long-term it is the Government who will pay the penalty for creating this fear. Mr Speaker, I spoke of two obsessions, one the obsession with secrecy which I have at some length identified and which can be seen throughout these Estimates. I also spoke of an obsession with statistics and I will deal with this now. We all know of the Chief Minister's or rather the Government's electoral predictions of 50% growth of the economy and it seems to me that the record of the Government so far shows that this is their priority. This has to be achieved at all costs. Because if nothing else there are individual reputations at stake and they cannot be seen to fail. Now how is the Government setting out to achieve this? Well, I spoke again about increases in Income Tax, Mr Speaker, because although this Government has said that it has not increased Income Tax, it is an inescapable fact that the Gibraltarian today is paying between 20% and 25% more in Income Tax than he was in March 1988. I am not going to go into mathematical proofs, at this stage, because the Government knows that what I am saying is true and the Chief Minister knows that it is true and if they

do not agree that the Gibraltarian today is paying over 20% more tax than he was at the date of the Election, then I challenge the Government to deny this. Of course, the reason is well known, Mr Speaker, it is because Personal Allowances have not been increased in line with inflation and as long as these Personal Allowances are not increased the Gibraltarian will continue progressively to pay more tax each year. This is what the Government is doing without disclosing these facts to the people of Gibraltar. We also see this preoccupation with statistics being reflected in the Government's attitude to the Civil Service. A measure of restructure, Mr Speaker, was what the GSLP manifesto said prior to the general election. I should say that wholesale slaughter is the description that would probably be more appropriate at this stage. I am advised that "slaughter" is not a good word, Mr Speaker, and I accept that. I shall therefore call it wholesale dismantling rather than wholesale slaughter which perhaps has other connotations that I do not like. We have seen whole Departments or parts of Departments dismantled with the intention not just of increasing efficiency but, obviously, of lowering the cost of the Civil Service and there is no doubt, Mr Speaker, that in the haste with which this is being done, with the priority that appears to have been given to encouraging more Senior Civil Servants, who are obviously earning more to retire - and I use the word "encouraging" in inverted commas - There is a loss of experience, a loss of expertise being suffered within the Civil Service that if it is not causing irreparable damage will certainly be extremely hard to replace. As a third example, Mr Speaker, of this attitude, I touch on something that I will call "the Winston dependency". Let me tell the House a short story, Mr Speaker. I was walking up the street a few days ago and there was a group of young people just ahead of me, round about 20 years old, they could have been the sons or the daughters of many of us in this House and for all I know maybe some of them were, and their conversation was extremely interesting. One of them was describing a car that he had just acquired, an expensive model by most people's standards, and he was extolling the virtues of this car and some of the others were saying how expensive it was and, surely he did not have a job and the young man confirmed that he did not and the others were saying: "Well, how are you paying for it, how do you intend paying for it? And the answer that stuck in my mind Mr Speaker, the answer was very simple, the young man said "Winston paga", "Winston pays". Mr Speaker, the Government has taken some steps to improve the situation but obviously it has not done enough because the situation that we are talking about still exists, and continues to exist, and apparently it is getting worse. The Government is not giving all the leadership it should and is, in fact, looking the other way apparently judging that the extra income coming into the public coffers is more important than the social consequences it is causing, Mr Speaker, is economic growth so important that we need to be encouraging and creating and educating tomorrow's

generation in this frame of mind and with all the social consequences that this is likely to bring? Finally, Mr Speaker, I will come to Appendix F to these Estimates, the Gibraltar Government Lottery Account. I will quote from Hansard what I said last year when referring to the Lottery. I said then Mr Speaker on page 105 of Hansard "It is almost immoral to look at page 9.6 of the Estimates, to see that the Government is budgetting for a £4m in prizes in unsold tickets. Putting it another way, Mr Speaker, the Government expects to win a £4m itself in the Lottery in the coming twelve months. But the point that is more interesting and a reflection of the thinking behind it, is that if this were not to happen and, of course, it is a gamble and nobody can say whether the £4m will, in fact, happen or not happen and it is purely a matter of luck, but what is indicative of the state of the Lottery Account is that if it were not to happen and if the Government were only to win the couple of thousand pounds that it won in the year 1987/88, in fact, despite doubling the price of tickets, Government would make less profit in the coming year than it did on that previous occasion. So I think it is pretty indicative that some shaking up needs to be done". Well, Mr Speaker, the Government did not win a £4m, it won over £4m in unsold tickets, £530,000 to be exact which together with the value of prizes unclaimed by the public, another £130,000, gives a total of £660,000 as a windfall to the Government. But what gives me no pleasure to say, Mr Speaker, is that the profit made by the Lottery was only £536,000 and was less than the amount won in prizes by the Government. So my prediction last year that the Government would have less profit proved to be wrong but the Government would have made a loss if it had not won that prize money. To make the situation worse, Mr Speaker, the Government appears to be content with the situation because the Minister responsible, the Honourable Juan Carlos Perez, told me in answer to a question in the earlier part of the session, in this House, that there were no immediate plans to make any changes and I see from the Estimates for 1990/91 that the Government intends or predicts a profit of £599,100 for the coming year. But it also predicts, Mr Speaker, that it will make £550,000 from the winning of tickets. So the Government, in budgetting for the Lottery, is relying almost entirely on winning prizes, because if it does not win prizes it is going to make a loss. It is obvious, Mr Speaker, that since the Lottery was restructured things are not well and it is obvious that if a Lottery has to depend on people not winning prizes then not only is it immoral but it is commercially unwise. I therefore say again, Mr Speaker, that there needs to be some rethinking and there needs to be some restructuring of the Lottery. In conclusion, Mr Speaker, I can think of no better way to end my contribution than by repeating the words that I used at this time last year at the Budget Session and I apologise that by repeating these words some may be slightly outdated. I will quote from the same page of the Hansard, Mr Speaker, page 105, when I said "Finally to conclude my contribution

Mr Speaker, on the debate on the Estimates, I want to stress what appears to me one notable exception in all these Estimates..... An omission from a Government that was elected on a ticket of "caring for the community" and that, Mr Speaker, is the lack of any provision for accommodation for the Drug Rehabilitation United Group and the consequent recent disbanding of the Group through lack of support, financial or tangible in bricks and mortar from the Government. I would like to take this opportunity to pay tribute to a very dedicated band of volunteers led by Mr Hubert Corby and a number of others who for a long time have been doing excellent work behind the scenes at no cost to the Government, at no cost to Gibraltar, purely at the cost of time and physical endeavours to themselves at all hours of day or night, work that now sadly has come to an end and I will end by calling on Government to meet the responsibility that it accepted during the recent exchange of questions in this House and to meet the responsibility for providing a service to replace DRUG and to deal with these very sad cases of people who have abused drugs but who are trying to recover from this terrible problem". That is the end of the quote, Mr Speaker, and I call on the Government once again this year to meet the responsibility which they had promised to do but which they still have not done anything in providing an alternative service to that which DRUG provided so that this very difficult problem can be dealt with. Thank you Mr Speaker.

HON J L MOSS:

Mr Speaker, after that rather intoxicating finish to the Honourable Colonel Britto's speech, I rise with certain trepidation this year and I say so because on the one hand someone from a certain Party has suggested that perhaps we do not need a full-time Minister for Education and on the other hand I thought I was sitting opposite a Party which I have always considered to be right of centre and fairly calm placid people who have now shown themselves to be wolves in sheeps clothing perhaps, by the revolutionary ferment of their arguments in this particular debate. Of course, it does take a while to get rid of old habits and certainly the way that the Honourable the Leader of the Opposition and the Honourable Mr Anthony, in particular, were dispensing millions yesterday was something to see. Mr Anthony was saying "What is £4m here?" and the Leader of the Opposition was talking about 50% growth as though it was something that you could find underneath a stone. Mr Speaker, I would use a word "obfuscation", which was used yesterday, and say, "how about "confustication?". That, Mr Speaker, is a word which, I think, was invented by J R R Tolkien. It means to confound. It means to confuse the issue. I think, with all due respect, that that is what the Opposition so far have been trying to do with this debate. It is certainly not a question of elucidating any information for the benefit of the public. Quite the contrary, in fact, there is a very definite obsession with secrecy in this House and I put it to the Honourable Members

opposite that the place where this exists is actually on their benches. They are obsessed with the idea that this Government is working in secrecy because of the fact that they do not do their homework correctly. When the Honourable Col Britto speaks about hiding behind Standing Orders and about simple questions I would say to them "if you put a simple question you get a simple answer". If you want to find out certain information then that has to be phrased correctly and you must not assume that the Government knows what the Opposition is thinking, even though invariably we do. Another thing I would say is this business of the man in the street. The man in the street has become very popular since 1988 and I do not know where he was hiding before that. At home perhaps. The man in the street for the first time ever in Gibraltar is actually going to have the opportunity to buy his own home which is something which is forgotten by the Opposition and he has also been assisted in many other ways and which have been announced both in this House and in public. If the Opposition are not aware of this it is because they do not want to know and for no other reason. One final point on Col Britto's contribution is that if he honestly believes that the tender system ever worked then he is living in cloud cuckooland. To begin with my contribution, Mr Speaker, what I have to say about education I have said before and I will say it again. Mr Speaker, one of the most lamentable things about education in Gibraltar was the state in which we found our schools upon taking office and I am afraid to say that this is not a job which can be corrected in one year or in two years or even in three. I would say that we have made substantial inroads into the problem in this past Financial Year. I can tell Members for example that three of our schools received a coat of paint on the outside. In the case of Bishop Fitzgerald School, I think, it was the first coat of paint that it has possibly received since it was built. We have also been able to react very quickly to problems at special schools such as St Martin's and Notre Dam and this has assisted the well being to great effect. The process is continuing this year and we have a substantial minor works programme for Sacred Heart and St Joseph's First Schools. This will include replacement of windows and their frames, a costly and expensive job which nevertheless needs to be done. We will also be, of course, taking some remedial action on the roofs of St Martin's School, on the Nursery Unit at St Bernard's School as well as in other areas where it may be necessary. We did devote a substantial input of money last year for Minor Works. I think the effect has began to show but what it has also began to show up is the very short-sighted policy of the previous administration which claimed to support the building of new schools but which was actually doing very little to the schools that already existed and which were, in fact, falling into a state of utter decrepitude. This is something which we certainly will not tolerate and will not allow for the future. You will notice on the other hand, Mr Speaker, what I am sure is subject dear to Members of the Opposition, that we have included a certain amount of money in the Improvement and Development Fund for studies

for new projects. This will involve consideration of any place where we feel, according to the new demographic distribution in Gibraltar, that we actually require, extensions to current buildings or where we think that the accommodation has to be improved to any extent. Obviously the South District is something which we have been looking at for some time and part of the money that has been voted for these studies or that will be voted for these studies, Mr Speaker, will be used for this purpose. We are not, of course, discarding the possibility of it being used for the improvement of schools elsewhere. I would also like to point out that the total school population of Gibraltar is not growing at any dramatic rate, so that what we are talking about is a redistribution of people and not that there is a sudden burning need for five new schools in Gibraltar, Mr Speaker. One of the important developments this year, of course, has been the acceptance by the Government of the Report produced for us by the National Curriculum Working Party. I believe this has been widely welcomed not just in Government circles but also outside because obviously it means that we continue our link with education in Britain. It also allows us, particularly through personal and social development to include much more of a local content than has ever been possible before in education. Clearly we are committed to ensuring that the National Curriculum is implemented smoothly and at the moment every indication we have is that this is going to be the case. I would however point out for the benefit of the Members of this House that capitation to schools has been substantially increased once again this year. It has now been increased substantially, in fact, for the past two years and the Government will also be making special funds available for computer hardware. This is something where we have been lacking, very very much behind, not UK standards, but certainly the standards that we would want to have in Gibraltar. The good news on this side is that the total amount of computer hardware that we expect to purchase in this year will represent 50% of what has been built up to now. I think that is something which will be of great benefit both to our teachers and obviously to our school children and it is something which we shall be doing in this Financial Year. I cannot let an opportunity pass, of course, to comment on how successful the refurbishment of Bayside Comprehensive is proving to be. Mr Speaker this was, of course, one of the sore points when we came into office and we promised the staff, the Parents' Association that we would have a school which was as good as new and up to now what I have seen of the works quite frankly, this is going to be the case. There is certainly no question of our skimping on expenses here and I would point out that the project is now worth over £1.8m. That Mr Speaker, is enough money to build a couple of smaller schools. I add these words for those who might be interested. I would like to make some reference to the College of Further Education, Mr Speaker, because this is an area where we have been consistently pushing for

changes to occur in what we feel is the right direction as far as the economy is concerned. When we came into Government we found that the College concentrated far too much on technology and that there was clearly very little evidence that this was a growth area in the economy. Whereas, for example, in the area of Business Studies where one can identify a huge increase in the number of jobs available in related subjects there was very little being done. I am glad to say that we have managed to begin to turn this around and that I feel this is the right way to move. It is certainly supported by most of the members of staff with whom I have had the opportunity to speak and it is certainly supported by local industry which is, of course, what is important. The difference between the College of Further Education and one of our Comprehensive Schools, Mr Speaker, is that the College of Further Education must be geared to the market because it has to train people for jobs. The College cannot afford to be spending time on academic subjects which can best be covered either in our schools or through further education at university, college, polytechnic in UK. We are looking at other ways of course to bring extra work into the College of Further Education and one of the things which we have been doing this year has been to create links between the training schemes. This has meant that a number of short courses have already been offered in various disciplines using the college facilities and I hope during the course of this year we will be able to extend the situation so that we are actually offering more of a theoretical back-up to the practical training which goes on in the scheme. On the subject of scholarships this, of course, was something which we did very early on in our term in office but there has been improvements to this last year. The floodgates I am happy to say still have not opened, Mr Speaker, but we have had a substantial increase in new awards. This was in the order of 30% in our first year and 25% following that, which means that there has been approximately a 50% increase in the number of students studying in the UK from when we came into office in 1988 to 1990. We do expect another small increase this year and funds have been provided for this in the Estimates. Whilst we are moving steadily towards the European average we still think that there is further to go and because of this we have made some improvements which have benefitted parents of students and students and the two which, I think, are particularly important this year are, on the one hand, the fact that we were able to give students assistance with the Poll Tax and when I say assistance with the Poll Tax what I really mean is paying for the Poll Tax. In some cases, Mr Speaker, even more than that and possibly, I would say, not a particularly right wing measure for our critics on the other side but I am sure they will find something to criticise. The other measure was, of course, to change the way that we calculate the maintenance grant so as to be able to assist one parent families. This, Mr Speaker, was also welcomed and has been of considerable assistance

to people who might have been in danger of suffering hardship previously. Of course, Mr Speaker, we do not do this just to improve peoples financial position, we do it because by improving the scholarship package we will be able to encourage more students to go to the United Kingdom and to get the skills which we feel are necessary in our economy to make us a success. In the context of scholarships I would like to have a quick word on teacher-training. The word when we came in was that the diagnostic year which teacher trainees served in Gibraltar before going to UK to study was very useful and that it was a must. Since then I have had representations from the Gibraltar Students Association and I have discussed the matter with professionals in my department and with the Gibraltar Teachers Association and we have felt that in the light of changing circumstances in Gibraltar, particularly the fact that perhaps the teaching profession is not as attractive in comparison to other up and coming professions because of the growth of the Finance Centre, it was no longer viable to continue with this. At least it was not viable to impose it on future teachers and so what we have decided to do is to not make it compulsory as from this year and instead for those students who still feel it might be useful to have experience of teaching before they go off to study to enable them to go through a kind of diagnostic year via a training scheme which would still have links with the Department of Education. However as I said, this will be optional and I do not know how many takers there will be because my conversations with students lead me to believe that what they actually want to do is to go to UK as soon as possible and get it over and done with and get the experience behind them. We have been able to computerise a number of functions within the Department this year and this will also be something which will be increasing in the coming year so as to improve the efficiency of the Department. We will also be able to benefit from an improved advisory service this year and I am sure that that is something which teachers, particularly, will look forward to. So much for education Mr Speaker. I would now like to make some comments on the Youth Service which also comes under my jurisdiction. I am pleased to be able to report that the Youth Centre is now very close to completion, in fact it is a question of days rather than weeks or months. We have ordered some special equipment from the United Kingdom and some has not arrived yet but particularly due to the fact that summer is nearly upon us and we do not feel the Centre will be so attractive at this time because of competing attractions such as the beaches and will therefore be delaying the formal opening of the Centre until September. Facilities will be available, of course, and I can honestly say, and this is the opinion of others who have been involved with the Youth Service in Gibraltar for the last twenty seven years, that there has never been anything in Gibraltar like it and it will really, as I have said before, be the place for young people to go to once it has opened. We also look forward to improving it further with their advise and with their assistance. Another place which has undergone extensive refurbishment this year is the Adventure Playground. It

has now been completely resurfaced and we have added new playing equipment so that children can play there safely accompanied by their mothers. We are also looking at improving this year the Playground that was created some years ago at the Moorish Castle Estate but which was then abandoned to the elements. We are setting up, as I informed this House I believe at the last Question and Answer Session, a Youth Information Service which will be part of the Youth Centre and will have, as I mentioned at the time, included in its brief to initially collect information on the extent of the drug problem in Gibraltar, particularly amongst young people. I think this is absolutely essential before any talk of rehabilitation or anything like that. It will also of course, be providing information in other areas. Again it will be a new service, something which has not existed here in Gibraltar before. I would point out as well as further evidence of how we are helping the young people in Gibraltar to the fact that Youth Grants have now effectively doubled, in fact more than doubled, since we came into office and that we have initiated a policy of exchanges which is certainly more attractive from the point of view of the young people who are going on them as well as much better in terms of getting Gibraltar recognised in the world. What used to happen before was that mostly a similar group of people would go to London or to Glasgow every two years and with all due respect to the House, I would suggest that most Gibraltarians now know what London looks like. So we are sending them further afield. This year they shall have the opportunity to go to Denmark which for those of you who might not know is a small country in Scandinavia which I believe has some links with Gibraltar. Next year we are looking at the possibility of sending a Youth Exchange to Eastern Europe which I think will be easier now that the Berlin Wall has come down. We also, Mr Speaker, computerising the records at the Youth Office and this is of particular interest because with the Youth Information Service there is going to be a lot of material there and we will be able to have it readily available to anybody who might be making enquiries. We therefore feel computerisation is obviously the answer here and there will be more outreach work involved, of course, in the Youth Service as we go out of Montagu Bastion to reach the young people outside and to try and find out particularly what their problems are. I would like to add as a final point on Youth that perhaps the Opposition might like to study the latest figures on Youth Unemployment to see just how successful our policy on training has been so far and show the Opposition that with a little thought training does not necessarily equal apprenticeships. There are many forms of training and all they have to do is go round Gibraltar and they will see many ways in which the Government is contributing towards this training. On Culture, next year we will see the creation of another new Festival, Mr Speaker. It will not be the July Festival. At the moment just to explain the situation for the benefit of the Honourable Dr Valarino, we have two Festivals, one is the Gibraltar May Festival and the other is The Gibraltar International Festival of Music and the Performing Arts which happens

in June. So we have a May Festival and a June Festival. Obviously in a place the size of Gibraltar it makes a nonsense to divide resources between two differing and competing groups. So being the good politicians that we are on this side of the House, Mr Speaker, we are trying to bring together all these interests, I think they call squaring the circle in mathematics, and creating a Festival which will do Gibraltar proud but which will at the same time encourage the participation of all sectors of the community and create a genuine Festival atmosphere. Now whether this will take place over one month, two months or twelve months I am not at liberty to say until I have had further discussions with the organising committees. It is very important for cultural activities to have the correct venues and we are not blessed with that many sizeable venues in Gibraltar but we do have two which in one way or another are controlled by Government, the Ince's Hall and John Mackintosh Hall. Ince's Hall has already been improved slightly over the past two years with new seating and some new lighting but we are looking to making a major breakthrough in this particular year with professional advice, certainly on lighting systems which we have very recently been very kindly offered by members, in fact, of the Transitions Dance Group which visited Gibraltar last week as part of the May Festival activities, so we will be looking to improve that to try and get it up to what I would term at least a semi-professional standard to be able to host professional activities as and when it is possible to do so without having to have crises management and upgrade facilities at the time when people arrive. This I may add is also something which we will be doing with John Mackintosh Hall Theatre where we will also be improving the lighting and the sound amongst other things. Hon Members might like to note that the improved library facilities should also be officially launched in the near future and that these should include apart from the very very largely expanded library, it has practically doubled the collection and doubled the floor space, as well as continuing with the Record Library. We will also be introducing for the first time a Video Library which will of course not be competing with high street video shops. This Video Library will be concentrating on Cultural and Educational Videos which are not readily available. To finish the cultural side, Mr Speaker, I did say that Youth Grants have been doubled over two years, well this has also been the case with Cultural Grants. Mr Speaker perhaps we did make the mistake of keeping it secret because we did not have a commitment in the Manifesto to do this but that is just to prove that we can dish out the goodies throughout the year even though there is no Finance Bill. Mr Speaker, in conclusion, I think we are able to come back to the House now and report that there has been progress in the areas of Education, Culture and Youth and I believe I have given an indication of how we intend to proceed over the next twelve months. I can only hope that I will be back here in twelve months time to report further improvements. Thank you, Mr Speaker.

HON J E PILCHER:

Mr Speaker, in making my contribution on the so-called Budget debate, I would like to break my contribution in two. One is obviously to report on the departments for which I am in one way or another responsible for, because although I am Minister responsible for some departments I am also the chairman of other entities such as joint venture companies. So, Mr Speaker, in doing so I will report on the progress made during the last year and then in the second part will obviously be tackling points raised by different Members of the Opposition and try to explain, at least from my point of view, what I have seen in the concerted effort of the AACR Opposition in this discussion. First of all, Mr Speaker, let me say that as was done last year, although as Minister for GSL and Tourism, there should be an explanation on GSL as was done last year, Mr Speaker, it is my intention to leave that until June when we will have the major debate on the GSL Accounts for 1989 and obviously at that stage we will hopefully, and I say hopefully, because I expect that the accounts will be ready by about June. So, Mr Speaker, I expect that by July or early August I will be in a position not only to bring to this House the 1989 Accounts but also be in a position to relate what has happened to the third stage of our restructure as well as having a major debate on GSL past, present and future, as I advised the House at Question Time at the last session. Matters relative to GSL will therefore be left until then. As far as Tourism is concerned, Mr Speaker, let me first of all explain the fact that Head 23 which used to be the Tourism Head of Expenditure is no longer there. The reason for this is that all matters appertaining to Tourism under Head 23 have now been taken over by the Gibraltar Tourism Agency and therefore do not form part of the funds that are voted in this House of Assembly. However, Hon Members opposite may recall that during October 1988 there was an amalgamation of the Upper Rock section, the Gardens section and the Tourist Office section into one department. Obviously as the Agency took more and more of the strain on cleanliness in the Upper Rock, the beaches etc, as I explained last year, what was left was a very small department basically what we have called the Public Places and Planted Areas. This Unit which amounted to about £700,000 was too small to stand as a single entity within the Government budget and we have therefore included it under Head 22 Trade and Industry. Hon Members will see that under this Head-Other Charges there is Item 15 Public Places and Planted Areas-£728,100. That, Mr Speaker, is what is left over from the old Head 23 - Tourism. At Committee Stage, Mr Speaker, I will provide Hon Members opposite with any information that they may require. I will give a breakdown of the £728,000 for Hon Members benefit now. It is a very simple breakdown, Mr Speaker, basically it is composed of Maintenance and Running of Motor Vehicles - £3,800; Electricity and Water £54,000; Telephone Service £1,400; Maintenance of Gardens £50,900; Wages £613,900 and finally the Protective Clothing £4,100. This was all included, under Head 23 last year and what we have done is just move

Head 23 for the reasons that I have explained to Minister for Trade and Industry - Other Charges Item 15. That Mr Speaker does not mean that there is any change in the way that we are running that specific department. It is only for the sake of convenience that it has been decided that it was not worth having a Head that employed thirty or forty people with an expenditure of about £700,000. Mr Speaker, as far as Tourism in general is concerned I explained last year that during 1988/89 we had basically been re-adjusting the old Tourist Office into the new Gibraltar Tourism Agency. That was done last year and when we came to the House during the Budget Session we already were seeing the changes that were taking place and I said to the House, at that time, that the major moves towards the different areas would start immediately. In fact the year, Mr Speaker, has seen many moves in the areas that I have mentioned some of which I will go over but obviously since nobody has mentioned Tourism on the other side, as yet, I find it difficult to relate to any questions that might be asked. Obviously with your indulgence, Mr Speaker, although I know that you mentioned at the start that you wanted us to discuss matters of principle only, if there are any questions posed by the remaining speakers I can either interject if they allow me to or perhaps tackle them at Committee Stage. Basically, as I mentioned last year, there were two elements which the Tourism Agency was looking at and paying particular emphasis over the financial year which has just ended. One was obviously marketing. The new marketing drive, the new image, which I explained last year, and the second aspect was the major improvements we wanted to make to the internal market. If I can concentrate very briefly on the marketing, Mr Speaker, as is already well known the Agency launched its new marketing strategy, its new image, its new logo, and its new identity as the Gibraltar National Tourist Board in the UK market in October last year at the World Travel Market, and then subsequently at the Spanish market in Madrid as well as at ITB which is the major tourist market which covers basically Central Europe. We are also doing a lot of other work and I have visited the Scandinavian countries as well as also doing a lot of work through our Gibraltar Information Bureau in Scandinavia to market Gibraltar from a touristic point of view. There has been, Mr Speaker, a concentrated drive in the UK market both on advertising and related in particular to the areas which are supported at this stage by link-ups with our air communications ie the Manchester and London areas. In this area, Mr Speaker we have linked-up, and I will have a bit more to say on that later, with the Gibraltar Airport Services Limited. We are looking at it from tourist and the airlines angle so, Mr Speaker, we continue to concentrate in trying to convince tour operators and trying to convince airlines to come to Gibraltar. Mr Speaker, the European market, for reasons which I will explain in a moment although I have already explained it publicly, is an area which we are concentrating on Central Europe as well, also as I have already mentioned, the Scandinavian market from the gateway potential of Gibraltar, Mr Speaker, which I think is something

which is already understood and already being used by some entities and obviously the fact that it is a new market. This concerns the two or three centre holiday syndrome which is the way that Gibraltar is looked as a base. We are, as I say, continuing to market this, continuing to try and strive to convince both tour operators and airlines to come to Gibraltar and we have done this throughout this year and we are creating specific drives next year in order to do this. On the internal market, Mr Speaker which is the area which I think we have concentrated the most without obviously detracting from what we are doing externally. There has been a major drive by the Agency in conjunction with Government departments in the what I termed one of our top priorities last year, the improvement of the product. We have during the 1989/90 Financial Year, made major inroads into improving the product, St Michael's Cave which within the next couple of weeks will be finished. This has involved major improvements to St Michael's Cave like the reversal of the entry exit which gives it a much more impressive view for tourists. We have added or will shortly be adding Information Centres within the Cave. We have finalised the son-et-lumiere which will be starting again next week. We have made major improvements to the lighting of St Michael's Cave and you will find, Mr Speaker, if anybody in Gibraltar cares to go and see that over the last two to three months the improvements have been dramatic. There has also been the introduction of the Apes Den as a Tourist Site and I will not repeat myself since this has been said before. There has also been the introduction of the Information Centres. The new design, will be something, which I think, Gibraltarians will be proud of. The employment of Dr John Fa will cater for the management not only of the site but the management and protection of the apes. We have also improved, Mr Speaker, in conjunction with other Government departments, as I was saying before, the refurbishment of all the toilets in Gibraltar. Although this might appear to be a minor matter it is not because I can assure Members opposite that this was an area which was sadly lacking particularly from the tourist point of view as our facilities in this area were seriously lacking. The Market Place toilet is at the moment closed for refurbishment and we are catering for disabled facilities within these toilets. Information Mr Speaker, is something that has again been sadly lacking. Within the first year of office we have retrenched the Information Services in Gibraltar. We did not feel that the one existing Information Office just below us was enough to cater for the new flow of tourists and what we have done, Mr Speaker, is shortly to open Tourist Information Offices at all the major points of entry into Gibraltar, ie the Airport, the Coach Park, and one at Market Place to cater for traffic movement. The pedestrian Information Office will be housed in the Museum. This together with the information being given and improved leaflets, brochures etc at all the sites will mean that we will have moved tourism from an information point of view into the twentieth century like the rest of our competitors worldwide. Signposts, as I think the Honourable

Mr Anthony mentioned yesterday, Hon Members will see that under the Improvement and Development Fund - £20,000 was voted by the Government and again it is the intention of the Agency to in conjunction with the Government provide badly needed signposting for tourists. This signposting is not to do with traffic, or signposting to do with amenities, it is signposting specifically to do with tourists. They will have their own colour and will be done in a way that will be pictorial and for tourists. Again something which we were sadly lacking, something which we have been criticised or at least we have been advised of and something which we are now doing, Mr Speaker. Another major inroad, Mr Speaker, into the so-called day excursion in Gibraltar ie the Rock Tour. This is again something that we have worked over the last year and have produced a new guide and a new Rock Tour system which again I have made public and I will just mention the fact that we are gazetting what is the official Rock Tour in Gibraltar. We are also now licensing Guides and which means that there will not be the possibility of any tourist coming into Gibraltar and taking a Rock Tour of Gibraltar without that being done by a qualified guide, which again, let me add, is something which is absolutely normal everywhere in the world except in Gibraltar. So we have taken that step and although within the first year it is a transitional license we hope that within the next year or so we will have all fully licensed guides. Cleanliness, Mr Speaker, is the other element, which although not directly affecting the Agency, because the Agency does not have this within its contract with Government, the fact that it has to do with the cleanliness it obviously affects the Agency because obviously cleanliness, litter etc in Gibraltar is something which is taken seriously since obviously tourists will go away from Gibraltar with the mentality that Gibraltar is not a clean place and I will just leave at that. Because of this cleanliness although not directly coming under tourism it has a major effect on tourism and I took it upon myself, in conjunction with the other Ministers, and with the help of the Attorney General's Chambers created a Litter Control Ordinance which I will not go into now because it forms part of what will be discussed hopefully this afternoon. That, Mr Speaker, is a major piece of legislation which we hope will concentrate in the areas of cleanliness, in the areas of littering which I think Gibraltar requires to make it a cleaner place. As I say I will explain the detail of it hopefully this afternoon. That together with changes in the law that we have made or changes in Regulations that we have made in the Recreational Rules, within the Public Health Ordinance in order to stop the movement of dogs in some of the areas particularly the areas which are tourist areas and the areas used by mothers and children, I think is part of the major drive that the Government of Gibraltar and the Tourism Agency is giving to the problem of cleanliness and litter. It is not a simple problem and I got relatively upset yesterday with the Honourable Mr Anthony because, I think, he was dishing away general remarks about litter, as if litter and cleanliness was a thing which the Government were not doing



anything about or a thing that affected the Government only. Mr Speaker litter, cleanliness is something that affects the whole of Gibraltar. If every single citizen played his part then I can assure you, Mr Speaker, that Gibraltar overnight would be much cleaner. As I say I got relatively upset yesterday because it seemed that from what Mr Anthony was saying that the onus of responsibility lay on the Government. The onus of responsibility does not lie with the Government. The onus of responsibility lies with the citizens of Gibraltar, Mr Speaker. All we can do unfortunately is legislate but it is not the way that I would have liked to have played this matter because it should be a matter of civic pride and not be necessary to legislate because what it does is to create enforcement bodies, fines, etc. It is basically hitting people over the heads with the hammer and it is something which I would have liked to have believed that was possible to do under the "Make Gibraltar Bright" campaign or under some kind of form where the people of Gibraltar felt that it was something possible without having to fine people. But, of course, there is the exception and I am not for a moment saying that all Gibraltarians are that way inclined and when I see Mr Anthony walking his dog at night I know that somewhere hidden in his person he must be carrying a poop-a-scoop but of course I do not know whether the other hundreds of people that walk their dogs do so. I can however tell Honourable Members opposite that dog fouling is a problem that we have in Gibraltar. So, Mr Speaker I think the onus of responsibility lies with the public generally in Gibraltar and I would say particularly to our listening audience that it is something which affects everybody in Gibraltar and it is up to everybody to do the utmost to keep Gibraltar clean. My colleague the Hon Juan Carlos Perez informed this House of all these systems that we have for collection of rubbish, all the systems that have been put in play. The Tourism Agency itself has employed people to do the cleaning but I can assure you, Mr Speaker, that people throw away rubbish quicker than we can clear it and, as I say, it is a pity that we have had to introduce, as I said, this afternoon the Litter Control Ordinance. I however think it is the only way forward for the minority and I stress that. The minority who do not care about anything and, particularly Mr Speaker, let me add at this stage the vandalism that there is in our society. Again by a minority, but I think something which the majority of us have to help with. On two occasions, three occasions, Mr Speaker, refurbished facilities at the beaches have been vandalised. Refurbished toilets have been vandalised and refurbished park facilities and although it is only a small area in Line Wall Road, opposite the old Telephone Department, a little park there, this was refurbished only to find that two days later all the four benches had been vandalised and broken to smitherings. That kind of action, Mr Speaker, does not help the Agency in providing better facilities for tourists. But let us not forget that if we make better facilities for tourists we are, in fact making a better ambience and a better atmosphere for the local resident population. I therefore stress that it is a minority but I must stress

again that it is up to the majority to help us to deal with that minority Mr Speaker. As far as the beaches are concerned, Mr Speaker, I am glad to report that although we have had major upsets this year as a result of the bad weather our beaches will be ready for the summer season which officially starts on Friday. I ask again for the public to bear with us if it takes a few more days or a few more weeks in specific areas like for example the area of Both Worlds where there are still some things to do and, I think, Camp Bay and Little Bay which we are now finalising. But I assure the people of Gibraltar that we have been successful irrespective of what Mr Anthony said two or three weeks ago that we would never make it. Well, Mr Speaker, we have made it and I assure the public that very shortly they will see the beaches as they have never been before, Mr Speaker, in the history of Gibraltar. Again let me take the opportunity to thank, not only my staff at the Agency but the many people that have worked to make this possible. Members of the Public Works Department, industrial and non-industrial, members of the new Ministry of Trade and Industry Department, as well as members of the Housing Department. It has been a concerted effort by all the Government departments and the Agency to produce the final result that we will see hopefully within the next week or so. It is something which to a point I am proud of because it is seen as the ability of all the departments to work together, industrials, non-industrials, ministerial, everybody in order to do something which everybody knew was something good for Gibraltar to have the beaches ready for the public during the summertime. As I say I hope that the public understands that the first couple of weeks will be a monitoring exercise, because we have made certain changes in the way we run things and that rather than exasperating themselves with the changes they let it run and see whether the new systems works and if not then they have every right to ring the Agency directly and advise them of what alternative methods can be looked at. Mr Speaker, it is very common for Gibraltarians to criticise systems without perhaps letting the system prove itself and see how it works. Gibraltarians like particularly to criticise in a negative way. When I say criticise in a negative way I mean to criticise amongst each other rather than to ring the department in question and see whether something can be done. I think, Mr Speaker, we have seen this in the deliberations of this House when at times Members of the Opposition come to this House complaining about criticisms that they have heard and Ministers and their departments do not know anything about the matter. Mr Speaker, if the members of the public feel that something is wrong with the beaches and since the beaches are the responsibility of the Agency this year then they are at liberty to ring the Agency and advise the Agency of what is wrong and we will try, if possible, to deal with the problem. Let me now tell the House what we are doing on international marketing and the internal market. That does in no way mean, Mr Speaker, that tourism this year will not suffer difficulties in Gibraltar. The difficulties are, I think,

threefold, Mr Speaker. The first is because of the difficulties in the UK market which is something that is not only affecting Gibraltar. It is affecting every area that involves UK tourism like Malta, Cyprus etc. Our neighbours across the way are also affected by the UK market and figures are down by about 30%. This unfortunately hits us both ways, Mr Speaker. It hits us directly because our main source of overnight tourists, as they call them, is the UK and it hits us indirectly as well because the catchment area for day excursion comes from the Costa del Sol. So, Mr Speaker, it is something that has to be taken into account and the only way to counteract that, Mr Speaker, is to try and open up new markets. This is what we are trying to do at the moment in Central Europe and in Scandinavia and elsewhere. It has no easy solution. It is a very long road because tour operators, airlines etc do not change the way that they operate overnight and one has to convince them of the potential of a new market. This is what we are trying to do at the moment. There is also another factor which I think was mentioned by the Chief Minister. Not that it relates specifically to tourism, but as it relates to worldwide affairs and that is that as there are other areas opening up to tourism today and there is therefore more pressure on the existing areas plus the fact, Mr Speaker, and this was made absolutely clearcut when I went to the Small Countries Conference in Barbados to most of the small countries the fact that most countries everywhere in the world are looking in one form or another at tourism. So what that does, Mr Speaker, is it creates more difficulties for small countries like ourselves. But, as I say, the only possible way forward is in trying to counteract that by looking for alternative markets. Because we are a small market if we are able to look at alternative markets and if we are able to cater for alternative markets we might be able to minimise the problem. But at this stage, Mr Speaker, I do not have the necessary statistical information to back up what decrease there has been other than to say that the decrease was not felt that harshly during the winter.

At least this is my own impression, and obviously statistics will back me up after the summer, I think, the summer trade in the Costa del Sol, the summer trade from the UK market is suffering more because you can now go further afield at a much cheaper rate than you can to come to this part of the world. The other area, Mr Speaker, which it is my responsibility in the form of Chairman of the Gibraltar Airport Services Limited as well as in my capacity as the Minister responsible for Civil Aviation, is the moves that we are making on Civil Aviation in general and the Air Terminal in particular. We have, Mr Speaker, over the last year formalised our position which was very very unclear from a Government position as regards Civil Aviation. Civil Aviation is still an "undefined domestic matter" but we now have a very good rapport with the Deputy Governor who has responsibility for Civil Aviation and we have been working very closely and nothing virtually happens in Civil Aviation, be it with the MOD or the RAF, without there being that consultation process with the Gibraltar

Government which is something that was sadly lacking when we came in to power in 1988. Again, as I have already mentioned, as part of its Joint Venture commitment British Airport Services Limited is now marketing the Gibraltar Airport as well and has linked up with the Agency in order to try and have a two pronged attack. However, basically, Mr Speaker, the major improvement that we have seen in Civil Aviation is the major improvement to the Air Terminal. These improvements which, I think, will be finalised over the next two or three weeks moves the Gibraltar Air Terminal into modern times, it now becomes an International Air Terminal, Mr Speaker, and is in fact creating a first for the region in many areas. If I can just go very quickly through the changes that we have made Mr Speaker. We have created an office block which was absolutely essential because what we found is that the clerical backup activities and the other entities that are required were actually taking up space within the Air Terminal. So the office block has made it possible for them to work within the office block area. Concourse activities have been improved, as I say, facilities for the disabled, the bureau de change facilities and new checking facilities. The International Departure Lounge, Mr Speaker, now offers the normal activities of any international lounge which is that people can actually filter into the Departure Lounge at any time without having to wait in the main concourse and then you were herded into the small room before you were herded into Air Club. We now have or we will have shortly a full operational Departure Lounge which means that people can check in and then walk into the Departure Hall. The Departure Hall is offering major facilities for duty free, an area which is about six times the size what it used to be, catering facilities for those people who want to go into the Departure Hall. We have also an Executive Lounge which is now standard in many Airports but a first for the area. This is the area which I talk about, the zone around Gibraltar, we are the first Airport to offer Executive Lounge facilities. We also have a new first which is Duty Free on arrival, Mr Speaker. We are creating Duty Free Shops on arrival to cater for the transit trade. People who come to Gibraltar and go to Spain. Obviously this Duty Free on arrival cannot be used by residents of Gibraltar because they would have to buy Duty Free goods and then pay as they came into Gibraltar. It is meant as a transit facility for people exiting Gibraltar. We have created a new Customs block, Mr Speaker, which in fact makes the Arrivals Hall bigger as well and there is now a new area which is again a normal area in any Airport which caters for Car Hire, Tour Operators and I think a very important aspect of it is that we have put a "meeters and greeters" area, again something which was not catered for in Gibraltar. So what you found was that Gibraltarians that used to go to the Airport and used to try and mill around an area which was no bigger than a couple of square feet trying to see their families as they were coming in. There is now specifically a "meeters and greeters" area created like there is in any other airport in the world for people who are waiting to actually see people coming through and they will be in an area which has a roof and

walls and they will not be sort of standing out in the rain as used to happen. Again Information Officers, which I think I mentioned before, and all the peripheral activities are now being looked at, Mr Speaker. This, as I have mentioned in many occasions, is only the first phase which should see us through for the next three or four years. The movement of passengers that the new Air Terminal can take is about one million passengers or just nearly one million passengers that should see whether the growth in Gibraltar materialises very quickly or slowly. After terminating the first Phase I in conjunction with MTI we are looking at the Phases II and III which obviously require major infrastructural changes for a new and longer runway as well as new Air Terminal facilities. Phase I really creates a holding position for us to be able to look at this under a much slower pace. Obviously the only other factor which involves Civil Aviation and although does not have to be tackled must at least be mentioned, is our position vis-a-vis the Anglo-Spanish Agreement on the Airport. This has not changed one iota and the position is as clear today, and I think it was mentioned by my Honourable colleague Juan Carlos Perez, as when we were in Opposition. We were saying this before the elections, we were saying this during the elections, we were saying this after the elections and we continue to say so, Mr Speaker, and we will not change the stand of the GSLP against the existing Anglo-Spanish Agreement over the airport. I think, Mr Speaker, that wraps up the different areas and what I am responsible for. I would now like to move briefly, Mr Speaker, because a lot has already been said, into the general principles of the different discussions that there have been raised particularly by the Opposition in reacting to what has been said on this side. I think I will like to start by trying to analyse, Mr Speaker, the contribution of the Honourable the Leader of the Opposition. I think Mr Speaker, if one were able to take the rhetoric out of his contribution and I have to stress that it is confusing sometimes to hear the Leader of the Opposition because he seems from year to year to forget what it was that he told us the year before. I do not have certainly the historical background that the Leader of the Opposition has but I have certainly been here since 1984 and have been following politics actively since 1980/81. I think it was my Honourable colleague Joe Moss who said that he did not understand how the Honourable the Leader of the Opposition could stand up and say to this side of the House that we were not Socialists and that we had given up all our principles when two years ago, Mr Speaker, the Honourable the Leader of the Opposition was saying that we, on the Opposition side, were wolves in lambs clothing. Now what is it, Mr Speaker, that we have not done? No painted the whole of Gibraltar red when we came in on the March 1988? Is that why he is so upset? The Hon the Leader of the Opposition has made a 360 degree turn, Mr Speaker, by first saying to the people of Gibraltar, during the elections, that they should not trust us because we were all a bunch of looney left wingers and that we were going to turn Gibraltar on its head if we came into Government. Then in the House of Assembly two years later he is blaming us

for not doing what he said we would do ie chaos for Gibraltar. Now, Mr Speaker, which is it? Is it that he is unhappy because we have not done that? We are Socialists, Mr Speaker, much more Socialist than the Members on his side will ever be. I am not pointing to different Members because I honestly believe that there is not a concerted drive on that side of the House. I do not think any one Member opposite with very few exceptions, can call themselves Socialist. Some might be to the right, some to the left, some in the centre and half of them do not have any political ideology, Mr Speaker. They are a group of people brought together by one man, Sir Joshua Hassan, and they have converted themselves into a Party. Socialism to us means a specific thing, Mr Speaker. Whether the Honourable Member wants to believe us or not that is his prerogative but we have said that Socialism for us is not in the creation of wealth. It is not how you create the wealth rather than how it is distributed. There are lessons to be learned from so-called capitalism in the creation of wealth but we act as Socialists, Mr Speaker, when we distribute that wealth. If they had bothered to listen, which is something they do not half the time, then they would know how we have spent the money that we have created. What we have created has been for the good of the people of Gibraltar, Mr Speaker. So if you take out of the equation the aspect of rhetoric in the contribution of the Honourable the Leader of the Opposition, you are left basically with three things Mr Speaker.

HON A J CANEPA:

Will the Hon Member give way. In order that I take out the aspect of rhetoric on his part. Mr Speaker, this group of people was not brought together to create a Party. The Party was there. It has been there since 1942 and we have all joined in at some stage or other. With regard to the Honourable Mr Ken Anthony and the Honourable Lt Col Britto let me say that I brought them into the Party and not Sir Joshua Hassan.

HON J E PILCHER:

I stand corrected, Mr Speaker. The overall basis however does not change. But I stand corrected in respect of the Honourable Mr Anthony and the Honourable Lt-Col Britto. As I was saying, Mr Speaker, if you take out of the equation what I consider to be rhetoric and obviously the Honourable Mr Canepa does not, then we are left with three different points. Point number one is what I would call or term playing to the Gallery. Obviously the Hon Member is playing to the listening audience. He is finding out what it is that people are upset about and then using that as the basis for his attack on the Government. Mr Speaker, little did I know, and I have only discovered it during the course of the debate, that the source of that kind of information of the AACR is the Honourable Col Britto. Because he goes around eavesdropping into peoples' conversations. At least this is what we have discovered today Mr Speaker. I can imagine Col Britto standing outside Convent Place trying

to hear the conversations of people as they go out. The other two factors in the Hon Leader of the Opposition's speech is that we have not lowered Income Tax. That we have not done anything for the poor working class which are suffering from such high tax. I think Mr Speaker, that Members on that side of the House think that the working class came into being after March 1988. Nevertheless, Mr Speaker, let me say to the Honourable Member opposite, as I have said before in this House on many occasions, that the GSLP in Opposition, during the elections, and after the elections never said that they were going to lower Income Tax. I remember in our election campaign criticising the AACR, not for not lowering the Income Tax, Mr Speaker, but for not giving value for money. That is what we were criticising. We said quite clearly during the election campaign that we would not lower Income Tax until such time as the overall infrastructure needed for the community was catered for. It is very simple, Mr Speaker. If one asks anybody if he wants more money so that he can protect and give his family a good living, of course, they will say "yes". The Government Mr Speaker, has however to act, as a father to the community and has to take away money in order to produce a better infrastructure and better systems for the whole of Gibraltar. We said quite clearly during the election campaign and after the election campaign that we would not lower Income Tax until such time as we felt that in that distribution of wealth that we were talking about everything that a Socialist system should produce had been produced Mr Speaker. I complain every month when I look at my pay packet and see the amount of Income Tax that I am paying that it is normal, Mr Speaker, like it is normal for a child to want to spend money on other matters and not what his father considers that the money should be spent on, Mr Speaker. Although I do not perhaps disagree with some of the points

that have been made, the Government has to look at the whole of society and decide when it is the right time to alter things. I think that not so long ago, three or four months, the Honourable the Leader of the Opposition said that they had introduced the PAYE system, because it was necessary to take money from people in order to distribute it and this, Mr Speaker, is what the Government is doing with the money it generates from Income Tax. It is not being spent on anything but the creation of a better Gibraltar for all Gibraltarians Mr Speaker. The other matter which the Honourable the Leader of the Opposition mentioned and it seems to be, Mr Speaker, the general emphasise of his speech, is that even if we paid Income Tax and I think it is being highlighted by the press today and I think the radio today, even if we were paying the Income Tax, the people of Gibraltar are not getting anything in return because they are not seeing anything visible. This was the sort of guidelines that he laid down for his colleagues to follow. Well, Mr Speaker, his colleagues did not follow this line because the Honourable Mari Montegriffo stood up and said all that she has done for the Health Service, all that she has done for the Medical Centre, all that she has done for the Environmental Health, all that she has done for Sport

and the Honourable Mr Featherstone got up and I think the only thing that he mentioned about Medical Services was to congratulate the Minister for having spent more money, in I think, sending patients to UK. Very little criticism, Mr Speaker. The Honourable Juan Carlos Perez got up and mentioned everything that we have done with regard to infrastructure and the Honourable Ken Anthony who, I think, shadows my Hon Colleague, although I am a bit confused at times, got up and, I think mentioned the fact that he did not know what the Tourist Agency did, that we were charging more money for electricity and when he was shut up by the Chief Minister he carried on as if nothing had happened. The Honourable Pepe Baldachino spoke on Housing and very little was said by the Honourable Col Britto other than the problems with the sand at Varyl Begg and the problems with the emergency housing. Very little was said, why, Mr Speaker? Because it is clear that there are major improvements in our infrastructure both visible and invisible. Obviously, Mr Speaker, one cannot see sewage, you cannot see changes in water pipes, you cannot see changes in electricity, but everybody in Gibraltar now knows that there have been major improvements over the last two years and I think that there are two questions which certainly have to be asked and the ordinary man in the street has to ask himself. What is wrong in Gibraltar? I think that if the answer to that question is the Government knows what is wrong in Gibraltar and are actively working towards changing that, then obviously we are doing something about it. Fine, I agree that there are some problems that cannot be tackled overnight but in general most of the problems are being tackled. The question that the Honourable Members opposite ask themselves daily is that they are afraid that in four years we will do everything set down in our Election Manifesto, Mr Speaker, and we will prove to the people of Gibraltar of the sixteen years of waste that the AACR meant to the people of Gibraltar. I do not like to go back, Mr Speaker, but we must relate to what the AACR did and in very few instances has any of us mentioned the chaos that we were left with and what we have done in two years but let us now forget the past. But it is surprising to hear the Honourable Leader of the Opposition every time that somebody gets up and says something that we have done, he says that this was in the pipeline when the AACR were in Government. Whether it is Nynex, the reclamation or whatever. Everything was in the pipeline. So we, historically, are not blaming the AACR but have said look we have done this over the last two years and people know what mess we were left with and we are now moving forward and it is now that the AACR are saying everytime we do something that this was in the pipeline. Mr Speaker, the truth of the matter is that I have sat here throughout the debate and at one stage I expected that somewhere along the line somebody would say repetition because every single member with the exception perhaps of the Honourable Col Britto was basically repeating that we have not lowered income tax, we are not taking care of infrastructure, etc and say "that is wrong" without the Minister getting up and saying "we know it is wrong and we are doing this about it and hopefully within

the constraints of finance etc, we will have a solution". That, Mr Speaker, has been the position of the AACR with reference to the debate.....

HON A J CANEPA:

Mr Speaker, we have very little to say about GSL but the Hon Member might remember that I had something to say about the amounts of money which GSL owes the Government?

HON J E PILCHER:

Yes Mr Speaker, and as I have said to the Honourable Member this will be thoroughly discussed as it has been done in previous years. In fact earlier than it was ever done under the AACR because I remember the last time when we discussed the GSL Accounts, I think it was 1988/1987 Accounts, we discussed them in October. We hope to bring the Accounts for 1989 in July or early August and I assure, Mr Speaker, that like we did last year, we will have a full debate on the issue. Not only what has happened with the third stage of restructuring but also with regard to what the future has in store Mr Speaker. I think that on that note, Mr Speaker, I will finish because I have not heard any one single element other than red herrings on secrecy and matters of regulations, as if Gibraltar were a place where people did not find out what was happening, other than that I have not heard any single thing, Mr Speaker, that does not convince me, when I put my hand in my heart, that we are doing a good job from this side of the House, Mr Speaker. Thank you.

THE HON G MASCARENHAS:

Mr Speaker, the trouble with the Government, as far as enunciated by the Honourable Mr Pilcher, is that they think that they are always right and nobody else can be right except the Government. I recall in the days when we were on that side of the House, that Ministers when on this side did exactly what we have done during the course of yesterday and today. They would completely ignore all the things that we had done and only talked about the things that we had not done. So honestly we have learned from them. Because we did not know what it was to be in Opposition before. So they taught us a lesson and I think they taught us very well, Mr Speaker. However, what they forget is that these are the third Estimates that they have brought to this House. They are probably the worst Estimates in what they do not reveal. Not in what they conceal but in what they do not reveal. I think that if the GSLP continues in Government for a much longer perhaps we might not have any Estimates at all in the future. Gibraltar might be run by the Gibraltar Development Corporation or by a Joint Venture Company. Mr Speaker, I also question could these be the last Estimates that this GSLP Government will bring to this House? I pose the question not because they are going to do away with the House completely at least not quite yet anyway but I pose the question because time is running out and that brings

me back to my original question. Is the Chief Minister seriously contemplating an early general election? Perhaps next year? The Chief Minister often repeats that they are not moving fast enough and the Estimates, I think, confirm that the Government is certainly not moving fast enough. I have heard the Chief Minister say so on many occasions that they would like to move a lot faster than they are doing. Moving fast enough in the direction that they wish to move because even with the privatisation programme, and Mr Pilcher might claim that to be Socialist, but the privatisation programme of the Government leaves a lot to be desired on the political spectrum. Even with the slaughter of the Civil Service, not a wholesale anymore, this is another slaughter of the Civil Service, the Government is still unable to reduce recurrent public expenditure fast enough. Now that the whole of Gibraltar knows that the word "restructure" in GSLP language really means "slaughter" in everyone else's. In order to move faster does the Chief Minister now intend to take on the Police, Customs, Teachers, before or after the next general election? It is a question that when he exercises his right to reply perhaps he can inform us. Because, Mr Speaker, Members opposite are not taking seriously the question of secrecy. There is a distinct atmosphere, because 1984 passed six years ago, but today in Gibraltar, I can tell Members opposite, that they might be very smug about it, but there is a certain fear, certainly amongst the Civil Service, and people in the street are also very concerned at the attitude of the Government generally on matters that they consider to be open Government but which to all of us on this side of the House and certainly a lot of people on the street, they do not appear to be fair. We wish to be fair to the Government and in our attitude towards them but if they try to hide everything then there is no way that the Opposition can do its job, in this House or outside this House, if we do not have information. The Joint Venture Companies which we know are all doing miserably but Opposition Members have no information whatsoever and this is the cornerstone of the Government's economic policy and yet nothing is known about them. To show on page 5 Revenue figures as £85.6m is being a bit cautious to say the very least. Whilst the Government might think that they are getting their economic projections right, the economic distortion for the ordinary man in the street is becoming more acute and it is becoming apparent every day. This debate has already been described as a non-event and it was described as a non-event last year and the year before. There is nothing for the people of Gibraltar, no goodies, absolutely no goodies, but, Mr Speaker, Mr Bossano yesterday gave us a lecture on economics and today I will give him a lecture on history. Because there was a person by the name of Marie Antoniette in France who when the people of France were told that there was no bread she said "let them eat cake" and her head was promptly cut off. Well Mr Speaker, by the way there was no cake either this year. For how long does the Chief Minister of Gibraltar think that the people of Gibraltar will allow their earnings to be eroded year by year? For how long does the Chief

Minister think that the pensioners of Gibraltar will be content with the meagre handouts that they are receiving? For how long does the Chief Minister think that the people will continue to tolerate his policies? Policies, Mr Speaker, which even Margaret Thatcher would not contemplate and certainly the AACR would never have dared to implement because had we dared to do so we would have been lynched downstairs. But of course the same does not happen to the GSLP today and they can rest assured of that. What original success can the GSLP claim? I can think of only one, Mr Speaker. The Honourable Minister for Education, Mr Moss, has claimed this morning that Homeownership was an idea of this Government and I accept that this Government has taken our concept of Homeownership further, perhaps they would say much further, but I would say a little further but to claim that Homeownership was their idea is a bit too much. There is one success for the Government and one success only and that remains to be seen if in the future years it is not there to stand as a white elephant to Mr Feetham's name. For Gibraltar's sake we certainly hope that is not the case and I go on the record on that. Mr Speaker, the Chief Minister during his lecture on economics yesterday, described the Improvement and Development Fund as one of the most important elements in the Government's strategy and which I do not disagree with but he omitted to say how the funding was being done and I sincerely hope that when he exercises his right to reply he will explain the figures that are included in the Revenue side for 1989/90 £16,178,600 and for 1991 £25m. Mr Speaker, those are the Revenue figures included in the Estimates. What are we selling? What has been sold that was worth £16m? What is going to be sold this year during this Financial Year for £25m? What is it composed of? Are we selling our birthright? Has the AACR to change the slogan of "The right to our land"? Because that land will not be ours anymore or at least not there for us to take. The Chief Minister also mentioned Business Registration. Why the delay? Why has the Government decided that it will be channelled through the Gibraltar Development Corporation? I think I heard this correctly yesterday. Surely one would have thought Business Registration a pure function of Government? Done directly through the Government and not through a Quasi-Government body like the Gibraltar Development Corporation. Mr Speaker the Honourable Minister for Tourism and the Honourable Minister for Education have both made their contributions and I will therefore now deal with their departments. If there is any point that they wish to question I will give way, if not they have the opportunity to do so when we go to Committee Stage. Mr Speaker, how can the Government justify the meagre spending on tourism in the Improvement and Development Fund of £50,000 only. That is what is included for Tourism Projects in the Estimates the sum of £50,000. They can correct me later when they have checked it. Under Education there is in the Improvement and Development Fund again the sum of £15,000 for replacement of windows in one school and £50,000 for St Martin's for the repair of its roof. I do not disagree that those projects are necessary, Mr Speaker, but tourism provides revenue and one understands that education does

not but it does provide one big asset and that is the future generations of Gibraltarians, our biggest asset. Mr Speaker, the Honourable Minister for Education this morning said that there is now a Feasibility Study to be carried out between 1990/92 which will cost the Government £50,000 that is included in the IDD Fund. Mr Speaker who does the Hon Member think he is kidding? Because in political language that means that he is not going to do anything for the next two years. Feasibility Study? There will certainly not be any new projects starting during this term of office. It is absolutely impossible because by the time they start planning it will be during the next term of office. To say two years later that he is now going to conduct a Feasibility Study is political hypocrisy. I know it because I have been on that side of the House and I have had Feasibility Studies conducted and the Hon Member is not kidding anybody. The Hon Member might be kidding people who are new to politics but to say he is conducting a Feasibility Study today, in 1990, and introduce it two years into the term of office is a bit ridiculous. The Minister also in replying to Question 49 of 1990 in the last meeting of the House of Assembly misled the House and I would like an explanation as to why? The Hon Member laid these Estimates at the last meeting of the House but the question had been asked, I asked a specific question on the number of posts in the Education Department and today these are not confidential anymore and I can use them although I could not use them at the time of my question, and he has to give this House an explanation because those posts have been abolished and he refused to answer the question directly last time. Generally, Mr Speaker, we are disappointed with the Government's attitude to Education. There is general concern in the department, whether the Hon Member likes it or not. There are no new projects being even planned at this stage, but now Feasibility Studies are mentioned. The lack of new projects is putting pressure on the Education Department and there is concern by teachers. It is very good to give a coat of paint to buildings and we do not disagree with that but to say that that is the extent to which the Government will go in the Education programme is I think not putting emphasis on what is required. Schools that were planned by the AACR prior to the last general election and extensions to schools to improve existing facilities which are necessary, and I do not want to go into the list, Mr Speaker, but there were two or three new projects and an extension to St Anne's School and new schools in the South District. That has now gone by the board because that will not happen certainly in this term of office. I congratulate the Minister however on the smoothness which the National Curriculum appears to be being introduced in Gibraltar. The introduction of the National Curriculum and I know that the staff, the teachers and the teaching profession generally have put in a large amount of very hard at work in planning for this. Mr Speaker, the Minister also mentioned that they were giving the option to students on the matter of training students, the diagnostic year and he said that they had consulted many students and the professionals in his department. I do not know how many

professionals he consulted but according to these Estimates the fact of life is that there are now two professionals in the department. He must have consulted both of them and he consulted the GTA. The diagnostic year, Mr Speaker, was an important and useful element in teacher training because it allowed the student to ensure in his or her own mind that he or she really wanted to become a teacher. He or she would spend a year in the classroom and get to know what it was to teach. Young people are now going to be given the opportunity not to do it at the beginning and they may do it at the end of it. Mr Speaker, it could be that many students will now go to the United Kingdom and they might find that teaching is not for them and I say so not because it would be wrong for them to do so, but because we are going to face and we are already facing a serious situation in the recruitment of teachers and this does not appear to be a diminishing problem, it is going to be an increasing problem in the future. Whereas four or five years ago the Department of Education was 95% staffed by local teachers we are going to revert to the years when 20% to 25% or even 50% could end up being expatriates and we do not want that. We want to ensure that the local teaching profession remains as much as possible a local teaching profession. I took the point that the Minister said, of course, that the teaching profession is not attracting as many people for the obvious reasons that we are all aware of. Certainly in the UK they are having the same difficulty. Mr Speaker, I move now to tourism. I have to criticise the attitude of the Government generally on tourism. We know it is a bad year for the reasons that the Minister has explained and I do not disagree with him but what is he doing to redress the situation? There are no seats available to come to Gibraltar during the whole of the summer? How does he expect to get tourists to come to Gibraltar if there are no seats? Perhaps he can tell us what he is doing about it? The Hon Minister can go to Northern Europe but it is pie in the sky that he is going to bring tourists from Northern Europe. Mr Speaker, marketing is done with an end to realising some potential but to date, Mr Speaker, we have not seen that marketing being realised in a practical and realistic manner to bring people here. The product is not right and the Hon Member knows that the product is not right. The Hon Member says that he is doing a lot to redress the situation but more has to be done because the product has to be right. Mr Speaker, with regard to sites, the numbers are dropping and the numbers are dropping because the number of people from the Coast are diminishing we know that and it is for the same reasons that the tourists are not coming directly to Gibraltar. We know that but the Minister goes and says that he will increase the price to enter the Cave to £1.50 instead of the previous £1.00. So we will have a situation where the numbers will drop even further, although perhaps the same revenue will be maintained. I think, Mr Speaker, it is a fallacy to increase prices now and I think the Minister will find at the end of this Financial Year that his figures will have dropped even further. I predict that that will be so. On the Airport, Mr Speaker, we welcome the extension and the

improvements of the Airport because that was necessary, absolutely necessary, and I have used the Airport recently even with all the constructions still taking place and you can see that the improvements to the Airport are quite substantial. Mr Speaker, if the Government do not sustain a policy on tourism which is realistic, and the Opposition are unable to look at what the promotion figures and what the advertising figures are because the Estimates do not reflect anything with respect to the Gibraltar Tourism Agency then we are unable to gauge what the Government is doing in this area. The Honourable Minister has not mentioned what he intends to spend money on or what the Tourism Agency intends to spend on promotion, on advertising etc. If the Government do not get it right then Gibraltar will suffer, from a touristic point of view, we will have less people, the hotels will suffer and the infrastructure of Gibraltar will suffer. I have not quantified, and I am not an Economist, what tourism represents in general to Gibraltar but the Government have got it wrong. There is a lot of pie in the sky with regard to tourism in the way that the Honourable Minister for Tourism is tackling the problem. The Hon Minister has a problem on his hands and it is not different to other small nations all over the world and I accept his analysis that more markets are becoming available to more people or to less people and therefore there is more competition. It is a very difficult business, I know that from a personal and professional point of view, I know that but I do not think that the Hon Minister is tackling the problem in the proper way. He is paying lip service and perhaps he has too many problems in Gibraltar and he does not have sufficient time to dedicate to tourism. Perhaps that is the answer. But the Government have got to get their analysis of tourism correct for the future because if we do not redress the situation now, the situation will not improve. Interest rates are not going to come down at least not for the foreseeable future, the difficult situation is going to remain. The Hon Minister has to get more seats so that at least tourists can come to Gibraltar. If we do not have the seats, and it appears that we are not going to have seats this summer, then certainly we will not have them for the winter. It remains to be seen, Mr Speaker, whether we have them or not? Of course he should carry on going to Copenhagen and with other Northern Europe destinations. But, I think, he should also put some effort into the mainstay of our tourism which is the United Kingdom and will always continue to be so for obvious reasons. Because if it were not for the British tourist coming on their day trips then the figures that we have would be 50% lower. Thank you Mr Speaker.

HON P C MONTEGRIFFO:

Mr Speaker, in explaining my position on the Estimates and generally on the state of the economy, can I start by making a few introductory remarks on the Chief Minister's contribution and initially on the question of statistics. I think it is useful that the Chief Minister is giving a little more attention now to the question of the compilation of statistics following the questions that were tabled in the House earlier this session. I think that as a measure of the Government's performance they will be important and I reserve further comments until one sees the degree to which the figures retrospectively have been affected by the exercise which the Chief Minister has outlined. I think it is important however that whilst we politicians in this House can look to the Government towards measuring their performance in terms of the statistics which are now going to be revised, that points should be made without talking about the man in the street, this magical entity, the point should be made that as far as the community is concerned more specific targets in terms of social aims should be earmarked that we could relate to more easily. This is a point that I have made in the past and it is interesting to note, in fact, that in the GSLP manifesto, although I accept that it was a GSLP commitment to see growth increase by 50%, the GSLP manifesto interestingly enough, Mr Speaker, does not even mention a 50% growth figure at all. There is no reference in the manifesto of a 50% growth and I say it is interesting only, not because I was saying that it was not a manifesto commitment, but because in terms of what people relate to and in terms of the votes the Government was seeking, what they were hoping that people would focus on was not just 50% growth which is maybe an important or is an important indicator in itself, but certain social consequences which that sort of wealth creation would bring. For example there is specific mention of a second Health Centre in the South District. There was a specific commitment set in the context of improving the Medical Services. The manifesto said that it was going to take much more than four years to get the services up to the level that should exist in Gibraltar. As a start we will put the following and one was the Health Centre in the South District. I think it is important to do that, Mr Speaker, because unless we pin the Government to actual social targets then a lot of this debate becomes meaningless and a lot of the way we explain things to people become meaningless to. Although the Government is going to be, I imagine, reluctant to actually identify things mid-term, I would like the Chief Minister, if possible, to relate that growth specifically to commitments that were made, like for example the second Health Centre and whether that sort of commitment made in the programme is going to materialise. We have the position of five hundred houses which the Chief Minister has said on television. He said do not ask me now ask me at the end of the four year term and of course as far as we are all aware the

five hundred homes will come or the balance of the five hundred homes will probably come from the Westside II project if all are not purchased. I again do not want to be unfair in that I accept that there is a four year term and barring early elections that it is within that time scale that the Government should be judged. But I make the point that it will be wrong to distort performance and an analysis of performance by looking at statistics because that is something on which they went to get votes for and on which the people voted. I think that the growth potential which the Chief Minister has indicated and which, in fact, when we look at the statistics at the question session, earlier in this House, the Chief Minister accepted reluctantly or accepted, I think, I do not want to put an adjective on it, accepted that within the last four years between 1984 to 1988 there had been a significant degree of growth as reflected in the statistics itself, growth approximating 50%. Not that I am belittling a similar performance now in probably more difficult circumstances as a result of the factors that I will relate to, but I think that the growth which has been talked about masks a rather more complicated and less optimistic economic scenario than would otherwise be painted. In other words the impression of saying as the Chief Minister said, I think, in one of his mid-term address to the nation, certainly at Christmas, that we have been the third fastest growing economy after Singapore and Taiwan, I believe he said, or Thailand and that this year the aim was to be the fastest growing in the world. That sort of explanation, even if justifiable on certain technical grounds which I still have to be convinced of, distorts the snapshot of the economy which the Chief Minister is basically saying today when we are considering the Estimates. And I say that because in looking at the economy and in doing away with the question of pillars, and I do not want to get into construction terms, there are certain industries and members on this side have already started to pinpoint the reality in which certain industries find themselves in Gibraltar. Without wanting to repeat much of what has been said, Mr Speaker, if we look at tourism we have a situation of stagnation on flights. I think it is not unfair to use that word. We have a situation of difficulty in Hotel occupancy definitely. We have a lot of problems with our day-trippers for reasons external to Gibraltar's control but we do live in this world. I do not think that the liners calling into Gibraltar are really showing a marked improvement either. So in this major industry, Mr Speaker, there is a serious problem. If you look then at the question of economic development generally in terms of bricks and mortar there is a real concern, there is a concern of a very significant slack in demand and on the supply side although Europort is potentially growing very fast it is interesting in this respect and I do not want to spend too much time looking at the past but the Chief Minister himself in his contribution to this debate last year was absolutely right when he said, referring to the construction that was taking place in the economy, he said "I think it remains



to be seen and it is an important test of confidence in the economy to what extent the completed projects that we are going to be seeing this year will develop into having tenants and generating economic activity and creating employment. In a way it is an important testing point that we are reaching now because until now much of the development has been based on confidence and now that confidence has to be translated into reality". I think those were his words and which I entirely concur with. That position is very much the same today, Mr Speaker only I would suggest in an equation that is becoming a little more unbalanced and I will elaborate on this point further. I accept the premise that Gibraltar has to take certain gambles to make a transition from an economy which has to change so fast. I think that is unavoidable. The point is that in taking those gambles the element of confidence which is important that we introduce at some stage in order to start translating that gamble into reality is perhaps taking a little longer than expected. I would be interested in the Chief Minister's comments and in what he thinks can be done to start redressing that slack demand. I will elaborate some of my thoughts further on that but we have a real problem because I think the stage is fast approaching, Mr Speaker, where developments like Europort are going to provide a massive injection of office accommodation in Gibraltar, first class prime high rent seeking accommodation, and unless we look for activity to fill them then we are going to be left with a problem. If one looks at the Finance Centre, I think, the problem is similar though not as serious. I think the Finance Centre is the one industry where we can say there is a fair element of growth but I suggest, Mr Speaker, much much less than what we should be doing. I think we are just superficially scratching the surface and that to talk of growth in the Finance Centre is only growth in terms of looking at some figures like Bank Deposits and another Building Society coming in and there are still a few Banking applications for new banks that are pending but I really think that there has not been the sort of development in that area which we should have had. True there have been certain circumstances like Barlow Clowes, external factors in the UK, which have meant less money generally and that has had an impact on Finance Centres, but there has not been the sort of growth which there should have been and which would have improved the confidence equation. I hope very much, and members will know that I have been pressing on this in the past year, that with the establishment of the Financial Services Commission and the promotion that the Commissioner will be involved in we will start to redress that situation so that we can look for further growth. I would just want to say that this cannot be done on the cheap, Mr Speaker, this is something which I hope the Government when it sets up the Commission and when they actually put into place the people that are going to manage this business they do not act in a penny pinching manner. If we are talking about gambles, I am the first to support the gamble of having the Commission properly staffed even

if it is going to cost us a pretty penny. I think that that is a gamble that has to be taken because unless you do that then it is not going to be possible for us to exploit the potential that exists. At this stage I want to make reference to a remark which was made in this debate and I think can only be stressed and that is the degree of competition which we are facing from other centres. Increasingly more and more places and not only with respect to tourism, but tax centres or international business centres whichever terminology you prefer, for outside investors in a general sense and places that are very small and the Chief Minister was in Madeira and I know Madeira quite well from contact with the Madeira Development Corporation and Mr Costa who normally represents them. They are doing a lot from an extremely low baseline because they had nothing and they are now moving into the Finance Centre world. They have a lot of the things that we do not have under the EEC Membership ticket and they have similar arguments and unless we really establish a lead in things like supervision and the time it takes to process applications, then, I think, that we have so many competitors that might have a negative impact on Gibraltar. Let us not deny it, things like, for example, the political equation which can have an impact on the work we get. So I think it is vitally important to maximise what we have. Mr Speaker, Shiprepair is another industry which we are all very worried about and it is unfortunate that we cannot look at shiprepair in a little more detail at this session. Because in looking at the economy we are not taking into account what will happen to the shiprepair industry and it therefore means it is a debate with a huge hole in it. I think that also it is going to create a tremendous burden to the taxpayer because of the size of the yard and because even if there are not people that are going to end up in unemployment because they are immigrant workers and they will leave or at least many of them will, if there is a further reduction in the yard then the cake starts getting smaller and we have to pay more. The position, Mr Speaker, on MOD cuts and the PSA commercialisation, I think, that the situation there is that we simply do not have enough information at this stage as to what is going to happen but there is no doubt that the effect is going to be significant. However for the time being we are not going to see any impact until I imagine the end of 1991 or early 1992. So we are safe in the short term but we are loading up the problems so that any growth that is occurring in the Private Sector is certainly going to have to be absorbed if nothing else. Firstly the Government Public Sector cuts and then the MOD cuts. So I think we have a picture, Mr Speaker, of an economy where things are not rosy, far from it and therefore we are caught in this situation where you have on the one hand talk of the fastest growing economy in the world and on the other hand talk of the fact that in most of our industries we are going through difficult times. The growth that we are seeing or that we are told we are going to see is growth which I am going to be

suggesting is at least largely or most of it Public Sector led through a process of infrastructure creation and through borrowing and enabling the economy to grow in anticipation of private investment interest which will come on the back of that. I do not think that is a bad analysis or bad position to be in, assuming that the analysis is accepted however what, I think, is important is that people realise that when Government talks of growth and the fastest growing growth in the world that it does not mean that we have the best and most prosperous economy in the world. I think, it is important therefore to have a degree of clarity in the terms one is using because the reality is a very difficult economic situation. Now I want to balance the very difficult economic situation we find ourselves by reiterating one thing that I have alluded to and which is that I believe there is a huge potential and interest in the ability that Gibraltar has to become much more important economically to investors. I am involved in a fair amount of promotion, at professional level, and I can tell members that the degree of interest is enormous but we are failing to translate that interest into reality. I think that we are involved in a gap where people look and say "my God this place is going to take off", but they do not dare step inside and make it happen. And I will hopefully suggest why that is not happening and what collectively, as a community, we could be doing to make it occur and not let those opportunities go by. The main problem, I think, at this stage is that the Government has not got a clear idea of what Gibraltar is selling. The Chief Minister said in his contribution that we have been a one product economy mainly servicing the MOD and that that one product now has become obsolescent and that therefore we now need to sell other things. I believe the Government has not got a clear idea of what it is selling. I think we have a situation where basically the Government is saying to the world we are open to business but it has not properly yet defined what that business is. It is like a shop retailer who wants to say "I want any business that comes to the door, you want a camera I will find you a camera". It is just not possible in a place of our size. We need to start earmarking with much more exactitude what it is that we are seeking to go after. For example in the tourism area, the new Corporate image of the Agency is supposed to be more upmarket etc. Well if that is correct, and I am not going to make a judgement on it, then surely Gibraltar's infrastructure is inadequate for upmarket tourism? Therefore that it is not a strategy that should be pursued at least for the foreseeable future. If you look at other upmarket resorts like Monaco, San Marino who is going to come to Gibraltar when they can go to Monaco. What I am trying to say is that whereas I would accept upmarket as being a potential strategy when Gibraltar's infrastructure is different to what it is now, surely it is not that a realistic tourism policy at the moment. The tourism policy today must be a different one. It must be based, for example, on, I would suggest, exploiting our Heritage a little better. It could be, Mr Speaker,

that the Minister will say well the upmarket aspect covers that sort of element, but I have mentioned to the Chief Minister before in a private capacity the aspect of the conference market. Today we have very little Conference facilities, but with relatively little investment in terms of another major hotel which hopefully we will have with Conference facilities we could really start looking at that potential. That sort of thing, I think, is much more the sort of market we should be identifying than the upmarket which I understood to be the high spender, the man who wants to fly in on his private jet and wants to spend money in the Casino and visit the best restaurants, the best shows, etc and that is not a reality which is achievable in a short period of time. Now if the Minister is saying that they are looking at much more than up-markets then I will go along with that but since we do not have details for the type of promotion that the Agency is making, my comments must necessarily be made from a position of being in the dark. Again, Mr Speaker, I will deal with the Finance Centre. Let me put it to the Government that I think it is wrong to try and do everything. One cannot do everything because we do not have the professional infrastructure. There are seventy lawyers and twenty accountants and a dozen banks and we just do not have the expertise or the depth of knowledge to go out to the world and say "we are prepared to do anything from a European Bond issues to Shipping to Captive Insurance". Well, it is just not on and I think that if you look at other places like the Isle of Man where they have said "we will look at shipping" and they have been very successful at that. They have been very successful in Captive Insurance, we have to do this and maybe the Commissioner will be helpful in this respect of what of the whole huge area of services, Gibraltar could offer bearing in mind the sort of people that we have, and the expertise that there is available. If we try and sell everything then we are always going to be in a learning curve for everything. I know and I accept that there are no efforts spared to get things done quickly at a political level, that I am prepared to accept, but when it comes to the people that have to do it then the knowledge is just not there and it is not just in the Government but also with respect to the professionals. We are all on a learning curve and I think it is better to maximise our learning by trying to focus on certain areas rather than doing it all. I think it is a mistake and I hope that the Commissioner will focus on that and if not maybe the Minister that will have overall responsibility will be able to consider areas in which Gibraltar could benefit. Shipping is one area, as I have mentioned, because we are so ideally located for shipping that to have the sort of shipping register that we have is unacceptable. It offers much less favourable advantage than what there should be although we have much more stringent controls on shipping, on manning levels and things like that, but I really think we have not exploited this market sufficiently. That brings me, Sir, to the second point

or to my second main theme of why, I think, the economy and on the confidence equation we should be doing more. The Government is involved in a large scale on a promotional effort and I would suggest, Mr Speaker, that that promotional effort is not being maximised in the way it should be. I think that rather like we are doing as a financial community, the Government is trying to sell everything. We will sell it all and in its enthusiasm is trying to promote everything, everywhere and to everyone. I think that having now perhaps established a certain international profile for Gibraltar, I think, the time has come for a more clear pinpointing of how the promotion is going to be undertaken and where it is going to be undertaken. I think there is a distinction between promotion proper and fact finding. For example when the Chief Minister goes to Liechtenstein or Madeira, etc it is fact finding but, I do not think, that in Madeira they are going to send us anything or we will send anything to Madeira. I think that is legitimate even the Chief Minister is in on a learning curve and a fact finding trip is useful but it is not promotion. Promotion is when you have decided what the product is and then you say "these are the people that I want to target" and in that respect I do not know whether Ministers are the best people to do that. Basically if it affects Financial Services it could well be the Commissioner and maybe somebody from the Finance Centre. We have got to look much more carefully in promotion at specific bodies which actually make things happen. Whether it is the Finance Centre or Tourism or whatever and we must draw a distinction between fact finding and promotion. So while welcoming promotion in general terms, I think, that we must not lose sight that promotion must be more clearly defined in what we are looking at and to divorce promotion from fact finding. The position of the Government expenses generally, Mr Speaker, is one in which the Government is caught in a dilemma because of this confidence equation and a dilemma which is almost insoluble. The dilemma being the following. You have an economy which can no longer be sustained from its traditional sources and we have an economy which can no longer seek or cannot pretend to seek new types of investment because our infrastructure is so deficient. So we simply do not have an income flow from any fresh source sufficiently strong to sustain levels of public spending to which we have been accustomed and at the same time actually put into place an infrastructure which will allow the transition to a new economy. I think that equation has been made worse for the Government than they even anticipated two years ago and although I cannot read their minds I would have thought that two years one would say, if I had been on that side of the House, that funding for the infrastructure was going to come from borrowing and from the sale of Government assets it now is also going to require a cut in public expenditure in terms of current expenditure. I think what has happened is that the growth in the private sector side of things probably made worse by what is going to happen with the MOD and the problems that we are loading up in the next

two or three years made the Government say "hold on I cannot count as a certainty on any new activity, so I have to start paying for my infrastructure and my borrowing solely from the resources that I am producing now. If that is correct then, I think, that is part of the reason why the distortion and the need to race ahead has occurred. I think the Government says "unless we race ahead and unless we make the savings of recurrent expenditure there simply is going to be no money. Because the cake is not getting big enough from the other things that we hoped we might have had to take a more relaxed and meditated approach to the restructuring of the public sector. Because of that, I think, that we run the danger of the restructuring of the public sector being rushed. In an economic sense I am the first to accept that unless you do that somehow the figures just would not square. But, I think, that we have to start also concentrating, and I admit it is not easy, on how we can start getting those other parts of the cake to start growing quicker. How we start redressing the confidence balance in a way which will allow a measure of, if not moderation, but a more pedestrian approach as to how we have to restructure the public sector. I think that at present, the Chief Minister is saying no because it is a matter for value for money and people are entitled to value for money notwithstanding the fact we had extra income coming in from the private sector it is still a worthwhile exercise in itself and would happen anyway. That is a matter of political judgement and a matter of how far you want to take people. I think people want to change but there are ways of changing. You can talk to people and it might take you six months and if you do not talk to people then it takes two weeks. So it depends on how you want to do things. I believe that because of the constraints economically the Government finds itself with little choice but to restructure at a fast pace notwithstanding the merits the restructure might have otherwise. The way the restructuring is taking place and the way the Government is acting in trying to get Gibraltar to move from a transition economy based on MOD involvement to a modern economy, I think, is giving rise to what I believe is becoming a major issue in our city and which is the style of Government that we have. I think the Government is saying we have a drastic problem and drastic problems require drastic solutions and we simply cannot be held back. The Chief Minister in his contribution last year said something which in a sense was frightening but I respect that it was in an exceptional sense "that no amount of opposition was going to stop us". So it is not a question of people saying "we are going to stop" because he does not want to be stopped. I think that because of that pressure we are developing in Gibraltar a style of Government, and I am not going to make a judgement as to whether it is a political decision taken for reasons of ideology, but we are developing a style in Gibraltar which is lamentable and not in Gibraltar's best interest. There is, and let us not deny it, there is a general reluctance, if not fear, then at least certainly anxiety

about talking openly about things that the Government does. Maybe it is a fact which people perceive and which the Government feels is not justified and that you are not going to shoot anybody who says, "Mr Bossano has let us down". But the fact remains that there is a perception at almost every level in Gibraltar that we have a Government that is not sympathetic to the idea that people can disagree with them and are prepared to take steps to disadvantage people who might disagree with them and that is bad for Gibraltar. I think the style that the Government has started to transmit is as a result of the pressure that it is under. It has therefore to try and sort out the situation even at the expense of stamping out disagreement because that would make their task more difficult. Knowledge, Mr Speaker, is power and I always say that without knowledge there is no power and knowledge in terms of what is going on is the power that we on this side of the House and people outside the House lack. We can say why has there been a deal with NYNEX done in this way and why has there been that deal done with Baltica that way but we have no knowledge and, I am not going to make a judgement on motives, but, I think, the Government is out to deny others that power because it is not prepared to see a slowing down of what has to be done because the time is tight. If we have got ourselves into that corner, I think, the Government is going too far in denying a basic level of information to people and certainly to members here. I think the values of openness in our democracy should transcend those short-term considerations which are compelling the Government to have to rush through a whole system of restructuring because of the dilemma which it finds itself in. I think that its position has not been helped by a certain contradiction which exists in the role of Government itself. On the one hand you have the Chief Minister saying that the role of Government is to basically provide top quality public utilities and the right top quality services which are going to attract investors and make Gibraltar a vibrant economy and on the other hand you have a situation where Government is actively getting involved in business which has no public element like a public utility company directly in competition with local businesses. That is a contradiction of roles which I think is confusing and a dissipating of resources. I think, Government Ministers are spending too much time sitting as Chairmen of Joint Venture Companies, basically running businesses in competition with private businesses as opposed to focusing on the public utility and the promotion of Gibraltar. As far as we are concerned, the Social Democrats, do not believe that the Government does well in Joint Venture Companies which are simply normal electrical, plumbing or such industries in competition with local trade. I accept one point, Mr Speaker, which is that in the exercise of redeploying labour, and the problem of getting them out of the public sector and into the private sector, the Government obviously sought to privatise under the guise of the Joint Venture. But what I am saying is that in

seeking re-deployment there has to be a certain logic. Once you have successfully re-deployed people into a Joint Venture Company then there should no longer be a need to go any further. They should be left to a private sector environment unshackled by Government. I think that is important because otherwise there is this contradiction which distorts the role Government should be playing. Having touched on re-deployment, Mr Speaker, I want to turn now to the question of training and the inadequacy of the Training Scheme as it exists at present. Government may say: "Well, it is a lot more than what has ever been before". I am not going to go into that because I think the problems we are facing today are so much more acute than the problems we faced five years ago and that the training requirements have shifted fundamentally. What we have now is not really a Training Scheme at all, Mr Speaker, as I have mentioned before and I know the Minister opposite has said that he will be looking at it and at this session of the House we have learned that there are four more courses that they are now going to supplement with the practical training. Training means acquiring a skill. It does not mean ending up in employment because what is happening is that people are getting into "trainee" jobs, and filling a gap in a particular organisation for example, a messenger. They are filling a gap and employers are saying: "we will employ you". But we have the real danger in Gibraltar, Mr Speaker, of becoming a society where since we have to rely on expats coming in and we have to, and I will address that later, of becoming a population where some people are at one strata, be it as the lawyers or as accountants or as bankers and then you have a whole other strata of people as waiters, messengers, people with much less skills. It has happened in places which have grown very, very fast, because unless we get our skills up to scratch, our labour pool will be of people who are not qualified. Secretaries who are not fully qualified, Accountants who are not fully qualified, and I think, there is a real danger and it is a problem that we can only redress by, I feel, a relook, at how that training scheme is operating and make an attempt to get much more qualifications involved. It is not that I have a bias for qualifications, it is not like that at all, Mr Speaker, but the fact remains that unless you put people through a formal process of training, they learn things and because eventually you learn things as you pick things up you are never going to get to any significant degree of competence and you certainly are not going to be trusted by an organisation in getting to levels of responsibility. The Training Scheme, I would have thought, is a fundamental cornerstone in Gibraltar's policy. Mr Bossano always speaks of a re-deployment of skills, I actually do not think that is the case, we have no skills to re-deploy because the skills we have are the skills we do not need. We have a re-deployment of labour and that labour, with the huge problem it faces in terms of people already beyond a certain age, has to be retrained or we have to find employment for them in certain capacities in a transitional situation until

those people are out of the employment pool. In some things we are transferring skills Mr Speaker, maybe in plumbing and in certain other trades, fair enough, I agree, in certain things there is a transfer of skills from the public sector industrial section to the private sector and into the construction trade in particular, but in the real growth areas which will become construction and finance centre at this stage as we see it, because one is riding at the back of the other, certainly we do not have those many skills which are easily transferable and most people have to go through a re-training process.

MR SPEAKER:

I was going to suggest that if you have much longer to go perhaps you could carry on this afternoon. The House will now recess until this afternoon at 3.15 pm.

The House recessed at 1.00 pm.

The House resumed at 3.15 pm.

MR SPEAKER:

Before we start we should consider the weather and I think perhaps it is about normal and therefore justified to allow Hon Members who wish to, to remove their jackets. I call on the Hon Mr Montegriffo to carry on with his speech.

HON P C MONTEGRIFFO:

Mr Speaker, before we recessed for lunch, I believe I was commenting on the importance of training and the exercise the Government said it was involved on in redeploying workers that used to be in the public sector into the private sector and the comments that I was making were that the Training Scheme which we have was simply not going far enough to give Gibraltar the sort of skills that were going to enable our people to take up the opportunities that are going to arise.

Mr Speaker I will now deal with the spending that the Government is involved in with infrastructure and how that is being funded and the fact that there was a confidence equation to complete and how it could be done to try and close the gap and translate the interest into reality and I had already earmarked the question of promotion and the fact that I thought that the drive in promotion was misdirected or partly misdirected. I am not saying that it is all useless but rather that it is partly misdirected. I also said that we had not had a clear indication of what the product was and what Gibraltar was selling and that Government had to get that right before we could really attract people. We had to develop the expertise and the services to actually respond to what we were seeking to attract to Gibraltar. I also

want to raise the question of communications to Gibraltar, which I want to raise before the close of my contribution. Certainly in my experiences in the promotion sphere, the question of communications in the territory has always been one of the highest priorities on the list. I think the improved telephone communications is a major boost, notwithstanding the fact that we do not like the way in which there has not been more details of what has actually happened with NYNEX with little element of public explanation. The fact remains that the service today is a much different service to the one of three months. Of that there can be no doubt and I think people looking towards Gibraltar can be reassured of that. The other main area is the area of air communications and I think it is important for us to also raise this issue. The interest of investors in Gibraltar would be enormously enhanced by the improvement of air communications. My perception of the situation is that there is rightly or wrongly an appreciation by outside investors that the opening up of air services to Gibraltar would be a significant boost and we are caught in our well known problem with the Airport Agreement which is, I haste to add, not acceptable to anybody in this House as far as I am aware. There are however other avenues open and the Foreign Office man who visited Gibraltar, Mr Greenstock, last week is apparently commissioning a study into the benefits of an Airport Expansion Arrangement and within the context of the Airport Agreement itself it is said, if the Chronicle is right, that study was apparently welcomed by Mr Feetham who is quoted as having said that he was happy to see a study had taken place. I share that view and if we can gain more information on whether it is in the context of the present Airport Agreement or otherwise which would give us a better indication of just how interesting the opening up of further air services would be then I think that would be useful for us. The point that I wish to make and in this sense I am prepared to go further than others, but I actually do not think it does because I believe that there is a fair amount of consensus, is that notwithstanding our objections to the Airport Agreement, Mr Speaker, I think the economy and Gibraltar as a whole would benefit from the expansion of air services and that the Government should be thinking about possible ways of unblocking that impasse. I think the Government to some extent is already doing that without saying too much openly because if there are commercial parties interested in developing the airport and it was Mr Pilcher this morning who spoke about extending the runway and about works of that nature. I do not think that there is any suggestion that work of that nature can take place without there being a new arrangement as to how our airport would operate. So I think that we are living in the twilight zone, the twilight zone of people saying I do not want to know anything about rethinking the position of the airport but at another level, the level of the commercial realities which is what we are talking about today, about the economy and

people having confidence, the fact is that people are saying hold on, that is part of the message that is coming out not politically but commercially. There is an input going into how the airport could be expanded and that involves an element of cooperation with our less than friendly neighbours. Now I want to raise that point because in the confidence equation I think it would be wrong for us as Gibraltar politicians not to put that squarely before the people. We have on many occasions Mr Speaker, on many occasions and possibly will do so again in the future given up economic well-being, or given up greater economic prosperity, because fundamental things were at stake and as far as I am concerned if tomorrow there was a fundamental issue at stake I would be the first to say that we tighten our belts again because the defence of our homeland and the defence of what we have been fighting for for all these years is more important than a short term economic gain. But that should not however blind us to the possibilities that exist for looking at what we would find acceptable. All I am saying is that in squaring that equation, I believe, that outsiders look with confidence at a Government that is actually thinking of a way to improve matters. So I would like the Government to confirm that and I would look with dismay at a Government that was not considering that issue as an issue which in fact has to be resolved. I am under no illusions about the difficulties that would face us if we tried to open the door again to talking to our neighbours on this but I think it is vital that in looking at the degree of the problem that we have to be ready to discuss this important element. This would let people know that there is a realism in this House and a realism from the Government that those issues are going to be tackled and are issues that the Government is thinking about and which they are prepared to face head on. I conclude by adapting a phrase that the Chief Minister mentioned in his contribution, well not adapting but basically just referring to it. I think the Chief Minister said success is a factor which encourages more success, I think that one would say success breeds success. When there is no success, Mr Speaker, what breeds success is the fiction of success, so when you have not done very well you go out saying, I have really done very well in the hope that you are going to start kidding people. Of course, this is nothing new. If you are in everything, if you are a little tiny insect and you have a bigger one coming along then your defence mechanism is that you start to fan out an enormous set of legs that maybe only decorative but it puts the other one off and you are bluffing. In business if, in fact, you are not doing very well and if you are a grocer and you do not sell very much then you say business has never been better. I think that is an important part of any strategy and I am not saying that we are not being successful but I am saying that we have got to understand that the success we have had so far, that this Government has had so far, is a conditional success and a success which can in fact lead Gibraltar to a very very difficult and intractable economic problem unless the other parts of the equation

start coming right. Those other parts of the equation, I think, are not so difficult to focus on but it is a question of having the political courage to actually start dealing with those issues. We still have a little time to 1992 but that does not hide the fact that in the next year and a half unless we get firmer international interest the cake will start to flatten. I think it is crucial that we focus on that other side of the equation because if we do not we will be heading towards a community that will have the best telecommunications network, a very good electricity service, we will have very good privatised water facilities and we will all be getting better communications in our houses but there will be empty offices and empty flats. Not the sort of growth that we want and certainly not the sort of money which will only start, I suppose, to give back to people the sort of social services and benefits which I think they are rightly entitled to expect, certainly after a reasonable period of time. Thank you, Mr Speaker.

HON M A FEETHAM:

Mr Speaker, the last speaker, the Honourable Mr Montegriffo has in fact devoted a substantial part of his contribution in posing a number of questions to which he feels answers are required in order to establish what Gibraltar is likely to develop into during the course of the next five years. Let me say straightaway that, in fact, I ask myself those very same questions practically every day. Because those are questions that require answers and it is in the search of those answers that the Government is pursuing a particular policy. Granted that there are members opposite who are not in agreement with our policies but nevertheless they are an alternative to the policies that have been there in the past right up to 1988 and where substantially these policies were dependent on the military expenditure in Gibraltar and reliance on the British Government everytime they required money. Now Mr Speaker, since our taking up office, for the first time I have not really enjoyed the Leader of the Opposition's contribution, not because one does not expect criticism and opposition, after all that is the essence of democracy, but rather for the lack of realism and the lack of facing up to realities. Constructive criticism has been completely lacking in his speech in the House today. He has concentrated on instilling people to work against GSLP policies, however the realities are that when we came into office we were faced with a situation where the MOD position was going to be seriously decreasing in terms of its contribution to the economy and as the Honourable Leader of the House, the Chief Minister, has quite rightly pointed out, there has been a stagnant contribution by the MOD in Gibraltar and two years into office the position has become even more clear that GSL projections, based on the Appledore Projections, were highly questionable. These realities we had to face when providing alternatives and the question of development and land use, which was one of the issues raised by members opposite, were so restricted that it

was clear to us that if we were to pursue the policies that the AACR had been advocating at election time which was basically that all that Government required was fine tuning then today we would have been facing very serious economic problems. Mr Speaker, that fine tuning was based on the successful commercialisation of the yard and that has proved that the projections of A & P Appledore were so completely out that the more ships that were repaired the more money that would have been lost. The two major developments that were on the pipeline, the Queensway and the Rosia Plaza developments would have finished and nothing else would have resulted. Rosia Plaza which was going to be a comprehensive prestige development has finished up with fortyfive flats being built on a very beautiful part of Gibraltar which could have been built anywhere else and the Queensway development despite all the efforts of the Government has still to get off because of the way the deal was structured originally.

HON A J CANEPA:

Mr Speaker, will the Hon Member give way?

HON M A FEETHAM:

No, I am not going to give way on this occasion. I am going to tell you why I am not going to give way and that is because, as I said at the beginning, I have always listened with great interest to the Leader of the Opposition when he was a Member of the Government but in his contribution today the Hon Member has said a number of things to which I have to reply in detail. His contribution has been completely out of character and I am therefore not going to give the Hon Member another opportunity to say anything further. So if the Government had continued with the AACR policies we would today be facing serious trouble. Now Mr Speaker, why were the AACR incapable of producing the sort of economic growth that was necessary in order to meet the challenges of reduction in the MOD presence on the Rock and the need to restructure the public sector in the future, that is so important in a situation where we are no longer servicing a military base? The reasons are that we are now moving into a situation where for the first time we were in competition with the rest of Europe and indeed with world market trends and Gibraltar has had to meet that challenge. One of the problems that the AACR were facing was that our most important area of resource, our land, a great disparity existed between the land holdings held by the Government of Gibraltar and the land holdings in the hands of the Ministry of Defence. This was split practically 50-50 and because there had been no planning policies and because the previous administration had not been more strict or more positive in their relationship with the MOD and by allowing the MOD to continuously develop Gibraltar in such a way that it made it difficult to release land for development. The reality was therefore that the Gibraltar Government in everything they did were confined within their 50%

land holding but if we look at that 50% of land which is exactly the same today as it was when we came into office except for the plans that we have put into effect by producing new land and we find that that 50% or substantially part of that 50% is confined to the City of Gibraltar. Of course in creating economic activity the cost of developing Gibraltar and the cost of attracting investment into Gibraltar was restricted by the high cost involved in developing the City of Gibraltar because mobilisation costs as well as that most of that area is on high ground. So therefore the Government, in trying to do something, and because they were shortsighted policies, whatever piece of land was put out for development brought all sorts of problems with the heritage Conservation Group. For example, during the period 1984 to 1988, out of a total of £15m investment all that happened as a result of the AACR efforts was two major developments, the International Commercial Centre on a piece of land at the entrance of Main Street and Rosia Plaza. The first was a piece of land that they could actually develop, and I am not going to get into an argument about whether it should have been put there or not, the realities are that it was put there because it was the only piece of land that the Government could get hold of. The second was the comprehensive re-development of Rosia Plaza which, as I have said, has finished up with fortyfive flats or thereabouts because the whole concept was very badly thought out. The net result of all this has meant that developments were done in isolation of each other and in isolation of a comprehensive plan. Another thing, Mr Speaker, was that we were overloading our existing infrastructure and the present Government has had to deal with these problems. In that sort of scenario, Mr Speaker, it was clear to us that if we were going to obtain land to develop, because without land there would be no economic activity. There would be no construction and without construction there is no way that one can attract businesses to Gibraltar. This is an area, Mr Speaker, that I want to concentrate at some length to answer Mr Montegriffo. So our alternative was to push ahead with the Land Reclamation Programme of our own and I think the decision was wise and the decision has proved to have paid dividends because two years later on the 23 April 1988 I presented on behalf of the Government of Gibraltar a Paper to the Ministry of Defence outlining our position on lands in Gibraltar and two years later we still have very little out of the MOD. So if I had waited for the MOD and if I had waited to put in a comprehensive plan which would have been a natural extension of what the AACR would have done then most of the things that we have done up to now would not have happened. That is why I wonder at what Members opposite have been saying to us today and about their lack of confidence for the future. We went ahead with our Land Reclamation Company, we set it up and we have reclaimed 300,000 square metres of land which has done a number of things in itself and that must not be forgotten. Firstly it has given us a huge area of flat land for development, easy to mobilise on, easy to attract investment

on and easy enough to meet some of our social obligations in terms of housing. The response of the Leader of the Opposition and others was to say that that was a plan that they had intended doing. Well, Mr Speaker, plans are very good but actions are better and doing things is even better. The fact is that the plans that the AACR had were public knowledge because it is part of the City Plan and it is down black upon white and what they had in the City Plan, published by them in November 1987, about five months before the election, was "land in Gibraltar is at a premium, and assuming a requirement of 1,000 houses over five year period", this was at the beginning of 1988 or end of 1987, "we would need an area of 3.7 hectares or about one and a half times the size of Varyl Begg". They then pinpointed Montagu Basin as a possible area to provide those houses, but they were talking of an over five year period of 1,000 units and earmarking the first stage at the Montagu Basin. As regards further reclamation it clearly says here of a long-term ten year programme and they add a little bit more to the shaded area which is available in the City Plan and which was a ten year programme to which in fact they went out to tender and which we withdrew in 1988 when we came into office which would have added 30,000 square metres. So 35,000 square metres and 30,000 square metres of the Montagu Basin that was their reclamation project, something like 60,000 square metres. This is if they had done it. But you see the difference in concept and principle which differentiates what we are doing from what they were thinking of doing is that insofar as the Montagu Basin was concerned they were going to pay Gibraltar Homes £1.87m towards the reclamation infrastructure for the houses that they were negotiating with the Gibraltar Homes. £1.87m and, of course, the other 35,000 square metres which they were going to reclaim on the basis of the tender was that half of the land was going to be kept by the developer and the other half would go to the Government. Of course, what we are doing is that we have reclaimed 300,000 square metres, five times as much in twelve months not ten years. The land belongs to the Government of Gibraltar and it is disposed by the Government of Gibraltar and we have not paid Gibraltar Homes one penny. The land has been provided free by the Government of Gibraltar because in its overall negotiations of disposing of the land that we have reclaimed we have been able to do a number of deals at no cost to the Government. It has been paid for by the investors who are investing in the Land Reclamation Programme and the developments which are taking place in that area. So there are fundamental differences in approach and there are fundamental differences as to the way forward. The reality is that Gibraltar cannot sit back and wait for things to happen, we have to take the initiative and we have to provide alternative means for Gibraltarians aspiring to the standard of living that we deserve in the European Community. Not assisted by anybody but assisted by our own efforts because it is the dignity of the Gibraltarians that for the first time is fundamental in trying to do something for Gibraltar. If we had continued the policies

that the Opposition were so positively trying to pursue in their dealings with the MOD and in their dealings with the British Government which led to Gibraltarians being tied down by people who come to Gibraltar and spend three years in Gibraltar trying to do a job but still thinking that they had the right to stop the progress of the people of Gibraltar by keeping us down. I am not in that ball game at all Mr Speaker, we are here to produce results and we are here to better the Gibraltarian image and we are here to better Gibraltar and we are here to create a strong economic base and do it our own way. The Land Reclamation has caused a wider situation, in fact, it has taken away the initiative of our dependence on the MOD to give us land when they thought they ought to. Therefore I have plenty of land to dispose of and to develop. I can take my time about what will happen to whatever land is released by the MOD, but also I think what it has done is that for the first time there is no need to be in conflict with the Heritage Trust and there is no need to be in conflict with the more extreme views expressed by some members in the conservation camp because we can now also feel a little bit more relaxed about the pressures of developing the old City. Because we can now look at a proper urban renewal programme and we can identify what is available in the old City so that we can retain the character and the heritage of the whole City and whatever we do in the old City will be done in consonance with the history and with the requirements of an old City. In my book the old City should be used for residence and not just for the business community to take over the old city as we were in danger of doing. So therefore the old City is for people to live in as well as for traders to trade in and the urban renewal programme which is now being looked at by the Government is part of the wider policies that this Government is pursuing but it is not the beginning and end of it all. In looking at land in Gibraltar we are also looking at trying to overcome the differences that are there, the impediments that are there and that is why we are talking about zoning Gibraltar. It is not a gimmick, Mr Speaker, it is trying to identify and that is why from my experience after two years in office, why I am not in a particular hurry to produce the City Plan because there are changes taking place and the last thing one wants to do is to change continuously. I want to go with something which we can look forward for the next ten years. But invariably if one looks at the land holdings in Gibraltar as they stand today we have a situation where there are widely mixed positions of residential and industrial holdings. So what we are endeavouring to do, as part of our reclamation, is to continue reclamation in the harbour to provide the new City concept which I have often mentioned as an extension of the old City of Gibraltar and most of our industrial based activities will be re-directed to the only place where, in such a small area as Gibraltar, we feel it is the best place to put it which is inside the old Naval Yard and therefore the Industrial Park concept is now very much a project and we intend to commence the Industrial Park towards the end of this summer. All our



cargo handling and all our warehousing, workshops and ancillary office base that is required by trade and commerce in Gibraltar will be directed to that area which would be our zone three. So we are beginning to see an emergence of a properly structured plan for Gibraltar. Of course, the question of the leisure activities and it is only natural that that we should be looking towards the East side of Gibraltar as a natural area where three of our main beaches are situated and that area is now earmarked.....

HON A J CANEPA:

Mr Speaker, three or one?

HON M A FEETHAM:

Mr Speaker, I have said three. I am going to make sure that the Hon Member has a very good beach this summer at Catalan Bay. So therefore we will be having our leisure activities in that area and plans are definitely in hand for this to take effect. So having therefore provided the House with the alternative plans that the Government are putting into effect as the alternative to the fine tuning policies that the AACR had in mind and we have gone out of our way to improve a number of things. For example our infrastructure which is very central to the improved environment for residents and also to meet our requirements and our commitments to development of Gibraltar. Mobilisation of this has just started this month and we have put into effect a substantial programme contract for the improvement of our infrastructure in Gibraltar. It is in fact the biggest investment in infrastructure that has taken place in the entire history of Gibraltar. The improvements are to our sewers, salt and potable water, etc. So when the Honourable Member opposite talks about the man in the street seeing improvements, Mr Speaker, I can say that the improvements to our infrastructure that is taking place goes a long way to meeting the aspirations of people in Gibraltar because there is going to be an enormous improvement in our road network as well, as a consequence of what is happening. Let me say that it is precisely because of the efforts that we are undertaking in providing land that some of our initial investments are coming back into the Government coffers as a result of the disposal of land which in itself provides us with the funding for improvements in our infrastructure. I am not going to provide a breakdown but it is included in the Estimates, the sum of £16m in Land Sales which is related to the Land Reclamation Programme. Members have seen the Estimates and that is a figure that can be used as an example of the way we are pushing forward and disposing of land and attracting investment and at the same time using some of the investment to re-invest in improving the situation. Of course, the Europort stands out as one of the major achievements because there are going to be others in the

reclamation area and in the concept of the new City that we are pushing ahead with. The Europort stands out because it has been the catalyst upon which we are going to be moving forward and has made it possible for a number of things in terms of our investment in the reclamation. It is public knowledge, Mr Speaker, that there is going to be 82,000 square metres of construction as a result of the Europort. It is said that why so much office space? Well that really depends on how one wants to look at the situation because it is no good trying to attract people into Gibraltar unless you have the infrastructure in place, including office and commercial space, and my approach to investors and clearly the same view has been taken by my colleagues is by telling them of the realities of the situation. We have not come to any agreement on the basis that we have to deliver anything which would compromise our political fundamental points which are at stake and everybody knows the realities of the situation. However, Mr Speaker, to say, as I have heard in this House and on television last night, that there is a danger of being taken over by neo-colonialists? Well, I think quite frankly that is taking things a bit too far. Where does the Leader of the Opposition imagine that we are going to raise the investment to create a new economic base in Gibraltar? From the ODA? That, Mr Speaker, is finished. From the British Government? That is finished. By increasing the taxation of the Gibraltarians? That is not on. From where does the Hon Member think? Well, let me tell the Hon Member one thing, Mr Speaker, that I am absolutely pleased and delighted that we are successful because at the end of the day it is Gibraltar that is going to be successful and if the Hon Member were on this side I would be equally delighted that they would actually be successful.

I am also delighted that money is coming from other places than from the traditional British market and I am delighted for a variety of reasons one being of not depending on the British market to boost our economy because it is bringing in a lot of competition. It is also bringing in a better return for the Government than the traditional British market and at the same time widening the awareness of Gibraltar internationally. It has brought an awful lot of spin offs and so as for accusing the Danes or anybody else of bringing into Gibraltar another kind of neo-colonialism I would say that I welcome them and I welcome anyone else who intend investing in Gibraltar and trying to assist us and at the same time getting a return. That must be so otherwise they would not put their money in Gibraltar. But at the same time let us be clear about one thing and that is the question of office space that is available in Gibraltar does not at all worry me. What worries me more is the time that my department has spent, and indeed other departments have spent, in looking at planning applications for a number of concepts within the City like conversions into office space or the refurbishment

of offices or the building of new office blocks, and then finding out by people ringing myself or other Ministers asking "Is it true that these people have planning permission for this because they have asked us to buy them out". So there has been a lot of situations where people have been using a policy in order to better themselves without actually even having an authority to do so, either for the landlord or for anybody else. These are some of the people who are criticising us for the fact that the Europort is going ahead and because I am turning down a number of planning applications in the old City. Not because of the Europort development but because it is not in keeping with the sound policy that one would like to have in Gibraltar. I am not here to protect the odd office space that is available in Gibraltar, like for example Leon House, because we are moving out because of the high rent, some other office space that may be available to someone else down the road or a new one that is built in a place which is deemed to be commercial. There are people wanting office space but are particular about the office space they want and they are prepared to wait and see and the question is where do we stop? We have to provide the office space and the other thing which I think nobody has bothered to raise, and I am wondering why, which is another central achievement on the part of this Government but nobody has bothered to mention, is the question of the Building Components Factory. Surely one cannot fail to notice that the factory is nearly completed and it has certainly been completed long before the nine months that I said it would take to complete the factory. Members opposite were all very cynical about the possibility but, Mr Speaker, the factory will be handed over to the owners, a joint venture company where the Government is a participant along with Holger Schultz and Volger. It will be handed over in June. By then all the equipment will be commissioned and the factory will be operational by August. It will provide the building components for the Construction Industry in Gibraltar and people have already been taken on and are training in the new skills. Comprehensive training for the Gibraltarians who have taken up these jobs is now being conducted at the Building Components Factory and more important is the concept of an expanding economy, as we have now, the question of bringing in labour from outside in a transitional stage does not arise because we do not have an unemployment problem, what we have is a problem of deployment and it is important that in an expanding economy that we do not flood the market with unnecessary labour and find that other people are not able to obtain a job. That is one of the questions that we have obviously given very serious thought to. The Building Components Factory apart from taking on Gibraltarians that are now being trained is also a very important integral part of not relying on labour from outside. I have said that in conventional construction, for example, the Europort which is due for completion in 1992 would not be completed until 1994. If it were not for the method of building components and because

if we were to be conventional we would have to have had an over dependence on imported labour. The Components Factory will mean that whilst in a normal situation you may have needed one hundred and fifty people on the site now you will only need forty. Therefore if we get those forty to be Gibraltarians well what we would actually be doing is having an integrated situation in Gibraltar where you can have components for the construction industry produced by the factory and being put together on site by Gibraltarians. Because we are not just training this group of Gibraltarians to be able to put building components together, what I am pleased to say is that these so called neo-colonialists have in fact, for the first time, made a major contribution to Gibraltarian training by agreeing, at their expense, to bring a training school from Denmark. The Construction Industry Training School is being run by the Danes with Gibraltarians being seconded so that they learn the training skills and carry on once the Danes leave. The programme of training is for twelve weeks and will provide Gibraltarians with these skills at their expense. That means, Mr Speaker, that we have something like forty Gibraltarians, who have started today in construction industry skills, because what is clear is that once the initial impact of the expansion has taken place, and we are talking about a period of ten years, then there will be a situation where there will be a reduction in labour. In a situation where we have filled the skills in the Construction Industry with Gibraltarians with the fallback position that we will have a construction industry in place run by Gibraltarians. That is what our policies are trying to pursue. Whether we are successful or not we do not know but at least we have put into place an alternative, a very well thought out alternative, to what we had in the past. Because Gibraltarians did not want to go into the Construction Industry and we are now trying to get them in. So Hon Members can see that we are trying to do everything possible to get the economy expanding, to get investment in, providing land for people to invest in and reaping the benefits of these investments. Let me say, Mr Speaker, that if we were to compare the investment committed to Gibraltar which has often been said by the Chief Minister, during the period 1984 to 1988 of the previous administration term of office, the total investment done by the private sector in Gibraltar was £15m, then we in the two years that we have been in office, in terms of construction, have already in place the committed investment of £150m. How that picture in terms of buildings emerge is that about 1,170 housing units are actually being built in Gibraltar. This of course includes Westside I. Westside II will come on course very very soon but is not included in these figures. Apart from the Europort and apart from the Building Components Factory a number of very important fundamental things are taking place. We therefore then take this thrust into the second area that is important and which is the marketing aspect of promoting Gibraltar. This is, of course, fundamentally important and one has to carefully considered, in fact, what is it that we are

going to be marketing? I do not believe that what is required is sectorial marketing. What I believe we must market is Gibraltar. Gibraltar is the focus selling point and therefore has to be the focus selling point in our marketing strategy. Gibraltar has got a lot to offer and it is in that strategy that we have to find what we are going to sell in terms of financial services, in terms of shipping, port, shiprepair, leisure industry and so on. But the policy has to be a concerted one. Gibraltar is not that big not to have a common policy in that marketing strategy and I have been giving this a great deal of thought and it will not be the policy of the Government, in response to Members opposite, that it will not be the responsibility of the Financial Services Commissioner to be introducing or pursuing our marketing strategy. The Commissioner whoever he may be will have a role to play in getting our supervisory structure in place and in achieving credibility with the regulations which are required to be put into place but the marketing strategy has to be something that is not going to be the responsibility of one single person. It is going to be a strategy that has to be by the very nature of the speed and urgency that we require in exploiting the potential of Gibraltar because we do have a tremendous potential, but if we are going to get that into place as quickly as possible in competition with everything else that is happening then we need to have the different sectors of Gibraltar working together in producing that plan and to centralise this through some sort of working party. I and other people in the community will be contributing to this and it is going to be a marketing strategy that is going to sell Gibraltar. Mr Speaker, what is it that we are looking for? If we take Financial Services, then I think we are competing with every other Finance Centre that exists and all the ones that want to be Finance Centres. We have a number of important things going for us in the sense that we are the only Finance Centre in the European Community. Some aspects of the Community will be out of it but we are certainly in the Community and there are important plus aspects there that need to be exploited and looked at which, I think, we have not looked at in the past and no doubt will begin to unfold as we proceed. Financial Services is a very wide statement in terms of banking for example there is a limit to what any Finance Centre can attract in terms of International household names. Primarily because Financial Centres have been so well established over so many years that the international policies of international household names are more or less settled and have been for many years but there is an awful lot in the banking world that could be attractive in Gibraltar. Smaller banks that are looking for particular places to sell their commodities? It is in that area of Financial Services that one has to do more to attract to Gibraltar, the smaller bank situation. Of course, Mr Speaker, one is always asking the question what is going to happen tomorrow? Well I am not saying that all our plans are going to be

successful but what I am saying is that we have pushed forward in a way that gives us an opportunity to be economically viable in Gibraltar. We are doing everything possible to ensure that that happens. Let me say quite frankly that in terms of skills, which is something very close to my heart, we are doing everything to ensure that Gibraltarians obtain those skills. Because at the end of the day one is not in politics, as some Members opposite have said, to change one's ideals because I consider myself, and as my colleague the Honourable Mr Pilcher has already said so, we consider ourselves to be a Gibraltar Socialist Labour Party and everything that we are doing is geared towards economic self sufficiency. So that in real terms the man in the street can judge whether he would have been better off with an AACR Government or with a GSLP Government which is providing an alternative to ensure that we have a reasonable standard of living compared with everybody else in Europe. That, Mr Speaker, is how the man in the street will measure things at the end of the four years. Government is moving very very quickly on the question of more computerisation and providing more computer skills and at the end of the day what is it that we are talking about? We are talking about 7,400 Gibraltarians that need to be economically active. In an economy which by the very nature has quite a lot of different facets because it is not possible to be able to provide the skills for every facet that forms the economy, that is impossible because there would not be enough Gibraltarians in place to do it. So we have to concentrate in areas where the changeover in skills is not so difficult because we have some basic knowledge of what is going to happen and within the Government services we are providing skills by better computerisation and improvement and bringing in more computers to do a lot of the work. A re-training on skills, apart from what is happening in the Construction Industry and which I have explained and indeed is also happening in some parts of the Private Sector. The private sector itself is also meeting the challenges of the Government in terms of training and a lot of companies are training people. Companies like Norwich, Barclays Bank and so on are doing an awful lot of training for their own particular requirements and in consultation with the Government. In many aspects of what they are doing it is within a general plan. That is the way that we are thrusting the economy, as far as the Government is concerned, whether at the end of the day we are going to have white elephants or not remains to be seen. We will have to wait and see. Clearly, Mr Speaker, the question of Air Communications is an important aspect and nobody is shying away from it. We are already well advanced in our planning of our future requirements. We have taken it as far as we are likely to be able to do, as a Government. Other things are now being discussed such as this study by the Foreign and Commonwealth Office. Why is it that it was said by the FCO representative I welcomed it? I do not think that I actually said that. What I did say was that whatever happens in terms of improvements to the Airport, whatever

happens, 80% or 85% of the growth will go to Spain. As indeed happens at the moment in relation to the figures that are coming to Gibraltar. The same sort of proportion is about correct and so whatever increase will happen will have a benefit for Gibraltar but the major part of the benefit will be re-directed towards Spain. Let me say that a lot of things have to be looked at carefully in terms of this expansion. Environmental problems, that the Honourable Member opposite is so "green" about and which with I entirely agree. One thing is to work on the policy of improving Air Communications for the betterment of Gibraltar and anybody else but another thing is for the Gibraltarians to take on their back all the problems arising out of the Airport Agreement which have not been taken into account. A lot of other factors which are so important, apart from the issue of whether it impedes on sovereignty or it does not, and therefore when things are rushed through and are not worked out carefully and thought through that is how obstacles do arise and which then need to be overcome. It is much more difficult if that obstacle is there than if that obstacle were not there at the beginning. So a lot of issues, irrespective of whether the present Airport Agreement or a new Agreement is put into place, an awful lot of issues need to be carefully thought out even before wider communications can take effect. Therefore from that point of view anybody in this House would welcome any form of study that will be able to identify everything that needs to be identified. That, Mr Speaker, is my position and I think that it needs to be looked at from that point of view. I have, Mr Speaker, a number of other things that I am responsible for and which I am just going to skip through because the situation has developed in such a way that I did not expect to because of the position that the Leader of the Opposition took. However, for information purposes let us say for example in respect of the Gibraltar coinage, which I think is a matter of interest to the House, that we now have over three million coins in circulation as of the 31st March 1990 with a face value of £860,000 and the Account therefore shows a surplus of nearly £600,000 as a result of introducing the coin in a matter of twelve months. Let me say that I believe in giving credit where credit is due and a lot has been said about the question of improvements to our infrastructure apart from everything that I have said we will be putting into effect that the man in the street has not seen and whilst I now have responsibility for some aspects of what was previously part of the Public Works Department nevertheless the improvements which I am just going to outline require that the credit, of course, be given to my colleague Minister for Government Services because most of it was done during his period in charge. Let me say first of all that during the last twelve months there has been a major resurfacing programme of our roads. I think Hon Members must have all seen this, there is no question of discarding it but let me just repeat the roads that were involved in case some Members opposite have forgotten. Winston Churchill Avenue, east bound lane south of the roundabout and south

bound lane north were completely done. Hospital Ramp, Governor's Street, Secretary's Lane, South Pavilion Road, Tarik Road, Cumberland Road, Devil's Tower Road, Line Wall Road, Tankerville Road, Witham's Road, Scud Hill, Main Street from Casemates to King's Street, Rosia Road, New Mole Parade, Waterport Roundabout, Sundial Roundabout, all Queens Road and part of Moorish Castle Estate, Mr Speaker, compared to the sort of Road Programme that Gibraltar was used to in the past I would say that it is not a bad Resurfacing Programme in a period of the twelve months. The Honourable Member Mr Ken Anthony has made a lot about the question of the beaches and of course the Government were anxious this year to do the best it could about improvements to our beaches. However nobody expected the misfortune that we had, and people must recognise this. This winter we did not just have one gale situation but three which seriously impeded all the efforts that the Government had put into place. However, let me say that despite this, and credit must go to the commitment of the labour force, for the way that they rallied round to insure that our beaches provided adequate facilities for the people of Gibraltar. All our beaches are going to be opened, including Little Bay and Camp Bay, Little Bay and Camp Bay, of course, partly because of the efforts of our labour force and partly because of the cooperation that was put in place by the Government with the Ministry of Defence and particular credit goes to the Royal Engineers in assisting us in making Little Bay safe for the public to be able to enjoy the swimming facilities. So I can say now that Little Bay will be opened. Of course there will be slight restrictions as to where people can actually go in terms of the road and so on. This will be made known publicly well in advance of the official opening date. So therefore all our beaches will be open to the public with improved conditions compared to what existed last year despite the enormous problems that we have had to face and of course with something like one hundred thousand cubic metres of fresh sand. This must be a welcome thing for people that love to go to our beaches. So Mr Speaker, all in all the Government are producing the results and in the two years that we have been in office every Minister here has demonstrated that there have been improvements all the way through but within a concerted Economic Plan. Time will tell whether it works or it will not work although I believe that it will. I believe that the business will come in which will be part of our next two year programme to ensure that that happens and therefore I am satisfied that nothing better could be done. Two points that need to be answered, as far as Mr Britto is concerned, one is the question of the pool. When we came into office, Mr Speaker, the commitment that there was for the swimming pool for GASA. That Gibraltar Homes would have to reprovide GASA with a swimming pool in the redevelopment or after the redevelopment of the Westside Scheme. There was also a commitment to Calpe, perhaps because Calpe are more of an influential body they did obtain from Gibraltar

Homes a temporary pool for their own use as a result of losing their swimming facilities at the Basin. Both were losing the Basin, Mr Speaker, but one got a commitment of a pool straightaway and the other one in the future. Of course when that came to the knowledge of the Government there was no way that this Government was going to accept that Calpe, and it is not because we are anti Calpe, but because it was a question of principle and morality. Both sets of people were affected but one was more influential than the other so one was getting the pool straightaway and the other one in the future. But the pool that was built for Calpe is now the pool that is going to be given to GASA, by agreement with all the parties concerned. So GASA are getting their pool straightaway and another little pool has been built for Calpe within their own boundaries. Let me say that I have received complete cooperation from all the parties and I am just outlining the principles of the case. The very nature of the way the construction took place and so on has meant that one pool has been handed over last week by the developer and the other one the wall is being finished and will be handed over soon. However the realities are that both of them are getting their pool. That was not the commitment that was there.

HON A J CANEPA:

Who is the Honourable Member talking about?

HON M A FEETHAM:

Gibraltar Homes as a result of the discussions which took place with your administration had agreed....

HON A J CANEPA:

No, no that is not true Mr Speaker.

HON M A FEETHAM:

Mr Speaker, the previous administration agreed to reprovide GASA with a swimming pool as a result of the loss of the waterfront.

HON A J CANEPA:

But not Calpe, Mr Speaker.

HON M A FEETHAM:

No Calpe no, of course, Mr Speaker, but of course Calpe, as I have said, are fairly influential and they do not need the Government to do anything for them. They arranged things directly with Gibraltar Homes. They said "I am losing my waterfront and I want a pool straightaway". The position was that you agreed that Gibraltar Homes should reprovide GASA with a swimming pool.

HON A J CANEPA:

To reprovide GASA with a swimming pool.

MR SPEAKER:

Order, order, order. You must address the Chair. Members must not start talking across the floor.

HON M A FEETHAM:

The key here is that that was going to happen in the future. So what happens as a result of Westside I starting the filling in of the Basin and we find a situation where all of a sudden a swimming pool begins to appear for Calpe and GASA start saying "where is my swimming pool?". Of course it is only natural that that would have happened and that was the time when we realised that something was terribly wrong and that things were not tied down the way they should have been tied down. Like all the other things that we are finding out that they are not tied down. Their attitude was "Let somebody else solve the problem". Like for example finding a place for the boats at Camber in Queensway and which had no place for and yet they had disposed of the land and left the problem for us to resolve. The realities are that there was no way, Mr Speaker, that we were going to tolerate the situation that Calpe should have the swimming pool, and they understood the problem when it was explained, and GASA should not. The result is that both of them now have a swimming pool. GASA will have their swimming pool, their final product, when the re-development of Westside and the construction has taken place. So please before you start asking me to respond as to why GASA has not got the pool yet or is not yet completed please to find out the facts and the realities. GASA have a pool now because of the efforts of the Government's intervention and they will have a final pool when it is completed. That is a temporary pool but at least they have bathing facilities. The other final point is the question of the beautiful house down the road and why planning permission was given so that it is being used for office space. I could not agree more with the Leader of the Opposition but the property that the Member opposite is talking about is in fact a temporary change of use because the very same people who have bought that property are in fact incidentally investors that we have brought into Gibraltar and have paid, as I understand, a substantial price for that property. They are in fact going into Europort because they are involved in Europort and are investors in Europort and that will then change back into residential property. That is their intention. They bought it with that in mind and they were not going to tie themselves up to a contractual obligation of three years of office space when in eighteen months we will have completed the Europort for which they are part of the investment group. That is the answer to that one, Mr Speaker.

MR SPEAKER:

The House will now recess for twenty minutes.

The House recessed at 5.10 pm

The House resumed at 5.30 pm

HON CHIEF MINISTER:

Mr Speaker, having listened to the two reactions from the Opposition benches to the presentation of the Estimates of Expenditure and indeed to my opening analysis of the performance of the economy in the first twelve months of the GSLP Government, I have to say that I have difficulty in understanding the reactions and the views of the AACR Opposition. Let me say that the Leader of the Opposition knows that I have a great deal of feeling and friendship for him and if he will allow me to give him friendly advice I would say that he should not even contemplate going to an election in 1992 on the kind of platform that he explained in his contribution today because that if he were to do that not only would it not be a recipe for winning the election, I think, he would be totally wiped out. Because it is a totally idiotic analysis, I regret to say, to attempt to say to people in Gibraltar, to the electorate "if the AACR were in Government today or if the AACR got in Government in 1992 they would borrow less and they would aim consequently for a lower rate of growth". The Hon Member recognises that it requires high borrowing and they would increase the Civil Service back to what it was because he is against the cuts. They would also reduce taxation and at the same time they would avoid becoming totally bankrupt in the process. I do not know what magic formula the Hon Member has discovered since they lost the election on the 25 March 1988, but certainly it was not a formula that was in their possession beforehand otherwise we would not have inherited the situation that we inherited when we took office. The facts of the matter are that they need the 600 Civil Servants. That is the truth. They could not have governed badly as they were governing, Mr Speaker, without an army of Civil Servants. They did not believe we could do it during the Election Campaign because I remember the Honourable Member opposite in the last few months of the previous House of Assembly giving me friendly advice and telling me that if I thought I would be able to do all the things without having to rely totally on the top echelon of the Civil Service then he was saying to me I was going to be in for a very nasty shock if I was elected. That, Mr Speaker, was the friendly advice that he was giving me and the analysis that it could not be done is in fact the reflection of what they perceive today that they themselves would not know how to govern Gibraltar without the bureaucratic system that they have always known. This is why Mr Mascarenhas says that if you do a Feasibility Study it means nothing will happen for four years and I know because I have been in Government, of course, and that is the way it used to

be when he was in Government. That is no longer the case because if we had to wait four years for a reply and a Feasibility Study we kick somebody's backside and do not wait four years. That is the difference. We get things done quicker. What is in fact, Mr Speaker, the point of trying to explain things in the House, we might as well be talking to a brick wall because I recognise, of course, that the explanations that I gave were not the explanations solicited by the AACR. These explanations were asked by the Honourable Mr Montegriffo and I told him in answer to the question that the information was not available and I have had the Government Statistician in his department working very hard to produce as much information as was possible in the time that was available before this Meeting. The information was not there, Mr Speaker. It was not a question of pushing a button in a computer. It all had to be compiled in order to try and give people opposite an indication of the state of the economy which I would have thought they would be interested in since they are always complaining that they do not get any information and when they get it they make no use of it or they simply say what they intended to say as if they do not really care about the truth. Perhaps it has all gone over their heads and they could not follow it. It is one or the other, Mr Speaker. The situation is that the Hon Mr Canepa says: "when are we going to see the reflection in living standards of the economic growth that we are saying is taking place?". Well, why does he want the Government to make the effort of providing the Employment Survey for this House of Assembly which he asked me to do in the last House? He said "could we have the Employment Survey for the Budget Session"? And I said "It is not quite ready. However if it is not ready we will provide you with a summary but we will push the Department to have it ready". We pushed them and we had it ready, and we let him have it but it appears that he has not bothered to read it, because if he had bothered to read it he would have read in the Employment Survey that average earnings after cuts and after inflation, for the average Gibraltarian worker went up 8.7% in twelve months. The highest increase in take-home pay and in the standard of living in Gibraltar since parity. The Hon Member had the answer. Is it, Mr Speaker, that he does not want to have the answer or that he asked for the Survey in order to be able to say that we do not provide him with information? However once he has the Survey he is not interested in having the information because otherwise he would not be saying "when are we going to see it?" Well, there it is. I can tell the Honourable Member that I have no way of knowing to what extent the development that is taking place and the growth in employment that is taking place which, we know is taking place, was filtering through in earnings and in take-home pay until I saw the Survey. I had not seen the Survey until a month or three weeks ago. So it was not that I had the information much earlier than he did. I had, of course, an indication that there must be an increase in the standard of living because, as I have said before,

in my introductory remarks we are fortunate in Gibraltar, in looking at economic variables, that if we say the economy has grown by 9% or 10% in our first year, then we say to ourselves "well is this in fact reflected in earnings and take-home pay?. Is this reflected in retail sales and in import figures?" Because in a small economy like ours there has to be some correlation between different statistics for different sources and if one set of statistics indicates growth and all the others indicate decline then you know that somewhere along the line there has been a mistake and that they cannot all be right. Either one set must be right or the other set must be right. Therefore when we have a situation, Mr Speaker, where Honourable Members opposite simply pick a figure and say "people are paying 25% more tax than they were last year". Well, Mr Speaker, that is nonsense. It is not true that people are paying 25% more tax than when Members opposite lost the election. What is true is, as the Employment Survey shows, that there are 1,000 more people paying tax, that is true and it is true, Mr Speaker, that average earnings and the overtime levels in that year were very high and that is reflected in the tax collected. It is also true that we have been better at collecting tax than they were, that is also true. So there are really three elements as to why the taxing was higher. One was a better collection of the backlog of taxes, a greater number of taxpayers and a higher average wage. But, of course, what is not true is that that has resulted in a surplus which we can give away. What is also not true is that we are doing anything today that I did not tell the House in April 1988 when we got elected. What we are certainly not going to do, Mr Speaker, is what the Member opposite was doing in 1987/1988, in 1986/1987 and in 1985/1986, which was to borrow for Recurrent Expenditure. Not in one year as he said in a television interview yesterday but for three consecutive years and, of course, I can tell the Honourable Member and anybody else without being an economist, knows, a child knows, that I could transform the deficit we are projecting this year of £4.6m into a £5m surplus just like that. All I need to do is to borrow £10m and show the £10m as Recurrent Revenue and suddenly my deficit disappears and I have a £5m surplus and I am very successful at running the economy and I can afford to give goodies. That is not giving goodies, Mr Speaker, that is giving people a false sense of security and we are not doing the Gibraltar any good, by giving them a false security. So we have to say to people that they have to live in the real world and if the AACR and the Leader of the Opposition is hoping to get back into Government by trying to say to people that the AACR can guarantee them perpetual life in limbo, where the realities of life do not matter, then good luck to them. If that is what Gibraltar wants they are welcome to have the AACR back anytime they want but the real world will still be there and will catch up, just like we are having now to put right the catching up of sixteen years. Because, frankly, the AACR was not prepared to face a situation where we would have to live

by our own wits in the real world because of the sustain and support policy, of ODA money and MOD money, was going to run out and the writing was on the wall. Of course, the strange situation this year is, Mr Speaker, that a year ago when I stood up to exercise my right of reply to the Appropriation Bill, immediately after the Honourable Mr Montegriffo had spoken, I said "the House has just been presented with two different views by two different parties". I was a step ahead of the Leader of the Opposition who did not know it yet and I have been proved right in that particular prediction, maybe all my other predictions and all my foresight maybe wrong but on that one I was right. But what is even stranger this year, Mr Speaker, is that last year where the AACR was taking a, shall we say, an understanding position of the economic situation and the Honourable Mr Montegriffo took a very negative position and talked about civil servants being slaughtered or being butchered, we suddenly find that all the Members of the AACR this year have stolen his cloak from last year. It is as if they have read his speech and they have all decided they were going to take the line that he had taken last year before he spoke and then of course he out-witted them again and said something totally different. The one Member, in fact, this year from the shrinking AACR camp that has taken a different line from the rest has been the Honourable Mr Featherstone, I do not know whether that is an indicator of a further split and a new party in the offing but I will not commit myself to that particular prediction at this stage. I think he has decided he has had enough of politics to start with a fresh party at this time in his political career. But, of course, he was arguing that in fact the situation was not as the figures suggest because there was a great deal of underestimation. I can tell the Honourable Member that, as far as we are concerned, these are realistic Estimates in some cases, for example, like Stamp Duty, we know that there were certain large transactions which took place this year which is the reason why in fact this year the actual outturn was something like £1m more than we had budgetted for a year ago and we do not expect that to be happening every year. So if anything in fact, for example, the £1½m that we have put for Stamp Duty as opposed to £1.9m, maybe over-optimistic rather than conservative because last year we put £900,000 and we had £1m coming in more than we anticipated and we do not anticipate that to happen again this year. Most of this is related to the size of companies that come into the registration on the Company Registry. Because it is a Stamp Duty based on the share capital. There is also a situation where we have a number of factors looking at the PAYE and Company Tax receipts for the next twelve months. One is, that we expect a much bigger take up of the household home-ownership allowance, the £10,000 allowance, because of the coming into operation of the signing of the contracts for Westside II which will run into several millions of pounds of Tax Rebates. We have also got a situation where we are

computerising the Income Tax Department who are, at this stage, still manually doing the assessments for 1986/1987 and we are hoping as a result of the computerisation to actually be able to do the assessments by computer and do 1987/1988 and 1988/1989 which means that people will get any refunds that much quicker. As the Member knows from having been in Government for many years if you have a number of possible scenarios it is not a prudent policy to vote for the more optimistic scenario and find yourself short of money during the year but it is better in fact to be in the comfortable position, as a Government, of budgetting for revenue yields which you are fairly certain on the worst possible scenario you will get, because the commitments on the expenditure side are unavoidable. The Government expenditure is two thirds salaries and wages and there there is nothing that you can do about it. But is it in fact, Mr Speaker, the case not as the Honourable Mr Featherstone believes that we have a lot of money and that I am a scrooge who does not want to part with it or as the Leader of the Opposition believes that we are taking a very high risk by borrowing for Capital Investment as a basis for promoting growth. Well all I can say is that he has not bothered to look at the charts that I had prepared and which I distributed at the beginning of my contribution because he would have seen how insignificant even after the major increase of the Improvement and Development Fund, how insignificant a part of the economy the element of Government domestic capital formation is. In the charts that I have provided, Mr Speaker, I pointed out that the purple line which is Gross Domestic Capital Formation, the Improvement and Development Fund had been stagnating until 1987/1988 on a slightly declining trend and that there had been a very marked increase between 1987/1988 and 1988/1989 a doubling of it. But even then it is still barely noticeable on the chart, it is more or less insignificant economic growth. Now can the Member seriously look at that and say that the increase which we are bringing about and which is being financed by borrowing and which is this pushing infrastructure, this speck at the bottom of the chart is responsible for this growth at the top of the chart. How can he say that. Does the Hon Member understand what we have put in front of him? It is obvious that it cannot be because the reality of it is that we expect it to be an important contribution in the level of economic activity but it is not the predominant contribution. The main reason for the investment in infrastructure is not in order to produce the predicted rates of economic growth but to produce, as the Honourable Mr Montegriffo correctly identified, the quality of services, telephones, roads, buildings, sewers, water supply, electricity, that people would expect to find if and when they come and whether they will come in the numbers that we want them to come still has to be tested. However they will not come without the infrastructure being there that is guaranteed. The Honourable Mr Montegriffo mentioned that part of my visiting other places was selling and part of my visiting was learning and he is right. On the learning and the fact

finding side I have gone to see in Malta where Members opposite have just come from and what I have gone and seen in Madeira shows us that in fact their biggest handicap is the breakdown in their telephone system, the holes in their roads and these are the things that quite apart from anything else anybody on the other side of the House that is involved in business knows that it is a fact of life that people do not like doing business from a place that does not look upmarket because it is difficult to attract up market customers to such a place because they say if they cannot even keep their place going then how safe am I to put my money there. There may be no real connection and one phrase that we all know that the successful conmen are successful conmen precisely because they package themselves so well that nobody bothers to look at the small print. But the reality is that Gibraltar in order to develop, as we want it to develop, and to achieve the levels of selfsufficiency that we want to have and that we believe it can have must have a major facelift and that we have no choice in that matter and that we are stretched to the limit of our resources in achieving that. It is not that the economy is dangerously overgeared, it is not that the economy is in danger of overheating, it is not that the economy is taking a big gamble, it is that the Government does not have the resources to take on the task that it has to take on and that if it does not take on the task then the kind of future which would frankly resolve the problems of any Government, because the money will then start coming in as it tends to do in Jersey and Guernsey and other places that have made that kind of successful transformation from a previous type of economy. The Channel Islands at one stage were predominantly agricultural and the big chunk of their national product was exporting milk, tomatoes and potatoes to the United Kingdom. Today in Jersey they collect £200m a year in tax, not £25m or £30m but £200m. Of course they can afford to have 20%, they can afford to have 30% because they have surpluses and reserves. The Isle of Man has moved from reserves of something like £14m to something like £60m in a matter of four or five years. We are in a situation where we have to keep on running to stay in the same place. Now in that kind of situation, as the Honourable Mr Montegriffo deduced, we are having to take a tough line and push people harder in the transformation and the restructuring of the Civil Service that we would otherwise do if we had more time to breath. Mr Britto tells us that we are slaughtering or butchering Civil Servants, Mr Speaker, but I think the slaughtering, if I remember from my days as a Health Inspector, the slaughtering bit comes first and the butchering is the second stage. I would remind Members of the answers I gave to Question No.88 of 1990 put by the Honourable Mr Ken Anthony, when he asked me "What is going to happen to the four hundred people that are surplus?". And I said "Everyone of those four hundred is guaranteed a job for life". In fact, if I may remind Members of the Opposition that in 1987/1988, in the last year of the administration of the AACR Government, the



number of Civil Servants in the Administrative Grades, which is the six hundred that we are talking about, was five hundred and ninety three. In our first year, if Members go back to the Estimates of Expenditure for 1988/1989, our first Budget which had already been agreed it went up to six hundred and eleven. We actually managed to stop the bus at the end of 1989. In 1989/1990 we managed to bring it back to five hundred and eighty five. The butchering and the slaughtering and the massacre has so far produced a decline of eight people, that, Mr Speaker, is what we are talking about. Now obviously we still have a considerable way to go and in this year's Estimates the figure provided under Personal Emoluments the complement is five hundred and thirty, so this year we are down by a further fifty five but still a long way from the two hundred odd and the situation is that we are, as I have mentioned earlier, not seeing an immediate reflexion of the savings as a result of these changes in structure because in fact we are introducing, and have introduced, amendments to the Pensions Ordinance in order to make it attractive for people to volunteer to go. That, Mr Speaker, is the humane and socialistic way in which to do things. If I was a Thatcherite I would make them all redundant. In any case I do not think Mrs Thatcher, Mr Speaker, would be very grateful to the Leader of the Opposition if she thought that he thought that she borrowed money in order to create high rates of growth which is something which is taboo to her. So in fact the policy that we are carrying out is a policy which of necessity is required because Gibraltar cannot afford the size of public administration that has been created in the past and must make do with a leaner, more efficient and more productive outfit. In fact our calculations are taking, for example, the relationship of GDP to working population that according to the figures for our first year of Government we have achieved a rate of capacity in terms of output per man of 80% of UK, comparing us with the national average in UK and UK is considered to be pretty bad by European Community standards. It is considered to be more towards the bottom half of the league than of the top half of the league. It is not bracketted with Germany, Holland and Denmark, it is bracketted with Greece, Spain and Portugal and we are 80% of their ratio. Admittedly there is a problem in a place of small size like ours where we do not have manufacturing industry which is relatively easy to automate. For example, the Building Components Factory which my colleague the Minister for Trade and Industry gave details about will be producing a lot of building components for a lot of buildings with forty odd people but you cannot do the same when you are running offices or when you are running shops which are more labour intensive service industries. However much of our banking institutions today are moving more and more into highly automated offices which means that they will be able to do more and more work with relatively speaking less staff and we as a Government must move down that road as well. Let me say, Mr Speaker, that in fact

the figure of two hundred as the target for the public administration is not something which we have sprung on people out of the blue. It is something that I told the GGCA Committee more than eighteen months ago when they were having regular meetings with me as well as at the General Meeting that they organised for me. In fact it is something that the Leader of the Opposition was aware of because he mentioned it last year. He said last year in the television programme in which he took part with me that the movement of six hundred to two hundred was something that would create a lot of problems and what were people going to be doing and so forth. So already the figure of two hundred was something that he was aware of last year. He said what was I going to do tell the four hundred of them "you are going to have to find jobs in the Joint Venture Companies", that is what he said on television a year ago, so it was not new to him this year, never mind to anybody else. Of course people resisted, but what they are resisting is the fact what they were led to believe by the previous Government that there was a guaranteed job for life with a guaranteed promotion provided you sat on a conveyor belt long enough for your turn to come. If he is asking me as he did, Mr Speaker, what would I tell a twenty five year old who has already been seven years in the Civil Service and joined at the age of eighteen then I would tell him what I did at the age of eighteen and what I was doing at the age of twenty five and I would tell him that if he wants to be successful, dynamic, committed to our community and proud of our homeland and of our home and not depending on anybody, then in fact you do not join the Civil Service at eighteen and expect to retire at fifty five with a gold watch and thirty three and a third years of service because that is not dynamism and that is not what we have to offer our people. One may well say "I came in as a Clerical Assistant at the age of eighteen and if I wait long enough either people in front of me will die off or will be retired or something and eventually it will be my turn to get there". The Honourable Member knows from the time that he was in Government how rigid the structure from moving people is and how for years in fact the argument that was used of bringing in people who were high fliers with extra qualifications to jump over was resisted and stopped and never got anywhere. Instead of bringing the high flier in we are taking the work out and giving it to the high flier outside and that solves the problem and that is the difference. The difference is that instead of spending the next twenty years trying to persuade the people to remove the barrier we circumvent it and get things done. That is why we are moving at a pace that they thought was impossible. The situation therefore is that the movement in the Improvement and Development Fund is not a big gamble, it is something that is essential for Gibraltar's development and something that in the past the Leader of the Opposition, as Minister for Economic Development, has himself advocated and in fact again, if I quote him last year on television with me looking at last year's Budget where the same strategy

was being defended by the Government his reaction was to say that "I remember the the benefit to the economy in 1981/1982 when we were able to spend £10m, it was mostly ODA money, £10m one year and £10½m another year in the Improvement and Development Fund. I will not quarrel with the strategy of borrowing £50m which is what I have borrowing powers to borrow over the next term of office and putting that into the Improvement and Development Fund for Capital Development in Gibraltar. I do not quarrel with that strategy at all". That was the Leader of the Opposition twelve months ago on television. Well why is he quarrelling with me today if he did not quarrel last year? Because last year, Mr Montegriffo quarrelled with me, that is the only thing that has changed and this year he has decided to quarrel with me and therefore this year Mr Montegriffo does not quarrel with me. Well obviously one of them insists on quarrelling with me whether I like it or not and they should not quarrel with me they should quarrel with each other. So it is a sensible policy and in fact the chart that I had produced by our people in the Economic and Statistics Department, Mr Speaker, shows the impact in 1981/1982 to which the Member referred, the purple line, which we are showing increasing this year is not making even now as big a contribution to the economy as it did in 1981/1982 when he was the Minister for Economic Development and he was defending that policy. If he looks at the proportion of the national economy in 1981/1982 by superimposing the trend line on the chart for that year he will see how much more substantial that is of that bar than what we are doing today. Let me say that we hope to be making a much bigger contribution than we have done so far but that it will take some time before we reach the proportions of stimulating economic growth by borrowing and spending money in the Improvement and Development Fund that he managed to do in 1981/1982. So in fact at next year's budget he can switch tactic entirely and say that this is not our idea at all because he thought of it in 1981/1982. This is something else that he can claim credit for. Mr Speaker, the position of the Government continues to be that we do not intend to make any changes in the tax system before 1992. We said in 1988 that we hoped to bring about a major increase in expenditure on infrastructure with the existing taxes, that is what we set ourselves out to do and I said in my opening remarks and in my recent report to our people on television that we could continue to do this on present trends of income and spending for another eighteen months. After eighteen months either we have to re-trench or we would have to tax more and we do not intend to do either of those two. So therefore the only alternative left to us is that we must accelerate the restructuring programme and it is not that we are forced to go down that road as the Honourable Mr Montegriffo was suggesting because we are under enormous pressure. We are under enormous pressure but the reality of it is that the structuring exercise is going very very very slowly. It is not that it is going at a normal speed and we want to put it into

high gear, it is that it is going very very slowly. The situation is that where we have had a major impact is in the higher levels. For example at the level of Senior Executive Officers we have made quite a dramatic impact. In 1987/1988 the last year of the previous administration there were twenty-one posts as Senior Executive Officer, in this year's Estimates there are eight. We have gone from twenty-one to eight, but when you go further down the line there were fifty eight HEOs and there are now forty eight, there were eighty nine EOs and there are now eighty, there were two hundred and eighty two AOs and there are now two hundred and fifty four, so in fact in terms of savings of course since we have saved proportionately more jobs at the top than at the bottom we have probably cut our wage bill by about £½m, even though we are talking about few in numbers, but the release of manpower and what we sought to do really is predominantly to halt recruitment into the Government service and I can tell Members opposite that of all the things that the Government is doing to try and provide support and encouragement and back-up for the development of the private sector and the development of the Financial Services industry what the people in the Financial Services industry tell me is the best thing we have done is stop competing with them for labour because they used to say the problem they had was that many people felt that even though we might be paying more, an easier life in Government Secretariat was more attractive, and the fact that we are no longer in the market buying labour has made life better and easier for them because now we are not competing with each other to recruit people. So the Government has removed its demand from the labour market and the result is not unemployment, the result is an increasing proportion of Gibraltarians in the private sector which is what we want and which is what we need and we are not going to promise people anything different. This is not arrogance, it is not dictatorship, it is not lack of democracy, it is political honesty. We are not going to tell people what they want to hear, we are going to tell people what we honestly believe is fundamental and essential for their survival because it is our survival as well. This is our Gibraltar the same as it is that of members of the Opposition and of the rest of the population. We like the rest are tax payers the same as members opposite. We want a higher standard of living, so it is not that we are doing this for any ulterior motive, we are doing it because we honestly believe that this is the way forward. We are willing to listen and I think the position that was taken by the Honourable member opposite, since he has occupied the seat that I used to have in the Opposition has become much more sensible, it must have something to do with my previous experience in that area of the House. I think the reaction that the Hon Member has put today to the Estimates and to the figures that we have put was in fact to try and question it, not on the basis of seeking to minimise what we are trying to do or failing to understand it but asking, as it is his right to ask and the right of any other citizen,

whether in fact we might not be making some mistakes whilst we are on the road and we welcome that because there could be things where we have missed something out because of the pressure of work, because of the things that we are trying to do within the time that we are trying to do them and therefore if somebody asks us to take a second look at something we are prepared to do it. The situation is for example that he wanted to know whether the figures that we have produced on the new calculations of GDP, what is the effect of changing those figures with retrospective impact. Well it does not really alter the picture because the reality of it is that it produces a more realistic picture but if we look at the expenditure GDP as it was calculated before which is without the MOD and based on expenditure rather than income it means that subject to the fluctuations brought by movements of people in and out of an open frontier then we will see that the GDP jumped up and down but that if we take a long enough period of four or five years the effect of growth over those four or five years is virtually unchanged except that it is from a higher level. So in a way what we have done for ourselves is make the achievement of the target we announced more difficult because obviously if I say we are going to generate an extra £25m of economic activity in Gibraltar and the GDP that we have inherited was £150m which is a new figure as opposed to £114m which was the previous calculation then of course the £25m is a lower percentage of £150m than it was of £114m. Nevertheless the advise that we got, and let me say that it was not as I pointed out earlier, it was not a question that we looked at it now, we looked at it and I announced that we were going to look at it in last year's Budget and we had Mr Harry Fell in October last year looking at this. It is just that it has taken this much time to go back and recalculate virtually fourteen years of estimation. But the position is the same one, that is to say, we have not used anything that was not already there because obviously you cannot go back to 1975/1976 and find out what people were earning then or what people were spending then, it is just that it has been put together in a way which we are advised is technically superior as a measurement of the real world than the way it was being put together, but the figure there is the only one that there is and the accuracy of that we cannot vouch for. We were not there when it was collected and therefore it is as good as the system of collection was. The Honourable Mr Montegriffo also, when looking at the joint ventures, was questioning whether in fact we were going into competition with the business world. The reality of it is that as we clearly demonstrated at the time, we were talking predominantly of restructuring GSL and virtually the people who are in all the joint ventures are the people who were formerly in GSL and that is why GSL now employs one hundred and fifty people whilst they used to employ six hundred people and we have not made anybody redundant and we have been asked in this House whether we stand by that commitment, not to make people redundant and we

said "we are not guaranteeing them a job for life but we are guaranteeing them that if they cannot make a go of repairing ships we will find them alternative work". We will not put them on the dole but we do not keep them repairing ships at a loss because that is not good for Gibraltar and it is not good for them and that can only end at some time in the future in the decision having to be taken to close and therefore the commitment is that after June we will assess the situation and we will see whether there is a future for a shiprepair yard employing one hundred and fifty people or there is not one and something else can be found as a way forward. The position, of course, in looking at the areas such as the contribution made by the Government to the Health Authority, Mr Speaker, where the Honourable Member opposite was saying he does not have the level of information and the accountability that he would expect. Let me say that the Audited Accounts for the Medical Department are no different from the forecast outturn or the actual expenditure shown in the Estimates for the rest of Government spending. They contain the same amount of detailed information no more and no less. They have been prepared exactly the same as any other Government department has been prepared. The second thing is that if the Hon Member looks, in fact, at the Treasury Vote where the contribution to the Health Authority is, he will see that although we are talking about a more substantial sum, not £8m as he thought but £6.8m. There is also a contribution to GBC, a contribution to the John Mackintosh Homes and a contribution to John Mackintosh Hall. All of which have been done in exactly the same way so it is not an innovation that we have introduced but we have simply followed the system that was there and the Estimates follow the pattern that they have followed since time immemorial. If the Hon Member goes back before 1988, he will find that this is not being less accountable than any other Government and depriving the House of some powers that it had before, it is how it has always been done. It was done like this in the sixteen years that I was sitting in the other side of the House.

HON P C MONTEGRIFFO:

Mr Speaker, I understand that the mechanics are the same in terms of the way the contributions to the Health Authority now appear in the Subventions Head but surely that is not the distinction, I will explain what I mean. The distinction is that the information that we are getting is a year and a half old as opposed to the projection which have been forecast as outturn the very year after the spending takes place and, of course, one has the Estimates. That, Mr Speaker, is the point that I was trying to make and from the point of view of the fact that other bodies like the GBC and Mackintosh Hall have been treated in this I accept, Mr Speaker, but is there not a distinction that should be drawn between something like GBC and John Mackintosh Hall that are clearly not public utilities or clearly not public services which Government is directly responsible for? I mean Mackintosh

Hall technically the Government is not responsible for it in a strict legal sense and as for GBC they are only responsible for the subsidy. Is the Chief Minister not prepared to accept that there is a distinction between the accountability that one could expect in terms of spending on Health Authority or say tomorrow if we were to have a Water or Electricity Authority? Or if the Development Corporation were to take it over? Is there not a distinction between that and spending on GBC?

HON CHIEF MINISTER:

No, Mr Speaker, because in fact the accountability, as far as I am concerned, is the accountability for explaining what it is that the House is being asked to vote money for. Therefore if I say to the Honourable Member "vote in favour of giving £570,000 to GBC" he does not ask me "how is the £570,000 going to be spent?" And I do not see what is the difference between giving it to GBC or giving it to the Health Authority or giving it to anybody else, because that is where the accountability comes in, in getting somebody to say "before I vote for that money I want to know how it is going to be spent" which is the way we vote it when it was direct Government expenditure. The position of the Government, and let me make this clear, is that in removing areas of activity particularly trading activities from the province of the Government we are doing two things. We are, on the one hand, setting up those trading activities outside the constraints of the Civil Service rules, which were never designed for those activities. I think part of the problem of loss of efficiency, and I know that there were members including the then Chief Minister, Sir Joshua Hassan, who also felt that the amalgamation of the City Council and the incorporation of the Civil Service into the accounting system of Government brought a decline in standards of efficiency and standards of control because in fact the methodology was different and therefore what you had was a situation where you were trying to use a system copied from Whitehall to run a water plant or run an electricity plant. If you look then at the gradings, and the structures and at the machinery of how to vote money and how to get approval to spend money then that is not the way you react if something breaks down and you need to repair it. So we feel that in those areas if it is possible to have them free standing there will be an improvement in the quality of the service that is provided to the consumers and that really it is to the consumers that we should be accountable to. I think we have to get away from the situation where when we are talking about public spending and we are talking about public money, we have to identify what is the role of the Government in governing and what is the role of the landlord, the role of a seller of electricity, the role of a seller of water which can be public or privately owned, and that is a separate issue, but whether it is public or privately owned what you do not do is have a situation where the Council of Ministers

decides how to run a water utility or how to run an electricity utility or how to run a telephone system because that is not what the machinery of Government is for. Obviously it is much easier to find a partner in an area like Telecommunications where there is clearly a profitable future than to get anybody to do it in areas where the prospects of running a commercial venture are not so great. We will however look at any proposals and, in fact, are doing that. My colleague the Minister for Government Services is looking at proposals being put on the water side and if we are able to find a satisfactory and profitable answer then it will mean that next year the Public Works will look even smaller than it looks this year. And we are not doing that in order to deprive the House of the opportunity of debating the Estimates of Expenditure of the Public Works Department, we are doing that because we think that is the way we ought to run the place efficiently and essentially, at the end of the day, we will finish up with a much smaller set of Estimates of Expenditure and certainly if we can come back in 1992 and still say "we will not have a Finance Bill for four years", we will do that for another four years and you will certainly not find it different from now and 1992. We know that we can do it between now and the next elections and we have already done enough homework to know really, as I said at the beginning, Mr Speaker, that we are already able as soon as we finish this House to start working on the Budget for next year because we do not do it once a year, we do it all the time and during the course of the year this book will cease to have meaning and something new will replace it. We however have to come under the Constitution and under the Public Finance (Control and Audit) Ordinance once a year and say to the House "right this is the money we need for the next twelve months". There were a lot of other things that we needed money for twelve months ago but we do not need money for that anymore because we are taking care of that in some other way which we believe to be better value for money that is all we are defending and I do not believe and I cannot believe and I cannot accept that anybody is doing any service to the course of socialism by pretending that efficiency and good Government and value for money are the sole prerogative of the Right. For me, if I am told that what we are trying to do in giving an example of demonstrating to the world that socialism works and can work as well and as efficiently as anything the Conservatives claim to be able to do, if that makes me a Conservative then I can say it is inverted logic because there are things the Conservatives can do which I am demonstrating we can do and there are things we can do that they cannot do which is what baffles the Member opposite. That not only can I sit in this House and explain to the seven Members opposite what we are doing with the economy of Gibraltar and with the Estimates of Expenditure, but that I have also sat with my 24 Shop Stewards in the Government of Gibraltar, members of my union, friends and colleagues of mine and although they are average manual workers I have taken them through the Estimates and I

have explained to them what we are trying to do and I have asked for their help and support and I am proud and glad to say that we are getting it. The Government recognises the enormous debt that it has to people who trust us and who understand what we are trying to do and who accept, because of their trust and their loyalty, that if we are advising them to follow down that road it is because we care for them and their future and their families. We would not want to do it for any other reason because we do not want to do them any harm and we do not want to hurt them and that is why they follow us. I regret to say that we have not been so successful throughout the structure of the public service. This is why paradoxically a fortnight ago we had a situation where managers were on strike and workers were working. Managers who in the last sixteen years under the previous administration had locked people out for refusing to carry out an order. No doubt that explains why Members opposite came to their rescue. All I can say is that even there, I believe, we are breaking down barriers of hostility and suspicion going back many years and that people are beginning to see the light of day but that the process I am afraid is too slow and therefore there is no going back as far as we are concerned and there is no compromising on the road which started out for ourselves and for Gibraltar and we can no more than give our service, our time, our dedication and our love for the people of Gibraltar to take Gibraltar forward. The Members opposite can offer the people the way back into the past if that is what people choose. I commend the Bill to the House.

HON A J CANEPA:

Following tradition, Mr Speaker, we will vote in favour.

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

HON FINANCIAL AND DEVELOPMENT SECRETARY:

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

This was agreed to.

THE SPECIFIED OFFICES (SALARIES AND ALLOWANCES) (AMENDMENT) ORDINANCE, 1990

HON CHIEF MINISTER:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Specified Offices (Salaries and Allowances) Ordinance, 1987 be read a first time.

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

SECOND READING

HON CHIEF MINISTER:

Sir, I have the honour to move that the Bill be now read a second time. The Bill is in fact simply the application of the Annual Salaries Review to the Officers Specified in the Ordinance which are, of course, those that are stipulated in the Constitution and which incidentally affects the incomes of Members of the House and I will not dwell too much on that because I think I might provoke pay claims from some of my colleagues here so I will leave it at that.

MR SPEAKER:

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

HON A J CANEPA:

Mr Speaker, about a month ago, I think it was just at the time when we got the Estimates of Expenditure and I had them on the table in my sitting room gathering a small amount of dust because I had only had them a day or two, a youngish budding accountant did not notice that it said "confidential" and he was looking through them and he asked me "what is this?". "Is the Government treating the Civil Service so badly that certain people are now getting more money than the Financial Secretary and than the Attorney General and so on". And I must confess that at that moment I had forgotten about that, I had forgotten that it had been mentioned, in fact, to me that the Bill was being delayed and that it would not see the light of day until now. When that young budding accountant went back to Newcastle I had to write to him to explain "look what has happened is that the Financial Secretary and the Attorney General, etc are still on 1989 pay scales and the other people that you were looking at in the Estimates are already on 1990 pay scales". And in fact, having this morning collected a cheque on behalf of a certain lady who is being paid a small increase as from the 1st April 1990, for the 1990 award, I must obviously on behalf of the Opposition say how glad we are of the opportunity to pay the aforesaid gentleman to be able to pass this legislation so that they are given what is due to them with effect from last year, because they are still lagging a year behind, so we vote in favour.

HON ATTORNEY GENERAL:

Mr Speaker, can I thank the Leader of the Opposition for his kind comments. I am particularly delighted to hear that a budding young accountant from my own home city

has perhaps been, in some way, instrumental to this Bill, at long last, coming to the House. As I stand to benefit, Mr Speaker, in a not insignificant way from this Bill I will, of course, be abstaining but I most certainly will not vote against it.

MR SPEAKER:

If no other Member wishes to speak I will ask the mover to reply.

HON CHIEF MINISTER:

I have nothing further to add Sir.

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

The Hon the Attorney-General and the Hon the Financial and Development Secretary abstained.

HON CHIEF MINISTER:

Sir I beg to give notice that the Committee Stage and Third Reading of the Bill be taken later today.

This was agreed to.

#### THE LITTER CONTROL ORDINANCE 1990

HON J E PILCHER:

Sir, I have the honour to move that the Bill for an Ordinance to provide for the appointment of Litter Authorities, the creation of the offence of leaving litter and the designation of litter control areas together with matters incidental and ancillary thereto be read a first time.

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

SECOND READING

HON J E PILCHER:

Sir I have the honour to move that the Bill be now read a second time. Mr Speaker, the piece of legislation now in front of us has taken some time to be prepared. I think I will start by explaining that there is no doubt in the minds of the Government, and it has been mentioned on various occasions during the debate on the Appropriation Bill and at other stages during the life of this House, that Gibraltar was not as clean as it should be and I use that term, at this stage, advisedly. The problem of litter, Mr Speaker and the problem of uncleanness

is not a problem that was created in March 1988. I am not going to dwell on the difficulties and the historical problems left to us by the AACR. What I am trying to do initially, Mr Speaker, is dwell on the historical difficulties which, I think, made it to a point difficult for anything to be done prior to the bringing together of this Legislation. I am referring, Mr Speaker, to the three areas covered by this Ordinance which to a point has baffled, and I am sure it also baffled the AACR prior to us coming into power, but it has certainly baffled us during the period from 1988 forward, the three areas that we have, the offence of littering, of people throwing pieces of paper on the ground or leaving bags of litter around and how to tackle that. But, of course, one could not really take a step forward without really looking at the problems related to the amount of accumulations in other areas of Gibraltar, as far as I was concerned, not littering but accumulations of masses of litter and the eyesore it created and was much more difficult to control than the actual littering ie dumping a piece of paper on the floor. Before we were in a position to introduce this legislation there seemed to be, at one stage, a public outcry for on the spot fines or litter tickets which is something which I will come in a moment. Certainly we, on this side of the House and I in particular, thought that we had to find a solution for major accumulations. It was not, as far as I was concerned, not only a politically dangerous thing but also immoral to create on the spot litter fines when the major problem, I should say 75% of the problem, is created by accumulations of litter and those accumulations are mainly in areas which are so called private land. The first part that we wanted to address, Mr Speaker, I will explain as I go through the Bill what each part of the Bill does, the major problem of the accumulation of rubbish would be seen obviously by the ordinary man in the street, and rightfully so, as a situation where we were using a hammer by fining a person who dropped a piece a paper and then there are private businesses having major accumulations of waste and nobody does anything about it. So when we started investigating the problems related to the major accumulations of waste, and I am talking not only from a tourism point of view, because litter and accumulations of rubbish affect every one, I think the Chief Minister himself has mentioned this in his summing-up of the Appropriation Bill, even the Finance Centre is affected by the cleanliness, the ambience of the City. Because obviously if somebody feels that Gibraltar is dirty then it creates a problem of image and certainly tourism is one of the areas which is most affected. Because as I said this morning tourism and litter and cleanliness create a specific problem for Gibraltar because the word gets around that Gibraltar is dirty and despite all our marketing the message going back is that Gibraltar is a dirty place or that certainly it was not as clean as it should be. Mr Speaker I will not be moving through

the Bill in the right order but if Members turn to para 7, the Litter Control Areas which as far as I am concerned is the most important part of this Litter Control Ordinance because what this creates is that it defines what is a Litter Control Area. Any place which is a free public open place can be determined to be included under the terms of the Litter Control Area and free public open place means a place in the open air to which the public are entitled or permitted to have access without payment. Hence, Mr Speaker, if there is any private land to which people have access then the owner of that private land area has only one of two options either he keeps the area clean or he creates a hording, obviously in agreement with the powers that be, which will keep the litter behind it and not affect the ambience of the area which we want to protect. Mr Speaker, what happens is that the Authority issues a designation of notice in relation to any land which shall be created a Litter Control Area and let me explain by using an example which will drive the point home. One of the areas in Gibraltar that certainly needs a facelift, it is probably one of the worst areas in Gibraltar, is Devil's Tower Road. Now if the Litter Authority designates Devil's Tower Road and the adjacent areas a Litter Control Area it would then notify all the businesses in the area that all the adjacent land to Devil's Tower Road is a litter control area and therefore the private individuals are notified in writing by the Authority and they have seven days in which to appeal against that decision, if they feel that their area should not be, and I cannot suspect that any of them will because we have the full backing of the Chamber of Commerce and the full backing of virtually every single body in Gibraltar. So I think no business would be very popular if they tried to fight against what at the end of the day is something which is for the betterment of Gibraltar. Nevertheless they have the right to appeal against that decision and at the end of seven days the Authority takes a decision and it creates the Litter Control Area. Obviously the entity can then pursue the matter through the Courts if they so feel. But, I think, Mr Speaker, that to me that is the most important part of this Litter Control Ordinance and as I say it provides for the single most important element that has always baffled all Government Departments. When I confronted the Police, the Public Health Authority, the Fire Service and any other of the services they told me that there was not one single law that allowed us to stop this kind of thing. One could do it as a fire hazard but that was difficult or through the Public Health Ordinance but then even within the Public Health Ordinance one had numerous amendments, consequential amendments, to this Ordinance which made their task even more difficult. Now one of the amendments which we are making is an amendment which changes the definition of one of the sub-sections in the Public Health Ordinance which said that if it was a matter which had been used in the creation of the business then it was not an offence because that was something that was used for the business. This meant

that businesses could leave their pallets, cardboard and anything else in their own area and it was not an offence under the Public Health Ordinance. They could be summoned for a health hazard, a public nuisance, a fire hazard but not under any Litter Ordinance. So, I think Mr Speaker, that is one of the imponderables which I hope this Bill solves. The other imponderable, Mr Speaker, was the creation of the on the spot fine or Litter Ticket. Initially, Mr Speaker, we had, as a Government, come under a lot of pressure from many bodies such as the Chamber of Commerce, the Housewives Association, the Ornithological Society and nearly every other single body in Gibraltar. These bodies have now formed under a "Make Gibraltar Brighter" campaign were making representations to us that we should create some kind of fine. There were two possibilities, the creation of the Litter Ticket or the creation of the on the spot fine. I think, the previous Attorney General recommended against the on the spot fine because he felt, and I think to a point I tend to agree with him, that the creation of on the spot fine would be and I think the words he used were "quasi-unconstitutional". Because under British law everybody has a right to prove his innocence without being fined on the spot. Therefore that in itself would create a tremendous problem from a legal aspect but even more difficult than that was that it would create a tremendous administrative problem. One would require to have policeman or wardens carrying money in order to give change and then have account and audit and it would be an administrative nightmare. So from the very outset, Mr Speaker, although we knew that it would create problems we felt that hopefully this Litter Control Ordinance would do as a start of what we feel is a major need for Gibraltar the creation of a Litter Ticket similar to the creation of a Parking Ticket. This meant that if somebody is seen throwing litter there would be a litter ticket given to him at that moment and the person could either pay at the Magistrates Court or contest it in Court in exactly the same manner as the Parking Ticket. Of course it is true to say that because we have such an influx of tourists that that in itself could create a problem and I have discussed this aspect with most of the bodies that I have mentioned before and I think the general consensus of everybody is that this is a necessary step. It might be the case that in many cases tourists might get handed litter tickets and they might walk across the frontier or throw it away but it was something that had to happen Mr Speaker, that was the general consensus of all the bodies that we talked to. In moving towards this creation of a Litter Bill we have gone down the path of the UK authorities who do not have "on the spot fines" because most of the Councils in UK have Litter Tickets which work well in certain areas and not so well in others like for example in London where they have a tremendous movement of tourists. Nevertheless, I think, it creates the ambience of the area, Mr Speaker, and I have always said and always been a believer that in most cases if you walk into an

area that is clean you will feel embarrassed to be the first one to dirty it. I will discuss in a moment the enforcement of the Litter Ticket but certainly it cannot be said that it does not work because there is not the political involvement or the political backing needed to make Gibraltar a cleaner and brighter place. If I go through the Bill now because there may be areas which I have missed. The interpretation is quite clear, so is the appointment and powers of the Litter Authorities Mr Speaker. This Bill creates the Enabling Powers and it is still to be decided which of the entities in Schedule 1 will be appointed the Litter Authority. What is clear, Mr Speaker, is that what we have already started is getting together the Police, the Fire Service, the Environmental Health, GSSL, which at the moment looks after the traffic ticket, and the Attorney General's Chambers as a sort of Action Committee. This Action Committee will be the Committee that will take this Bill through its different stages, Mr Speaker, but at this stage we have not decided which of those bodies will be the Litter Authority. Irrespective of who the Litter Control Authority is, the Police will be the backup for investigations, for fines and for the Court. The Litter Ticket as such we hope will be issued by a cross section of all of those bodies that I have mentioned. All these bodies will, we hope, be able to give out Litter Tickets because at the end of the day it is just a question of carrying a pad in your pocket and therefore it is my hope that we could all work together and therefore the person when he throws the paper in the street does not know who he is going to get hit by because it may not be a uniformed officer it could be one of many officers. At this stage it is thought that it will certainly be the Police and the Company which at the moment issues the Traffic Ticket. They already have the infrastructure internally to deal with these matters. The offence of leaving litter, Mr Speaker, under the Public Health Ordinance has now been done away with, as I will explain later, and now forms part of this legislation. Obviously it defines the areas and that is a definition that is also applicable to the Litter Control Areas. Fixed penalties notices for depositing and leaving of litter, as I have already explained, although having shortcomings the general consensus was that it was a good way forward. I wish we could implement "on the spot fines" but that is difficult legally and it is difficult administratively and I am not sure that in either of those areas we would not be creating more problems for ourselves than what we would be solving. What we want to do, Mr Speaker, is to solve the litter problem and not to create more problems for ourselves and people feeling that their rights as citizens and their right to defend themselves in a court of law was being done away with. Litter Control Areas, Mr Speaker, once designated it would be the duty of the owner or person in charge to keep the designated land clear of litter. What would happen is once the area has been designated

a Litter Control Area and the people in the area have been advised of this, then if litter is found in that area the occupier of the area would receive a notice not only asking that they clear the area but that it be kept clear for evermore. It also creates the necessary framework for people to be taken to court and for the Authority to remove the eyesores and charge the individual. Under paragraph 10 - Summary procedures by persons aggrieved by litter - it is the right, Mr Speaker, of any citizen to take anybody to court and to file with the Magistrates Court a summary proceeding if they feel that the authority is not taking the matter seriously enough. So any resident of, for example, of Devil's Tower Road who feels that there is something there that is creating an offence under this Ordinance but sees that the Litter Authority is not moving as quickly as he ought to can take the matter up himself. I think it is a good system if we are going to try and get the participation of the public in the cleaning up of Gibraltar. Mr Speaker, I think, we end up with the consequential amendments which are in three areas, one area is obviously consequential amendments like the one I explained in Section 258 on the Public Health Ordinance. It obviously omits the paragraph A which talks about litter and then re-numbers para B as A and para C as B. Basically para B talks about drains and sewers, Mr Speaker, and para C which is now B talks about water in the street and being able to pollute the street by water which we did not feel was part of the Litter Bill. We did not want to take of the Statute Book problems related to construction firms and of having sand filtering into our sewers system. The other element of the consequential amendment, Mr Speaker, are the changing of the fines. One of the things that we determined, Mr Speaker, when we looked at the Ordinances were the fact that the fines were antiquated. I will therefore ask the Attorney General when I have finished my contribution to explain the system of fines. What I asked the Attorney General's Chambers was to create a minimum and a maximum fine. One of the problems that we have had and the feedback that we have had from the Police is that sometimes after taking somebody through the whole rigmarole of finding him and taking him to Court it appears that there is then a problem with the level of the fine that they are charged in Court. We could not do a minimum, maximum fine, we have put up the maximum fines substantially and I think the Attorney General will explain the reasons for that because it has to do with the Judiciary and I thought it would be better if he explained it. The third element of the consequential amendments are in fact, as I was saying Mr Speaker, to change some of the words in the Public Health Ordinance which had affected the ability of the different departments to create or to fine people. Sub-Section 60, for example, by omitting from the definition of Refuse Storage Accommodation the word "House", because before, the Ordinance only forced people in houses to have storage accommodation but what about the people in offices? There are offices everywhere and they should also be forced to have a Refuse Storage accommodation so as not to have



to put their refuse, papers etc outside. However by inserting in Sub-Section 67 after the word "Metal" the word "Wood", because again that had been missed and wood did not form part of litter, as defined in the law. Therefore by omitting the comma after the words "including organic matter" and the words "but does include material accumulated for or in the course of any business and this is what I was referring to before, Mr Speaker, "but does not include material accumulated for or in the course of any business", which meant that pallets, boxes used in business could not because of this loophole in the law be taken forward. The other amendments are consequential changes, most of them creating a much stiffer fine for the dumping of vehicles because there is still a major problem with the dumping of vehicles and we felt that the fine should be increased. The Attorney General will explain the question of fines in a moment, Mr Speaker. I think basically the only other element, Mr Speaker, of the consequential amendments which we are changing is the parking of heavy goods vehicles and trailers. Again what we have found is that although the law is very strict as regards the parking of public service vehicles, ie, buses etc, there was a quirk in the law and it did not apply to the parking of heavy goods vehicles and trailers. Mr Speaker, in conjunction with the Traffic Department we wish to solve the historical problems related to the parking of lorries etc. It is not something that we want to implement to the letter of the law but on the other hand we cannot have derelict trailers parked in the middle of touristic areas or in the middle of public amenity areas, like in Eastern Beach. At present, Mr Speaker, it appears that there is nothing we can do about it but with this amendment we create an offence and although, as I say, there will be flexibility being used by the Traffic Commission. It is a problem that the Minister for Trade and Industry and the Minister for Government Services are looking at but there are areas that we cannot tolerate these vehicles being dumped. Mr Speaker, dumped is the word that reflects the position because some of these vehicles are unusable. Schedule 1, as I mentioned, Mr Speaker, is the area of the Litter Authorities and the fines and fixed penalties, it creates. The amounts specified in respect of the Fixed Penalty Notice issued under Section 6 is £20. So the Litter Ticket would actually cost £20 to somebody who was caught throwing litter. I will leave it at that for the time being and see the reaction of the Opposition. I would only ask the Attorney-General to explain the matter of the minimum and maximum fines. Thank you Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

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

HON A J CANEPA:

Mr Speaker, we support the Bill in principle and we will be voting in favour. I would however ask the Government to delay the Committee Stage and Third Reading of the Bill until the House next meets. It is clear, and, in fact it was clear to us already when reading through the Bill, although after the Minister's explanations it has become even clearer that some more thought needs to be given to this Bill and I myself am going to mention a few points that I would like to ask the Government to consider. My colleagues Mr Ken Anthony and Col Britto will also be making some other points and really the gist of it all is that this Legislation in our view is either half baked or at the most three-quarter baked. I therefore feel that if it is delayed until the next meeting, in the overall timescale of things, very little time is going to be lost. The Minister has already said that they have been thinking about this Bill for a number of months and there are Regulations that still have to be published. I do not know whether the Regulations are ready and if they are not ready then work could proceed on the Regulations over the next few weeks until the House meets again whilst the Government gives some further thought, because of points which the Minister himself has brought up, such as the question of enforcement. He said that they are still thinking as to who should be given powers under the legislation to be an Enforcement Officer. Whether the Chief Fire Officer is going to be brought into it, or if it is just going to be the Traffic Wardens and the Police. They are still thinking about the matter and therefore, I think, it would be a good thing if they listened to us and then went back and gave further thought to the matter. I find, Mr Speaker, that the definition of litter is extremely wide and that unless discretion is exercised sensibly with commonsense because the definition is so wide, and I am not affected as a non-smoker, that I shudder to think what could happen to anybody that smokes and drops ash in the street, because according to this definition litter means anything which is dropped into or from any place being a free public open space or a Litter Control Area. It seems to me as a layman that under this definition of litter, the dropping of cigarette ash can be an offence. Commonsense would demand that an Enforcement Officer should not issue a litter notice to such an offender. I however remember, and this is where the benefit of having been in the House is useful, that when we introduced the Parking Tickets for the parking of vehicles, and you were a member in the House, Mr Speaker, at the time, that assurances were given, undertakings were given by the Attorney-General of the day, on behalf of the Government, that parking tickets would only be issued where serious obstruction was being caused. Now there was a change of Commissioner of Police and the Attorney-General some years later had to stand up in the House and say "well that is what the Attorney-General said at the time, but the Enforcement Officer is the Commissioner of Police and he is entitled under the law

to exercise the powers that he has been given in a much more stringent fashion". So, I think, further thought needs to be given to that, otherwise, as I say, there can be problems. On the question of Regulations, the Minister has said nothing about the Regulations which the Government proposed to enact when applying the provisions of this Ordinance in respect of any description of animal droppings. Again I would like to hear from the Minister when he exercises his right to reply what is it that the Government has in mind, are these droppings the usual ones that we think cause offence or does it include the sprinkling of the pavement and so on, is that going to be included in the definition of animal droppings because otherwise I do not know where the poor things are going to relieve themselves and sometimes the watering of certain areas is beneficial. Also what does the Government have in mind with a view to Clause 5, Sub-Clause 6 where the view to promoting the abatement of litter the Government is empowering itself to take such steps as it thinks are appropriate for making the effect of Sub-Section above known to the public. What would that consist of? Are they going to compel GBC whether they like it or not to advertise for the Government on this matter. Some indication is needed to put our minds at rest that the Government is not going to exercise very very wide powers under this particular Sub-Clause. The Minister has also spoken about the problem of visitors to Gibraltar and there is, of course, awareness I am glad to see, on behalf of those responsible, that this is a problem area, it is a lacuna obviously in the Bill. The reality is that residents of Gibraltar are the ones who are going to be caught by this legislation and that visitors are going to be able to get away with it. I accept the point that the Hon Minister makes, that a start has to be made, but I wonder whether there has not been over-elaboration about the problem of administering a system of on the spot litter fines. It is done elsewhere, Mr Speaker, because on the spot fines are levelled in Spain, where bureaucracy traditionally is greater and more complex, than in many countries of Western Europe. If your car is badly parked or you infringe any traffic regulations or what have you then you are issued with an on the spot fine and you either pay or you are in serious trouble. The policeman who fines you is able to record the fine and gives you a receipt and he has a record and it works. At least, it seems to be working alright and if it can be done there then I do not see why it cannot be done here. Perhaps on an interim basis we should proceed as we are doing and the matter should be reviewed in a year's time when they will find that what is happening is that if a high proportion of visitors are getting away with it it will be because the Enforcement Officer in the exercise of his power may when dealing with tourists decide not to issue them with a notice of a litter offence. So I hope that the Minister is indeed prepared to keep the matter under review for their own sakes because, I think, otherwise the system will be seen to be operating unfairly and the public will kick out against it because they feel

that it is unfair. We were surprised, because those Honourable Members opposite who have been Members of the Opposition know that sometimes you get a Bill and you look at the laws of Gibraltar and you go through the Ordinance and it can become a difficult job to find out what it is that it is related to. But when you have a Bill on Litter Control which also amends the Traffic Ordinance and when there is a reference to Section 18(a) of The Traffic Parking and Waiting Ordinance which does not exist then your job is made even more difficult. I am surprised that the Government must be legislating, in such a fashion that the Traffic Ordinance is amended by an entirely new piece of legislation straight from the printers, breaking new ground, to amend the Traffic Ordinance then this is an extraordinary state of affairs. This Bill was published on the 17th May. This other Bill was also published on the 17th May and I cannot understand that, Mr Speaker. However as I was saying when we went to the laws and we were looking for The Traffic Parking and Waiting Order we found that there was not a Section 89, there was only a Section 18 and therefore we either came to the House and perhaps made fools of ourselves or we tried to find out what it was all about. So I picked up the telephone and I phoned the Chambers of the Attorney-General and I spoke to the Crown Counsel, and he very kindly explained to me that sure enough there did not exist a Section 18(a) but it was in the pipeline and the Government was thinking of enacting this Section. He explained what it would do and I gave a very detailed note to my colleagues about it. Mr Speaker, it has to do with parking and with loading and unloading bays and where there is abuse. Lorries are being left apparently longer than they should be for two or three hours or once they have finished unloading they are left there parked on a loading and unloading bay and I can understand why these draconian fines were being levied. It is a rather serious offence, I think, to do that but I would have thought, Mr Speaker, that rather than proceed in this fashion the relevant section should have been enacted and then we should have proceeded not to amend in anticipation of something which does not even exist. Mr Speaker, I do not know whether it is constitutional to amend something which is not in the Statute Book. So all these things are indicative of the fact that the Government was obviously giving a great deal of thought to the matter and they wanted to be seen to be moving on what is a frustrating area, or a problem, for Gibraltar. I can understand the Minister wanting to bring this Bill to the House to show that the Government means business and that they want to do something and therefore we support them in their endeavours but I am sure that they will find no difficulty in agreeing to delay the Committee Stage in order to give further thought to the matter themselves by taking on board the points that we make and as a result bring a better Bill at the end of the day.

HON K B ANTHONY:

Mr Speaker, the Leader of the Opposition has covered many

points that I had intended to raise but I also have a few points that he has not mentioned which, I think, must be brought forward. I agree fully with the principles of the Bill and I think it is an excellent Bill, in principle, because this is something which I have been fighting for in this House ever since I was elected two years ago. As the Honourable Minister has said there are areas that are complete eyesores and that need to be cleaned. They need to be cleaned drastically to make Gibraltar the touristic paradise that I sincerely believe it could be. Yet when I read through this Bill I find that there are a number of things that need serious consideration. Mr Speaker, I was also rather surprised that the definition of Litter, because it is such a wide definition that I think it is perhaps a little bit too strong. We also have to bear in mind where do children fit into this scheme? Are children going to be issued with litter tickets? It is to be hoped that children would be educated in schools and homes so that they do not drop litter but I think the Minister is being a little bit optimistic because children are notoriously unclean conscious and they drop their chocolate wrappers, their ice-cream wrappers etc everywhere. So I think that is something that must be seriously considered because I can hardly think that children will be given tickets. I do agree fully with what the Minister says but it looks very much as if any visitor given a parking or litter ticket will get away with it whereas if a visitor parks his car badly enough then his car will be clamped but you cannot go round clamping visitors. They will be able to walk over the border and the ticket will be taken home as a souvenir to England or wherever and they will say:- "look what we got when we were in Gibraltar ha! ha! ha!". However there may well be a backlash from the local community who are going to be the ones that are going to have to pay the fines whilst visitors are going to get away with it. I think possibly a fixed fine, on the spot may be the answer. My colleague expressed his view that it does work in other places and it could well work here and it may be something that the Minister may yet consider seriously. What happens, Mr Speaker, when there is litter on Government land. Is the Government going to clear it up? Will the MOD be made to clear up their land? I have gone to the Upper Rock and although the roads are fairly clear if you look over the walls there is an accumulation of coke cans and what have you. Who is going to be responsible for cleaning this up? Will the MOD in the time that they are still going to be here be made responsible for cleaning their own areas? This is something that must also be seriously considered. There are one or two Sub-Sections that have me a little bit puzzled dropping rubbish in planted areas this was specifically mentioned. Section 258 of Sub-para 11(e), I do not think there are many planted areas in Gibraltar but surely there must be a reason for putting this in? Another question that I think must be asked, Mr Speaker, is how much discretion will the Litter Authority have when giving out their litter tickets. For example will

they have the discretion to say to somebody "pick it up" and if the person does not pick it up then issue the ticket or would it be automatically "You have dropped it, now you get a ticket whether you pick it up or not". This is an important point that must be looked into. We must make certain that Gibraltar is clean, but we do not want to go from one extreme to the other from having a dirty city one day to the next when everybody is scared to flick a cigarette on the floor in case they get a £20 fine. I agree with my colleague the Leader of the Opposition when he spoke about the Section referring to animal droppings and I must plead an interest here because I am the owner of a very large dog. I know the Government Members know this and they also know that I always carry a booper scooper with me when I go out but that does not apply to urinary deposits and I am certainly not going to start carrying around a sponge as well, at least I sincerely hope not. I think this is something which has to be looked at because we do have legislation for cleaning up behind dogs at the moment although I do not think it is ever seriously applied but I wonder whether it is now going to be applied with a vengeance. I think people need to know this. Before this legislation is put into practice, Mr Speaker, I think that the Government have a certain responsibility to the public who they are trying to discipline into becoming more litter conscious and I agree that we must have education on litter in the schools and through the media. I suggested last year, in a debate, that it might be a possibility to have printed leaflets given out to every visitor coming in by land, sea or air that this is a litter clear community and that they will be fined if they drop litter. This may well be an opportunity to introduce this as part of the Government's plans to make people more aware that we do not want litter on our streets. I also said last year, Mr Speaker, that we may need more litter bins and litter bins must be emptied immediately they are filled at least if they have to be emptied once, twice, three or ten times a day so be it but let not people turn round and say I could not put my litter in the bin because it was overflowing over onto the ground. I think also it would be necessary to clarify for the benefit of every householder, shopkeeper, etc in Gibraltar that once this legislation is passed, where people should put out their rubbish? Will they be guilty of an offence if they put a bag of rubbish on the street corner where they have done so for years? Rubbish must be put somewhere before it is collected and under this legislation, as it stands, putting out rubbish on a street corner could make that person liable to a fine. This is something that could also be gone into detail before we go to the Committee Stage and Third Reading of this Bill. But having said my little words of warning, Mr Speaker, I still reiterate that we support this Bill fully and that we all, on both sides of this House, want a clean, tidy Gibraltar and if this legislation, if not totally successful, is at least a step in the right direction and if it does make Gibraltar cleaner once it becomes law then I and all my colleagues on this side of the House will be delighted. Thank you Mr Speaker.

Mr Speaker, as has already been indicated we on this side of the House support the Bill and in a way I am sorry that it has been in a negative sort of way. It would have been nice to be able to support it in a more positive way but I regret that this Bill is full of rubbish. It has however to be supported and I will go on to constructive comments. My two colleagues have talked about definitions and I will not go into more detail on that but what I think I should stress to the Minister is the need for publicity on a very large scale before, or immediately after, this Bill comes into force. There is obviously a great need to make people aware of how wide the powers are and how heavy the fines are and there is an obvious need for quite an amount of publicity to be given. Secondly the Minister went into great detail on the reasons for appointing Litter Control Areas and with which I have no political argument as to his reasoning. The only point I would make is why does he have to designate partial areas as Litter Control Areas? Would it not be more effective making the whole of Gibraltar a Litter Control Area? Is there a difficulty in doing this? If there is, I just thought that it would be more effective and you would kill two birds with one stone rather than making exceptions. Thirdly, Mr Speaker, the Minister said that the Government was still considering which of the bodies named in Schedule 1 will be nominated as the Litter Authority and which one to use. I would have thought, Mr Speaker, that the answer would have been surely to use all of them. Is it not better to have as wide a net as possible than rather just use one or maybe two? Again I put the thought of why limit it to one? Why not nominate them all? On the question of visitors as it has already been said, we appreciate the difficulty and I would like to make another suggestion to the Minister on the question of on the spot fines, could not both this and the litter tickets be introduced in tandem and one of the bodies nominated in the Schedule that has the ability to control money, as for example GSSL who already control money, be given the powers to operate the on the spot fine? If they had the power to apply on the spot fines then those areas that are particularly affected like for example a certain part of Irish Town which is badly affected, or the Casemates Area which is usually full of Winston packets amongst other things, these particular areas could be policed and I use the word "policed" in the broad sense and not in the sense of the uniformed force, be looked after by that body that has the ability to apply on the spot fines. This way we could avoid the possibility of word getting around amongst the visitors that all they have to do is to refuse to do anything about it and the force of the law cannot be applied against them. I apologise for repeating one of the points made by my colleague the Honourable Mr Ken Anthony but I am not quite sure that the Minister heard it as he was otherwise engaged at the time. This is the question of Refuse Collection from private households and even commercial premises for

that matter. It is not clear to us whether maybe in the Regulations there will be some provision made for an exemption because it seems to us that as the law stands now the current practice, so prevalent throughout Gibraltar, of putting out your refuse the last thing at night for collection by the Refuse Department early in the morning will become an offence. If that is so what does the Government have in mind? Is the householder expected to stand outside his front door at nine o'clock in the morning with his bag of refuse in his hand waiting for someone to pick it up from him and putting it into the back of the lorry? Because the moment he puts it down on the ground then he is committing an offence. Obviously there has to be a certain amount of commonsense in enforcing this legislation. I think we would appreciate an idea of what the Government is thinking at Committee Stage. In conclusion, Mr Speaker, I will refer to something I said yesterday and that is, because the definition of litter is so wide, is the depositing of sand or litter an offence and if it is so then the movement of lorries down at Reclamation lifting up sand and depositing on the other side of the fence onto the Varyl Begg Estate will that be an offence? And if so, will it be stopped? Thank you, Mr Speaker.

HON P C MONTEGRIFFO:

Mr Speaker, the Social Democrats welcome the Bill but we think that there are some difficulties with it. Some of the points that have been mentioned by members on this side are points, that subject to clarification which the Attorney-General may be able to give, I would suggest can be dealt with in the Rules that would have to be prescribed under the Ordinance. For example, one point that has been brought is the question of definition of animal droppings. Well I would have thought that Sub-Section 4(c) that actually says that the Rules are going to define what description of animal droppings, that there in the Rules you are going to say what you are trying to do. Similarly in things like the cigarette ash situation, I would suggest two solutions to that looking at it at this stage constructively. Certainly under 4(d) there is power to prescribe Rules introducing necessary procedures to be followed and I would have thought that in introducing procedures an element of guidelines could be established for the authorities to police the Ordinance. There should be a clearly defined criteria to which regard would be had. Quite apart from the fact that as a matter of law, and subject to what the Attorney-General might say, I think the general rule of law which I would suggest if a ticket was issued to a person for a situation such as ash and that person went before a Judge then I think a Judge in that situation would say that that was not an offence at all, because it is a diminimus ie, so minute an act that it just does not represent the physical act which forms part of the offence. Mr Speaker, the two main areas that I would like to contribute on briefly, because I do not want to extend the debate, concerns firstly

Government property and I suppose in this respect MOD property also, and the question of on the spot versus the fixed penalty or ticket approach. Dealing with Government property I welcome the shift towards personal responsibility that the Bill involves namely you know it is an area of land which is under your control as far as you are concerned and the area adjacent is effectively one which you have an influence over therefore if we designate that area we are saying that you have a responsibility to take care of it. I think that is fine but what I do not think is feasible is for Government to be able to designate areas which are going to affect private tenants and occupiers without making clear that it would also designate areas which are under Government control for similar treatment. I think that would be important because, for example, in improving the quality of life for people, and I take an obvious example, the Housing Estates, where the control of litter is often not an easy problem then I think it would be only right for Government to say that at some stage when you feel you can police these areas that we are going to designate, a certain number of Housing Estates or all of them, hopefully, to be litter free zones or whatever the actual terminology is. So that the Government is subjecting itself to the same degree of responsibility as they are expecting from a private landlord or a private owner. The present provision simply says "The Government may by order prescribe descriptions of land which may be designated under Sub-Section 2 as part of a Litter Control Area". I think it would be quite wrong when Government is nearly the 50% owner of land in Gibraltar to also have designation orders for people in the private sector and not for the Government. Let us all be responsible for all we produce but this has to be across the board. The position with the MOD I think is perhaps a little more insoluble in that I am not sure to what extent there is jurisdiction by any of the specified or the proposed specified offices of MOD land. I would have thought that there is no jurisdiction and therefore say you have the runway or areas adjacent, I do not know and I stand to be corrected by the Attorney-General, I know it is a criminal jurisdiction and criminal jurisdiction normally does extend into MOD property but I am not sure where in this regard bearing in mind the type of offence, I am not sure whether it would be clear that jurisdiction would extend, ie from the point of view of the officers who are supposed to be policing that jurisdiction to act in those areas. That is, Mr Speaker, what I am trying to highlight. So I think if Government were to clarify how they intend to deal with their own properties and if they could confirm to this House that it would be looked at across the board in an open and indiscriminatory fashion then I would be prepared to accept an undertaking at this stage so as not to delay the Bill. The on the spot fine is the more difficult one. I think it is inevitable to some extent that people who come to Gibraltar as visitors are always going to find it easier to get away with things than those who do not. I would not personally like to

delay legislation simply by getting bogged down with the on the spot option. As long as the Attorney-General could give me an adequate explanation now why that option, because I do not think the Minister went into that in too much detail, why that option has really been so wholeheartedly rejected. Clearly from what the Minister has said most Councils in the UK have opted for litter tickets, I will be interested to know whether places like Bath or York, for example that have a large visiting population do they have on the spot fines? Or do they have litter tickets? And what sort of experience have they had? Are people fairly responsible in turning up at the Magistrates Court and paying? Or do they simply walk out of York and that is the end of it. I know that the UK is slightly different and you can always track down people, probably through their addresses because it is within the same jurisdiction, whereas in Gibraltar they leave the jurisdiction. Would the Attorney-General explain what has induced the Government to completely reject the idea of on the spot fines. If I found that convincing then I would be prepared to see this through and then see how the matters of detail are dealt with in Regulations. If the Government says "Well look we have not frankly considered on the spot option seriously or sufficiently in depth" then I would concur that there is sufficient mileage in pursuing that option and perhaps have a small delay in this Bill in order to get that aspect of it a little more right so that there is more equality between residents and non-residents.

HON J E PILCHER:

If the Hon Member will give way.

The option, Mr Speaker, of on the spot fines has been discarded by Government for various reasons. One is the advice given by the previous Attorney-General. Basically there are many factors related to it, as I have mentioned, one is the administrative factor and the fact that I think it would create an administrative nightmare with regard to accounting. The Honourable Leader of the Opposition said that this is normal in Spain but it is also normal in Spain to give on the spot fines for parking offences, for speeding, however this is not common in the British legal system and this, Mr Speaker, is why on the spot fines are not used in any area in UK in relation to litter or to any other offence. That, Mr Speaker, was the advice of the Attorney-General but let us not forget that we are not only talking about the legal problem, we are talking about an administrative problem and we are talking about problems which we would encounter if the person that is fined for a traffic offence does not want to pay because in that case you take the car away and you impound it. However what happens if a tourist is caught throwing a piece of paper and he is presented with an on the spot fine and he does not have money then what do you do? Do you arrest the tourist? That is the administrative

nightmare and it would burden the police in a way that I think is not warranted. I am prepared to monitor the effect it has and to look at the on the spot fine but it is up to the Opposition and if they insist I will hold the Bill back. I must point out that it is an important piece of legislation let me add that all the bodies that I have discussed the matter with and I assure the Honourable Members opposite that I have discussed them with every single or almost all the bodies that are active in campaigning. The Green parties, the Ornithological Society, the Housewives, the Heritage and this is the consensus that they would like to see. I have no qualms whatsoever to move away from the litter ticket and leave it if it is felt that it is a problem, but what I have brought to the House as far as the litter ticket is concerned is, I think, the most that the Government would want to do at this stage, Mr Speaker, although Hon Members are at liberty to ask the Attorney-General on legal matters.

HON P C MONTEGRIFFO:

Can I ask the Minister whether he can say something on the Government property angle of it?

HON J E PILCHER:

I will if the Hon Member wants me to do it now.

MR SPEAKER:

I think I might clear the air a bit. It might be a good idea if the small points that Members have could be dealt with at Committee Stage. I think the important question now is whether the Minister would like to delay the Second Reading until the next meeting.

HON A J CANEPA:

When the Hon Minister exercises his right to reply he is able to react to the question about tourists or visitors to Gibraltar who do not have money because I honestly do not think it is valid. I am sure that when the Hon Member goes to Spain and knowing that there is the possibility that he could be fined on the spot then he makes it his business to take money with him in excess of what he thinks he is going to spend to cover that contingency, at least I do, I always have in mind the level of fines for traffic offences, I always have that in mind and I take sufficient money to cover myself for that eventuality because it can happen and we know many instances of Gibraltarians that have had to leave their car there. I honestly do not think that it is valid and let me warn the Honourable Member that already in anticipation of this the matter is being discussed with my colleague in the street and the reaction is going to be .....

HON J E PILCHER:

Mr Britto again I presume, Mr Speaker?

HON A J CANEPA:

Yes, Mr Britto. The Hon Member almost lives in Main Street since he spends a large proportion of his day there and he meets people and talks to them when they come into his shop.

HON J E PILCHER:

He is the man in the street?

HON A J CANEPA:

The ordinary man in the street is Col Britto.

MR SPEAKER:

Does the Honourable Attorney-General want to make a contribution?

HON ATTORNEY-GENERAL:

I cannot remember who was speaking in the first place Mr Speaker. Has the Honourable Mr Montegriffo finished? Mr Speaker, can I say how very pleased I was first of all when the Honourable Minister for GSL and Tourism came into my Chambers and gave instructions for this Bill to be presented because speaking firstly if I may briefly as a resident of Gibraltar it is just not acceptable to me the standard that Gibraltar has on tidiness and the manner in which so many people quite wilfully drop or leave litter in the streets and speaking publicly, as Gibraltar's Attorney-General, it is to me a criminal offence. But up to now, Mr Speaker, it seems that law enforcement has been rather lax. The laws have not been enforced as they should have been and it seems to me also that the laws have been somewhat inadequate and the Minister was absolutely right when he said in the course of his brief reference to this Bill, during his contribution on the Appropriation Bill, when he described it as being something of a hammer. The Hon Minister was absolutely right to give it that description because what the Bill is really doing is two things, Mr Speaker, it is really first and foremost an enabling Bill in that it is the skeleton, if you like, the bones on which the meat will be put by subsidiary legislation rather like the Financial Services legislation we had a few months ago. The large part of the Bill which increases the existing penalties and indeed imposes new penalties in the terms of the Bill itself is really a message which I hope everyone in Gibraltar, not just Gibraltar residents, but everyone coming into Gibraltar and who, of course, are subject to its laws from the moment they enter Gibraltar will get the message loud and clear that the Authorities in Gibraltar will simply not tolerate people wilfully and wantonly dropping litter or leaving litter in the streets and anyone who transgresses the provisions of the law will be dealt with or will be liable to be dealt with quite

severely. Now, Mr Speaker, a number of points have been raised by the Honourable Members who have spoken already on this Bill and one of the points raised by more than one of the speakers was the question of on the spot fines. The Honourable Minister is quite right because I recall well my Learned predecessor advising that, in his view, to impose on the spot fines, and I use the word fine in the true sense of that word, would in his view be quasi-unconstitutional. In fact, Mr Speaker, I am of the view it would be wholly unconstitutional to do that. The Honourable Minister said that everyone has the right to prove his innocence well in fact, that is a slip of the tongue because I am sure that under our Constitution every person accused of a criminal offence, and transgression of this Bill will amount to a criminal offence, is presumed to be innocent under the Constitution unless and until the person accusing him establishes his guilt. That is a fundamental principle of the Constitution, Mr Speaker, that must be respected, of course, and any legislation which passes through this House which in any way transgresses on that fundamental principle will of course be unconstitutional and will be invalid and therefore quite unenforceable. Now I am very pleased to hear that the Honourable Members of the Opposition, that is both branches of the Opposition, Mr Speaker, support the Bill, but .....

HON LT-COL E M BRITTO:

Will the Hon and Learned Attorney-General give way, Mr Speaker?

HON ATTORNEY-GENERAL:

Yes, of course.

HON LT-COL E M BRITTO:

Mr Speaker, coming back to the question of fixed fines, how does the Honourable and Learned Attorney-General reconcile what he has just said with the application of fixed fines for cars that have been clamped for illegal parking for example?

HON ATTORNEY-GENERAL:

I am coming to that Mr Speaker. The question of on the spot fines has been raised by a number of the Honourable Members of the House and the reason that I share the view is, in fact, because I feel, perhaps more forcefully, about not having on the spot fines. As I have said already a person is presumed to be innocent unless and until he is proved to be guilty and on the spot fines, Mr Speaker, are alright for offences which are considered to be of a not serious nature such as overstaying your welcome at a parking meter or parking where you should not or otherwise transgressing in a minor way the traffic laws to which Gibraltar is subject. But when we are speaking of more serious offences, Mr Speaker, then the fundamental

principle of innocent until proved guilty applies even more. Even the less serious offences for parking tickets, as has been quoted quite rightly, can be issued is always open to anyone. The same laws applies in England and someone can say "look I do not admit that I have committed the offence for which you have issued the parking ticket. You can take me to court and I will plead not guilty. If and when you prove that I am guilty of what you have accused me of then I subject myself to whatever penalty the Magistrates Court in that event decides to impose upon me". That however does not mean, Mr Speaker, that the question of giving a parking ticket, an on the spot fine, in that context takes away the right of a person who is accused of committing an offence from seeking to show that there is doubt that he has committed the offence and does procure for himself a finding in the Magistrates Court of not guilty of the offence with which he is accused and thereby escaping the question of having to be subject to any penalty whatsoever. But, Mr Speaker, we are talking about fines, maximum fines in this Bill totalling in a number of cases of £1,000, £2,000 and the like. Paragraph 18(a) with which I will deal with later is the Traffic Parking and Waiting Order and we are talking in circumstances where there is the potential of imprisonment for up to three months. You cannot, Mr Speaker, in the context of our Constitution validly issue, in my respectful view, parking tickets as something akin or similar to parking tickets in circumstances like that. We know and we recognise that there will be a number of non-Gibraltarian residents who no doubt will transgress the provisions and who will have their name taken and they will be reported and if and when a summons is issued against them they will have long gone from Gibraltar and the authorities will not be able to proceed with their case. However, Mr Speaker, let us put the Bill through as soon as it is practical and let us see how it works and let us put the meat on the bones with subsidiary legislation. When the teething problems are encountered then we will see in which direction we should go. The Honourable Leader of the Opposition has in effect, I think, made that suggestion and I personally agree with him and although it is entirely a decision of the Minister and not my decision in any way to suggest whether or not the Bill should be delayed I respectfully feel that the Honourable Minister is quite right to accede to the wishes of the Opposition to delay the Committee and Third Reading Stages of the Bill to ascertain and consider what if any amendments should be made. Now the Honourable Leader of the Opposition, Mr Speaker, referred to parking tickets in the context of what at one stage the then Commissioner of Police adopted as his policy supported by the then Attorney-General and then went on to refer to the fact that subsequently the incoming Commissioner of Police adopted a new policy as a result of which prosecutions or the issue of parking tickets ensued in circumstances where previously such parking tickets were not contemplated. Although the Honourable Leader of the Opposition did not say so specifically what I understood him to be implying

from his comment in that respect was that the then Attorney-General said he was powerless to do anything about the change of policy. Well with respect I do not accept that Mr Speaker. If there is a criminal prosecution it is always within the Constitutional power of the Attorney-General to terminate that prosecution and if in the event of someone, for example, dropping ash on the pavement or on the road, Mr Speaker and the prosecution without my initial knowledge had proceeded with the case then in those circumstances, I think, I would have very little hesitation in exercising my Constitutional powers to terminate the prosecution in those circumstances. If I did I would not then incur the displeasure of the Leader of the Opposition as I did in a different context a few months ago. I can only hope that that will be the case and as the Honourable Mr Montegriffo has said the de minimus principle might, and I agree with him, very probably apply in circumstances of that nature. The de minimus principle which probably non-lawyer members of the House have no knowledge of, Mr Speaker, so let me explain what that is. If, for example, I push through someone in a crowd, and I come into contact with someone then technically that is common assault, if I am caught in a speed trap in which the use of a radar or a gun or any other technical aids which police forces in various parts of the world have at their disposal for detecting the commission of traffic offences and particularly excessive speeding offences and I am clocked at one or two miles over the limit then it is open to any court before who I am prosecuted to say that my transgression was so slight and so trivial that they cannot with hands on their hearts really say that I have committed a criminal offence and it is within their power, in those circumstances, quite probably and lawfully to dismiss the charge against me. That is what the Honourable Mr Montegriffo was referring to and I totally agree with him that a technical transgression of this Litter Bill to the extent of merely dropping cigarette ash on the pavement or on the road would not in those circumstances, even if there was a prosecution, be likely to lead to a criminal conviction. And furthermore, Mr Speaker, if someone comes to my house and drops ash on my floor then I am not very pleased and I expect them to stretch out and put their cigarette ash in the ash-tray but if they are sitting in the Piazza or some other part of Gibraltar I do not expect them to have to walk several yards or perhaps even further to find a litter bin and put the ash there. In those circumstances certainly if that is all they did in contravention of the Ordinance then I personally would not be happy at all about sanctioning a prosecution knowing that the offence had virtually or absolutely no chance of resulting in a conviction. So I do respectfully support the views expressed by the Honourable Mr Montegriffo in those circumstances. Now the Honourable Leader of the Opposition took me a little by surprise, Mr Speaker, in his reference to paragraph 18(a) the Parking and Waiting Order. The Honourable the Chief Minister has often said, and reference has been made to this earlier today, that

he does not move fast enough at times in implementing his policies and I would like to think well in that the Attorney-General Chambers does move fast enough and if I can keep pace with the Honourable the Chief Minister well I am happy to do that Mr Speaker. If I can keep one step ahead of him well then I am absolutely delighted and it may well be that in putting a provision into the Litter Control Ordinance and referring to a paragraph of The Traffic Parking and Waiting Order which is not yet in force I am in effect, one step ahead of the Chief Minister. I can then claim credit and not discredit for that. The reason I say that, Mr Speaker, is, and I hope the Honourable the Leader of the Opposition will have any fears if he feels at the moment aggrieved by what I am about to say. I do not think that causes any problems because the first Clause of the Bill, Mr Speaker, The Title and Commencement provides that the Ordinance should come into operation immediately on publication but only will be operative when the Governor by Notice in the Gazette so declares and the different parts of the Ordinance can, if necessary, be brought into force on different days. So what that means, Mr Speaker, as the Honourable the Leader of the Opposition and indeed Members of the House generally will I am sure appreciate, is that so long as paragraph 18(a) of The Traffic Parking and Waiting Order is in force at the time that this Ordinance or more particularly the final Sub-Clause proceeding Schedule 1 of the Ordinance is enforced Mr Speaker, then there is no problem. If however Section or paragraph 18(a) of The Traffic Parking and Waiting Order is not in force at the time that this Ordinance or that part of the Ordinance comes into effect then obviously the penalties described by reference to paragraph 18(a) then have no effect whatsoever. We are however anticipating events which are likely to occur as the Honourable Leader of the Opposition was told when he spoke to one of the Crown Counsellors in my Chambers, and I do not envisage any problems. He is however quite right in raising the matter and I am grateful to him for doing so and I hope that I have allayed any fears which he feels in that regard. Now, Mr Speaker, the Honourable Mr Anthony raised the question "what happens if children are caught dropping litter in the streets"? Well let me say first and foremost, Mr Speaker, again as a resident of Gibraltar rather than as Attorney-General and more particularly as a parent myself, I sincerely hope that the residents of Gibraltar who have children and there are many of them, would have taken heed of the commercial we see every night on our television screens and for which, I think, the Honourable Minister must be commended and I hope that they will educate their children. It is to their advantage and to their benefit, as residents of Gibraltar, that it should be a place which is kept clean and that with their help and with their cooperation Gibraltar truly can become the jewel of the Mediterranean. I hope they will give their support in that way to the spirit and objects which this Bill seeks to achieve. If they do not, Mr Speaker, then again the law which applies to children generally who



commit criminal offences will apply to them in just the same way if any charge reaches the provisions of this Ordinance. Children under a certain age, Mr Speaker, are deemed to be incapable of committing an offence. For example if a four year old child eating a lollipop takes of the paper and drops it onto the road there is actually nothing that we can do about that because of the tender age of the child. However what do we mean by children, Mr Speaker? I think any young person up to the age of sixteen or seventeen is perhaps a child and certainly if we get a child, if I can call such a person a child at that age, dropping a cigarette packet or any other form of litter down on the pavement well to my mind, Mr Speaker, and to the Courts mind as well, I can assure this House, a child in those circumstances will be dealt with in the same way as a much older person would be. However, again, of course, discretion has to be exercised and I would expect those responsible for the enforcement of this Ordinance to exercise commonsense and discretion in circumstances like that and again the final outcome is my Chambers, Mr Speaker, and again my right to determine any prosecution which has been brought or to tell the Police or the Enforcement Authority "do not prosecute" if I feel the circumstances of the case, as reported to me, do not warrant a prosecution when the docket is referred to me. So I can assure the House, Mr Speaker, that in the enforcement of this Ordinance and certainly when the question of whether or not to bring a prosecution arises discretion, tact, diplomacy and most of all I sincerely hope sound commonsense will most definitely be applied. Now can I come back to on the spot fines, Mr Speaker, and generally the Honourable Minister is quite right that serious consideration was given to whether there should be a scale of fines and more particularly whether there should be a minimum fine which the Court would impose in the event of a conviction. I share the views expressed by the Honourable Minister and I have been subject many times where I have been disappointed by the lenient penalties which the Courts of Gibraltar have imposed in relation to convictions for all sorts of ranges of criminal offences, but Mr Speaker, the Judiciary must be left with discretion. I can well imagine this House, if I can endeavour to quote an example, thinking that throwing down a sweetie paper in Devil's Tower Road is perhaps very much less serious than someone who empties a dustbin outside of the Piazza or more particularly dare I say outside the Convent, and if you are going to have the same minimum fine in each case then that is going to take away any question of discretion which the Judiciary will then have. It is perfectly right and perfectly usual, Mr Speaker, to give the Courts a maximum fine, to limit the Courts powers and say that "you can do what you like, you can impose a maximum fine not exceeding £500, £1,000 or whatever, but if you think the circumstances warrant it, then you can impose something less and if you think in exceptional cases that the circumstances do not warrant any actual punishment being imposed upon the offender for that particular offence then you can give him either

the conditional or an absolute discharge. But it is most important, Mr Speaker, and it is constitutional too and good practice, in my view, for this House to leave the Judiciary with a discretion, to be able to deal with each individual case on its merits so far as the imposition of the penalty is concerned. Mr Speaker, the Honourable Mr Montegriffo also raised the question of jurisdiction, so far as the Ordinance is concerned, over the Ministry of Defence land. Now I see no problems there, Mr Speaker, and I can quite readily give the assurance the Honourable Member asked me to give that there is no problems with the Litter Authority to be established under this Ordinance exercising jurisdiction over MOD land. The definition of Gibraltar in the Interpretation and General Clauses Ordinance, Mr Speaker, as the Honourable Member knows is very wide indeed and covers the whole of Gibraltar. It includes Feetham's Beach also when it comes into operation fully and it includes also its Territorial Waters and an offence committed anywhere in Gibraltar within that definition, Mr Speaker, is described in the particular offence as an offence merely committed in Gibraltar and it is very rare indeed because it is not necessary in normal circumstances to allege the offence complained of has been committed in any particular place in Gibraltar, ie Main Street, Governor's Street or whatever. It is sufficient to particularise if the offence was committed in Gibraltar and then for the prosecution to establish that it has been committed anywhere in Gibraltar as Gibraltar is defined in the Interpretation and General Clauses Ordinance, so I see no difficulty in that respect. Mr Speaker, I am delighted to hear that all Members of the Opposition subject to their comments will support the Bill and in the interim period, in view of the Honourable Minister for Tourism having agreed to delay the final stages of the Bill, if any of the Honourable Members of the Opposition wish to make any representations to my Chambers or to the Minister or both I will most gladly consider any representations made with the view to improving and strengthening the terms of the Bill generally.

MR SPEAKER:

I now call upon the Minister to reply.

HON J E PILCHER:

Mr Speaker, there is no difficulty whatsoever on this side of the House to leave the Bill in abeyance and to look at all the matters that have been referred to by the Members opposite. That is not a problem but I am not sure what it is exactly that the Opposition want?

HON A J CANEPA:

Mr Speaker, we have no difficulty in dealing with the Bill at Committee Stage really. However, if the Government considers that there is any validity in the points that

have been made and which might lead them to think that they may wish to give further thought to the Bill then they ought to bring it back at a future date. There might also be organisations in Gibraltar that may wish to make some valid representations. The Bill has come to the House twelve or thirteen days after it was published and sometimes the public does not get to know about certain pieces of legislation until it receives a bit of an airing in the media and which may well happen after it is debated here. So, Mr Speaker, let the Government weigh up the circumstances. All that we in the Opposition can do is delay the Bill until tomorrow. So it is up to the Government to decide whether they wish to go ahead with the Bill or whether they wish to leave it for a future date and think about the points that have been made and whether any of them may require some amendments to be made.

HON J E PILCHER:

Mr Speaker, I will certainly try to clear most of the points that have been raised by the Members opposite. Mr Speaker, I think the last thing that has been said by the Leader of the Opposition is that he would like us to leave the Committee Stage until a later date but he is putting the onus on us whether we do it or not. I will try to be very brief because I think this Bill has taken up much more time than I thought it would. I honestly felt that this Bill which creates enabling powers, as was explained by the Honourable Mr Montegriffo and the Honourable Attorney-General, does not create anything other than our ability to regulate.

HON A J CANEPA:

Mr Speaker, will the Honourable Member give way? This is the only opportunity that we have to put certain points of view across. When the Regulations are enacted we are only able to ask questions or bring a Motion.

HON J E PILCHER:

I accept that, Mr Speaker, but basically the points that have been raised have been taken on board already. The definition of litter. Mr Speaker, not only do we have the comments of the Attorney-General but also that the definition of litter in this Ordinance has been copied from the definition of litter in the Litter Ordinance in the United Kingdom. Referring now to the comments made by the Honourable Mr Britto, Mr Speaker, we would not expect people to stand outside their doorstep at night with their litter bag because we all know that there is a system where an area is designated every morning for rubbish collection. Every morning the litter wagon collects the rubbish from those designated areas but I have seen people leaving plastic bags in the middle of Rosia Road, beside their car, as they get into their car to drive to work and that is not the route that the rubbish

collection vehicles take. So that would be treated as an offence. However somebody leaving their rubbish in Irish Town because they know that the lorry goes down Irish Town at six o'clock in the morning would not be an offence. It could be theoretically but I mean we are talking about leaving litter indiscriminately. Mr Speaker, Members opposite are talking about somebody dropping ash and being presented with a litter ticket. Mr Speaker, I must ask are we really interested in approving this Bill because we feel it is good for Gibraltar or are we trying to score political points?

HON A J CANEPA:

Mr Speaker, we are trying to be constructive and I think we have been constructive.

HON J E PILCHER:

I know that to a point they have been Mr Speaker. But we have really gone to the ridiculous by asking what is definition of an animal dropping? Mr Speaker, is it that Members feel that the Attorney-General's Chambers, the Commissioner of Police and other law enforcement bodies cannot act flexibly within the system? With regard to the public being aware, Mr Speaker, I have given interviews on television and radio for the last three or four weeks. That visitors may get away with it? That why not on the spot fines? We will discuss these points and we can monitor the position. At the end of the day it is up to the people of Gibraltar whether they want the litter ticket. My impression is that they do because it is the minority who cause the litter problem not the majority. The majority would realise, as is the case with the parking ticket where although people complain they realise that the traffic problem needs solving. The litter problem unfortunately needs a drastic approach if we are to have a clean Gibraltar. The question of publicity, of designated areas? Only two points have been raised and that is what effect there would be in MOD and Government controlled areas. Well, Mr Speaker, of course, once we regulate an area as a Litter Control Area everything within that area comes under it and secondly, Mr Speaker, is that we are trying to stop heavy goods vehicles parking in the public highway in specific areas. The mention of loading and unloading in the Bill is because when the police arrive and tell drivers to move away they say "we have been unloading and therefore the vehicle is there because of that purpose". That would mean that it would only be possible to park there whilst loading or unloading but not afterwards. I accept, Mr Speaker, that this Bill cannot be enacted, as the Honourable Attorney-General has said, until we have cleared Section 18 and in any case we can and we have the ability to move Section by Section. It will take some time to create the Regulations etc and by then we will get the feedback from the public, Mr Speaker, and if necessary we will not implement aspects of it. This Bill does, Mr Speaker, what everybody in Gibraltar

has been asking for and which provides the Enabling Powers for us to do it. Whether it is done or it is not done is something which we are prepared to live with. But Mr Speaker this Bill creates the Enabling Powers and I personally feel that we should take it through all its stages. During the preparation of the Regulations the points that Members have mentioned can be looked at and those that are constructive can be adopted. Others which were more related to somebody fining children or dropping ash, I think Mr Speaker, is taking matters to an impossible situation and the same could be said of any law. One could say that somebody is fined for careless driving and say what is careless driving? If the person is looking at his girlfriend, is that careless driving because he does not have his eyes on the road. I think, Mr Speaker, this creates the Enabling Powers it does not create anything else at the moment and I would urge, Mr Speaker, that we reach agreement and pass it. If not then I will hold it until the next House of Assembly.

HON P C MONTEGRIFFO:

If the Hon Member will give way I will clarify my own position. I said that there were two points that worried me; on the spot fines and Government property. In the light of the Government's undertaking that they will treat Government property evenhandedly with all others and if the Attorney-General is telling me, in this House publicly, that he thinks it is unconstitutional then I think we cannot pass a law with that advice. I just do not think it is an option, even if administratively, it makes sense. As far as I am concerned I am happy but I do not feel about it so strongly as to deny other Members, on this side of the House, their views on wanting to delay it if they feel so strongly about it.

HON A J CANEPA:

We do not want to delay it, Mr Speaker, we have no reason to delay it. We have taken a lot of trouble over the legislation. I regret the comments which the Honourable Minister.....

HON J E PILCHER:

Mr Speaker, will the Honourable Member give way. I did not intend that the comments that I made should be interpreted in the way that the Hon the Leader of the Opposition has mentioned. I suppose they sounded worse than I intended. The point I was making was that the arguments sounded ridiculous at some stages. I am not for a moment implying that the Opposition were not trying to be constructive. I suppose, Mr Speaker, that sometimes when one has worked hard at a piece of legislation and which perhaps has some failings like every other piece of legislation when one hears the Honourable Col. saying things like standing outside your door with a litter bag or dropping ash and being fined you become a little bit angry.....

HON A J CANEPA:

Mr Speaker, the difference is, with all due respect and the Honourable Minister must understand it, is that if any of the Members opposite feel like bringing up such points they do not do so publicly because they would do so when Honourable Members are discussing the Bill in Council of Ministers and that is the end of the matter. We, Mr Speaker, have to do it publicly. That is the difference, Mr Speaker, that what are relatively trivia in Council of Ministers never become public, but said in the House it does. That is the difference between their job in legislating and our task in legislating. I can however assure the Honourable Member that our approach has been constructive and it has been positive. It is in our Manifesto that we would introduce fixed litter penalties, but, as I say, I regret that he should have intimated that it was being done in order to make political capital. We have a job, Mr Speaker, in the Opposition and this has taken a great deal of time and effort. I think we had better not say anything more. We will support the Bill going into Committee and we will vote in favour at Second Reading, at Committee Stage and at Third Reading.

HON J E PILCHER:

Mr Speaker, I thank the Honourable Member for that and I take back the insinuation which, as I have said, was not meant as implying that they had not made an effort to be constructive or that they were really playing to the gallery. I was referring to specific comments within their overall contribution, Mr Speaker. I take it back.

MR SPEAKER:

There is no doubt that there is more litter than meets the eye.

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

HON J E PILCHER:

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

This was agreed to.

THE TOWN PLANNING (AMENDMENT) ORDINANCE, 1990

HON M A FEETHAM:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Town Planning Ordinance and to make amendments consequential thereto be read a first time.

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

SECOND READING

HON M A FEETHAM:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, the Bill is in effect making preparation for the position of Director of Crown Lands to cease to be a public appointment and insuring that Statutory responsibilities are transferred. The principle Statutory responsibilities of the Director of Crown Lands occur in the Town Planning Ordinance. However the post is referred to in other Ordinances and that accounts for the number of consequential amendments that have been made to other Ordinances. I would take the House through these in detail. An opportunity has also been taken whilst the Ordinance is being amended to make other changes of more or less significance. For example, Clause 6 makes provision for substituting the Government for the Governor in responsibility for approving regulations made by the Development and Planning Commission in relation to advertisements. An amendment of similar significance is to increase the fines for offences against the Ordinance. This is contained in Clause 7. To reflect the fact that Town Planning is probably a function of the elected Government Section 30 and 31 of the Ordinance are amended to provide that regulations for the operation of the Ordinance can be made by the Government rather than the Governor and to remove the need to present such regulations for the approval of the House of Assembly. The significant provisions of Town Planning are contained in the Ordinance. Regulations made under the Ordinance are concerned with the mechanics of implementation. They are the provisions enabling us to process applications under the Ordinance and filling in details about the conditions to be satisfied therein. Another area of change of responsibility is that relating to areas which were formerly within the responsibility of the Director of Public Works. To reflect the re-allocation of these responsibilities, the Director of Public Works would cease to be a member of the Planning Commission. That is the effect Clause 10 which deals also with removing the Director of Crown Lands from being a member of the Commission. Going back to the question of replacing the Director of Crown Lands in relation to Statutory Duties you will see that throughout the Bill the words Town Planner or such other person as may be appointed for the purpose by the Government has been used. The intention is that where ever possible it is the Town Planner that these duties would transfer to. The additional words have been added to allow for the situation where for example the job title of the person holding these duties may change or whether there is a more appropriate person to whom to transfer such a duty. As a result of the intention to abolish the post of Director of Crown Lands a number of amendments have been made to other Ordinances. Clause 11 deals with the Civil Air Terminal Ordinance where the amendments relate to a situation in which plans are held and the warranting of the plans have been accurate. In the Income Tax Ordinance it is the

Town Planner or other persons appointed who would take over the duties previously carried out by the Director of Crown Lands in warranting that the project is of a particular kind for the purpose of the Income Tax Ordinance. Clause 13 transfers the duty of the Director of Crown Lands under the Land Acquisition Ordinance to administer the procedures of that particular Ordinance. Clause 14 is concerned with the Landlord and Tenant Ordinance. It would have the effect of removing the provision that in the absence of the person being appointed as Rent Assessor, the Director of Crown Lands would hold such a post that is being removed. It would therefore be necessary for the Governor to appoint a fit and proper person as Rent Assessor. The amendment in paragraph (b) of Clause 14 substitutes for the Director of Crown Lands the Town Planner or other person who would certify when structural alterations have been completed as required by an order made by the Rent Tribunal. Clause 16 deals with amendments necessary to the Public Health Ordinance. The majority of these are solely concerned with the place at which plans are held and the provisions that have been made for the plans to be held in the office of the Government. Sub-Clause 7 of Clause 15 is concerned with the operation of the Rating Review Board. It removes from the membership of the Board the Director of Crown Lands and replaces him with the Town Planner or other person and makes provision that the other members of the Review Board shall be independent of the Valuation Officer. Sub-Clause 8 deals with the charges for copies of documents relating to Land and Rating Lists. As you can see it merely substitutes more reasonable charges than those presently existed and in paragraph (b) it brings up to date the fine for an offence under the Section. The remaining Sub-Clauses are concerned with making specific provisions to allow the administration tasks under the Ordinance to be carried out by a properly appointed agent of the Government, not necessary by a Civil Servant. It does not require that such things be done by an agent, merely it makes the provision that they may be done by an agent. There are a number of printing errors in the Bill, Mr Speaker, and to deal with these, of course, I shall be moving amendments at the Committee Stage to which I have already given notice. One particular point that I wish to make at this stage is insofar as the Explanatory Memorandum, it would not be obviously appropriate to seek an amendment to the Explanatory Memorandum, but it would be helpful if I point out that errors were made in printing of this and the portion of the first paragraph within the Explanatory Memorandum appearing within brackets should read "The Civil Air Terminal Ordinance; The Income Tax Ordinance; The Land Acquisition Ordinance; The Landlord and Tenant Ordinance and the Public Health Ordinance". Mr Speaker, I move.

MR SPEAKER:

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

HON A J CANEPA:

May I make a point first of all, Mr Speaker, in the interest of trying to get moving quicker in Committee, that I think that there has been a convention in the past and adopted in the House that where there is a typographical error like a misspelling of the word "Ordinance", there is in fact no need to move an amendment to that particular clause. I think note is just taken of the typographical error and then the finished product appears correctly spelled. I notice that the vast majority of the amendments are of that nature and I do not think that the House needs to go laboriously through all. I think they can be taken as being typographical errors and that is the end of the matter.

HON M A FEETHAM:

Do I take it that you propose that we take it as having been read?

HON A J CANEPA:

Mr Speaker, that is what has happened in the House in the past. If they have been of a typographical nature then they are just noted. The Clerk notes it and ensures that the final product that goes to the printers is correct. We are going to abstain on this Bill, Mr Speaker, for one main reason. We have no difficulty about supporting all the provisions of the Bill except one and, in fact, insofar as the Director of Public Works is concerned, I can tell the Honourable Member that even though under the Town Planning Ordinance he is designated as being a member of the Commission, it is only in the days when Mr Mario Sanguinetti was also the Chief Planning Officer that the Director of Public Works used to sit as a member. When Mr Danny Barton was Director of Public Works it was Mr Michael Azzopardi, the Deputy Director, who was designated for the purposes of the Town Planning Ordinance as being the Chief Planning Officer. He was the member of the Development and Planning Commission and therefore that principle is one that we have used in the past and therefore there is no difficulty on our agreeing that there should be a person authorised by the Government to exercise the duties of Town Planner and that he should be the one who is a member of the Commission. However Honourable Members know that we have objections in principle to the abolition of the office of Director of Crown Lands for reasons that have been stated here in the past and therefore we cannot support that measure which involves a very substantial series of amendments. For that reason we will not support the Bill.

HON P C MONTEGRIFFO:

I will be voting against the Bill, Mr Speaker. In a sense because although we are prepared to accept that there

is a degree of rationalisation of the Public Sector that is necessary and we go back to the debate of the Estimates that took place this morning and early this afternoon. What I am not prepared to do is actually take Mr Feetham at his word that this Bill is the first step in setting the scene for the commercialisation of the function which the Director of Crown Lands basically now undertakes. If the Government had come to this House saying "this is what we intend to put in the place of these people who now undertake that function in a public capacity and in order to get that done we need to change all these other laws", then I would look at it on the merits of how the matter was going to be contracted out, and if it was contracted out in a way that was considered by me to be reasonable then I would have no difficulty in supporting it. The difficulty is a matter of principle, Mr Speaker, in giving the Government the ability now under this Bill that when passed it can go of and do what they are going to do without us getting to know what it is before the law is passed. The functions of the Director of Crown Lands are extremely critical. They are a very important function within the administration of Gibraltar by any standards. The whole question of Government lands are involved within the Director and it is a fundamental cornerstone of the public sector activity. One which has to be very very carefully regulated if there is going to be a wholesale contracting out, not just of his function, but the functions of his department which is what I understand to be the Government's thinking. Because of this it is not proper for me, and I think not proper for the Government, to seek that this House should pass a law allowing the Government to say "we are abolishing the Director of Crown Lands role, abolishing the responsibility that he would have with these functions and please give me carte blanche to go to such other person as shall be determined to undertake those duties". Mr Speaker without having a little more detail on what is involved it is not feasible or reasonable or practical for me to give my consent. As a result of this the only option I have would be to abstain or to vote against. I think that an abstention would not make sufficiently strong the point that I do not think it is right for the Government to come at this stage with this type of legislation. I will vote against the bill because we are being asked to vote very much in the dark. I reiterate, in conclusion, that had we had a proposal from the Government that this is the body that will take the responsibilities over or The Gibraltar Development Corporation or whatever, some sort of outline of the functions and how they intended to control it then I would have voted on the basis of the merits but not as it is presented at present. It is too important a function just to say "yes go along and do it and I will get to know later on".

MR SPEAKER:

If no other Honourable Member wishes to speak I will call on the Minister to reply.

HON M A FEETHAM:

Mr Speaker, I do not think I am going to take any more time of the House in explaining the reasons why we are doing this. I think they are very clear-cut. There are differences of view on the way forward on the commercialisation of some of the aspects of Government functions.....

HON P C MONTEGRIFFO:

Mr Speaker, will the Minister give way. I want to clarify this point for the record. I am not saying that I am disagreeing with the commercialisation of any function. This measure is an example of the style of Government and the way that we are being governed and what I am saying is that if we are going to commercialise an operation of this nature, a crucial operation, the style of Government which involves coming to this House and asking this House to allow you to get on with the job is not a style that I am prepared to endorse. I would say I am prepared to look at commercialisation on its merits. So the Government should come with a package of the proposals as to how the measures would work and state that in order to make it work it required the following changes in legislation. That, Mr Speaker, would allow Members to consider the merits of the proposals and if it made sense I would be prepared to endorse them. I am voting no to the idea of giving the Government the powers without knowing how they are going to use them.

HON M A FEETHAM:

Well Mr Speaker, nothing that the Honourable Member has stated is going to change our minds nor are we going to go into any more detail than we have already given. We have already made clear the reason why we are taking these steps to commercialise some aspects of what was termed to be Crown Lands Department. Insofar as the Property Management Portfolio of the Government is concerned and as a result of an initiative from the very employees that are going to be carrying out that function in the future. The rest of what was normally done within the set up of Crown Lands will continue to be under the Government set up. I have already said this when we were discussing the Appropriation Bill. The Building Control, Building Applications and Development proposals will continue under a new department inside the Government. So therefore old titles and the old style of running a particular concept are no longer in keeping with what we want to do. The Director of Crown Lands is something that is a Statutory appointment that used to be left there without any changes taking place for evermore and therefore what we are doing is moving forward on commercialisation and restructuring as far as my department is concerned. We are having a different setup to what we have had in the past and this piece of legislation is actually identifying the people that are going to be responsible, or a particular person,

in this case the Town Planner, in the main who is going to be responsible for the remaining functions that the Director of Crown Lands used to do apart from his portfolio on the Property Management side which will be commercialised. That, Mr Speaker, is what we are doing and I think that enough information has been given as to what we are doing. I have nothing else to say, Mr Speaker.

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

The Hon J L Baldachino  
The Hon J Bossano  
The M A Feetham  
The Hon Miss M I Montegriffo  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Members abstained:

The Hon K B Anthony  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon G Mascarenhas  
The Hon Dr R G Valarino

The Bill was read a second time.

HON M A FEETHAM:

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

This was agreed to.

THE PRICE CONTROL (AMENDMENT) ORDINANCE 1990

HON M A FEETHAM:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Price Control Ordinance be read a first time.

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

SECOND READING

HON M A FEETHAM:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, I am bringing this Bill to the House primarily to make the amendments contained in Clause 2 which will enable us to issue notices applying in Gibraltar to Directives of the European Community concerned with displaying of prices of goods. As the Ordinance presently stands such information can only be required to be displayed where a maximum price has been fixed for the goods. The effect of the amendment is to provide that we may require display of the unit prices for all goods whether or not any maximum price has been fixed. This is in effect the requirement of the Directives and when the Ordinance has been amended consideration will be given to producing notices applying the requirements of the Directive in as simple a form as it is possible. At the same time I am taking the opportunity to give more flexibility to the appointment of officers for the enforcement of the Ordinance. The Bill does this in Clauses 3 and 5. Clause 3 is concerned with the Price Control Ordinance and Clause 5 with the Weights and Measures Ordinance. The Weights and Measures Ordinance depends upon the Price Control Ordinance for the appointment of inspectors. What it in fact means is that the duty formerly given to the Consumer Protection Officer will now belong to the person who is appointed by the Minister for that purpose and the person so appointed will have the power in turn to appoint inspectors. Sub-Clause 2 of Clause 3 tidies up the Ordinance in the light of the changes made in Sub-Section 3 of Section 5. It in fact insures that the powers of the person appointed are spelled out in the notice appointing them. Because this method is to be adopted the Schedule is no longer needed. The Schedule currently lists the areas in which the Consumer Protection Officer can operate.

MR SPEAKER:

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

HON G MASCARENHAS:

Mr Speaker, normally to maintain consistency we would have either abstained or voted against this Bill for the simple reason that in the amendments to Section 5, the Government is going against the principle that we have been objecting to previously and that is, the dilution of the powers of the House of Assembly. Because basically Subsection 5 of Section 5 of the original Ordinance which is being omitted in the final sentence reads "the Governor may with the prior approval of the House of Assembly amend the Schedule by Ordinance. But in this case it may surprise the Government to hear that we will be supporting the Bill because we appreciate that in fact the amendment

of the Schedule is such a minor thing that we do not really believe that it needs to be brought to this House for an amendment. So we feel it is sensible for us to support the action that the Government is taking. We will therefore, as I say, be supporting it. The other relatively smaller point that I would like to make is the amendment to Section 3. In the last word of Sub-paragraph (a) of Sub-paragraph 1, the last word is the word "or". I would put it to Members opposite whether it is a typographical error and should it not be "and"? Otherwise the two Clauses do not make sense.

HON M A FEETHAM:

Mr Speaker, it is fairly open, in fact, as to the alternatives.

HON G MASCARENHAS:

You will find Mr Speaker, that in the original Sub-Section 3 the word is "and" as well. Anyway I leave it to the Government and to the Honourable the Attorney General to study it. It however seems to me that it needs to be "and" and not "or".

HON P C MONTEGRIFFO:

Mr Speaker, I will be supporting the Bill because as I understand it the principal reason for the Bill is the implementation of an EEC Directive though I take the point that it really follows on from the position taken by the Government on the Consumer Protection Department. I think the Bill is sufficiently outside what has occurred on that for it to be considered as a separate matter and it is really something that we would be required to do and something which therefore I will be supporting.

MR SPEAKER:

If no other Honourable Member wishes to speak I will call on the Minister to reply.

HON M A FEETHAM:

No, I have nothing else to say.

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

HON M A FEETHAM:

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

This was agreed to.

THE TRAFFIC (AMENDMENT) ORDINANCE 1990

HON J C PEREZ:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Traffic Ordinance be read a first time.

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

SECOND READING

HON J C PEREZ:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, I think that the Explanatory Memorandum attached to the Bill suffices other than if any Member of the Opposition raises any particular point which I shall then be happy to answer. I do not think I need to go into very great detail because they are minor amendments.

MR SPEAKER:

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

HON M K FEATHERSTONE:

Yes, Mr Speaker, in principle we will be supporting this Bill. We see that Clause 2 removes the anomaly by which the rather large van type of taxis could be classified as omnibuses and they will no longer be given that misinterpretation. We hope that the Traffic Commission will be as expeditious as the Finance Officer and his staff has been in operating as the Licensing Authority. We do notice that now Mr Martinez has died and it may possibly be some Spanish gentleman who will take over his place. It is a little bit of a regret that the Director of Public Works will no longer be on the Commission and it seems to be one more step in the diminution of the powers of the Director of Public Works but we will accept that it should be somebody else nominated by Government. We support the Bill.

HON P C MONTEGRIFFO:

We have no difficulty with the Bill, Mr Speaker.

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

HON J C PEREZ:

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

This was agreed to.

THE EDUCATION (AMENDMENT) ORDINANCE, 1990

HON J L MOSS:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Education Ordinance be read a first time.

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

SECOND READING

HON J L MOSS:

Sir, I have the honour to move that the Bill be now read a second time. I do not propose to speak for very long on this particular Bill, Mr Speaker, because this is essentially a tidying up exercise. It is continuing the spirit of legislation which was brought to the House some years ago and the only thing I would mention is that regrettably, because there seems to have been a slip somewhere, I have been forced to circulate a further amendment which I think Honourable Members will have seen this morning. I will of course answer any queries which Members might have in my right to reply.

MR SPEAKER:

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

HON G MASCARENHAS:

Mr Speaker, the Opposition has no difficulty in supporting the Bill. Although this is not the Brussels Agreement, we do however wish to enter a reservation and that is that we sincerely hope that this Bill will not apply to the nine Indian children. That, Mr Speaker, is for the record. For the future we are quite happy to support the Bill. We understand that following the controversy of the Indian children that has taken place today then under the circumstances once this Bill becomes law it might have an effect on those children if the matter has not been resolved between now and then.

HON CHIEF MINISTER:

As far as we are concerned, Mr Speaker, what the law does is that it limits the obligation on the Government to provide free education to people who have been given the legal right to be in Gibraltar and not to people who are visitors passing through Gibraltar. By the time the law is implemented and this will probably come into effect for the new academic year in September, either the Indian children will have ceased to be visitors or they will have ceased to be in Gibraltar obviously.



HON P C MONTEGRIFFO:

I will support the Bill. My understanding is that the Bill enhances the rights of people in the position like the nine Indian children or at least potentially enhances the position rather than that it takes anything away from them. I think what it does is that it sets, as I understand it, a clearer framework as to who is entitled, as a matter of right, to free education in Gibraltar. So if somebody turns up and is just en passant then does not get it. However somebody who is validly residing in Gibraltar or his parents are validly residing in Gibraltar would then have a right to free education. As far as I see it that is the extent of the position. It clarifies exactly who would be permitted to have education as a matter of right and on that basis I support it.

MR SPEAKER:

If no other Member wishes to speak I will call on the Mover to reply.

HON J L MOSS:

Mr Speaker, just to confirm what this is doing is essentially clarifying the position and actually enhancing the rights of the children who are residing here and if the Honourable Member opposite does not feel it is all a plot to do away with the right of anybody in particular and wants to enter a reservation I would be delighted. I commend the Bill to the House.

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

HON J L MOSS:

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

This was agreed to.

THE FIREARMS (AMENDMENT) ORDINANCE, 1990

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Firearms Ordinance be read a first time.

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

SECOND READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, the principal reason leading

to the presentation of this Bill to the House stems from Clause 5 of the Bill which seeks to amend Section 6 of the Ordinance and Subsection 4(a) thereof in particular. A short while ago, as Members may recollect, a Scandinavian gentleman arrived by boat in Gibraltar and the boat was found to contain a considerable quantity of guns and ammunition. He was charged with being in possession of the guns and ammunition without holding valid certificates or permits. He pleaded not guilty and relied upon the Statutory defence that the firearms and ammunition found on the ship were part of the ship's equipment. The Court found him not guilty despite the large quantity of weapons and ammunition involved. The result of that case, Mr Speaker, demonstrated that the provisions in the Ordinance to which I am referring did not achieve the desired objective when initially enacted and the insertion of the words "reasonably necessary for the protection" which I now seek to make will hopefully satisfactory cover such a situation if it should arise in the future again. Clause 5 also seeks to amend Subsection 12 of Section 6 by increasing from £20 to £500 the maximum fine which can be imposed against any person who makes a false statement for the purpose of procuring the grant of a permit. The remainder of the Bill, Sir, also merely updates the existing penalties. Clause 2 amending Section 3 deals with purchasing or possessing firearms or ammunition without a certificate. Clause 3 amending Section 4 relates to breaches of obligations where a certificate is revoked or a person makes a false statement for the purpose of procuring the grant variation or renewal of a certificate. Clause 4 amending Section 5 updates certain fees payable on the grant renewal of variation in certificates. Clause 6, which amends Section 8 of the Ordinance, relates to production of certificates. Mr Speaker, the rest of the Clauses in the Bill updates the penalties for the various other offences in the Ordinance of a somewhat less serious nature than I have individually mentioned and I do not propose to go through each and everyone of them individually and thus take up unnecessarily, I think, the valuable time of this House. If there are any specific questions which Members on either side wish to raise, I will do my best to answer them when I exercise my right of reply. Mr Speaker, the Ordinance came into effect as long ago as August 1958 and as far as I can see the penalties do not appear to have been updated since then, I think that after thirty two years a revision is long overdue and I hope it will be welcomed by Members on both sides. Sir, I commend the Bill to the House.

MR SPEAKER:

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

HON LT-COL E M BRITTO:

Mr Speaker, the Official Opposition supports in general principle the Bill as presented and although the fines

have been increased considerably, we feel that with regard to firearms the control of importing them is of paramount importance and therefore fines within reason can never be too large. This has been borne out by the recent incident at Varyl Begg Estate and the ease with which air weapons especially can be bought in Spain without a license and then imported or smuggled into Gibraltar. So therefore the importance of the deterrent cannot be under-estimated. I should have, Mr Speaker, before I started my intervention have declared an interest in this matter. In fact I declare two interests, one of a sporting nature and the other of a commercial nature. It does seem to us however, Mr Speaker, that the opportunity could have been taken to update the Firearms Ordinance at the same time and not just with regard to the question of the size of the penalties and the fines. Indeed as referred to by the Honourable the Attorney-General the amendment has been made to prevent excessive weapons on board a ship but the Ordinance itself is considerably outdated. If I can give Members a couple of examples. It is possible under the Ordinance in Subsection 7 of Section 5 for a person to be exempted from holding a Firearms Certificate if he is conducting or participating in firing on a miniature rifle range. He is able on those occasions to use a .22 rifle without a Certificate. Similarly we have a rather vague definition in this case of what a firearm is. It does say it is a lethal barrel weapon of any description from which any shot, bullet or other missile can be discharged. Then we have the rather ridiculous exemption in Sub-paragraph 9, again, of Section 5 that any person may without holding a Certificate have a firearm in his possession at an athletic meeting for the purpose of starting races at such a meeting. So, Mr Speaker, if he points his starting firearm in the wrong direction the race is over before it starts. A final example, and I have only glanced through the Ordinance rather quickly, is in Subsection 2 of Section 36 where a person can purchase an antique firearm as a curiosity or ornament. So if a firearm can be judged to be sufficiently old then even in a working state, and therefore lethal, can still be held without a licence, subject to the AttorneyGeneral feeling otherwise. The final point I would make, but I may come to it in more detail at the Committee Stage if necessary, is in the amendments to Clause 31. There is an amendment as to the size of the fine applied to Section 31 of the Ordinance. However Section 31 says in Sub-paragraph 1 that "no person shall without first obtaining the permission in writing of the Deputy Governor import into or export from Gibraltar any firearm or ammunition". Now, Mr Speaker, whilst that makes sense in the way the law was written originally when firearms were being imported in Gibraltar or exported, we now have a situation in Gibraltar which is peculiar to frontier towns and which is that both sportsman and people who hunt or participate in clay pigeon shooting in Spain move across the border frequently carrying firearms into Spain and back into Gibraltar. They are legally entitled to this because they have a valid firearm Certificate. They use these firearms in Spain for sporting

purposes, for say possibly a matter of hours, but because technically under the letter of the law they are exporting and importing the firearm everytime they go into Spain and back they have to go through a rigmarole of paperwork. It requires the permission of the Deputy Governor, confirmation from the Police, control at the Customs when they go through. It is all a lot of bureaucracy which is out of step with the situation as it is in UK where the firearms Certificate itself is the only controlling document. The Firearm is under the control of the Police and therefore the owner is answerable to the Police and not to the Customs or the Deputy Governor's Office. It is also out of step with a European Community Directive which is at the proposal stage, at the moment, and which is due to come into effect by the end of next year and in which the relevant section is intended to meet the following criteria. Sportsmen and marksmen would be entitled to travel to other Member States with their weapons on condition that they possess a European Firearms Certificate and that they can establish the purpose of their journey, ie game shooting, competition etc if called upon to do so in the country being visited. So in other words, Mr Speaker, unless we bring our own legislation up to date we may find the rather ludicrous situation where local sportsmen are going to have a European Firearms Certificate and be able to go into Spain without even declaring their weapons at Customs and yet need an Import and an Export Licence to move in and out of Gibraltar. Thank you, Mr Speaker.

HON P C MONTEGRIFFO:

Mr Speaker, and without making an analysis of the need of perhaps updating the Ordinance as a whole, which there may be a case for, I want to concentrate just on the principal amendment which I understand that the Attorney-General is concerned about and which is the inclusion of the words "reasonably necessary for the protection" after the word "equipment". As I understand it what that would be saying is that if possession of a firearm was reasonable because the nature of the equipment was such that it was reasonable to have a firearm to protect that equipment, then that would be allowed with exemption. If that is correct, Mr Speaker, the only point that I would seek to make is that surely that must be questionable as a matter of principle, because what you are really saying is "if you have equipment that is above a certain value or is of a certain nature, then there you can have a firearm and you are exempted, but if you have equipment that is not worth that much you may not be exempted. What we are really saying is that if you come in a yacht, which I think is the Swedish example? And you happen to have in a safe jewellery and diamonds and things like that but which are not equipment you are not exempted. However if you have very expensive equipment, a helicopter or whatever on your vessel then in that situation a person can actually have a firearm. Maybe I have not understood

the criteria completely but surely the reason you would have a firearm would be for self protection and it would be rather like having a situation where in a household if you have contents of more than a certain value you can have a firearm but if you have less than a certain value you do not have a firearm. If that is what is being proposed here I do not fully understand whether that is right as a matter of principle. However anything that protects the Community from the use of firearms we support and therefore I will be voting in favour. It however seems to be that the criteria on which we are basing the exemption on is perhaps not quite right.

MR SPEAKER:

The Honourable the Attorney-General perhaps would like to reply?

HON ATTORNEY-GENERAL:

Yes, thank you, Mr Speaker. Perhaps I can deal firstly with the point raised by the Honourable Mr Montegriffo. I think with respect he has misunderstood, Mr Speaker,

What Section 6 of the Ordinance will then provide for, Mr Speaker, if the amendment contained in the Bill to which the Honourable Member has made reference is in fact passed, will read "any person may without holding a certificate have in his possession the firearm or ammunition on board a ship or a signalling apparatus or ammunition therefor on board an aircraft or at the aerodrome is part of the equipment and then with the amendments Sir, reasonably necessary for the protection of the ship, aircraft or aerodrome. So what we are talking about, Mr Speaker, is if for example a ship, I daresay we are talking about two examples. If for example a ship is in distress, is sinking or liable to sink or it has some mechanical difficulty, then obviously of course it is not unlawful to have a flare gun which might fall within the definition of a firearm but it is reasonable that a ship should carry a flare gun or a distress gun to enable signals to be given in time of distress when it needs assistance from other vessels or assistance from other sources. Similarly, Mr Speaker, although very happily piracy on the high seas is an offence which has not taken place, at least as far as I know in Gibraltar waters for some very considerable time indeed, there maybe circumstances where a ship is perhaps under attack and obviously of course a ship in such circumstances is entitled to defend itself, and it may well be Mr Speaker that if you have a vessel the size of the QE2 or the size of the Canberra perhaps going down the scale a bit, a number of guns and ammunition would not be unreasonable for the protection of a vessel of that size. But if you have a fairly small craft such as the one which figured in the case that I have mentioned, and which has led me to move this amendment, which carries something which I can

only describe as akin to an arsenal, then that clearly, Mr Speaker is not necessary for the protection of a ship, and the words "reasonably necessary for the protection", so far as the Court is concerned in relation to any prosecution brought for breach of the provisions of the Ordinance denotes, as I am sure my Honourable and Learned friend opposite me being a fellow lawyer will fully understand, it poses upon the Court a duty to apply the object of test. Is it in fact, never mind what the defendant in that case might think honestly, but is it as an object of test, objectively looked at as necessary for the protection of the particular vessel involved. Now that is what the Ordinance is seeking to do, Mr Speaker, to clarify, to whiten if you like, the grey area which seems to have existed hitherto and which led the Magistrates' Court to my disappointment to dismiss the charges in the case to which I have referred. Now Mr Speaker, if I can turn next to the observations made by the Honourable Lt Col Britto and deal with those as best as I can. Section 36, Mr Speaker, has been referred to and that imposes the exemption in respect of firearms to antiques. It is lawful to sell antiques. You might need a licence under the Trade Licensing Ordinance, of course, to do that in Gibraltar, but assuming that you have that and you are otherwise lawfully entitled to sell then there is nothing wrong in exercising your right to do just that and you are not reaching the provisions of the Firearms Ordinance. Similarly, Mr Speaker, the Honourable Member is quite right in saying that there is no breach of the Ordinance if someone who is engaged in commencing a race is in possession of a firearm in the sense of the definition given in the Ordinance if he sticks it into the sky, at least I sincerely hope that he does not point it at any person, and he fires it for the purpose of starting the race. But, Mr Speaker, I do not see, with respect, to the observation that the Honourable Member has made that the continued existence of either of those provisions even though thirty two years old necessitates any amendments at this stage. One has to look at the objectives of the Ordinance, as contained in The Long Title, and the Ordinance is and I quote, Mr Speaker, "to consolidate the law relating to the purchase, possession, manufacture and sale of firearms and ammunitions and other transactions". So that is the object of the Ordinance and one has to look at the Ordinance as it exists today and ascertain as best as one can what amendments are necessary in the light of circumstances which have taken place since the Ordinance was enacted initially to see what amendments are necessary nowadays and with that test in mind, Mr Speaker, I do not respectfully accept the Honourable Member's contentions that the Ordinance in respect of those two matters needs amendment. So far as the .....

HON LT-COL E M BRITTO:

Will the Honourable Member give way?

HON ATTORNEY-GENERAL:

Yes, I will.

HON LT COL E M BRITTO:

I think possibly the Honourable the Attorney-General misses the point of what I was trying to say and which was very simply that as the Ordinance was being amended the opportunity could have been taken to make further amendments and I illustrated Section 36 and Section 9 as examples of loopholes in the Ordinance which could be used unscrupulously. The Honourable Member says that antique firearms may be sold without breaching the Ordinance which I accept, but the point that I am making is that because a firearm is an antique it does not mean that it is not a lethal weapon which can be used for criminal purposes or for anything that the Ordinance does not envisage. For example the European Legislation will read "that where such an antique firearm is purchased or is in the possession of a person, the weapon should be disabled in such a way that it cannot be used". But as it stands there is nothing to stop the antique being used as the equivalent of a new weapon.

HON ATTORNEY-GENERAL:

Yes I take on board the points that the Honourable Member has made, Mr Speaker, but with respect I cannot accept that he is correct in what he says. If someone is a licensed and authorised antique dealer, Mr Speaker, then he is licensed and authorised to sell antiques. If someone is going to use a firearm for an unlawful purpose then I cannot imagine that he is likely to go along to an antique dealer and buy a 17th century weapon for the purpose of carrying out his unlawful objectives. If that has ever happened in Gibraltar well by all means acquaint me with the facts of the case concerned and then I will consider suggesting to the Commissioner of Police, who is primarily responsible for the administration of the Ordinance, and to the Honourable the Chief Minister that further amendments should be made. But I am not at this moment aware of any circumstances of that nature which have ever occurred. Mr Speaker, so far as the cross frontier Import and Export of Firearms are concerned, I think that there is merit in what the Honourable Lt Col Britto has said but I am still not convinced that an amendment arising from that is necessary. I do take very much account of the fact that Section 31 of the Ordinance imposes severe penalties for breach of the provisions of that Section which as the Honourable Member has said requires the obtaining of the Deputy Governor's permission to for example, as it has been suggested, take weapons into and out of Spain. It may well be for innocent and perfectly lawful purposes but one has to look, I suggest Mr Speaker, at Section 31 in conjunction with Section 4 and the Commissioner of Police has the power to grant, renew, vary or revoke a permit or certificate and in doing so at any time when

he exercises those powers, he can attach such conditions to that as he thinks are necessary and appropriate. It seems to me, Mr Speaker, that if anyone is seeking to obtain a permit to be lawfully in possession of a firearm and/or ammunition and he is doing that with the intention of taking that gun or ammunition into and out of Spain on a regular basis then for the purpose of enjoying the perfectly proper and lawful pastime which I know the Honourable Member opposite does enjoy as often as he can and there is nothing wrong in that, then it seems to me that it would be perfectly lawful for the Commissioner of Police to attach as a condition to the issue of the permit or renewal of the permit a power, to do that. And if he did so that would, it seems to me, obviate the necessity of seeking the Deputy Governor's formal permission for each and every individual exportation and subsequent re-importation back into Gibraltar which unfortunately I can see the Honourable Member is subject to every time he pursues his leisure activities. But it is a point that I think should be kept in mind for the future. I do not propose to move any amendment to that effect when the Committee Stage of the Bill is gone through at this stage, but it is a point I will bear in mind and look at in the future.

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

HON ATTORNEY-GENERAL:

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

This was agreed to.

#### THE MARRIAGE (AMENDMENT) ORDINANCE, 1990

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Marriage Ordinance be read a first time.

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

SECOND READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, it is my privilege to present this Bill. Why I am not absolutely sure. I do believe personally in the institution of marriage and if for no other reason except that, I was pleased to accept the invitation of the Honourable the Chief Minister to present this Bill. It is I hope, Sir, a Bill which Members will find straightforward and the purposes that the Bill seeks

to achieve are set out in the Explanatory Memorandum. Clause 2 amending Section 10 equates the fee to be paid for administering Certificates without paying for a Registrar Certificate under Section 19 of the Ordinance. Clause 3 which amends Section 11 relates to the Registrar's Special Certificate and seeks to impose a requirement for affidavits to be made by both rather than as at present merely one of the parties to the intending marriage. Clause 4 which amends Section 13 relates to Special Licences and the amendments sought to be made to enable persons who wish to marry in places of worship under the Jurisdiction of the Anglican Bishop to Her Majesty's Forces to do so under the authority of the Bishop's licence as is the case in respect of other churches in Gibraltar. Clause 5 amending Section 21 of the Ordinance extends the permitted times for the solemnization of marriages in respect of churches. In Clause 6 amending Section 22 effects a similar amendment in respect of marriages which take place before the Registrar. Mr Speaker Section 30 is perhaps the most important amendment, that is effective by Clause 7 of the Bill and extends the defences available to a charge of bigamy to persons whose previous marriages have been annulled in circumstances where such first marriage was merely voidable and not void. Let me briefly expand on that Mr Speaker. If two parties for example contract a marriage and they are within the prohibitive degrees in consanguinity or affinity then a marriage is deemed to be void and has no legal or valid effect whatsoever. But if for example two persons contract a marriage and then subsequently the marriage is never consummated because one of the parties is either incapable of consummating it or wilfully refuses to do so, then it is open to the party aggrieved by the fact of non-consummation to seek a decree of annulment of the marriage. But unless and until he does so and unless and until the Court pursuant to the presentation of a petition for annulment of the marriage grants them a decree of annulment, then the marriage is valid and remains valid until such time as the Court sets it aside. That, Mr Speaker, again I am sure the Honourable Mr Montegriffo understands that is the difference and for some reason which I cannot explain the fact of voidable marriage has hitherto been omitted from the provisions of the Ordinance and only came to my attention when I was going through the Ordinance to effect the other amendments contained in the Bill. Now Clause 8 of the Bill Sir, replaces Schedule 1 which updates the list of places of worship where marriages can lawfully be carried out and the final Clause, Clause 9 effects a minor amendment to Schedule 3 by omitting the list of authorisations of the registration of buildings for the solemnization of marriages in view of the repeal and replacement of Schedule 1. Mr Speaker, the Ordinance was enacted as long ago as November 1948 and came into operation in March 1949. It has undergone very little amendment indeed since those days and again after a period of more than forty years is, I hope Members of the House on both sides will agree, ripe for an overhaul. Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

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

HON A J CANEPA:

The Attorney-General has clarified the only point in which I needed clarification Mr Speaker, which was the amendment to Section 30 Clause 7 dealing the question of annulment. That has been satisfactorily explained, therefore we can support the Bill.

HON P C MONTEGRIFFO:

Mr Speaker, I do not think the question of the fees was actually touched on. Maybe I missed that, maybe I was involved in an exchange. As I understand it the fees are a business potentially for Gibraltar of people who are getting married, but is there any indication of what type of fee the Government has in mind or is it, as I understand it at present, just going to be the fee for issue of Registrar's certificates, whatever that is. Marriage is a matter of rights and we should not pay too much at least for residents and I understand that it is a business spin-off for people who come here and, I think, that if people come here and expect within 24 hours or 48 hours to actually marry, then I think that they should pay for that privilege. But I would like to see perhaps a two tier system whereby if you are a normal local resident and you get married then I do not think why you should be charged the same fee as somebody who comes in and wants to get married quickly. I am being told, Mr Speaker, that that is something for which you need the Governor's licence and then that is presumably the fee which we introduce under that heading. Is there some indication as to the fees?

MR SPEAKER:

If there is no other Member who wishes to speak, I will then call on the Learned Attorney-General to reply.

HON ATTORNEY-GENERAL:

Yes thank you, Mr Speaker. I am grateful to all Members of the Opposition for their support to the Bill and I am happy to have clarified the point that hitherto was troubling the Official Opposition. So far as the Honourable Mr Montegriffo comments are concerned Mr Speaker, I am authorised by the Government to say that the question of fees will be taken on board when the question of the exact amount of the fees is determined in due course. At this present moment the fee to be charged has not been determined.

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

HON ATTORNEY-GENERAL:

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

This was agreed to.

THE POLICE (AMENDMENT) ORDINANCE, 1990

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Police Ordinance be read a first time.

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

SECOND READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, this may well be the shortest Bill ever presented to this House. Its purpose will I hope be obvious from the Explanatory Memorandum. All it seeks to do Mr Speaker, is to effect the removal of the word "security" from Section 51 Subsection 2 of the Ordinance and to equate by reason of Section 51 Subsection 1, the position of the Gibraltar Services Police with that of the Gibraltar Police Force, so far as their powers, privileges, liabilities and immunities are concerned. However the House will appreciate of course that the Gibraltar Services Police only function on those specific areas or locations in Gibraltar which the Governor has designated or does designate from time to time.

HON A J CANEPA:

By notice in the Gazette?

HON ATTORNEY-GENERAL:

Yes, by notice in the Gazette. The important distinction between the two forces remain, Sir, namely that such powers, privileges, liabilities and immunities only apply to the Services Police when they are actually on duty as such. Section 17 of the Ordinance however provides that Members of the Gibraltar Police Force shall be deemed to be always on duty when required to act as such. Thus, Mr Speaker, the clarification of those Police Officers in the employment of the Ministry of Defence so far as their powers and duties etc are concerned will enable them to act in their own areas in matters not only affecting security but generally. I am able to say, Sir, that the Bill is welcomed by both the Ministry of Defence and the Commissioner of Police in Gibraltar and I hope also will receive the support of both sides of this House. Sir, I commend the Bill to the House.

MR SPEAKER:

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

HON A J CANEPA:

No problem, Mr Speaker, we support the Bill.

HON P C MONTEGRIFFO:

Mr Speaker, no problem in principle but I wonder whether the Attorney-General can clarify if there is a specific issue or circumstance which has given rise to this as a problem which requires redressing and if so it would be useful, I think, for this House to be appraised of the background to this smallest of amendments. Secondly in a technical sense would I not be right in saying that it really involves the clarification of an actual extension of responsibility of the civilian police in a sense? De facto they have been undertaking duties in the areas in question and that the amendment is only to clarify that their jurisdiction is not in doubt by any authority or any party. If that is the case then I imagine that we are not talking about any extension of the Gibraltar Police Force actually having anything more to do. It is just a matter of formalising what exists. Is that something which the Attorney-General can disclose to the House?

HON ATTORNEY-GENERAL:

Yes I can.

MR SPEAKER:

If no other Member wishes to speak I will call upon the Honourable and Learned Attorney-General to reply.

HON ATTORNEY-GENERAL:

Yes Mr Speaker, again I am grateful to all Members of the Opposition for their support to the Bill and I can and will be happy to deal with the observations the Honourable Mr Montegriffo has raised. Yes Mr Speaker, there have been incidences of the burglary of MOD premises within one or other of the areas designated by the Governor in which the Gibraltar Services Police have jurisdiction. Now Mr Speaker, an issue has arisen on more than one occasion comparatively recently as to the lawful jurisdiction of the Services Police to immediately act in circumstances of that nature. If for example as the law at present stands, a Services Policeman comes across a situation where someone is in the course of perpetrating a burglary of MOD premises comprised in an area where they have jurisdiction but at present only respecting security can they act because the burglar is effecting security or is he simply perpetrating an offence of dishonesty which has nothing whatever to do with security.

And if they do effect the arrest of a person in such circumstances, is the arrest lawful or is it unlawful. If they are in doubt, should they let the man go and summon the assistance of the Gibraltar Police Force in the hope that that man subsequently will be tracked down, recognised by them and their identification evidence will be accepted subsequently in Court if the prosecution ensues. Well Mr Speaker, I do not like that state of affairs at all and neither does the Commissioner of Police and neither does the Ministry of Defence and my policy in putting forward any legislation of a criminal nature or effecting the area over which I have responsibility as Attorney-General is and always has been and always will be as long as I hold office, let it be said, now rather than potentially sorry later. It is for that reason and bearing in mind and with that hindsight, Mr Speaker, that I want to be safe rather than sorry and I want to be able to run no risk of the Gibraltar Services Police being able to act lawfully and promptly as and when the situation requires. If this amendment is accepted by the House, Mr Speaker, and goes through they will do that not only with the blessing of the Ministry of Defence, but with the blessing of the Commissioner of Police and his force in Gibraltar who sees it as a complimentary power to their already overstretched workload to which they are subject at the present time.

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

HON ATTORNEY-GENERAL:

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

This was agreed to.

THE INCOME TAX (AMENDMENT) ORDINANCE, 1990

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Income Tax Ordinance be read a first time.

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

SECOND READING

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill be now read a second time. I shall be brief Mr Speaker. In bringing forward the Building Societies Amendment Ordinance 1990, passed by the House in February, the Government intended the Building Societies authorised in a Member State of the European Commission should be able to come to Gibraltar

and operate under local conditions. Under the terms of the Income Tax Ordinance the first £600 of interest on investment in Building Societies which are incorporated and registered in Gibraltar is free of a liability to be taxed. The Government wishes to extend this incentive to investors to cover the new category of societies which are authorised in the European Community and which will be known as Recognised Societies. This requires the amendment to the Income Tax Ordinance now before the House. Sir, I commend the Bill to the House.

MR SPEAKER:

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

HON A J CANEPA:

Mr Speaker, we have no difficulty with this Bill and we shall be supporting it.

HON P C MONTEGRIFFO:

Mr Speaker, I will assume however that the Bill in a sense only follows what we have to do anyway. It is just a matter of interest that I am sure the Financial Secretary could help the House in understanding, I would have thought that in bringing the Building Societies in the way that it is envisaged and the very welcomed step that is, that we could not discriminate in a provision that way, I am not sure, whether that is the case or not. But even if that were not to be the case, certainly the extension would seem reasonable to them.

HON CHIEF MINISTER:

There is no requirement under Community Law because there is no Directive under community Law on harmonisation of tax treatment, but to us it seems logical that if you are going to say to a Building Society as we have already done that if they are already incorporated in the UK or somewhere else in the Community, they do not need to establish a Gibraltar Building Society as a subsidiary, they can actually simply be recognised on their originating licence that we should treat them the same as if they had gone through the process of registering in Gibraltar for tax purposes and that is essentially what we are doing.

HON P C MONTEGRIFFO:

I understand that. But surely, with respect, to the position here, it is not the tax harmonisation of the Building Societies at all, it is the tax suffered by the individual. We are looking at the individual's tax position not the Building Societies tax position and the rules I was alluding to, but I know probably it is academic interest only, but I am interested in exploring it. Is

that in the rules of distorting competition generally which would apply on a broader scale. Let us say, Mr Speaker, you have a Gibraltar Building Society marketing to the public, as they do, and you deposit with them and you have six hundred pounds free of interest. I just raise the position that somebody comes in to compete in deposit taking and has the disadvantage because they could not have the first six hundred pounds tax free. That is the sort of area I was trying to say and I am sorry if I was not clear enough on it.

HON CHIEF MINISTER:

Mr Speaker, it would not in fact follow because in fact by virtue of the legislation that we have already passed we have given the power to Building Societies incorporated in other Member States to provide services which they are entitled to provide by their originating licence, which we do not necessarily allow in our own Building Societies to provide. So in fact one could argue that a Building Society incorporated in the United Kingdom is a different animal from a Building Society incorporated in Gibraltar and therefore will get different tax treatment. The issue from our point of view is not that we have been advised that we need to do this, it is just that it seems to us a logical extension of the welcoming pact that we are putting out to the Building Societies.

MR SPEAKER:

If no other Member wishes to speak I will call upon the Honourable the Financial and Development Secretary to reply.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have nothing further to add, Sir, and I thank the Opposition for their support.

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

HON FINANCIAL AND DEVELOPMENT SECRETARY:

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

This was agreed to.

MR SPEAKER:

Well, I think for more than one reason we are going to recess for twenty minutes.

The House recessed at 5.20 pm.

The House resumed at 5.45 pm.

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the House should resolve itself into Committee to consider the following Bills Clause by Clause. The Christian Brothers Property (Amendment) Bill, 1990; The Gibraltar Coinage Bill, 1990; The Immigration Control (Amendment) Bill, 1990; The Bankruptcy (Amendment) (No.2) Bill, 1990; The Gaming (Amendment) Bill, 1990; The Appropriation (1990/91) Bill, 1990; The Specified Offices (Salaries and Allowances) (Amendment) Bill, 1990; The Litter Control Bill, 1990; The Town Planning (Amendment) Bill, 1990; The Price Control (Amendment) Bill, 1990; The Traffic (Amendment) Bill, 1990; The Education (Amendment) Bill, 1990; The Firearms (Amendment) Bill, 1990; The Marriage (Amendment) Bill, 1990; The Police (Amendment) Bill, 1990; and The Income Tax (Amendment) Bill, 1990.

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

THE CHRISTIAN BROTHERS PROPERTY (AMENDMENT) BILL, 1990

Clauses 1 to 3 were agreed to and stood part of the Bill.

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

THE GIBRALTAR COINAGE BILL, 1990

Clauses 1 to 6 were agreed to and stood part of the Bill.

Schedule

HON M A FEETHAM:

Mr Speaker, Part 1 of the Schedule is intended to be amended purely to correct an omission in the standard sizes that are going to be used for the coins, in terms of the mixture of the metal. So either we can take it as read or I can repeat it. Can I take it as read?

MR SPEAKER:

We will take it as read.

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

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

THE IMMIGRATION CONTROL (AMENDMENT) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

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



THE BANKRUPTCY (AMENDMENT) (NO.2) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

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

THE GAMING (AMENDMENT) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

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

THE APPROPRIATION (1990/91) BILL, 1990

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

MR CHAIRMAN:

Now I suggest that we go through the Schedule and then we come back to Clause 2. So in other words we are going to go through the Estimates.

HON A J CANEPA:

I suggest that I give an indication Mr Chairman, to expedite matters of those Heads where we have no questions so that the Heads can then be called together.

MR CHAIRMAN:

If the Honourable Mr Montegriffo can do the same it might help.

HON A J CANEPA:

I have consulted with him. We have no questions on Head 1 or Head 2.

Head 1 - Audit was agreed to and stood part of the Bill.

Head 2 - Customs was agreed to and stood part of the Bill.

Head 3 - Education and Sport

Personal Emoluments

HON G MASCARENHAS:

Mr Chairman, this morning during my contribution I mentioned that the Minister for Education should give me some explanation as to why in reply to Question No.49 of 1990, he was not more forthcoming in his reply. Mr Chairman that very same morning this document, the Estimates of Revenue and Expenditure, were laid on the Table by the Government and I questioned the Honourable Minister on three posts within his Department and whether these posts had been abolished. The Honourable Minister for Education

was to say the least very cagey. I would therefore be very grateful if he could please give the House an explanation as to why, having regard to the fact that the Estimates were available that morning, although confidential, the Hon Minister did not give me more forthcoming answers?

HON J L MOSS:

Well, Mr Chairman, the answer is a very simple one. The fact of the matter is that on the date when the Honourable Member asked me the question those posts had not been abolished.

HON G MASCARENHAS:

Mr Chairman, I think that the Hon Minister is being economical with the truth. Did the Hon Minister not know that the posts had been abolished? Had he not been informed by the Chief Minister, for example, of those facts? But if the Hon Minister knew his answers they could have been provided in a different way.

HON J L MOSS:

Mr Chairman, I am not quite yet at the stage of catching flies. I tend to know what is happening in my Department. The fact of the matter is that if there had been any intent to conceal this, it would have been extremely ridiculous for me to do so knowing full well that the Honourable Member had the Estimates in his possession.

HON A J CANEPA:

Then why did the Hon Minister answer the question, Mr Chairman, in the manner in which he did? Notice of the question had been given five days before. It could have been given notice of fifty days before. Because we need not confine ourselves to the five day rule. Someone could ask a question now for the next meeting of the House. However the answer has to be framed in the knowledge that the Minister is going to answer it on a certain date and the answer has to be accurate in respect of the date on which the answer is given. I am not saying that he deliberately misled the House. I would not accuse him of doing that.

HON J L MOSS:

Mr Chairman, I appreciate the comments of the Honourable the Leader of the Opposition but I maintain that that was strictly speaking the position at that time. If the question had perhaps been phrased in different terms, as I pointed out in my contribution this morning, there might have been a different answer. The Honourable Member Mr Mascarenhas however asked a question and he got the correct answer to his question.

HON G MASCARENHAS:

Mr Chairman, I asked merely whether any posts were being abolished in the Minister's department? That was the question and I have Hansard here with me. If the Hon Minister wishes I can go through the Hansard.

HON J L MOSS:

He can go through Hansard if he wants to Mr Chairman but the fact of the matter is that no posts had been abolished on that date.

HON A J CANEPA:

No posts had been abolished yet, Mr Chairman, because the Estimates had not become law.

HON CHIEF MINISTER:

Precisely therefore the answer is correct and is still correct until we vote, Mr Chairman.

HON A J CANEPA:

The spirit of the answer is hardly correct, Mr Chairman.

HON J L MOSS:

Neither was the spirit of the question perhaps Mr Chairman.

HON LT-COL E M BRITTO:

Mr Chairman, it comes back to what I was saying earlier on today. It is this obsession with secrecy and I gave three examples of three Ministers. I did not use the one of the Honourable Mr Moss because I wanted to leave it to my colleague. It reflects the attitude that I accused the Government of having and it is reflected in the Estimates.

HON J L MOSS:

No Mr Chairman, it reflects the ineptness of the Opposition in asking the wrong questions.

HON A J CANEPA:

How can we be asking the wrong question. We asked this question a number of days before when we did not have this document? We have no further question on Education.

Head 3 - Education & Sport was agreed to and stood part of the Bill.

Head 4 - Electricity Undertaking was agreed to and stood part of the Bill.

Head 5 - Environmental Health was agreed to and stood part of the Bill.

Head 6 - Fire Service

Other Charges

HON LT-COL E M BRITTO:

Mr Chairman, Subhead 3 - Running of the Fire Station. There is an appreciable reduction in the Estimates for this year. Could we have an indication whether this is savings?

HON J C PEREZ:

Yes Mr Chairman, there was a Supernumerary post there. The person that used to fill the post was an industrial who passed away and it will no longer be filled.

Head 6 - Fire Service was agreed to and stood part of the Bill.

Head 7 - Governor's Office was agreed to and stood part of the Bill.

Head 8 - House of Assembly was agreed to and stood part of the Bill.

Head 9 - Housing was agreed to and stood part of the Bill.

Head 10 - Judicial

Supreme Court - Other Charges

HON LT-COL E M BRITTO:

Mr Chairman, on Subhead 6 - Jurors' Expenses. I see from the footnote that this previously included the cost of witnesses which is now provided for under Head 15 which should be Head 14 as a matter of interest but under Head 14 - Police. Yet in anticipation of Subhead 4 Other Charges of the Magistrates' Court, I see there that witnesses have not been transferred to the Police Head. They have been kept under the Magistrates' Court. Is there any significance why the two Courts have been treated differently?

HON ATTORNEY-GENERAL:

Yes Mr Chairman, I can answer that question. Previously the system was with regard to witnesses expenses in the Magistrates' Court, that the Magistrates' Court accept responsibility for receiving, for analysing and attending to the payment of the witnesses' expenses. That is still the case Mr Chairman. So far as the Supreme Court is concerned, there has been a change in the system with regard to payment of witnesses' expenses. Previously Mr Chairman, we had the cumbersome procedure of the witnesses

called to give evidence at the Supreme Court, and especially witnesses from overseas, which often is the case by submitting their claim initially to the Commissioner of Police. He would then transfer, or submit, a claim to my Chambers and the Crown Counsel who had conducted the prosecution would then scrutinise the expenses and would certify whether the expenses, as submitted, were reasonable and authorise the payment. If a lesser sum was in his opinion more adequate compensation for the witness making the claim he would certify the appropriate sum. Then it had to be sent to the Registrar of the Supreme Court and he would settle payment. Following meetings, Mr Chairman, between the Registrar of the Supreme Court, the Commissioner of Police and the former Attorney-General and later myself, the system was changed and hence the alteration to that particular Head as explained perhaps not adequately enough in the note to which the Honourable Member opposite has referred.

HON P C MONTEGRIFFO:

Mr Chairman, on the General Office Expenses, where there is a decrease of £2,000 or £3,000, is that anything to do with the fact that under Judicial I imagine that the functions that the Registry are also included? Does that have anything to do with the fact that there is going to be a lower figure? Is it for some other reason for some other spending? There is not an area of activity that is going to be taken out? It seems odd. I see by the way that they are also not getting their law books? There is less books for the lawyers and for the judges? On the rebinding of law books and registers there is a higher figure. That is a figure that also perhaps could be explained. Is there a particular programme or something that is being considered in that respect?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If I can deal with the answers the question in General and Office Expenses. The major reason for the reduction there is in fact the transfer of expenses to Sub-head 8. Certain expenses were found to be more properly classified as Printing and Stationery.

Head 10 - Judicial was agreed to and stood part of the Bill.

Head 11 - Labour and Social Security

HON R MOR:

Mr Chairman, there is a new amendment. The first page.

Head 11 - Labour and Social Security was agreed to and stood part of the Bill.

Head 12 - Law Officers

Personal Emoluments

HON P C MONTEGRIFFO:

Head 12, Personal Emoluments, Mr Chairman. I just want to raise the question of the Law Draftsman which I think is dealt with under Personal Emoluments. That has been done away with this year. Is there some alternative provision being made for that?

HON CHIEF MINISTER:

This refers to the Supernumerary Law Draftsman. The Law Draftsman we have currently here is provided under the Establishment.

HON P C MONTEGRIFFO:

Right. Can I just have that clarified?

HON ATTORNEY-GENERAL:

I think perhaps I have slightly more knowledge of this Mr Chairman and I can answer the Honourable Member's question. Previously when my predecessor was in Office he had the assistance of Mr Stanley Wineberg who was the permanent or if you like, contractual Law Draftsman. He has been replaced by the present Law Draftsman, Mrs Jill Keohane, and she is provided for at the top of the Heading. Mr Thistlethwaite when he was Attorney-General also had the assistance of an expert European Law Draftsman, David Gordon Smith, and he worked from London and occasionally came to Gibraltar as and when his attendance was required. He was provided for in a vote applicable to the Attorney-General Chambers. He was employed principally, Mr Chairman, to clear the backlog of European Directives which needed to be implemented into Gibraltar's laws. To a certain extent he was successful and when his contract expired I took the view, following my appointment as Attorney-General, and especially in view of the expertise in European Law which Mrs Keohane herself has that it was no longer necessary to extend the services of Mr Gordon Smith. In effect, Mr Chairman, the present Law Draftsman is doing the work that the previous Law Draftsman and Mr Gordon Smith were hitherto jointly doing.

Other Charges stood part of the Bill.

Special Expenditure

HON A J CANEPA:

Mr Chairman, I would just like an explanation from the Chief Minister that the expenditure of £100,000 provided for here is in connection with our challenge to the European Court.

HON CHIEF MINISTER:

Yes, that is correct. We voted Supplementary Funds during the last Financial Year and this is shown in the Forecast Outturn. This is a sum which may or may not be enough, but given the cost of the specialist advise we need to retain to make submissions to the European Court, we thought we had to include a substantial sum.

Head 12 - Law Officers was agreed to and stood part of the Bill.

Head 13 - Personnel was agreed to and stood part of the Bill.

Head 14 - Police was agreed to and stood part of the Bill.

Head 15 - Port was agreed to and stood part of the Bill.

Head 16 - Post Office, Savings Bank and Philatelic Bureau was agreed to and stood part of the Bill.

Head 17 - Prison was agreed to and stood part of the Bill.

Head 18 - Public Works

Other Charges

HON K B ANTHONY:

Subhead 7, Mr Chairman. There is a vast reduction in the training of apprentices, is there any significance in this please?

HON J C PEREZ:

We have not been training more apprentices as part of Government policy over the last two years, but we have had to carry the expense of the apprentices that are in training. Therefore as they finish their apprenticeship there are less people in the pipeline and therefore the expenditure is less because they become craftsman and are accounted for in other votes as fully fledged craftsmen.

HON K B ANTHONY:

Thank you Mr Chairman. Now if I can turn to Sanitation - Subheads 16 and 17 - Collection of Refuse and Disposal of Refuse. How does this fit in with the Joint Venture Companies set up to collect refuse?

HON J C PEREZ:

The sum of money that is included is paid to the Company for the services that the Company provides the Government.

Head 18 - Public Works was agreed to and stood part of the Bill.

Head 19 - Secretarial was agreed to and stood part of the Bill.

## Head 20 - Subventions

HON A J CANEPA:

Mr Chairman, I raised the question during the Second Reading of the Bill of the Social Assistance Fund. I notice as I indicated then that the Forecast Outturn has been £10m but I was asking whether in fact the whole of the £10m had been paid out or whether part of it had gone into reserve. I also asked some questions about the nature of the Social Assistance Fund, how it has been set up. Perhaps could we have some answers now?

HON CHIEF MINISTER:

Mr Chairman, as we explained in fact when we set it up originally in 1988/89 with the £1m and when we removed from the Vote, I think it was in the Department of Labour and Social Security, a number of payments, such as Supplementary Benefits and so on, we were providing at the time a sum which we knew was going to be in excess of the payments that were actually going to be made and in broad terms effectively the recurrent payments come to about half the sum and the Members will remember that I mentioned that we were planning to build up a reserve of the order of £20m which is really four years at £5m each.

HON A J CANEPA:

So the £5m that have actually been used up or have been spent comprises payments made under Supplementary Benefits, payments made under Family Support Benefits and those payments made by the Gibraltar Community Care, the £39 per quarter?

HON CHIEF MINISTER:

Although the machinery for that is not yet in place, that is where it will eventually will come from.

HON A J CANEPA:

And there is therefore about £5m that have not been spent and they have gone into reserve?

HON CHIEF MINISTER:

That is correct.

HON A J CANEPA\*

Where?

HON CHIEF MINISTER:

Well, at the moment they are still there, but we are creating the necessary framework so that it is done in

a way which ensures that there can be no question as to the possible liability of those funds under any extension of the application of Community Law.

HON A J CANEPA:

But the £5m are within the Consolidated Fund or are they earning interest as a result of being invested?

HON CHIEF MINISTER:

We actually created and gazetted at the time the Social Assistance Fund as a Special Fund under the Public Finance Control and Audit Ordinance, when we set up the initial £1m with it in 1988/89, and therefore the money goes into there and is paid out of there and what is not paid is retained within that Fund. It is a Fund that will appear with the other special funds in the audited accounts for the year.

HON A J CANEPA:

I am grateful for those answers Mr Chairman.

HON P C MONTEGRIFFO:

Can I raise a question on the Gibraltar Broadcasting Corporation? The Subvention there is at the same level as last year's Estimates although the Forecast Outturn was some £50,000 over the original budgetted figure. Can the Government indicate bearing in mind the freezing of expenditure in that area as well on the freezing of the level of subsidy, what its thinking is at this stage and how do they expect GBC to develop. I think it is a reasonable time to request this information Sir.

HON J C PEREZ:

Mr Chairman, the Government does not answer for the decisions that the Board or the Management of GBC take. It is nonetheless in consultation with both the Management and the Staff side of GBC that we are looking at new opportunities for GBC. In the meantime I think that in the absence of any further initiative in the coming year the least we could do is to continue to provide the same amount of money and perhaps we can look at the future of GBC jointly with the Board of Management and the Staff side in a different light. But at the moment it is not that the Government have a specific policy for GBC. It is that there have been interested parties from outside wanting to make proposals which the Government have encouraged and none of the proposals are ready yet. When the proposals are received they will need to be discussed with the Board, the Management and with the Staff side.

HON P C MONTEGRIFFO:

Mr Chairman, does the Minister accept that in the context of rising costs and rising wages and salary bills that the Subvention as proposed means that the only way that the Corporation can presumably act, unless it raises revenue from some other source and pretty fast, that it is just going to cut back on services. Because the moment we slip into the next Financial Year their cash flow on a monthly basis is going to mean that they simply cannot provide the services that they have been doing so far and is Government prepared to see that cut in services. Is it something that they are willing to see occurring Sir?

HON CHIEF MINISTER:

Mr Chairman, the position is that in addition to the £570,000 that is provided in the Estimates as a repetition of last year's Subvention, the cost of the Pay Review is included in the £4m and will be vired. This is what happened last year and which is what has happened before. So the amount that is provided is the amount that was provided before and the cost of the Pay Review is guaranteed by the Government when it comes into operation in July and then the Corporation is expected by its own commercial development to absorb during the course of the year that year's Pay Review and get the new Pay Review the following year. This is how it has been operating for the last four years.

HON P C MONTEGRIFFO:

Mr Chairman, I would like to raise the question of the Gibraltar Health Authority. The expenditure there, the estimate for last year was in the order of £6.8m, where as the Forecast Outturn was £7.8m a fairly significant figure of about £1m so we are talking about a 12% or 13% overshoot. The £6.8m now is under the Approved Estimates of last year and does that not imply some cut-back? Or is the Government looking at private patients making up the difference? Could the Government explain the position there.

HON CHIEF MINISTER:

I will explain the position Mr Chairman. The reason, if the Honourable Member looks at the Accounts on the Report of the Health Authority which are available to him in this House....

HON P C MONTEGRIFFO:

After a long time, Mr Chairman.

HON CHIEF MINISTER:

Well he has it there now so he can find the answer if he looks at them. I will tell him where to look. Mr Chairman he will find the answer I am not very sure that I can find it myself, but if I remember the position is that, as with GBC, within the block vote is the cost of the Pay Review of all the employees of the Health Authority. When the cost of that Pay Review comes through then the amount would be vired from the £4m and added to the £6.8m. So the outturn for the year will show that additional amount. In addition the Forecast Outturn for the last year is in fact higher than normal because in the preceding year there was a shortfall which was carried into the last Financial Year as an advance from the Consolidated Fund and we upped the Supplementary Funds during the course of the year to compensate for that. The third element is that in the Subvention last year there was a sum of £140,000 or thereabouts for medical equipment which this year we increase to £300,000, we have doubled the amount, but we actually provided for it in addition to the Subvention in the Improvement and Development Fund, so that in fact the Subvention is higher than last year because last year's Subvention included £140,000 for equipment which is now part of the £300,000 in the Improvement and Development Fund. So if you were comparing like with like the Subvention this year should be down by £140,000 since we provided the equipment through the Improvement and Development Fund.

HON-LT COL E M BRITTO:

Mr Chairman, I think I raised this point last year as well, that the list or the breakdown of grants in aid that is listed on this page, can obviously be forecasted in the Estimates and put in into the Estimates for the following year. I suggested last year and I am not quite sure what reception I got, but it has not happened. The question of grants to sporting bodies under Head 3, which we have already passed if a similar list could be produced. I appreciate the difficulty of the Minister for Sport not being able to forecast a year ahead how the £40,000 the Government is spending will be spent. But what would be useful for the record because there does not appear to be any record anywhere else, unless it is in answers to questions that I have raised in this House. I wonder whether this list could be produced for sporting grants in retrospect. In other words detailing the outturn of the current year as opposed to the forecast for the following year and this would place the breakdown of the sporting grants on the record.

HON CHIEF MINISTER:

I think what we could do Mr Chairman is, when we bring the Estimates of Expenditure provide that information, but I do not think we can show it in the actual book,

because that would be inconsistent with the rest of it since in fact where there is a breakdown it is a breakdown in respect of this year's Estimates since it is this year's Appropriation and to a very large extent the forecast outturn which is what the breakdown would be in respect of, is really the Treasury's Estimate of what we have spent. It is not something that we are actually voting upon in the House. Technically what we are voting upon is the column which is the appropriation of money this year. So the footnotes are to explain what it is we are voting. Not footnotes explaining what we think we have done which is what the forecast outturn shows. But there is no reason why we cannot provide that information. What we will do is check and find out whether such a breakdown already exists in the Audited Accounts and if they do not there is no reason why they should not be included.

HON K B ANTHONY:

Mr Chairman, just on a point of curiosity on the grants-in-aid, I see that there is £120 for the Commonwealth Agricultural Bureau, and as we have no agriculture I would like to have an explanation on this.

HON CHIEF MINISTER:

I imagine that this is one of the many anomalies and curiosities that we have inherited from the AACR which we have not yet corrected.

HON A J CANEPA:

Which the AACR inherited from the then Colonial Government.

Head 20 - Subventions was agreed to and stood part of the Bill.

Head 21 - Telephone Service

HON K B ANTHONY:

Just a general question, Mr Chairman, as we have the Gibraltar NYNEX deal coming into fruition in the near future, I am just curious about what will happen to the £1,680,000 in this year's Estimates and next year where will we find them.

HON J C PEREZ:

Yes Mr Chairman, I gave an explanation in the speech that I gave. It is not that NYNEX is coming to fruition, NYNEX is operating as from the 6 May. But the Estimates were already published. There are payments to be made in respect of bills that come two months in arrears to GibTel because the billing is done quarterly. So there are some payments that need to be made out of this year's Estimates and they will be reflected with some revenue coming in

obviously. But if you look at taking away the Improvement and Development Fund, if you look at the Estimates of Revenue and the Estimates of Expenditure, it was the same so that the part of it that we needed to spend would be offset with revenue because it would cover the same period of time in the Estimates.

HON A J CANEPA:

And next year the Government's contribution to the Joint Venture Companies, will it appear in the Estimates too?

HON J C PEREZ:

The Government is not making any contribution next year. We made an initial contribution to the Company of flm which was coupled by that of NYNEX with another flm to set up the Company and it is not expected that either party will have to contribute in anything else for the Company. That came out of the Telecommunications Fund.

Head 21 - Telephone Service was agreed to and stood part of the Bill.

Head 22 - Trade and Industry

Special Expenditure

HON A J CANEPA:

Now my question is, Mr Chairman, that the Minister has rolled over £30,000 on the City Plan and does he really mean to spend the £30,000 in 1991? In other words does he commit himself to publish the City Plan? Or is he in fact going to carry it over into 1991/1992. Having regard to what he has said about the five zones, I would imagine that there is a need now for those five zones to become a Statutory Instrument.

HON M A FEETHAM:

In due course. Because what we are doing is revoting. If I do not spend it I do not spend it.

HON A J CANEPA:

Does not the Minister think that he is in danger that one of these days somebody will pluck up the courage and take him to Court?

HON M A FEETHAM:

No Mr Chairman. The Honourable Member got his knickers in a twist when he was the Minister for Economic Development.....

HON A J CANEPA:

No I did not. That is why Cornwall's Centre is there because I did not get them in a twist.

HON M A FEETHAM:

Mr Chairman, because of the lack of forward planning and the creation of more land the Hon Member was forced to develop inside the City Walls and therefore got himself into all sorts of problems with the Conservationists. We have not yet done any development of any sort within the City Walls or anywhere near any listed building or monument. So therefore we can be more relaxed because we are concentrating our efforts somewhere else.

HON A J CANEPA:

When the Minister talks about his five zones and he talks about the old town, the old city, I notice that, perhaps I should declare an interest now Mr Chairman, living in the South District where you used to live, where does the South District come in? Is it part of the old town or is it not covered in one of the five zones?

HON M A FEETHAM:

That is strictly outside the concept that I was trying to put over in terms of the old city and retaining the character of the old city. The South District of course forms part of the wider aspect of our zoning policies and therefore the South District fits in with the wider urban renewal programme that we are going to be putting into effect. Let us deal with the old city first and then we will move out beyond the walls as we progress.

HON A J CANEPA:

Does the Minister have any plans for the South District? Any zoning of green areas where development will not be allowed?

HON M A FEETHAM:

Mr Chairman, once we have established the urban renewal programme that is acceptable and we have looked at the wider issues and implications of MOD land releases of substantial areas in the South District to the Government of Gibraltar, then we will have to decide whether we are going to have green areas in the same way as my colleague is pursuing the policy of wider preservation in the Upper Rock.

HON P C MONTEGRIFFO:

Mr Chairman, I do not understand why the Minister should be so content to smile away or laugh away the suggestion that there should be no impetus given to that aspect,

like the City Plan. I think it is a fundamental matter which should be given thought and attention to when our City is being rightly reshaped and I say rightly reshaped in terms of the need to reshape it for the challenge ahead. But I think we cannot have it reshaped and then at the end of it all say "by the way this was the plan and it has happened already". And you get the plan at the end. Is there an indication, for example, that the Government is going to be in a position to provide us with a plan? They said in this House that they are looking at the East Side Reclamation. Is there an indication that the Government would be prepared to actually decide to proceed with say an East Side reclamation without there being an overall plan of Gibraltar's development put to the public? Without there being some sort of consultative process which would allow the public to express a view on the type of reshaping which is taking place in Gibraltar.

HON M A FEETHAM:

First of all, Mr Chairman, I do not accept that the fact that we have not published anything in relation to the concept of a City Plan and are moving in a different direction with a far much wider and more in depth approach to our planning and development. The very nature of what we want to do about infrastructure and looking in depth at other aspects, such as transport and so on and so forth. It does not necessarily follow that because we have not made something public that an awful lot of work is not being done to produce what we consider to be a plan that one can work for the next ten years. It will be a far more coherent plan than just producing five structured drawings. In the past plans with nice coloured areas have been produced and nothing has happened. The City Plan concept does not necessarily have to produce a City Plan. Does the Hon Member realise that?

HON P C MONTEGRIFFO:

Mr Chairman, I accept that. I am going further. I am saying that I agree that the concept of just looking at the City Plan in itself is now redundant. It has been overtaken by the much more drastic reshaping of Gibraltar's geographical borders, let alone the internal land that we have, and that in seeing these changes through and whether we go under the previous system of planning design or we proceed under a new system, the point that I feel strongly about and which I think is fundamental is that I think that it is wrong to say, "we are doing our homework and we have our ideas and see how the things start taking shape". I mean we had a cartoon of Mr Bossano once in the Panaroma where he was carving up Gibraltar and he had planes off the East and all sorts of things. What I am saying is that here we are involved in a fundamental reshaping of a very small piece of land which is our home and although I accept that the Government wants to get a clear picture of what it wants to do in global terms before putting it to the public, I think that is a fair

thing to do, but I would suggest, Mr Chairman, having gone two years down the road and having now been told that we have the foundation for viability and now we have to get the investments and what the Minister has made public already in broad terms, a zoning policy, the time must be fast approaching when that has to be put in a more formal sense to the public. The Government's plans must be open to scrutiny in a much more accountable fashion and what I am asking the Minister only is, can he explain? Does the Government accept that that element of communication to the community is relevant today when we are going under such a fundamental transformation? And if he were to agree to that can we have a reasonable time-scale. I am not going to say, "you did not do it the day before or the day after". But can we have a reasonable time-scale as to when the Minister feels that he will be in a position to go to people and say "that is the policy we have and this is what we would like to see taking place in these areas" and open it out for an element of public debate.

HON M A FEETHAM:

Mr Chairman, I think the remarks are extremely unfair. Nobody has gone, no Minister, has gone further than myself in terms of producing a policy of urban restructure and a comprehensive policy of structuring Gibraltar for economic growth than myself.

HON P C MONTEGRIFFO:

But only the Hon Member knows it.

HON M A FEETHAM:

No, no. Far more information has been made in the form of commitments of what we are doing and thinking than ever before. Mr Chairman, the so called City Plan that is there, produced by the AACR, and made public in November 1978, just before the election, was a first attempt at something for ten years. Nothing had been done in trying to restructure the economy and getting the economy on its way. I have made this point on a number of occasions but the Honourable Member does not wish to take note of it. We are now moving to a situation of an economy practically totally dependent on the private sector and that by the very nature of the structures that were in place before we have had to introduce major changes in terms of zoning Gibraltar in order that everybody knows exactly where they are going. The people that were most opposed to what the Government was saying because they were being completely led up the garden path were the Professional Association of Gibraltar. They were seriously concerned about the Minister for Economic Development and his intentions in the policies which he had declared. Let me say that I spent an entire morning with all fifty of the professionals in the Mackintosh Hall and I explained the policies that I had explained in this House. At the



end of the day the comments and the Motion that was passed at the Meeting and what has subsequently been said since by the people who are directly involved in spearheading the planning process in Gibraltar, was that they supported entirely without reservations the policies of the Government. Now those people are the ones directly affected and involved in the planning and development of Gibraltar, and I explained to them, not much more than what I have explained to this House and we were able to obtain their support. If what the Honourable Member is asking me to do is to give a detailed, right down to the last grain of sand, explanation of what I am going to further reclaim in Gibraltar to justify my policies then that is not on because we do not have the time to spend on discussing or explaining our policies to that extent. On the East Side Reclamation our position is quite clear but like in everything else there was an attempt by the previous administration to proceed with the East Side Reclamation it is, in fact, part of the City Plan, in draft form, that was produced by the AACR prior to the last election. The only difference is of course that they did not actually deliver. We are going ahead, if the viability is there, and are able to put the scheme together. We are going ahead and we have made that position quite clear and in fact even during our election campaign we said clearly that reclamation was a central part of our policies and we were voted in on that. So if the East Side Reclamation is viable, it will go ahead, if it is not viable it will not go ahead. The commitment I gave to this House still stands and people like the Catalan Bay Village Council will be consulted. I have already said that part of the concept of the East Side Reclamation is precisely to enhance and improve and protect our beaches on that side. Now if we are able to get this scheme together not only will it enhance and improve the environment and the quality of life in the area, but it will also give us another spin-off in terms of land that will be there to further develop Gibraltar. Now, as the Honourable Leader of the House has said, that is virgin area and we are quite entitled to develop it without having to go to a referendum. It is in that concept that our whole strategy is based. When we are ready to make further announcements in respect of the zoning policies that this Government is going to adopt we will make them public as we go along.

HON P C MONTEGRIFFO:

Mr Chairman, I accept that he is not going to change his view now. I would just like to say that this is completely the opposite type of policy which I feel should be pursued. I think the reshaping of Gibraltar is too much of a matter of interest to people individually and that therefore should be a device which allows them to participate before decisions are taken. I realise that the final decision is for the Government to take, Mr Chairman, but it is not acceptable that we should be run as a community on that basis. It seems odd that the Hon Minister feels so strongly that there is no need for a City Plan and

that it is all archaic since at the end of the day the Hon Minister will take the decision at his own best judgement. Why then are we voting for a City Plan? Let us do away with the farce and change the law.

Head 22 - Trade and Industry was agreed to and stood part of the Bill.

Head 23 - Treasury was agreed to and stood part of the Bill.

Head 24 - Minor Works and Repairs was agreed to and stood part of the Bill.

Head 25 - Pay Settlements was agreed to and stood part of the Bill.

Head 26 - Supplementary Funding

HON P C MONTEGRIFFO:

Mr Chairman, the Supplementary Funding Head which is an innovation this year and something which I oppose, in principle, as a way of trying to curtail public expenditure, but can I ask the Chief Minister or the Financial Secretary who is to have actual responsibility for that Head? How as a matter of practicality is it intended to redress the overspending by Departments?

HON CHIEF MINISTER:

Mr Chairman, the fact that we are putting a block contribution of £1.2m in itself will not prevent any Head of Department from trying to spend the whole of the £1.2m himself obviously. The position is that the Financial and Development Secretary will once again be reminding Heads of Departments of standing instruction. This is something which has not been adhered to in the past and which is that the amounts that have been voted in the House by Head and by Sub-head are the only amounts for which there is authority and that consequently we expect Controlling Officers to budget those amounts for twelve months. If they find themselves overrunning their Estimates then they should, at an early stage, write to the Financial and Development Secretary explaining the position and reasons for the overrunning of their budget. What the £1.2m will not be available for is for new items of expenditure for which there is not already a Sub-head. Fundamentally what we are saying is if we put in the body of the Estimates £42m for wages and salaries and the cost of wages and salaries during the course of the year increases as a result of pay settlements thereby throwing the Estimate out then they make a case to the Financial Secretary and the Financial Secretary provides the additional money from the £4m for Pay Settlements. Since the other element in the cost of Department is materials and if the money budgetted for materials turn out to cost more than estimated they have to make the same case to

the Financial Secretary. What, in fact, we would be attempting to do is what we did without success last year and which is to get the Treasury to remind each and every Head of Department that in fact they should not take it for granted that they can spend first and ask for the money after it has been spent. Clearly there are bound to be areas where there has been under-estimation to the extent that there are savings within the Head and virement will take place within the Head. It is only when they have a situation where there is overspending which they cannot avoid and there is not enough funds already provided in the Head that they make a case for virement from the block vote.

HON P C MONTEGRIFFO:

If that answer is correct Mr Chairman then that means that if there is saving under one particular element in a Head, then that particular element will be consumed before. So the way the Government is looking at it is that you will be breaking down in your own minds at a political level particular elements of the Head into the constituent twelve months so that for example if six months into the Financial Year under one particular element there was to be a request for additional funding and if there was a saving under another element in that Head because over that period of time there was a proportionate funding which could be a proportionate saving then it will come from that.

HON CHIEF MINISTER:

That is right Mr Chairman; it is in fact the system that has operated until now. Already the Financial and Development Secretary presents periodically in the House a list of virements from one Sub-head to another within the Head and we will expect that to continue to be the first stage before they make a call on the £1.2m and frankly if we can finish up the year without touching it all the better but this is unlikely.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If I could just add one point, Sir. One of the things that we are doing to improve the process is carrying out computerisation of the Government's Accounting System. It is clearly a key part of the process of making sure that there are absolutely no excuses in terms of not knowing what the position is. So one of the things that we are going to do at the moment is to develop systems to a point that I can turn back on a regular monthly basis and quite quickly after the end of the month inform the Chief Officers as to their positions so that there are no excuses for not taking action.

Head 26 - Supplementary Funding was agreed to and stood part of the Bill.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, I did table a number of amendments in respect of typographical errors to Clauses 2, 3 and 4. Can I take it that these are read, Sir?

MR SPEAKER:

We are now going to do the Improvement and Development Fund first and then we will do the Clauses.

Part II - Improvement and Development Fund

HON A J CANEPA:

Mr Chairman, what is the position regarding questions on Receipts? Are we able to ask questions on the Receipts to the Fund?

MR SPEAKER:

We are talking here about expenditure. If the Government has no objection.

HON G MASCARENHAS:

Mr Chairman, the reason is that I would like to ask the Chief Minister, since he did not reply to my original question during his contribution. Under Head 103 - Sale of Government Properties, subhead 2 - Other Sales, the £16m for 1989/90 and £25,000 for 1990/91, where the revenue was coming. If he can give me an answer now I would be most grateful. I would like to know how the Improvement and Development Fund is being financed which I asked during the course of my contribution and the Chief Minister did not reply this afternoon when he wound up for the Government.

HON CHIEF MINISTER:

The Minister for Trade and Industry gave the Hon Member an answer on the £16m and told him that the bulk of that was, in fact, the sale of reclaimed land. And I have already told him what the explanation for that is in last year's Budget and in the preceding year's Budget and I do not see why I should keep on reminding Hon Members opposite of the explanations if they do not remember them.

HON G MASCARENHAS:

About the £25m?

HON CHIEF MINISTER:

Yes.

HON G MASCARENHAS:

This afternoon?

HON CHIEF MINISTER:

No. I have already explained what the policy was and how we were going to do it in last year's Budget and in the preceding year's Budget.

HON P C MONTEGRIFFO:

You wouldn't tell us very much, that was I think what was being said, that you would not tell us very much.

HON CHIEF MINISTER:

No, I explained it and Members understood it and supported it and they have forgotten it.

HON P C MONTEGRIFFO:

Mr Chairman, can I ask the £16m receipts which is primarily reclaimed land, the balance of it presumably is obviously public buildings in Gibraltar in the City itself belonging to the Government. But what is the difficulty with the Government telling us what the public building, I mean the reclamation I understand is the reclamation of patches of sand out at sea but everything else which is land and buildings which belong to the people and which comprise an element on the Minister's own words, of the £16m, I am not sure what it will comprise but certainly the £16m. What is with the Government telling us of the balance?

HON M A FEETHAM:

It is all reclaimed land.

HON P C MONTEGRIFFO:

I am sorry, I understood it was primarily reclamation.

HON CHIEF MINISTER:

The other properties are the £1.7m, leasing of properties, which are sales of leases.

HON P C MONTEGRIFFO:

Could the Government indicate what those sales are because obviously it is a significant figure? Those presumably are, again, properties within town, presumably public buildings which have been let out to third parties.

HON CHIEF MINISTER:

We have explained it all before.

HON A J CANEPA:

Then I move that the House be recessed so that we can read the Hansard.

HON CHIEF MINISTER:

The Leader of the Opposition last year when he went on television with me, in fact, supported the creation of the Gibraltar Commercial Property Company and the fact that we had transferred St Jago's and The Haven.

HON P C MONTEGRIFFO:

So The Haven has been leased to the Commercial Property Company and has the Commercial Property Company leased it on to anybody else?

HON CHIEF MINISTER:

Back to the Government that is occupying it. We have explained already the entire policy on two Budgets.

HON P C MONTEGRIFFO:

And St Jago's is the same?

HON CHIEF MINISTER:

That is right.

Head 101 - Housing

HON LT-COL E M BRITTO:

Just to confirm, Mr Chairman, from the Minister for Housing that under Sub-head 1, the £4m relates to the information he gave the House yesterday on the Laguna Estate, Varyl Begg and so on? Or is there anything else?

HON J L BALDACHINO:

There is something extra Mr Chairman, and that is that out of the £4m will come the contribution for people who are buying at Westside and living in private rented accommodation to be paid by the Government if they so desire in respect of either rent or the amount that they are paying in the instalments whatever is less. Once they obtain the mortgage then they will pay us back without any interest.

HON LT-COL E M BRITTO:

I was just wondering if it is appropriate for that money to come out of the Improvement and Development Fund?

HON J L BALDACHINO:

Yes Sir, it will be because all we are doing is that we are becoming part-owners of the property and therefore we are investing on new property and once we have recovered the money it will go back to the Improvement and Development Fund.

Head 102 - Schools was agreed to.

Head 103 - Tourist Development Projects was agreed to.

Head 104 - Miscellaneous Projects

HON M K FEATHERSTONE:

Mr Chairman, under Item 27 there is £650,000 for the Calpe House Fund. Is this a contribution to the Calpe House Fund by the Government?

HON A J CANEPA:

Is it, Mr Chairman, of a capital nature or is it to get it going and has some recurrent element?

HON J C PEREZ:

Mr Chairman, the Charity "Calpe House" have bought a property in London and the amount of money that they have obtained so far is insufficient and they therefore require £650,000 to complete the purchase. The way we intend to do it is that once the property has been bought it will belong to the Government of Gibraltar but the running of it will be the responsibility of Calpe House. It will therefore be an asset which the Gibraltar Government will obtain but the running of the Charity will be by Calpe House.

HON G MASCARENHAS:

The money that the Calpe House Fund has raised so far will go towards its running?

HON J C PEREZ:

Mr Chairman, the money that the Charity now has, and they are very near their target of £300,000, will have to be added to the £650,000 to purchase the property.

HON G MASCARENHAS:

The property will then be costing nearly £1m?

HON J C PEREZ:

That is correct. The Charity will then be financing its running through the contributions that the GHA pay patients and dependents for accommodation.

HON A J CANEPA:

Mr Chairman, is the property being purchased on a leasehold or freehold basis?

HON J C PEREZ:

It will be freehold but I cannot say much at this stage because there are some technical problems with the Westminster Council. This is because of what we wish to use it for and also that we would not pay the poll tax or be voters. There are some difficulties but we have the support of the FCO and His Excellency the Governor and things look like going fairly well. There is every intention to purchase the property.

HON CHIEF MINISTER:

It should be known that technically the owner of the property will in fact be Her Majesty the Queen, technically, because it will be a Crown Property. What we are looking at is structuring an agreement with the Charity so that Her Majesty will not be able to dispose of it and keep the £300,000 belonging to the Charity.

HON A J CANEPA:

Could we look towards a contribution from Her Civil List?

HON G MASCARENHAS:

Mr Chairman, I do not wish to labour the point but once the property is brought it will belong to the Crown and that means that the Calpe House will disperse its money to the Government, what they already have, and they will not own a proportion of the property.

HON CHIEF MINISTER:

No. The situation will be that, and this is something which has to be agreed between the Attorney-General's Chambers and the Charity's legal representatives, it will be done in such a way that if at some future date, for some reason, the project were not to continue and the property were to be alienated in some way then the proportion that they originally contributed would be refunded to the Charity. It will not be that the Government, or the Crown, will make a profit from the deal. In the meantime the utilisation of the property will be on a peppercorn lease and they will be responsible for its running. It will only be used by sponsored patients.

HON M K FEATHERSTONE:

Mr Chairman, where is the property situated and how big is it?

HON J C PEREZ:

Mr Chairman, it is in Bayswater and it can house seven patients with their relatives comfortably and fourteen with their relatives in an emergency because the flats can be divided. It is in Queensway.....

Laughter.

HON J C PEREZ:

Not this one down here but in London off Bayswater Road. It is very convenient from trains and buses for St Mary's Hospital, the Royal Marsden and for Hammersmith Hospital, the three that sponsored patients from Gibraltar use. The property market in the UK is now just right because of the slump due to high interest rates and it is now the right time to purchase. It is in very good condition and the Government itself authorised expenditure to undertake a survey before we committed ourselves with the money and the only thing pending is approval from Westminster Council.

HON A J CANEPA:

Mr Chairman, we wholeheartedly support this project. The social considerations are, of course, uppermost but apart from that we feel that the Government cannot get it wrong. With this money invested in bricks and mortar you just cannot go wrong.

HON DR R G VALARINO:

On Subhead 6, what is the progress on the Occupational Therapy Centre at the moment?

HON M A FEETHAM:

I have already said that we have now done all the structural calculations and drawings connected with the design of the new Centre and we would expect to commence construction sometime this year.

HON LT-COL E M BRITTO:

Mr Chairman, Subhead 25, Resource Development Surveys, could we have some indication of what that means?

HON CHIEF MINISTER:

The sum of money that we have put there effectively is not an amount that we have identified that we need specifically, but during the course of the year when we have been looking at various possible development projects which would be financed out of the Development Fund, it

has been difficult to find a Head of Expenditure or a Sub-head from which resources would be drawn on what may be at the end of the day an abortive thing. For example, if you are going to do as we did, for example, a study of the possible cost of the replacement of the removal of the water catchments which was financed by ODA. There are a number of things that we have been looking at doing where there is a need to carry out a project study up front which may become then part of the project if the project is considered to be a viable proposition or maybe a totally abortive piece of expenditure at the end of the day and essentially it is to enable us to have funds available to do that kind of thing. But we do not have at this stage a list of specific things to which we are allocating this money and we do not have at this moment a number of projects so that I could say the £100,000 is £20,000 for this or £30,000 for that.

HON LT-COL E M BRITTO:

Subhead 41, Mr Chairman, Improvements to Sporting Facilities - £84,000. Could I have an indication of what it is intended for?

HON J C PEREZ:

Mr Chairman, in the absence of the Minister for Health, it seems to be for improvements to the facilities at the Victoria Stadium.

HON LT-COL E M BRITTO:

Yes, I had that down, Mr Chairman, but I was not sure whether the Minister had said those had already been carried out or whether they had been provided for this year.

HON CHIEF MINISTER:

Effectively this was a departmental bid which we met in full. We can give the Hon Member a list of the things.

HON LT-COL E M BRITTO:

Finally, Mr Chairman, Subhead 60 - The Air Conditioning Plant at the Supreme Court. Am I not right in saying that last year there was a fairly substantial amount as well for the air conditioning of the Supreme Court? Is there some particular problem with the Supreme Court?

HON CHIEF MINISTER:

I think that there was a fairly substantial amount for the repairs to the air conditioning plant and I think there was also some money requested in the Recurrent Expenditure for repairs and that is the reason for the (R) because we ourselves have not yet been able to fathom why it is we need to keep on repairing it and we are also being asked to replace it. So, in fact, we are making the provision for the money in case it is required, but it is reserved and therefore approval has not yet been given for that reason.

Head 104 - Miscellaneous Projects was agreed to.

Head 105 - General Services was agreed to.

Head 106 - Potable Water Service

HON P C MONTEGRIFFO:

I assume that that Head will become redundant, or how does that fit in with the proposed talks on the Water Service?

HON J C PEREZ:

Mr Chairman, if the Water Service were to be commercialised the same as The Telephone Department then it would disappear. This would be a responsibility of a company which would be a contractual obligation of the company in the context that it is set up. But they need to maintain the network and so on.

HON P C MONTEGRIFFO:

Yes, I know the Minister might find it hard, but is it the intention of the Government within this Financial Year to try and secure that arrangement?

HON J C PEREZ:

The intention of the Government is to do it as quickly as possible if that is possible. We still do not know if it is feasible, never mind possible.

Head 106 - Potable Water Service was agreed to.

Heads 107 - Telephone Service was agreed to.

Head 108 - Public Lighting was agreed to.

Head 109 - Electricity Service

HON K B ANTHONY:

Mr Chairman, Subhead 11, I assume this is the second phase of the Omrod Waterport Interconnector.

HON J C PEREZ:

Yes, that is right. It is part of the first phase and the majority is the second phase. And as the engines increase there is a need to extend the cable capacity to take the power.

HON K B ANTHONY:

Subheads 17 and 18 I am taking these together Mr Chairman, Waterport Engines Modifications and Additional Generating Capacity, can we have details on this please?

HON J C PEREZ:

Well, they are totally two different things. The modifications are new radiators for the engines. Let me say that we have had problems with these engines all the time. We are now coming to the point where last year we changed the turbo charges. If we change the radiators on two engines this year which we will probably be capable of doing because of the power from Omrod which will release some capacity and allow us to do it and perhaps moving to light fuel. If so we might not have a problem. But since the previous Government commissioned these engines there have been problems and we have continued to have problems with these engines. We are not the only ones because I hear that the Isle of Man also continue to have problems. When the previous Government purchased them they were prototypes at the time. The other thing is, of course, what I mentioned in my contribution and that is that there is a capacity charge and an installation charge for the engines that come into stream.

Head 109 - Electricity Service was agreed to.

Head 110 - Crown Lands was agreed to.

Clause 2

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Having caused some confusion before Sir, perhaps now I can make my amendment to Clause 2. In Subclause (1) of Clause 2, that the word "the" be omitted at the end of line 3 and the word "a" be substituted therefor.

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

Clause 3

HON FINANCIAL AND DEVELOPMENT SECRETARY:

A typographical amendment, Sir. In subclause (1) of Clause 3, the word "the" be omitted where it occurs after the expression "31st March 1991" and the word "a" be substituted therefor.

Mr Speaker put the question which was resolved in the affirmative and Clause 3, as amended, was agreed to and stood part of the Bill.

Clause 4

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I move that in the heading the word "minor" be omitted and that the word "minor" be substituted therefor.

Mr Speaker put the question which was resolved in the affirmative and Clause 4, as amended, was agreed to and stood part of the Bill.

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

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

THE SPECIFIED OFFICES (SALARIES AND ALLOWANCES) (AMENDMENT) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

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

The following Hon Members abstained:

The Hon K W Harris  
The Hon P J Brooke

THE LITTER CONTROL BILL, 1990

Clauses 1 to 4 were agreed to and stood part of the Bill.

HON J E PILCHER:

Mr Chairman, I have some amendments but they are all to correct errors in printing, can we take it as read?

This was agreed to.

Clause 5, as amended, was agreed to and stood part of the Bill.

Clauses 6 was agreed to and stood part of the Bill.

Clause 7

HON LT-COL E M BRITTO:

Mr Chairman, I asked the Minister this morning and in his excitement about imagining me holding a packet of refuse outside my front door I do not think he quite got round to answering. I suggested that why have individual litter control areas and would it not be tidier to declare the whole of Gibraltar as a litter control area. Would that not make life easier?

HON J E PILCHER:

Mr Chairman, in fact the Hon Member is correct and I did miss that. On the recommendation, again, of the Attorney-General's Office was that there is a particular process which must be undergone because of the involvement of the private land. So one must give notice of the area, give notice to the business. They then have seven days in which to appeal against their area being declared a Litter Control Area and then there is a process under which if it is done anyway they can appeal to the Magistrates' Court. What we did

not feel is that the whole of Gibraltar, which on the one hand might not be necessary, and we could be facing a situation where if we did it for the whole of Gibraltar and the whole of the business community decided to object to it then we could be facing 1,500, 2,000, 10,000 appeals against specific areas. It is much easier to tackle, for example, Devil's Tower Road and somebody objects then we can prove that Devil's Tower Road is an area which requires to become a Litter Control Area. If I said tomorrow perhaps an area of Buena Vista to use an example because of the vested interest declared before, that is a nice area and perhaps the appeal might be warranted. So I think this the reason for it Mr Chairman.

HON ATTORNEY-GENERAL:

Mr Chairman, can I just add to what the Minister has just said. We have that awful piece of legislation in the Constitution which encumbers Government so much on occasions from doing what it would like to do. But we cannot interfere, Mr Chairman, with a person's property or with a person's right of property under the Constitution without going through the democratic process. And it was with that very much in mind that I advised the Honourable Minister that caution rather than haste is called for when deciding which areas in Gibraltar should be declared as litter areas.

Clause 7 was agreed to and stood part of the Bill.

Clauses 8 and 9 were agreed to and stood part of the Bill.

Clause 10, as amended, was agreed to and stood part of the Bill.

Clause 11, as amended, was agreed to and stood part of the Bill.

Schedules 1 and 2 were agreed to and stood part of the Bill.

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

THE TOWN PLANNING (AMENDMENT) BILL, 1990

MR SPEAKER:

There are a number of amendments and we will take them as read.

HON P C MONTEGRIFFO:

Mr Chairman, I understand that conventionally people vote yes to the Bill even though they vote no at the Third Reading even though they voted no and abstained at the Second Reading. I voted no at Second Reading and I think as a matter of logic I will vote no at Third Reading. For the record I vote no at Third Reading as well. I understand that the people on this side of the House abstained, but that is a matter for them.

HON A J CANEPA:

It is when we report at the Third Reading of the Bill we will be abstaining, Mr Chairman, and then we are being consistent with the Second Reading but in Committee it does not matter.

Clauses 1 to 3

On a vote being taken the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

Clauses 1, 2 and 3, as amended, stood part of the Bill.

Clauses 4 to 10

On a vote being taken the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

Clauses 4 to 10 stood part of the Bill.

Clauses 11 and 12

On a vote being taken the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

Clauses 11 and 12, as amended, stood part of the Bill.

Clause 13

On a vote being taken the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke



Clause 13 stood part of the Bill.

Clauses 14 and 15

On a vote being taken the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

Clauses 14 and 15, as amended, stood part of the Bill.

New Clause 16

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

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

New Clause 16 stood part of the Bill.

The Long Title

On a vote being taken the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

The Long Title, as amended, stood part of the Bill.

THE PRICE CONTROL (AMENDMENT) BILL, 1990

Clauses 1 to 5 were agreed to and stood part of the Bill.

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

THE TRAFFIC (AMENDMENT) BILL, 1990

Clauses 1 to 2 were agreed to and stood part of the Bill.

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

Clauses 4 and 5 were agreed to.

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

THE EDUCATION (AMENDMENT) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

Clause 3

HON J L MOSS:

Mr Chairman, can I take the amendment as read.

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

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

THE FIREARMS (AMENDMENT) BILL, 1990

Clauses 1 to 22 were agreed to and stood part of the Bill.

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

THE MARRIAGE (AMENDMENT) BILL, 1990

Clauses 1 to 9 were agreed to and stood part of the Bill.

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

THE POLICE (AMENDMENT) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

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

THE INCOME TAX (AMENDMENT) BILL, 1990

Clauses 1 and 2 were agreed to and stood part of the Bill.

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

THIRD READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to report that The Christian Brothers Property (Amendment) Bill, 1990; The Gibraltar Coinage Bill, 1990, with amendments; The Immigration Control (Amendment) Bill, 1990; The Bankruptcy (Amendment) (No.2) Bill, 1990; The Gaming (Amendment) Bill, 1990; The Appropriation (1990/91) Bill, 1990 with amendments; The Specified Offices (Salaries and Allowances) (Amendment) Bill, 1990; The Litter Control Bill, 1990, with amendments; The Town Planning (Amendment) Bill, 1990, with amendments; The Price Control (Amendment) Bill, 1990; The Traffic (Amendment) Bill, 1990, with amendments; The Education (Amendment) Bill, 1990, with amendments; The Firearms (Amendment) Bill, 1990; The Marriage (Amendment) Bill, 1990; The Police (Amendment) Bill, 1990, and The Income Tax (Amendment) Bill, 1990, have been considered in Committee and agreed to and I now move that they be read a third time and passed.

Mr Speaker then put the question and on a vote being taken on the Christian Brothers Property (Amendment) Bill, 1990; the Gibraltar Coinage Bill, 1990; the Immigration Control (Amendment) Bill, 1990; the Bankruptcy (Amendment) (No.2) Bill, 1990; the Gaming (Amendment) Bill, 1990; the Appropriation (1990/91) Bill, 1990; the Litter Control Bill, 1990; the Price Control (Amendment) Bill, 1990; the Traffic (Amendment) Bill, 1990; the Education (Amendment) Bill, 1990; the Firearms (Amendment) Bill, 1990; the Marriage (Amendment) Bill, 1990; the Police (Amendment) Bill, 1990, and the Income Tax (Amendment) Bill, 1990, the question was resolved in the affirmative.

On a vote being taken on the Specified Offices (Salaries and Allowances) (Amendment) Bill, 1990, the following Hon Members voted in favour:

The Hon K B Anthony  
The Hon J L Baldachino  
The Hon J Bossano  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon M A Feetham  
The Hon G Mascarenhas  
The Hon P C Montegriffo  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon Dr R G Valarino

The following Hon Members abstained:

The Hon K W Harris  
The Hon P J Brooke

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

On a vote being taken on the Town Planning (Amendment) Bill, 1990, the following Hon Members voted in favour:

The Hon J L Baldachino  
The Hon J Bossano  
The Hon M A Feetham  
The Hon R Mor  
The Hon J L Moss  
The Hon J C Perez  
The Hon J E Pilcher  
The Hon K W Harris  
The Hon P J Brooke

The following Hon Member voted against:

The Hon P C Montegriffo

The following Hon Members abstained:

The Hon K B Anthony  
The Hon Lt-Col E M Britto  
The Hon A J Canepa  
The Hon M K Featherstone  
The Hon G Mascarenhas  
The Hon Dr R G Valarino

The following Hon Member was absent from the Chamber:

The Hon Miss M I Montegriffo

The Bills were read a third time and passed.

ADJOURNMENT

The Hon the Chief Minister moved the adjournment of the House sine die.

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

The adjournment of the House sine die was taken at 11.45 pm on Wednesday the 30th May, 1990.

