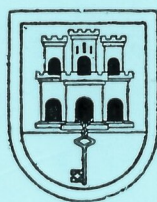


GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

23RD OCTOBER, 1990

NO. 90 TO NO. 152

NO. 90 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Mr Speaker, will the Financial and Development Secretary say whether he is completely satisfied that he is fulfilling his constitutional and statutory responsibilities in respect of public funds in general and, in particular, where: (a) the Gibraltar Investment Fund; (b) the Social Assistance Fund; (c) the Gibraltar Development Corporation; (d) Gibraltar Shiprepair Limited, and (e) all the Government Joint Venture Companies, are concerned?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Hon Member's question is so widely drawn that I find it difficult to know what he is driving at. If he is asking me whether I am doing my job then the answer is categorically, yes. If this is the case I am surprised that the question should even have been put. I have never cared to count them, but mentions of the Financial and Development Secretary's individual responsibilities in the Constitution and Statutes must run into three figures. Some of these responsibilities are general, some of them I recognise that I owe directly to this House. I believe that I know my responsibilities and act accordingly.

If, however, he is asking me whether financial control systems in the Civil Service are perfect, then I would be the first to say that they are not. From experience here so far, I believe there to be considerable scope for improvement. Many of our systems are decades behind what I know to be modern and efficient practice.

I am for instance, determined to reinforce the responsibility of Controlling Officers to exercise financial control in substance and not just form. Our systems must, at the same time, encourage them to think in value for money terms and not just observance of cash limits. I would like to see more rigorous and earlier attention to potential calls for supplementary funds. As an essential part of this process our financial monitoring systems must be brought up to modern standards using the technology that is now available to enable a more dynamic response to financial supervision.

Mr Speaker, I have committed myself to the reforms which I believe to be necessary. In doing so, I know that I have the support of the Chief Minister and I hope of all Members of this House.

SUPPLEMENTARY TO QUESTION NO. 90 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, will the Hon Member confirm that he personally has the responsibility to supervise the finances of the Government and to ensure that a full account thereof is made to the House of Assembly?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir, I think the Hon Member is quoting from Section 3 of the Public Finance (Control and Audit) Ordinance which specifically relates to the Consolidated Fund and the Improvement and Development Fund.

HON LT-COL E M BRITTO:

Mr Speaker, will the Hon Financial and Development Secretary further confirm or accept that this responsibility includes providing the Opposition with information that they may seek by questions in this House on any matter to do with the finances of the Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I think what I would like to say at the outset is that any of us who have been lucky enough to grow up in a Western style of democracy appreciates the importance of financial accountability in the context of an essential checking balance in the process of ensuring democracy. But what I would ask the Hon Member to recognise is that under any Constitution, certainly any Constitution that I have operated under, Sir, the process of accountability is focused through a set routine, a set cycle of events through the year. In our terms, Sir, that cycle is the Estimates, followed by the Public Accounts, then submission of those Public Accounts to the Principal Auditor. I see my role as defined in statute, Sir, as being primarily in relation to that cycle of events.

HON LT-COL E M BRITTO:

I am sorry, Mr Speaker, I have missed the last couple of words.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I see my responsibility, Sir, as defined in statute primarily in relation to the cycle of accountability that I have just outlined.

HON LT-COL E M BRITTO:

Yes, Mr Speaker, I think maybe the Hon Member misses the point of the question and that is whether he accepts that he has a duty to provide answers to questions in this House on any matter to do with the finances of the Government?

HON CHIEF MINISTER:

Mr Speaker, can I intervene. In all the time that I have been in the House of Assembly I have never had a situation where a Member of the Opposition has directed questions to the Financial and Development Secretary as if he existed independent of the Government. The position of the Financial and Development Secretary is that he has the same statutory obligations as the previous Financial and Development Secretary had under the previous Government and provides the same information to the House as the previous Financial and Development Secretary did under the previous Government. For example, I would draw the attention of the Hon Member opposite to the implications of what he is saying and which appear to be that the Financial and Development Secretary should provide answers for Gibraltar Shiprepair Limited for Members of the Opposition which the previous Financial and Development Secretary refused to do as a matter of policy because it was a commercial entity. We have now a situation where the Chairman of that company is a Government Minister and they now wish that the Financial and Development Secretary answer in this House. The Members opposite are also talking about the Gibraltar Development Corporation which is governed by a law passed by this House and which lays down what its responsibilities are. There is also the question of Government companies where the Government has a shareholding where in relation to the Gibraltar Quarry Company the previous administration in answer to Question no. 89 of 1980, of which Mr Maurice Featherstone was the Chairman, and who stated in this House that as a matter of principle the Quarry Company, notwithstanding the fact that it was 100% Government owned, could not be asked to provide information in answer to questions in the House. The Speaker at the time ruled, and I quote: "The answer is that one must be, and I think I must rule on this one, that he is not entitled to part with information which he has exclusively, as Chairman of the company, and not as part of his Ministerial responsibility", ie the Speaker ruled then in support of the view of the AACR and Mr Maurice Featherstone, Chairman of the Quarry Company, was not obliged to provide answers in the House of Assembly. Never mind the Financial and Development Secretary, because Mr Maurice Featherstone in the House of Assembly could only be asked questions about his responsibility as Minister for Public Works. So the position is that since the Constitution has not changed since 1980 and since the Statutes have not changed since 1980, in fact in reviews in 1977, the Public Finance (Control and Audit) Ordinance, and we have had a careful research made,

Mr Speaker, of this matter by officials who have gone back into the Council of Ministers Papers that led to the Public Finance (Control and Audit) Ordinance 1977 and which include the exchange of correspondence between the Treasury Department and the Principal Auditor on the failure of the Quarry Company to keep proper accounts under the previous Government and the net result of that is that the Government is totally satisfied that the Financial and Development Secretary, currently, is carrying out his responsibility to the letter of the law as all previous Financial and Development Secretaries have done. As I have said previously, as far as we are concerned, what we have decided as a matter of policy is that we are answerable for the finances of Gibraltar as is normal in other dependent territories and that, for example, in the Budget we defend, and we have defended since 1988, that the appropriation of public funds brought to this House are the result of political decisions and the Financial and Development Secretary, unlike his predecessor, is not expected to bear the brunt of any controversy regarding public funds because although he is a Member of the Government and a Member of this House, he is of course a Civil Servant. The decision on the use of those funds is taken politically and we accept full responsibility for those political decisions and we defend them. So I suggest the Hon Member addresses his questions to the Government which has been elected by the people and not try and create the impression that the Financial and Development Secretary is failing to do his job.

HON LT-COL E M BRITTO:

Mr Speaker, I would like to say at this point quite specifically that it has not been my intention at any point in asking these questions to cast any aspersions or to imply that the Financial and Development Secretary.....

MR SPEAKER:

It is against the Rules anyway to do that.

HON LT-COL E M BRITTO:

I realise that, Mr Speaker, and I wish to clarify the position. Maybe I should have said initially that there is nothing personal in the line of questioning that I am pursuing but there is an important matter of principle involved on which quite clearly the Chief Minister, after what he has said, is at loggerheads with us on this side of the House.

HON CHIEF MINISTER:

No, Mr Speaker, on the contrary. I have quoted the answer given by the Minister for Public Works in answer to Question No. 89 of 1980 when the AACR was in Government and Mr Featherstone said: "Sir, it is a question of principle. If the Quarry Company operates as a private company it has the same rights as any other private company". What I am telling this House is that the Government is operating all the funds which have been listed by the Hon Member opposite in his question: the Gibraltar Investment Fund; the Social Assistance Fund; the Gibraltar Development Corporation; Gibraltar Shiprepair Limited; the Joint Venture Companies; the Improvement and Development fund and the Consolidated Fund within and according to the Law of Gibraltar and to the interpretation of the Law of Gibraltar that was current when the AACR was in Government. There has been no change, that is what I am saying.

HON LT-COL E M BRITTO:

Mr Speaker, will the Chief Minister accept that there is a basic difference in principle to what he is saying when quoting from past records? At the time of the Quarry Company he is referring to information on the Company in general and I am referring specifically, in my question, to the responsibilities for the finances of the Government which the Financial and Development Secretary has and which are laid down in the Laws of Gibraltar. The Hon the Chief Minister cannot bring out a red herring in this House and say that because in 1980, the Chairman of the Quarry Company gave that answer, that that answer is correct today and that it overrules the spirit of the law. Will the Chief Minister further agree that Mr Speaker's ruling, which he quoted, was based on providing information in general on the Company and not on the specific matter of the Gibraltar finances which I have brought up this morning? Will the Chief Minister also further agree that much as he would like it to be to the contrary, the Financial and Development Secretary is a separate entity to the rest of the Government inasfar as the finances of Gibraltar are concerned? This, Mr Speaker, is laid down in the Constitution and it is laid down in the Laws of Gibraltar and as such the Financial and Development Secretary has responsibility to answer questions in this House on matters relating to the finances of Gibraltar?

HON CHIEF MINISTER:

Mr Speaker, as far as I am concerned and my Government is concerned, we spent years in the Opposition attacking the AACR for hiding behind the Financial and Development Secretary and I am astonished that a Party that claims that they will fight the next election on the basis of Constitutional change and of the elected Government of

Gibraltar being more responsible for its own affairs, should now insinuate through the Hon Member that, in fact, the Financial and Development Secretary is a law unto himself independent of the elected Government and has responsibilities outside his responsibility as a Member of the Government. I can assure the Hon Member that the Constitution of Gibraltar in 1969 could not have been intended to make us the most backward UK colony left. We have researched, not only what is the practice here and what was the practice since the 1969 Constitution was brought into effect, as well as since the 1977 Public Finance (Control and Audit) Ordinance was introduced by the Members opposite and since the amendment to that Ordinance was brought in in 1982, giving greater flexibility to the degree of public control and Members opposite may not remember but, in fact, I was the only Member of the Opposition who supported the 1982 amendment, which the AACR brought in and it is in the context of all those laws that the Financial and Development Secretary is exercising his responsibility. According to the interpretation that the Hon Member opposite put on Section 3, if he thinks that we are acting outside the law then it is not a question of saying: "Well, whatever interpretation was put on the law when the AACR was in Government the interpretation is different now". No, if we are doing anything that is contrary to the 1977 Ordinance then I can tell the Hon Member that so has every previous AACR administration because we are using the same procedure and the same mechanism and the man that is responsible for doing that is not the Hon Member opposite. The Principal Auditor, when he audits the Accounts of the Government, points to any deficiencies that there are and has pointed for years in the Accounts and we have seen, Mr Speaker, the correspondence between the Auditor and the Treasury which I am sure Colonel Britto may not know of because he was not in Government, but surely the other Members of the Opposition who were in Government must know what went on and must know that this matter was looked into and settled and the principles laid down, when the Quarry Company was created and when GSL was created, which was the first time that the Government started creating companies which were, effectively, at arms length from the Government. The question of the Special Funds are laid down in the law and are being operated according to the law but, as I have said before in this House, if the Members of the Opposition feel that the Government is not complying with the law they have the road open to them, they can take us to the Supreme Court and obtain a Court ruling.

HON A J CANEPA:

Mr Speaker, the Hon the Chief Minister, yourself and I myself, are the only three Members of the House present here today who were here before 1984, all the others have come since. To talk therefore about what the function of the Financial and Development Secretary under the AACR Government in respect of accountability and to limit what he

is saying to what used to happen in respect of Gibrepaire and pretend that that is what happened in respect of everything else, just does not square up with the facts. Is it not a fact, Mr Speaker, that any scrutiny of Hansard would show that on numerous occasions Ministers of AACR Governments in the past had to answer for matters or questions directed at the Financial and Development Secretary to a greater or to a lesser extent, some more than others who were not familiar with many matters to do with Government and yet questions were directed at them when the Estimates, in particular, were being scrutinised and Financial Secretaries could not answer and it was Ministers who used to answer. That is a fact and any scrutiny of Hansard will show that.

HON CHIEF MINISTER:

Mr Speaker, I accept that that has happened before and I have always supported that when I was in Opposition.

HON A J CANEPA:

Well, why is the Hon Member giving the impression that that is not the case? Why is he giving the impression that Ministers of AACR Government have negated responsibility?

HON CHIEF MINISTER:

Mr Speaker, because in all the time that the AACR has been in this House from the first election in 1972, when they said that it was the Financial and Development Secretary who told them that they did not have any money to pay the Pay Review which led to the general strike. From then until they were kicked out of office in 1988, I do not recall ever having had a situation where a Member of the Opposition, who says he is not casting aspersions on the Financial and Development Secretary and perhaps he will tell me whether he is casting aspersions on me or any of my colleagues, because I have never had a situation where a Financial and Development Secretary has been asked whether he is complying with the law and complying with the Constitution. What sort of question is that? That is why the Leader of the Opposition has had the reply that he has had from me. I never recall having done anything like that. If the philosophy of the Party opposite is that they feel that the Financial and Development Secretary has too little power and that the elected Members have too much, then it seems to be inconsistent with what they preach. If that is not the philosophy then what is the point they are trying to make with this question? The law is the law. If any member of the public, never mind any Member of the House, feels that the law is not being complied with, the Courts are there to enforce the law and to enforce the Constitution. Members opposite know that because they have had the embarrassing situation of having had a law introduced in this House, which I supported, and the Government was taken to the Supreme Court by the Chamber of Commerce. The Supreme Court

ruled that the law was unconstitutional and threw it out. That course is open to anybody. We are facing a situation where for the first time in my political experience, a Member of the Opposition has specifically asked the Financial and Development Secretary a question which can only be interpreted in one of two ways: is he doing his job as he ought to be doing it, or is he being allowed to do his job as he ought to be doing it by the politically elected Government of the people of Gibraltar? I think Members opposite should come clean and say what they mean.

MR SPEAKER:

We have to be careful now. We have generated this question into a debate and I am afraid that I have to put a stop to it. Please put your last question. If you want to pursue the matter then you can raise it on the adjournment.

HON LT-COL E M BRITTO:

Mr Speaker, I may have to pursue the matter, which I think is a very basic important point of principle, by raising it on the adjournment.

MR SPEAKER:

This matter can be pursued either by an adjournment motion or by a substantive motion. But what I cannot allow is for Question Time to generate into a debate, sometimes even drifting into the hypothetical.

HON A J CANEPA:

Mr Speaker, is it not legitimate for the Hon Questioner to follow up his question with supplementaries notwithstanding the fact that the Chief Minister has made two statements which in total have added to about twenty minutes of the proceedings this morning?

MR SPEAKER:

I think the Chief Minister was trying to answer the question of principle that applies to the whole Government and he is quite entitled to do so. That is why I have allowed him. Will you now please ask your question again but let us not carry on with this kind of debate because I am not going to allow that. You have other avenues that you can make use of if you really want to take the matter up.

HON LT-COL E M BRITTO:

Will you allow me, Mr Speaker, to clarify the question of casting aspersions on Members of the Government?

MR SPEAKER:

Of course.

HON LT-COL E M BRITTO:

As I said before, Mr Speaker, the thrust of the question is not to cast aspersions on anybody, be it the Financial and Development Secretary or be it any Member of the Government. The point of the question is to establish where the responsibility for giving information to this House lies. In that case, will the Chief Minister accept that it has been necessary to ask the question in this manner to establish the principle because whenever Members on this side ask questions the Government shields not behind the Financial and Development Secretary but they shield, as the Hon Minister for Medical Services has done this morning, they shield behind the wellknown veil of secrecy which the Government has and we do not get the information. Will the Government then accept and will you, Mr Speaker, then accept that in the circumstances where the political Government does not answer questions on the matters of the finances of Gibraltar then under Section 3 of the Public Finance (Control and Audit) Ordinance the responsibility passes on to the Financial and Development Secretary to ensure that a full account is made to the House of Assembly?

HON CHIEF MINISTER:

No, Mr Speaker, the answer is no. The Financial and Development Secretary has no greater obligation to answers questions in this House, because of Section 3, than the Government as a whole has. The Financial and Development Secretary's responsibility is as a Member of the Government and, in fact, if the situation was that the responsibility would be a different one because the Financial and Development Secretary in our case is not an elected Member, if that was the situation then we would change the law because the law that was passed in 1977 is not sacrosanct and the Financial and Development Secretary discharges his obligations in accordance with the law and according to the policy of the Government of the day. We have, in fact, had Financial Secretaries, previously in this House, who have refused to give information. This is what I am telling the Hon Member. What the Hon Member seems to be saying is that if in Question No.89 of 1980 Mr Featherstone had said: "I am not prepared to provide the information about the Gibraltar Quarry Company", then according to his theory, somebody could have stood up in the Opposition and said: "Right, that is the politician saying no, but now the Financial and Development Secretary under Section 3 of the Public Finance (Control and Audit) Ordinance has to give the information that the Minister has refused to give". Well, that would be a complete nonsense. How could any Government work on the basis that a policy decision is taken which has, of course, to have the backing of law, and then find that it cannot act

according to that decision? The reason why the Minister did not give the answer was the ruling by the Speaker that that was not a legitimate question to put in the House, not that it was not legitimate for the Minister to answer but that it would have been legitimate for the Financial and Development Secretary to answer. The Speaker's ruling was that in the House there was nobody answerable for the performance of the Quarry Company. The whole thing is documented, I can assure the Hon Member, in correspondence in the Government at the time with reference to Section 3 of the Ordinance, Mr Speaker, in the minutes produced by the Treasury for Council of Ministers which decided to proceed with that law, in 1977. The item in question states quite clearly the responsibility of the Financial and Development Secretary for the Improvement and Development Secretary Fund. We have not had any doubts, Mr Speaker, that the information that is being made available to the House is the same quantity of information that has been made available to the House previously. Because just like the Leader of the Opposition has said that there are some Members who have been in Government, others are here since 1984, but I have been here since 1972 so I know how much information has been given previously and we have never had any doubts. We are not departing from established procedures and established practices which were previously constitutional and obviously continue to be constitutional. However, in the light of this question, I have had the matter thoroughly researched and I can assure the Member opposite that the information available within the files of the Government shows that when the Treasury produced the draft for the Council of Ministers in 1976 which came to the House in 1977, the index shows that the proposed Section 3 was described as the Financial and Development Secretary to have the management of Consolidated Fund and Improvement and Development Fund. In the analysis of the need to amend the law, the law that was brought into effect in 1977 which replaced a previous law of 1973 which was called the Financial Procedures Ordinance, in the Ministerial Paper at the time it says that the need to bring in the law was to separate the Treasury function of controlling the amounts of money appropriated by the House from that of the Special Funds where the Controlling Officer of the Special Funds in the law is the Accountant General. The Accountant General is not a Member of this House and therefore he does not answer to the House other than by producing accounts which are audited by the Principal Auditor. So therefore the situation is that it is not a question of the Financial and Development Secretary putting his own interpretation on Section 3 and on the job content. The interpretation is there and it is documented and has been the subject of previous correspondence and is clear. It also happens to be the policy of the Government. If there was to be a conflict, a contradiction between the policy of the Government and the law, it is not the policy that will be changed, it is the law that will be changed.

HON LT-COL E M BRITTO:

Mr Speaker, obviously there is no point in pursuing the question in view of the attitude that the Chief Minister is taking. I have to say to you, Mr Speaker, that personally I am not satisfied that what was done as a result of the Quarry Company, or two years ago or under the previous Government and under a previous Speaker, is a precedent for the line of questioning that I am pursuing today and which is specifically on the question of the public finances of Gibraltar. I therefore feel, Mr Speaker, that I have to ask you for a ruling on whether I am correct in my submission that if the political Government of the day does not answer questions on the matter of public finances that under the law, it is the responsibility of the Financial and Development Secretary to do so. If the Government is saying that in order to keep the lid on and stop the information coming out they will change the law, well then let them change the law and let them show Gibraltar that what they really want is for the information not to be made public. I therefore ask you, Mr Speaker, for a ruling.

MR SPEAKER:

First of all, let me say that there are two points which the Speaker takes into consideration when looking at a question put by a Member. First of all, the Speaker makes sure that the question is admissible under the Rules and, if so, then the Member.....

HON A J CANEPA:

If I could interrupt you one moment, Mr Speaker. Are you giving a ruling now?

MR SPEAKER:

Yes, I am just explaining the situation.

HON A J CANEPA:

Is it not a matter that should be the subject of careful consideration?

MR SPEAKER:

No, because I think the principle has been set very clearly here and in the House of Commons as well. I do not think there is any need for further consideration as far as I am concerned and I can give it quite clearly now.

HON G MASCARENHAS:

Mr Speaker, can I ask the Hon Chief Minister another question before you give a final ruling?

MR SPEAKER:

Yes, but it has got to be a question, we cannot allow the debate to continue.

HON G MASCARENHAS:

Does the Hon the Chief Minister agree with the ruling in 1980?

HON CHIEF MINISTER:

Yes, Mr Speaker. I was a Member of the Opposition then and, in fact, I did not intervene at all in the questions which were put by other Members of the Opposition because I accepted the explanation that was given at the time by the Minister and the ruling that the Speaker made. I accepted that he could not be asked to do it and I did not intervene. In fact, as I have already said, subsequent to this there was an amendment brought in to the 1977 Public Finance (Control and Audit) Ordinance, in 1982, which gave greater flexibility on the auditing of accounts by the Principal Auditor in cases where there was any involvement of public funds and I supported, with my vote, the introduction of that amendment which was opposed by the rest of the Opposition. I have supported the same line that I am defending today and that was previously defended in this House by the previous Government and I supported it when I was in the Opposition.

MR SPEAKER:

First of all, the Member puts the question and the Speaker decides whether it is admissible under the Rules. If it is admissible then it is up to the Member of the Government to answer or not answer or give the answer that he thinks is suitable. But there is no compunction and the Chair cannot compel a Member to give an answer. The answer that a Member gives is entirely up to him. If any Member believes that what has happened is unconstitutional then, of course, he has the resort to go to a Court of Law. I do not think this House is the forum to decide whether it is constitutional or not.

HON LT-COL E M BRITTO:

Mr Speaker, I am not sure you have understood what I have been trying to say? May I bring you the law so that you can read it?

MR SPEAKER:

I will read it: "The Financial and Development Secretary shall so supervise the finances of Government as to ensure that a full account thereof is made to the House of Assembly and for such purposes shall, subject to the provisions of

the Constitution and of this Ordinance, have the management of the Consolidated Fund and the Improvement and Development Fund and the control and direction of all matters relating to the financial affairs of the Government". As Members know the Accounts are audited by the Principal Auditor and I believe that that is the authority that has to decide whether the functions of the Financial and Development Secretary are being carried out properly or not. If they are not, as you know, in the Auditor's Report on the Statements of Account for the financial years he will say so.

HON LT-COL E M BRITTO:

Mr Speaker, the ruling that I am asking you to give is not whether the Financial and Development Secretary is doing his job properly or not, that is not the point. The ruling I am asking you to give is whether the law that you have just read lays responsibility on the Financial and Development Secretary to give information to this House. I am asking, Mr Speaker, whether you feel that under the law the Financial and Development Secretary has a responsibility for answering questions on matters of public finances.

MR SPEAKER:

The Financial and Development Secretary is responsible unto himself and he will give the answer that he thinks is a responsible answer under the statutory obligation that he has. If a Member does not think so he can pursue it, as you are doing now in this House, but if the Financial and Development Secretary still does not give an answer, and the Hon Member believes that that is unconstitutional, then he can resort to a Court of Law. There is nothing that the Speaker can do to change the situation, because the Speaker has to accept the word of the Hon Member. The Hon Member can bring a substantive motion criticising the conduct of that Member. It will then be up to the House to decide whether it agrees with him or disagrees with him. I suggest to the Hon Member that if he has any doubts he should do precisely that and then find out what the decision of the House is. That is my ruling and we will now take the next question.

NO. 91 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Will Government say what has been the average level of "on shore" deposits at 'A' Licence Banks in the following six month periods:

1. January to June 1986
2. July to December 1986
3. January to June 1987
4. July to December 1987
5. January to June 1988
6. July to December 1988
7. January to June 1989
8. July to December 1988
9. January to June 1990

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, banks do not publish and have never published a breakdown of deposits held by residents and non-residents. Since 1988 estimates have been provided to the Banking Supervisor on a partial and confidential basis.

SUPPLEMENTARY TO QUESTION NO. 91 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, would the Hon the Financial and Development Secretary be prepared to extend that confidentiality to the Opposition?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, this obligation follows from the Banking Supervisor's statutory obligation to confidentiality.

HON LT-COL E M BRITTO:

So, Mr Speaker, I take it then that the information cannot be made available even in global terms? I am not seeking to identify individual banks. I am just seeking global information

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Sir. It is laid down by law.

NO. 92 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Will Government say whether its practice of not seeking public tenders is contrary to the Financial (Tender Boards and Tender Procedure) Regulations made by the Financial and Development Secretary in 1978?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, Financial Regulation No.1 of 1978, to which the question refers, was made pursuant to the enabling powers contained in what was then Section 76, subsection (1) of the Public Finance (Control and Audit) Ordinance. The Hon Member will no doubt have seen that the Regulation itself provides for a number of instances where the Public Tender Procedure specified in paragraph 3 does not have to be followed.

Furthermore, subsection (2) of what was Section 76 of the Ordinance provides that Regulations made under subsection (1) shall not have the force of law. They are, therefore, administrative only. What was Section 76 I have referred to is now, following the 1984 Revision of the Laws, Section 74 of the Ordinance, and is in identical terms.

SUPPLEMENTARY TO QUESTION NO. 92 OF 1990

HON LT-COL E M BRITTO:

Just one supplementary question, Mr Speaker. So it is not necessary to repeal the Regulation?

HON ATTORNEY-GENERAL:

Mr Speaker, the question of amendment of the Regulations is under consideration at the present time. As I have said, the regulations are administrative only and it is entirely for the elected Government whether to repeal, whether to leave the Regulations in their present form or whether to leave them in some form with whatever amendments are considered appropriate.

MR SPEAKER:

Next question.

THE HON G MASCARENHAS

Will Government state what the school population was for September, 1989, and September, 1990, for:-

- (a) First Schools
- (b) Middle Schools
- (c) Comprehensives
- (d) College of Further Education
 - (i) Full-time students
 - (ii) Part-time students
 - (iii) Evening classes?

ANSWERTHE HON THE MINISTER FOR EDUCATION, CULTURE AND YOUTH AFFAIRS

Mr Speaker, the school population for September, 1989, and September, 1990, was as follows:

	<u>1989</u>	<u>1990</u>
(a) First Schools	1327	1287
(b) Middle Schools	1410	1416
(c) Comprehensives	1882	1886

The figures for the Gibraltar College of Further Education were:

	<u>1989</u>	<u>1990</u>
(i) Full-time students	114	132
(ii) Part-time students	357	159
(iii) Adult Education	548	628

THE HON LT-COL E M BRITTO

Will Government give details of the actual training being offered in the Construction Industry Training Scheme, explain its purpose and say how the level of remuneration was calculated?

ANSWERTHE HON THE MINISTER FOR EDUCATION, CULTURE AND YOUTH AFFAIRS

Mr Speaker, the course is divided into three parts. The first part deals with:-

- Safety on the worksite
- General drawing (geometry)
- Drawing comprehension
- Building and engineering science (desk)
- Ferroconcrete
- Traditional shuttering
- System shuttering
- Lining and facing
- Setting-out of buildings

In the second part trainees are instructed on:-

- Professional safety
- Drawing comprehension
- Levelling
- Sewerage
- Concrete (foundation practice)
- Technical arithmetic

The third part consists of:-

- Professional safety
- Reinforcement (columns and beams)
- Shuttering (columns and beams)
- Concrete casting
- System shuttering, decks
- Technical arithmetic

Additionally there are two options which trainees may take. Option 1 is a reinforcement course. The structure is as follows:-

- Statics of ferroconcrete
- Steel allocation and shearing sheets
- Working technique (shaping of beams, columns, walls and deck structures)
- Tool engineering (cramp folding machine etc)
- Course information
- Machine operating safety

Option 2 is the shuttering course. The structure is as follows:-

- Drawing comprehension
- Dimensioning of shuttering
- Function and structure of shuttering
- Auxiliary gear, etc
- Wall shuttering (wall corners)
- Stairway shuttering
- System shuttering (practice, theory)
- Beam shuttering (web reinforcement)
- Column shuttering
- Deck shuttering (lattice girders)

The purpose of the course is to give trainees the necessary grounding to enable them to obtain employment on a semi-skilled basis in the modern construction industry.

Remuneration was calculated on the basis of payment given to vocational cadets but course members were assured they would not suffer any loss of earnings where benefits were being paid to them by Government.

SUPPLEMENTARY TO QUESTION NO. 94 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, does Government feel in retrospect that the level of pay was adequate, or is adequate?

HON J L MOSS:

Yes, Sir.

HON LT-COL E M BRITTO:

Mr Speaker, does the Hon Minister realise that the level of pay is below that of apprentices?

HON J L MOSS:

Mr Speaker, does the Hon Member realise that we are not talking about pay here, that we are talking about people being trained to do jobs and not actually doing jobs?

HON LT-COL E M BRITTO:

Mr Speaker, I am not here to answer questions. I am asking a question and will the Hon Member answer it?

HON J L MOSS:

Mr Speaker, I have just answered the question with a rhetorical question of which the Hon Member is extremely fond but if he chooses to repeat his question I will repeat the answer.

HON LT-COL E M BRITTO:

Mr Speaker, how many took part in the first course?

HON J L MOSS:

Mr Speaker, does the Hon Member mean the course prior to the last one?

HON LT-COL E M BRITTO:

Mr Speaker, there is only one first course. I understand that there have been two. The first one terminated; the second terminated prematurely and the third one is now in progress. Is that correct?

HON J L MOSS:

Yes, Mr Speaker. I was just trying to clarify the point because the Hon Member is very fond of telling everyone else that they do not understand what he is thinking. So I wanted to be clear as to what the Hon Member was thinking. The first course, Mr Speaker, we started off with, and I would be wrong by one or two, I think it was 33 or 34 trainees.

HON LT-COL E M BRITTO:

What degree of success, Mr Speaker, has there been in employing those who took part in this first course?

HON J L MOSS:

Fairly substantial, Mr Speaker. There were some people who did not wish to go into employment in the field. But the bulk of those who actually completed the course and obtained a certificate are, in fact, in employment.

HON LT-COL E M BRITTO:

Are the bulk of those that are in employment in one particular sector of the Construction Industry or spread throughout the Industry?

HON M A FEETHAM:

Mr Speaker, when we set up the first course to a point it was also sponsored by the Danish Company called Hojgaard and Schultz who made it a point on signing the contract with the Europort that they were keen in employing as many Gibraltarians as possible, on site, and therefore pass over skills that were necessary in the pre-fabricated building construction industry. Therefore 28 of the 32 or 33 trainees who finished the first course were employed either in the Europort site or the Building Components Factory.

HON LT-COL E M BRITTO:

Is it the intention, Mr Speaker, for the course to provide labour primarily for the Europort and the Building Construction Company?

HON J L MOSS:

Not necessarily, Mr Speaker. As I said in the original answer to the question it is to enable us to have people at semi-skilled level employed in the Construction Industry. I was not tying it down to any particular firm.

MR SPEAKER:

Next question.

NO. 95 OF 1990

ORAL

THE HON G MASCARENHAS

Will Government state the revenue raised for the last financial year and the expected revenue for this financial year of the £2 weekly training levy, how it was spent last year and how is it being spent this year?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the revenue raised in respect of the £2 training levy for the last financial year was £1,324,952. The expected revenue for 1990/91 is £1,328,964.

Last year only the cost of the payment to the vocational cadets was charged to this fund. This year the cost of administration involving the personnel employed in the Employment and Training Unit and the cost of the Construction Training Course and Instructors will be paid out of the fund.

SUPPLEMENTARY TO QUESTION NO. 95 OF 1990

HON G MASCARENHAS:

Mr Speaker, can the Hon Minister say how much was spent in the last financial year on the vocational cadets? From the Hon Minister's answer this would appear to be the only payment made.

HON R MOR:

Mr Speaker, around £475,000.

HON G MASCARENHAS:

Mr Speaker, can the Government then say how or where was the rest of the money used for?

HON R MOR:

Yes, Mr Speaker, the unspent money has been carried over from last year. It is, in fact, a deliberate policy of this Government to build up a reserve in order to forward plan for higher training requirements in 1991/92 which may arise in the light of possible MOD redundancies.

HON G MASCARENHAS:

Mr Speaker, does the Government have any idea of the amount of reserves that they wish to have by 1991/92?

HON R MOR:

Mr Speaker, we will not know of this until the accounts are finalised.

HON P C MONTEGRIFFO:

Mr Speaker, will any payment be made to the Gibraltar Development Corporation out of these funds bearing in mind that the Corporation is undertaking within its umbrella this matter? If so, Mr Speaker, on what terms?

HON CHIEF MINISTER:

There will be no payments to the Development Corporation as such. What will happen is that, at present, the money is held on deposit with the Government and the costs are met out of advances. This will be put right this year by the money being kept in a separate fund under the umbrella of the Development Corporation by the law that we introduced creating the Gibraltar Development Corporation providing for sub-funds to exist which would be kept distinct from any other money of the Gibraltar Development Corporation and for specific purposes. So, in fact, there will be no payment to the Development Corporation for any services that the Development Corporation provides independent of the people actually employed in the Employment and Training Unit.

HON P C MONTEGRIFFO:

Mr Speaker, I am grateful for that explanation. The letters of appointment of the trainees, for example, the last trainees, were issued by the Gibraltar Development Corporation if my memory serves me right, does the Hon Chief Minister's answer indicate that the administrative costs that may partially be borne in the future by this fund will be partly administrative costs of the Development Corporation charged with the task of administering and operating this and other similar schemes?

HON CHIEF MINISTER:

No, Mr Speaker, because the costs that are going to be allocated are the costs that have been met by the Government since the 1st January and which will be put right during the course of this financial year. The same people who are employed to administer the Scheme today are going to be the same people who will be co-opted to do the work under the aegis of the Development Corporation. The Development Corporation will not be employing anybody or doing anything or providing any service that is not already being provided by the Government.

HON P C MONTEGRIFFO:

Lastly, Mr Speaker, will the Minister, or the Government generally, confirm that if the funds are placed under the umbrella of the Development Corporation that the Government will remain answerable for the level and use to which these funds are put notwithstanding their control by the Corporation rather than the direct control by Government?

HON CHIEF MINISTER:

Well, Mr Speaker, the terms under which the funds will be used will be laid down by the Government in creating the sub-fund and in the creation of the Employment and Training Unit. That Unit will, in fact, operate under the management of a Committee which will be chaired by Government Ministers. So there will be Government control.

HON P C MONTEGRIFFO:

I appreciate that, Mr Speaker. Perhaps I have not made myself understood and I will put the question this way. Would the question put to the Government today be answered to the same extent in two year's time when the Development Corporation would have the pertinent information as to how the money had been spent and would the Government give the same sort of answer that has been given today. I say this because the money would then have, for technical reasons, been given to the Development Corporation as the Chief Minister has explained.

HON CHIEF MINISTER:

In this particular case, Mr Speaker, we are talking about a situation where the creation of the Employment and Training Unit, within the Civil Service, for the purpose of training people who are not intended to be given employment in the Government Service was a temporary measure in order to effectively get the scheme off the ground. The Member opposite will recall that when we brought the matter to the House for the first time, we said that it was a priority of the Government to bring in an Employment and Training Ordinance which would, in fact, have created a statutory organisation under which the Employment and Training Unit would have operated. Because of the difficulties and delays that we experienced in giving effect to this policy decision, it was a policy decision included in our manifesto in 1988, which we hoped to give effect in 1988/89 but we were not able to do so and we announced in the Budget of 1989 that we hoped to do it in 1989/90. We were not able to do so then so at the end of the day we settled for bringing it under the Development Corporation which had been created primarily in relation to the question of air traffic, as the Hon Member knows, and we took advantage of the fact that the Development

Corporation was able to, by its terms of reference, undertake the responsibility for matters relating to the labour market, as well as to the question of investment and economic development and therefore we slotted it in there. The situation is that the Development Corporation will effectively be giving results to policy directives from the Government. The Government will answer in the House of Assembly for the policy directives.

HON P C MONTEGRIFFO:

I assume, Mr Speaker, that the type of answer given today, detailing the breakdown of the use of funds, will not be available once the Development Corporation assumes a fuller role in the management of those funds albeit within the ambit explained by the Chief Minister?

HON CHIEF MINISTER:

It will still be available, Mr Speaker, because at the moment the situation is that the money is, as I have explained, on deposit with the Government. It was the intention to create a statutory Employment and Training Board which would manage on behalf of the Government. Instead of the statutory Employment and Training Board there will be a Board within the Gibraltar Development Corporation. That Board will then produce itself an account of the income and the expenditure which will be available to the Government and which the Government will be able to make available to the House of Assembly once it has it.

HON G MASCARENHAS:

Mr Speaker, is it the Government's intention to use the reserves obtained from the training levy exclusively for re-training as a result of redundancies?

HON R MOR:

Yes, Mr Speaker, it will be used for training and re-training as necessary.

MR SPEAKER:

Next question.

THE HON LT-COL E M BRITTO

Will Government explain the mechanics of the system of making payments to individuals from the Social Assistance Fund and say whether:

- (a) beneficiaries who are unable to collect personally due to incapacity are submitting medical certificates periodically to confirm this; and
- (b) identification checks are carried out when paying beneficiaries or beneficiaries' agents?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, most of the benefits paid to individuals from the Social Assistance Fund are paid by cheque.

Supplementary Benefits are however paid by cash and the majority of these are collected by the persons concerned.

In the case of persons unable to collect their benefits due to illness, these persons can appoint an agent to collect on their behalf and must submit the necessary medical evidence. These persons are visited periodically by a visiting officer and/or a social worker.

Identification checks are carried out by our cashiers on the identity of beneficiaries or their agents before payments are made.

SUPPLEMENTARY TO QUESTION NO. 96 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, I am satisfied with the answer as it concerns Supplementary Benefits to individuals from the Social Assistance Fund. However, is there some back-up system to check that cheques are going to the right person? Are they delivered by hand or by post?

HON R MOR:

Well, Mr Speaker, payments issued by cheques are made out to the person concerned and can only be collected by that person. It is up to the bank to ensure that anyone cashing the cheque is the correct person and can ask for identification.

HON LT-COL E M BRITTO:

Mr Speaker, it is not as easy as that because if someone has a bank account with a second person that cheque can go into a joint account even if the person who is entitled has died or is away from Gibraltar or has emigrated to Australia. So I repeat "Is there any back-up system to ensure that persons who are being paid by cheque are receiving their money"?

HON R MOR:

Mr Speaker, we have no reason to suppose that what the Hon Member is suggesting is happening. We normally get a return from the cheques that have been collected and if for any reason there is some cheque which has not been cashed we will investigate the reasons and check whether the person has died. However, what the Hon Member is suggesting, Mr Speaker, we have no reason to suspect is happening.

HON LT-COL E M BRITTO:

So the Hon Minister is satisfied with the system and does not intend to have a back-up system of checks?

HON R MOR:

On the information we have available at the moment, no. But if the Hon Member has any reason to suspect anything he should let me know and I will follow it up.

HON LT-COL E M BRITTO:

Finally, Mr Speaker, is the Social Assistance Fund audited by the Principal Auditor or by a private company?

HON R MOR:

It is audited by the Principal Auditor, Mr Speaker.

MR SPEAKER:

Next question.

23.10.90

NO. 97 OF 1990

ORAL

THE HON P C MONTEGRIFFO

What is the Government's position on the future of Mount Alvernia?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, since this is the subject of a motion on which notice has been given, the Government wishes to reserve its position until the motion is debated.

SUPPLEMENTARY TO QUESTION NO. 97 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, I hope that the position will be clearer by then.

HON R MOR:

We hope so too, Mr Speaker.

MR SPEAKER:

Next question.

NO. 98 OF 1990

ORAL

THE HON P C MONTEGRIFFO

Has the Government abandoned its electoral promise to reduce the pensionable age of men to 60 in its first term of office?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, no such electoral promise was made by the Government. The Hon Questioner may be confused in that it is not the Government who have abandoned an electoral promise but rather that he himself abandoned the Party which made such an electoral promise.

SUPPLEMENTARY TO QUESTION NO. 98 OD 1990

HON P C MONTEGRIFFO:

Mr Speaker, it is always nice to have a touch of humour. Is the Government aware that it is perceived generally that the introduction of what could be termed a social wage, and which was an electoral promise, was a method of introducing pensions at 60 and that that perception is the perception which the majority of people have been making and are expecting the Government to deliver on?

HON CHIEF MINISTER:

Mr Speaker, that may be a perception which we are not in a position to judge. But, of course, it is an incorrect perception because were that the case, it would be in conflict with Community Law.

HON P C MONTEGRIFFO:

Mr Speaker, the fact remains that the electoral promise to introduce a social wage that would commence at 60 and which would be introduced by yearly reductions is perceived by people, I do not know whether it is contrary to Community Law, I am talking about the electoral promise made and the perception that it was designed to generate that promise, the methodology, nothing more than that, the methodology by which we would, Gibraltar would equate, pensionable age now applied to women, at 60, with pensionable age applied to men. As a result will Government undertake that in the new arrangements which it is planning and which will substitute the current scheme that equality of treatment, in terms of either social wage or pensionable benefits, as they may be deemed appropriate, will be provided for in the new arrangements?

HON CHIEF MINISTER:

It is certainly something that we are looking at in the context of the new arrangements. Therefore if the new arrangements provide for payment at the age of 60 then the need for the social wage would not exist. However, we cannot say, at this stage, whether it will happen or not. What we can say is that the social wage which was the electoral promise made by the GSLP was an alternative to reducing the pension and as was answered by my colleague, in answer to Question No. 5 of 1990, from Dr Valarino, in fact it has been given effect to quicker than promised. Because it was promised in annual stages and we assessed the situation and were able to do it all in one go. That scheme will continue in effect unless and until it is replaced by something better.

HON P C MONTEGRIFFO:

Mr Speaker, would it, in fact, not be contrary to Community Law for a new scheme to be introduced on the basis that it discriminated between men and women? And therefore putting aside the question of Government policy, of which I would be happy to learn the Government's views, is it not the case that we would be obliged to introduce equality of treatment in the new arrangements that are being planned?

HON CHIEF MINISTER:

Well, Mr Speaker, the distinction that there is at the moment in the Laws of Gibraltar as regards social insurance exists in other places, they are not unique to Gibraltar, they exist in the United Kingdom and they exist in other social security systems in other parts of the Community. So if it were against Community Law, I am sure the Community would have stopped other people from doing it. Certainly we would not be able to introduce anything in 1993 which is in conflict with Community Law, because it would be thrown out as being invalid, and we are committed with the British Government in exploring what we are able to introduce to ensure that it is compatible with the requirements of Community Law on social security.

HON P C MONTEGRIFFO:

Mr Speaker, would it be fair for me to summarise then, on the basis of putting a question, that its preference is to seek an equality of age when it comes to the question of receipt of payment, be it by way of pension or be it by way of a social wage and that that preference for equality between men and women will be taken account and reflected to the greatest extent possible in the new arrangements which the Government is putting together? Would that be a fair summary of the Government's position?

HON CHIEF MINISTER:

Mr Speaker, I think that it is a fair summary to say that it is something that we are, as the Member opposite has pointed out, taking this factor into account. We do not know to what extent it will be reflected in what is finally agreed, and it would be wrong to give the impression that we are already in a position to say something which we are, in fact, not in a position to say. I have, in fact, had brought to my attention by the Minister for Labour and Social Security, that the Social Security Acts in the United Kingdom of 1975 and 1986 specifically refer to the exclusion from the Community Directives of the determination of pensionable age for the purposes of granting old age retirement pensions. So the position is, in fact, if one were to argue that there is discrimination in the treatment of social security it is, in fact, of course, discrimination in favour of females and against males. I do not think we have ever had, to my knowledge, a case of males under the Sex Discrimination Act in UK or the Equal Opportunities Act actually suing employees or the Government for being discriminated against. However, it is quite obvious if that interpretation was possible it would have been tried by someone.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

What are the Government's plans for the future of nursing training in Gibraltar and will it confirm or deny that it is proposed to close down the present Nurse Training Centre?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, Government's plans for the future of nursing training is to follow the changes being introduced in UK and assess how they can be adapted to Gibraltar's needs as recommended by the Snee Report on nurse education. It is not proposed to close down the Nurse Training Centre.

SUPPLEMENTARY TO QUESTION NO. 99 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, does the Government therefore still stand by the totality of the recommendations made by the Report put together by the UK team of Doctors and Nurses, I believe it was, that visited Gibraltar in 1987 and which prepared a report on nursing levels and on the need to enhance nurse training to achieve effectively UK complements in wards, etc. Does the Government stand by those recommendations and, if so, when will it implement those recommendations?

HON MISS M I MONTEGRIFFO:

Mr Speaker, it is difficult for me to answer that question because in UK at the moment there are so many changes taking place that what we are doing is taking note of the changes and once the UK has implemented that change try to adapt it, according to our needs, and introduce it in Gibraltar.

HON P C MONTEGRIFFO:

Mr Speaker, I accept the need to keep abreast of the changes that may be taking place in the UK but is not the point that has to be addressed the Report produced in 1987 which already identified serious inadequacies in the training and complement of nursing facilities in Gibraltar? And whilst changes may be occurring in UK, we are lagging so far behind that the Government should still be abiding by its commitment, when in Opposition, to implement those recommendations and to keep an eye on changes in the UK so that we do not continue to fall behind standards there.

HON MISS M I MONTEGRIFFO:

I can confirm to the Hon Member that as a result of the 1987 recommendations made to the previous administration a lot of those recommendations have already been introduced in Gibraltar. We are therefore not only keeping an eye on recent changes in the UK but have also introduced most of the recommendations made in 1987.

HON P C MONTEGRIFFO:

Mr Speaker, is it not true to say that the Hon Minister is not satisfied with the level of nurse training in Gibraltar at present and with the complement of nursing in our wards?

HON MISS M I MONTEGRIFFO:

Mr Speaker, this Government since it came into power has increased considerably the complement of nurses. In fact, Mr Speaker, I remember when I was in Opposition I queried that there was a shortfall of nurses and as soon as we came into Government we devoted £187,000 to recruit more nurses.

HON P C MONTEGRIFFO:

Mr Speaker, does the Government not accept that there are still serious inadequacies in the number of nurses in our wards and that there is still a long way to go, as far as I understand it, even to get to the level of the recommendations of the 1987 Report let alone any other revised levels which the UK may be introducing? Is that not a fact?

HON MISS M I MONTEGRIFFO:

Mr Speaker, whereby hospitals in the UK are being closed down here in Gibraltar we have

HON P C MONTEGRIFFO:

Mr Speaker, that is not the question. In the UK there is Mrs Thatcher and here in Gibraltar we have Mr Bossano. Whilst in the UK they are trying to cut public expenditure here we....

MR SPEAKER:

Order, order.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the situation in Gibraltar is that we have increased nursing levels considerably. We have, in fact, spent a lot of money in recruiting nurses. Very recently, Mr Speaker, we have opened the scope to enable married women to work as nurses in the Health Authority on a part-time basis.

MR SPEAKER:

I must stop the Hon Member because the question concerns the training of nurses and we are now going into the staffing levels and I think it is unfair on the Minister.

HON P C MONTEGRIFFO:

Mr Speaker, I am grateful for your liberty in having allowed me to put that supplementary. However, my final question concerns directly my original question. Will the Hon Minister confirm that the training in the Nurses Training Centre is and will continue to be designed to allow trainees full reciprocity with EEC arrangements? Because there have been problems in the past. Will the Minister confirm that if we are not yet at that level it is our intention to be?

HON MISS M I MONTEGRIFFO:

Yes, Mr Speaker, I can confirm that that is the Government's objective.

HON P C MONTEGRIFFO:

Do we, in fact, have, Mr Speaker, any indication of the type of further resources that will be necessary to get us to that level? And what timescale does the Government expect before introducing these measures?

HON MISS M I MONTEGRIFFO:

Mr Speaker, a lot has been done already and we are also trying very hard to introduce the other measures but there are so many options open to us that it would be irresponsible and premature to give a timescale.

MR SPEAKER:

Next question.

23.10.90

NO. 100 OF 1990

ORAL

THE HON DR R G VALARINO

Have the consultants at St Bernard's Hospital had their contracts of employment renewed and, if so, are there any changes in their conditions?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Answered together with Question Nos. 101 and 102 of 1990.

23.10.90

NO. 101 OF 1990

ORAL

THE HON DR R G VALARINO

Have consultants who have been engaged recently been employed on conditions different to those of current consultants?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Answered together with Question Nos. 100 and 102 of 1990.

THE HON DR R G VALARINO

What is the position of the appointment of the new Pathologist?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the Consultants at St Bernard's Hospital have their contracts renewed when they expire and the position of the Government is that whether we are talking about the renewal of an existing Consultant's contract or a contract offered to a new Consultant, it is a matter which is agreed between the individual and the Health Authority on terms acceptable to both sides. The position of the new Pathologist is that he has been appointed on terms acceptable to both sides and he has therefore taken up the post.

SUPPLEMENTARY TO QUESTION NOS. 100, 101 AND 102 OF 1990

HON DR R G VALARINO:

Mr Speaker, arising from the Hon Minister's answer to the three questions, first of all, in respect of the appointment of the new Pathologist although the agreement has been on a mutual basis, have on this occasion Colonial perks such as a house, etc been done away with?

HON MISS M I MONTEGRIFFO:

Mr Speaker, I am not too sure what the Hon Member is referring to.

HON DR R G VALARINO:

The provision of a Quarter.

HON MISS M I MONTEGRIFFO:

A Quarter is provided as in the past, Mr Speaker.

HON DR R G VALARINO:

Thank you, Mr Speaker. Could the Hon Minister tell me whether all Consultants presently working at St Bernard's Hospital whose contracts are up for review are they likely not to be renewed?

HON MISS M I MONTEGRIFFO:

Mr Speaker, that is a matter for the Government to decide as and when the contracts expire. It is not for me to say anything on the matter in this House. It is the prerogative of the Government to decide whether to renew a contract or not.

HON DR R G VALARINO:

Mr Speaker, there is a lot of speculation that one of the Consultant's contracts, in fact, he has already been told that his contract will not be renewed, I was wondering whether the Hon Minister had anything to say on the matter?

HON MISS M I MONTEGRIFFO:

Mr Speaker, this supplementary question is very similar to one that I answered concerning the previous Pathologist and I explained, at the time, the Government's position on the matter. Consultants come to Gibraltar on a three year contract and it is the prerogative of the Health Authority to decide whether to renew a contract or not.

HON DR R G VALARINO:

But, surely, Mr Speaker, if the contract is due to expire in the short-term the Gibraltar Health Authority should be making the necessary arrangements as to whether they are going to retain the present Consultant or seek a new one?

HON MISS M I MONTEGRIFFO:

Mr Speaker, if, for example, the Health Authority were to decide not to renew an existing contract, under their contract terms they are given three months notice. That position has not yet arisen with any of the present Consultants employed by the Health Authority.

HON A J CANEPA:

Mr Speaker, has there been any change in the conditions of the contracts of Consultants which reflect changes in Government policy and which reflect not just changes but which reflect the actuality, what Government policy is, in respect of, for instance, the proportion allowed for private medicine?

HON MISS M I MONTEGRIFFO:

Mr Speaker, when I answered the question I made it very clear that when the Government employs a Consultant the negotiations are negotiated between the individual and the Government and if mutually acceptable see no reason why the Government should make it public. The contracts are negotiated between the Personnel Manager's Department and the individual Consultant and if both are in agreement and happy with the situation there is no reason to discuss the matter here. If the Consultant were not happy with the terms he would no doubt leave and then there may be a problem.

HON A J CANEPA:

If Consultants previously, Mr Speaker, were, for example, allowed 20% of private practice and now contracts are being renewed and Consultants are accepting, let us say, 10% of private practice as a direct consequence of Government policy, surely, Mr Speaker, that is a legitimate matter which we have the right to raise in this House and which the public has the right to know. It is an important change in Government policy.

HON MISS M I MONTEGRIFFO:

First of all, the Hon Member is talking about 20%.....

HON A J CANEPA:

Hypothetically, Mr Speaker.

HON MISS M I MONTEGRIFFO:

Yes, Mr Speaker, it is hypothetical because it does not really exist. I remember when I was on the opposite side of the House and I used to ask about conditions relating to private practice and there was nothing agreed. It is completely de-controlled at the moment.

HON A J CANEPA:

Mr Speaker, is the Hon Minister then saying that there are no limitations being placed in the new contracts on the amount of private practice that a Consultant can undertake?

HON MISS M I MONTEGRIFFO:

Mr Speaker, what the Minister is saying is that anything which is negotiated with new Consultants is a matter between that individual and the Government.

HON A J CANEPA:

Mr Speaker, is the Hon Minister saying that the Government or the Health Authority is negotiating contracts on an individual basis and that there is no uniformity in the conditions such as in respect of the amount of private practice that is allowed? Is there no uniformity? Is the Hon Minister saying that if a particular Consultant agrees with the Government a certain proportion, another Consultant can agree a different proportion? Is there no ceiling, no maximum amount allowed? Is that what the Hon Minister is saying?

HON MISS M I MONTEGRIFFO:

No, Mr Speaker. The Minister is saying that as far as the new contracts are concerned, that is a matter between the Personnel Department and the individual. The individual accepts the conditions that the Government is placing and which in the opinion of the Government is in the interest of the public. I cannot see why this information should be divulged to the Hon Member.

HON A J CANEPA:

Mr Speaker, how does the Hon Minister expect the public to know whether it is in their interest if the public does not know what the Government is doing?

HON MISS M I MONTEGRIFFO:

Mr Speaker, as the elected Government responsible for what we think is good for the public. We will then be judged by our actions.

HON A J CANEPA:

Mr speaker, why the secrecy? Why does the Minister not state what the Government's policy is in respect of private medicine and let the public know whether they are safeguarding their interests? Then both those who may have recourse to private medicine and those who want to ensure that there are Consultants available to look after public patients will be aware of the facts. How can people make a judgement when the Minister refuses to give any information?

HON CHIEF MINISTER:

Mr Speaker, if the Government wants to make a policy on private medicine it will do so because it wishes to do so and not under the guise of a question from the Member opposite as to whose contract has been renewed and whose contract has not. The answer is that when they were in Government there was no policy. That is the answer.

HON A J CANEPA:

And now, Mr Speaker, when they are in Government, will the Chief Minister say whether there is a policy and, if so, whether it is a policy which the public cannot know about? Is that the position?

HON CHIEF MINISTER:

Mr Speaker, the position is that there are people employed on contracts that were given by the previous administration, that those contracts are renewed when they expire and like everything else that is reviewed and has been reviewed since April 1988, will be an improvement on what we inherited from the AACR. This is why the people put us in Government and put the AACR on the other side. The improvements will be seen by the quality of the service that the patients get and not because the Hon Member gets a bee in his bonnet to ask questions in this House.

HON DR R G VALARINO:

Mr Speaker, is the Hon Minister happy with the quality that patients get from Consultants as far as public patients are concerned? I ask this, Mr Speaker, because in this report it says in respect of Consultants with private practice: "they should make substantially the same contribution to Health Service as those with a full-time contract". Is the Hon Minister quite happy that the time devoted to public patients is as much as any Consultant would be able to do in the Hospital?

HON CHIEF MINISTER:

Mr Speaker, I think that the Hon Member is asking a question which is pre-empting his next question.

MR SPEAKER:

Next question.

THE HON DR R G VALARINO

What is the average waiting time for public patients who are referred to -

- (a) Consultant Physicians
- (b) Consultant Surgeons
- (c) Consultant Gynaecologist
- (d) Specialist in ENT

at St Bernard's Hospital?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the average waiting time for public patients who are referred to Consultant Physicians, Consultant Surgeons, Consultant Gynaecologist, Specialist in ENT at St Bernard's Hospital is the following:

General Medicine	-	1 week
General Surgery	-	1 - 2 weeks
Gynaecology	-	13 weeks
ENT	-	8 - 9 weeks

The position is no different from what it was a year ago but we have no comparable figures before 1988, because no records were previously being kept.

SUPPLEMENTARY TO QUESTION NO. 103 OF 1990

HON DR R G VALARINO:

Mr Speaker, I think those figures err on the side of being kind to the Consultants involved. In respect of (c) and (d) the Consultant Gynaecologist a waiting time of 13 weeks is certainly a long time for a patient to have to wait. Three months is a long time for a referral. As far as the Specialist in ENT is concerned public appointments are now being taken and a letter is then sent to the patient as to how long the appointment will take. I wonder, Mr Speaker, whether there is anything that the Hon Minister can do to lessen the time of waiting for (c) and (d)? Particularly in respect of gynaecology where a wait of three months is far too long.

HON MISS M I MONTEGRIFFO:

Mr Speaker, we are talking about referrals. With respect to urgent cases I cannot accept that it will take that long, Mr Speaker.

HON DR R G VALARINO:

Mr Speaker, we are now going into the realms of medicine and very often one does not know what is an important case or not an important case. That is why it is referred to the Consultant.

HON MISS M I MONTEGRIFFO:

Mr Speaker, it is up to the doctor to decide.

HON DR R G VALARINO:

Well, Mr Speaker, if the doctor does not see the patient he is unable to decide.

HON MISS M I MONTEGRIFFO:

Mr Speaker, I cannot see the patient myself.

HON DR R G VALARINO:

Mr Speaker, I am aware that the Hon Minister has no medical qualifications but the Gynaecologist is employed by the Health Authority and the Hon Minister is responsible in this House for Medical Services so if the Hon Minister could do anything so that the Gynaecologist could see patients earlier and carry out an investigation, cases of disease could be treated that much quicker than otherwise. I would be grateful if the Minister could give consideration to this particular subject and make sure that patients who are referred to Consultants do not, because of the time factor, have to be seen privately first and then subsequently as a public patient?

MR SPEAKER:

Will the Hon Member put it as a question.

HON DR R G VALARINO:

Mr Speaker, is the Minister satisfied that 13 weeks to see the Gynaecological Surgeon is good enough for the average Gibraltarian?

HON MISS M I MONTEGRIFFO:

Mr Speaker, first of all, when a patient is referred to the Gynaecologist he has to go to a GP. If the GP decides that that person has to see the Gynaecologist he will write a letter saying whether it is a matter of urgency. I have given the Hon Member an average of what patients have to wait to see the Consultant. If a GP decides that a case is urgent he is seen before those 13 weeks.

HON DR R G VALARINO:

Mr Speaker, let me add, finally, that appointments are now being given to see the Gynaecologist for next March and I am sure that the present Gynaecologist has no idea at all, whether the cases are of an urgent or routine nature. To have to wait for this amount of time says a great deal for the lack of service in this Department. Let alone the others who also have to wait longer than what the Minister has actually said.

MR SPEAKER:

Next question.

THE HON DR R G VALARINO

What are the Government's plans for the future of the Private Corridor at St Bernard's Hospital?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, Government is not planning any changes.

SUPPLEMENTARY TO QUESTION NO. 104 OF 1990

HON DR R G VALARINO:

Mr Speaker, could we have an indication of the short-term or the long-term plans of the private corridor?

HON MISS M I MONTEGRIFFO:

Mr Speaker, I have just answered that the Government is not planning any changes. How can I give a short-term or long-term answer.

HON DR R G VALARINO:

Mr Speaker, I should be grateful if the Hon Minister would sit down and let me finish my question and not interrupt. As the Hon Minister is aware the private corridor in the short-term is being used as a decanting ward.....

MR SPEAKER:

The Hon Member should phrase his words in the form of a question.

HON DR R G VALARINO:

Mr Speaker, when will the private corridor revert back to its proper use?

HON MISS M I MONTEGRIFFO:

Mr Speaker, the private corridor has not gone back to its original state as a private corridor because of the lack of maintenance by the previous administration. We have had to repair the roofs and also re-do other wards and which I must say is going at a very fast pace and as a result we have had to decant public ward patients to the private ward. Work is now being undertaken in refurbishing John Ward and we have had to decant patients to the private corridor. The roof of the private corridor and the corridor itself have just been refurbished.

HON DR R G VALARINO:

Mr Speaker, what is the long-term plan for the private corridor?

HON MISS M I MONTEGRIFFO:

It will continue to be a private corridor. We do not envisage any change.

HON A J CANEPA:

Will the Hon Minister say when the decanting process is expected to be concluded?

HON MISS M I MONTEGRIFFO:

When the works are completed, Mr Speaker.

HON A J CANEPA:

Does the Hon Minister have a target date, Mr Speaker?

HON MISS M I MONTEGRIFFO:

Mr Speaker, in the past it has taken three or four months to refurbish other wards in St Bernard's Hospital. I am however reluctant to commit myself to a tight schedule because once a ward is tackled as a result of the past lack of maintenance all sorts of problems arise and a little more time is required to refurbish it.

HON A J CANEPA:

Mr Speaker, is it not a fact that the refurbishment of John Ward goes back to last year?

HON MISS M I MONTEGRIFFO:

No, Mr Speaker, John Ward started its refurbishment some three weeks ago.

HON A J CANEPA:

Mr Speaker, is it not a fact that before Christmas last year patients were already being decanted from John Ward into the private corridor?

HON MISS M I MONTEGRIFFO:

No, Mr Speaker.

HON A J CANEPA:

Well, I was there in the hospital myself visiting a patient and I was aware that they were being decanted from John Ward.

HON MISS M I MONTEGRIFFO:

Perhaps, Mr Speaker, John Ward was full at the time and it is the policy of the Government, just as it was the policy of the previous Government, that when a ward is fully occupied they are decanted to the private corridor. The overflow.

MR SPEAKER:

Next question.

23.10.90

NO. 105 OF 1990

ORAL

THE HON K B ANTHONY

Is it Government policy to sacrifice existing sportsground facilities for development purposes?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 105 OF 1990

HON K B ANTHONY:

Mr Speaker, we already have a situation where Naval Ground No.2, which was an existing sportsground, is going to be developed. Can the Hon Minister confirm that this is a one-off situation?

HON MISS M I MONTEGRIFFO:

Mr Speaker, what I have said is that the policy of the Government is that whenever there is a sporting facility which is going to be developed, if it happens in the future, the Government will not sacrifice that sportsground in the detriment of sporting associations. I am giving that commitment in this House of Assembly.

MR SPEAKER:

Next question.

23.10.90

NO. 106 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Does Government intend to introduce the European Driving Licence and, if so, when?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Yes, Sir, the European Community Driving Licence will be introduced as from 1st December this year.

SUPPLEMENTARY TO QUESTION NO. 106 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, is the Minister prepared to give us some further details?

HON J C PEREZ:

The Hon Member has not asked for details in his original question, Mr Speaker. There may be some details which I can provide but I cannot promise to provide all the details.

HON LT-COL E M BRITTO:

Mr Speaker, what I was seeking more than anything else is details for public knowledge.

HON J C PEREZ:

Mr Speaker, for general information we will be issuing a Press Release at the time that the licences become available.

HON LT-COL E M BRITTO:

Mr Speaker, will the licence be running in parallel with the Gibraltar licence or instead of it?

HON J C PEREZ:

Mr Speaker, it will be available as from the 1st December this year. Most of the driving licences in Gibraltar expire in December, 1993, so the new driving licences will be issued as European Community Driving licences and any person that might wish to change their licence will be free to do so. However, those who wish to continue with their present licence until it expires can do so. Once it expires they will be issued with a European Community Driving Licence.

HON LT-COL E M BRITTO:

Finally, Mr Speaker, what period of validity does the European Licence have?

HON J C PEREZ:

It will be valid until the age of 70 years after which it will be renewable for a period of three years subject to a Medical Practitioner in Gibraltar certifying that that person is able to drive.

HON LT-COL E M BRITTO:

Mr Speaker, just to clarify something that the Hon Minister has said. When the Hon Minister says that the licence will be valid up to the age of 70 years, does that mean that like the UK licence, and as opposed to our current licence, it does not have to be renewed every three years?

HON J C PEREZ:

That is correct, Mr Speaker. It will be a one-off licence.

HON LT-COL E M BRITTO:

Thank you, Mr Speaker.

MR SPEAKER:

Next question.

23.10.90

NO. 107 OF 1990

ORAL

THE HON K B ANTHONY

Will Government give serious consideration to installing a letter box on the Upper Rock, in the vicinity of Princess Caroline's Battery, for the benefit of the increased population in the Upper Rock area?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

No, Sir, the Government does not feel that the situation warrants the installation of a letter box.

SUPPLEMENTARY TO QUESTION NO. 107 OF 1990

HON K B ANTHONY:

Mr Speaker, does the Hon Minister have a figure in mind of the minimum population that you need for a letter box?

HON J C PEREZ:

Mr speaker, I am not too sure of what the Hon Member seems to be indicating about the increased population in the Upper Rock. The only increase that I am aware of is the ten extra families now living at Poca Roca. The ape population has certainly not increased!

HON K B ANTHONY:

Mr Speaker, there are families living at Devil's Gap who have lived there for many years, there are now families living at Poca Roca and there are also many dozens of tourists who go up the Rock, I have seen them myself and are not able to post their cards, etc.

HON J C PEREZ:

Mr Speaker, I am sorry but the Hon Member is talking about the increased population in the Upper Rock and apart from the people who have lived there all their lives the only new population is the ten extra families at Poca Roca. Now, Mr Speaker, under those circumstances the Government does not feel that it warrants a letter box in the Upper Rock. With regard to the number of tourists visiting the Upper Rock I must remind the Hon Member that they also visit other areas of Gibraltar, including the town, where there are letter boxes available. We therefore feel that we are catering suitably well. I can inform the Hon Member that there are areas in Gibraltar which are being looked at and which have a vast

2.

number of people where no letter box exists. One of these areas is Willis's Road and I would have thought that the Hon Member should have been more concerned with this area than about Poca Roca. However, Mr Speaker, the Willis's Road area is something that we are thinking about with a view to installing a letter box. Quite apart from this we have ordered letter boxes for the new developments but, at present we do not consider that the Upper Rock warrants the installation of a letter box.

MR SPEAKER:

Next question.

NO. 108 OF 1990

ORAL

THE HON K B ANTHONY

Is the Government aware of the uncompleted and vandalised telephone booths on the Rock, and if so, what are they prepared to do about them?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, I put the enquiry of the Hon Member to Gibraltar Nynex Communications Limited, the company which is now responsible for the internal telecommunications system, who say they are totally aware of the vandalism problems affecting payphone booths.

The company says that these booths which have doors missing will be repaired as soon as new doors have arrived from the United Kingdom.

The whole matter of pay booths has nonetheless been reviewed and the Company is in the process of installing card phones which are said to be less prone to vandalism. In fact, work has already started on this programme with the connection of two card phones, one at the Airport lounge and the other opposite the Cathedral of St May the Crowned in Main Street. I believe this last one has come into operation today. Phone cards are available from various outlets including the Skyshop, the Tourism Agency and the Post Office.

It is also intended to increase the number of pay booths by increasing the number at Casemates by a further two and the number in Main Street, although precise locations are still to be identified. These booths could be in operation by February or March next year.

SUPPLEMENTARY TO QUESTION NO. 108 OF 1990

HON K B ANTHONY:

Mr Speaker, I thank the Hon Minister for his informative reply.

HON LT-COL E M BRITTO:

Mr Speaker, can the Hon Minister say whether the cards that are going to be used are the same as those used in the UK or are they of a special kind just for Gibraltar?

HON J C PEREZ:

Mr Speaker, the cards were, in fact, ordered by the previous administration and marked as Gibraltar Telephone Department Cards. In fact, once these expire Gibraltar Nynex will be producing their own cards. It is interesting that the Hon Member has asked this question because since it is the only card of its nature, since the Gibraltar Telephone Department no longer exists, it is quickly becoming an important collectors item. There are people, from as far away as Saudi Arabia, writing in wanting to buy these telephone cards for their collection.

MR SPEAKER:

Next question.

NO. 109 OF 1990

ORAL

THE HON K B ANTHONY

When does Government expect the traffic flow in the town area to be speeded up and sorted out?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, reports from both the Gibraltar Police and the Traffic Commission indicate that the problem of traffic flow as a result of the infrastructural works at Queensway is not as serious as originally anticipated.

Nevertheless, certain measures have been taken to try and alleviate the problem and a plan which envisages major alterations to the traffic flow is being kept in abeyance in the event that the Police and the Traffic Commission decide that the situation warrants its implementation. Details of this were made public by me some days ago.

Contingency plans are put in operation whenever a huge increase of traffic from Spain is expected such as was the case on Friday 12th when, according to Police statistics, the population of Gibraltar doubled as a result of a national festivity in Spain. On these occasions, it is inevitable that the traffic flow in Gibraltar is affected.

Government is now looking at a much wider plan aimed at easing traffic congestion and improving the traffic flow which takes into account the new developments taking place and areas where problems have existed for many years. This will eventually result in a staged implementation of measures which will include roadworks and which will take into account the date by which some developments come into stream.

SUPPLEMENTARY TO QUESTION NO. 109 OF 1990

HON K B ANTHONY:

Mr Speaker, when the Hon Minister announced the proposed ideas for increasing the traffic flow he spoke of traffic in Main Street going from south to north instead of the traditional north to south. Can the Hon Minister explain to this House the advantages of reversing the flow?

HON J C PEREZ:

Mr Speaker, I have explained to the Hon Member that that is a plan that is being kept in abeyance. Because although everybody agrees that the traffic flow would be better as a result of the change, there are other considerations which we have

looked at and have thought it better to try and keep the traffic flowing in its present direction. Nonetheless the Police are taking measures now, at different times of the day, to try and alleviate traffic and the Guard Mounting at The Convent has been cancelled until further notice, Dudley Ward Tunnel is operating as a two-way thoroughfare in order to decongest the south district particularly early in the morning as well as the Police at any time having the authority to open up Main Street, in its present direction, if they think that there is a particularly large traffic jam or severe traffic congestion. The other plan, Mr Speaker, is kept in abeyance in case these measures do not work and we have to introduce it. However, both the Police and people in the Traffic Commission feel that the flow of traffic from south to north down Main Street would help the traffic flow tremendously since Queensway is not available and it would be another route for traffic from the south to take.

HON LT-COL E M BRITTO:

Mr Speaker, would Government give consideration to an idea that sees the light of day every so often in one of our local newspapers and that is to provide the owners of larger than average vehicles, like the motorised caravans, with a plan or an advised route to take round Gibraltar in order to avoid the problems that arise when these vehicles find themselves, for example, trying to come down Willis's Road?

HON J C PEREZ:

Mr Speaker, that is supposed to be happening. The only thing I can tell the Hon Member is that every time I go to the Police with that matter they tell me that it is supposed to be happening at the time that the caravan enters through the frontier. What I am saying, Mr Speaker, is that the Police should, at that time, restrict these caravans to certain areas and they are not supposed to come into the town area. In fact, I am told that they are now directing them to the Coach Park. This would result in them parking there and take other forms of transport or walk into town. However, notwithstanding that this is supposed to be happening once that caravan leaves the frontier Police post, it then does something different and we are laden with the problem. What cannot be done is that every caravan that passes through the frontier is followed.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

What are Government's proposals in relation to the future of GBC?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, on the 14th June in a televised debate on a programme entitled "Live on Thursday" I stated that the Government would be looking into the problems afflicting GBC and coming up with proposals within three to six months. The six months which I gave myself expire on the 14th December.

As far as proposals for the future of GBC, the Government is still not in a position to reveal any details of its own thoughts on the matter given that it is still talking to a number of interested parties.

Once Government have concrete proposals, these will be discussed with the staff and the Board of GBC before a final decision is taken.

SUPPLEMENTARY TO QUESTION NO. 110 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, without disclosing the details of any negotiations, is the Government prepared to confirm, in the light of the public interest which exists in relation to the future of GBC, an element of public subsidy in any future arrangements that may be arrived at bearing in mind the public service provision and facility which GBC provides to the Community?

HON J C PEREZ:

No, Mr Speaker, I am not prepared to confirm that. To be able to make a stand one way or the other on that issue here would prejudice negotiations which are taking place and I am not prepared to do that at this stage.

HON P C MONTEGRIFFO:

Mr Speaker, would the Hon Minister accept that bearing in mind, again, the public interest that GBC arouses within the community that before any decision is taken regarding the future, both by the Government and by GBC, that as far as the Government is concerned it is prepared to make public details of the proposed arrangements so that ordinary members of our community have the opportunity to assess those proposals and form a view and make such representations as may be pertinent on what the future arrangements might involve?

HON J C PEREZ:

No, Mr Speaker. The position is that we are looking at proposals from interested parties and we will be making our own proposals ourselves to GBC and we will be consulting fully the staff, the management and the Board of GBC. If that results at all in a change in legislation or in a change in the public responsibilities of GBC, then that would necessarily need to come to the House where Hon Members opposite will have the chance to have their say on that particular aspect of it which is the public interest aspect but as far as I am concerned if I can put a package which is acceptable to the staff, is acceptable to management, acceptable to the Board and acceptable to the Government and does not alter the public responsibilities of GBC, then I do not see what it has to do with any other party.

HON P C MONTEGRIFFO:

Mr Speaker, is there not in a public service, which GBC effectively is because it is largely funded by public spending at present, although the Government as the elected Government has an ultimate decision on how such funds are used, is it not legitimate in this type of situation, Mr Speaker, that notwithstanding the fact we may be happy with the new arrangements and notwithstanding the fact that the staff, management and Board may be happy with the arrangements, that it is not unreasonable that with an institution like GBC which is so much a cornerstone of our identity as a community that there be a process whereby interested members of our community would have a chance to express a view before what would be a very definite and different route for GBC is concluded. Is that not a reasonable suggestion bearing in mind the peculiar nature of GBC's situation in our community?

HON J C PEREZ:

No, Mr Speaker, it is not a reasonable suggestion because any arrangement that I make which does not affect the public responsibilities of GBC has nothing to do with anybody else but the staff and management of GBC. If any proposals come up to the stage where the public interest of GBC is affected in any way then it has necessarily got to pass through legislation and therefore Hon Members will have a right to say whatever they feel they should. However, as long as the arrangements are de facto internal and do not affect that public service then there is nothing that any other third party should have a say at all. Unless it means that the Government has to give more money in which case it has to be voted by this House and Hon Members will then be able to have their say.

HON P C MONTEGRIFFO:

One final question, Mr Speaker, which arises out of the question by implication. In any proposals which the Government may make for the future of GBC come December this year, will it also make proposals of the general regulation of broadcasting? Or are the two matters deemed by the Minister to be separate and not connected?

HON J C PEREZ:

No, Mr Speaker. I have already told the Hon Member that if there is any legislation to be changed then it has to come to the House. Therefore, since the Hon Member has mentioned the conditions of broadcasting, that is a change in legislation and the Hon Member will have a say at the appropriate time. The Hon Member is very impatient!

HON K B ANTHONY:

Mr Speaker, can the Hon Minister confirm that the negotiations currently being held with GBC and interested parties, are these the same parties that were interested when the Hon Minister made his statement in June of this year?

HON J C PEREZ:

Mr Speaker, two of those parties are the ones that I mentioned in my television programme. There are more parties interested now.

HON K B ANTHONY:

Mr Speaker, one final question. I think that it is common knowledge that the big snag is the limited output of Channel 12 and more parties might well be interested and be prepared to invest money in GBC if they could have a greater output? Can the Hon Minister inform the House what progress has been made on increasing the output of Channel 12?

HON J C PEREZ:

Mr Speaker, there are different aspects that are being looked into which could lead us to attain our objectives without necessarily increasing Channel 12. Regardless of that position there are proposals being made were Channel 12 to remain at its present level. So I am saying that every effort is being made to increase Channel 12 and the last thing that has happened is that I had a meeting in the Foreign Office about ten days ago with a Foreign Office representative and a representative from the Department of Trade and Industry. The whole matter was discussed at that meeting in depth and several proposals were made by me which were very well received by both the FCO and the DTI. These proposals are to be put to the relevant authorities in Spain but the idea

is to achieve the objective that GBC has set itself, ie to reach the catchment area up the Coast without necessarily increasing Band 12. It could mean that we might use a different Band or we might use repeaters or another technical formula to be able to do that. These are things which are being looked at. But regardless of that position there are still proposals from interested parties were the power to remain at its present level.

HON K B ANTHONY:

I thank the Hon Minister for that answer. One final question, Mr Speaker. Is the Hon Minister himself optimistic of a result being reached by December this year?

HON J C PEREZ:

Mr Speaker, I am not optimistic that we shall arrive at a result. I am optimistic that I shall have my proposals ready by December. Then these proposals would need to be discussed subsequently with the parties that I have mentioned. However, my proposals will be ready by December which is my commitment.

MR SPEAKER:

Next question.

23.10.90

NO. 111 OF 1990

ORAL

The above question was withdrawn.

THE HON LT-COL E M BRITTO

Will Government explain the circumstances in which the current Construction Industry Training Scheme course was suddenly terminated on the 12th October, 1990?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Sir, on the 8th October, ie two weeks after commencement of the course, I was informed that the participants had stopped their training programme because they had a number of grievances which they said required attention and therefore had declared themselves on strike. A member of the Employment and Training Unit went to the Centre, at my request, and listened to their grievances and gave explanations.

On the 9th October, ie the next day, at 9 am the trainees through their spokesman informed me that they were not satisfied with the explanations and wished to see me. I accepted and asked them to come to see me at 9.15 am, to which they agreed. The delegation were then given permission to leave the Centre to attend this meeting.

Despite my cancelling other appointments and engagements, the delegation failed to attend this meeting. Instead the delegation proceeded to approach the media and other persons, including Members of the Opposition, to air their grievances.

On the 10th October a further request was made to see me. I once again accepted and agreed to meet them at 12.30 pm. A delegation composed of five trainees turned up instead at 2 pm. Once again having resorted to the media without informing me of their grievances.

The main grievances expressed at the meeting were that the level of remuneration was insufficient and that they were producing components which were subsequently being sold at a profit.

They also wanted pensions and gratuities. They wanted jobs in Government employment and additionally requested that the three week period from the termination of the course to the end of this year should be paid on the grounds that the Construction Industry ceased to operate during the Christmas festivities.

I explained to them that their concept of the training course was an erroneous one. They were not being trained in order to take up employment with the Government, and as such they were not entitled to the terms and conditions enjoyed by Government employees.

The reason the Government had initiated the course was to equip them with the necessary skills to be able to obtain employment as semi-skilled workers in the Construction Industry.

I explained Government's policy to them and pointed out that no change could be introduced to the conditions of the course which they had accepted voluntarily. However, I would seek Government's approval on the point raised regarding the 3 week period and would reply the next day.

On the 11th October two members of the delegation turned up stating that they were the official representatives. I conveyed to them Government's position, namely, that no fundamental change could be contemplated.

I re-affirmed that no trainee was receiving less income than prior to taking up the course. The trainees were not Government employees and could not be given pensions and gratuities as a result of being given an opportunity to attend a training course. The course was purely voluntary for those who wished to better themselves and therefore Government would not oppose anyone wishing to leave the course and return to the Department of Labour and Social Security, and seek employment through the normal established procedures. Those wishing to opt out of the course could, if they so wished, be considered for the next course in January should the circumstances change, by which time Government would have had an opportunity of looking into the structure of remuneration and carried out changes if this was found to be warranted.

Government, however, did accept that the Employment and Training Unit should pay the trainees the three weeks to the end of the year. The two representatives agreed to take the proposal back to the Centre.

I was then telephoned by two trainees who claimed to be the official representatives and requested a further meeting with me which I again acceded to. In the meantime the first two representatives called to say that they no longer wanted anything to do with the situation. At this meeting I once again reiterated the Government's position. I was unfortunately informed later that the trainees intended to continue with their action.

What was also evident throughout the week was that the majority of trainees wished to continue the course but felt obliged to hang on to see what the outcome would be and what was also very evident was that those who came to see me, with the exception of a few, were, in fact, the very ones who felt aggrieved.

It was decided that the course should be immediately terminated in order to be able to give an opportunity to those who wanted to complete it, to be able to do so by the end of the year. Had this not been done, the continued disruption of the course means that it would have to have been cancelled altogether because a necessary condition is that it had to be completed in full over the required period.

Let me state at this point, Mr Speaker, that I listened to public declarations made by Members opposite through the week-long dispute before coming to this House, as they should have done, to seek explanations which I have just given them. And, indeed, I found it regrettable and pitiful to see two Members of the Opposition acting in the manner that they were doing but what was stated by the Leader of the Opposition without checking his facts about the training being cheap labour and that components were being produced and sold at a profit, beats them all since that is a complete fabrication. Let me state that nothing being produced is subsequently sold at the Centre. What has been done is to reduce material wastage by undertaking certain work which is compatible with the type of task that the trainees are required to undertake in this course.

I would have thought that before making such a statement a simple checking up of the facts would have sufficed but, of course, that was not the intention, Mr Speaker, and that should not surprise anyone coming from the AACR. Colonel Britto has gone through his own training course in the AACR Dirty Tricks Department quite well. Also having listened to his recent political broadcast last week he has become a master of the AACR policy of distortion, twisting of facts and spreading rumours and I have to congratulate him for that. But, of course, it is all part of the same policy, Mr Speaker, that kept them in power for many years but it will not work in Opposition because the electorate will judge this Government on its own merits and achievements and not on AACR cheap political propaganda.

I therefore hope, Mr Speaker, that this major attempt by Government to make Gibraltarians better equipped to face life at work and enhance their job opportunities is generally accepted by everyone.

I have no doubt that the setting up of the Construction Industry Training Centre, its aims and objectives is widely supported by the community.

SUPPLEMENTARY TO QUESTION NO. 112 OF 1990

HON A J CANEPA:

Mr Speaker, have the two and a half years of power so blinded the Hon Minister to the work that he used to carry out as a Member of the Opposition and as a very militant trade unionist? Because the allegations that he makes against me, Mr Speaker, require explanation. Will he accept my version of events, merely that I was proceeding into town minding my own business on the morning in question, when I was stopped by two of the young men involved in the action.....

HON M A FEETHAM:

Which two young men are we talking about, Mr Speaker?

HON A J CANEPA:

Does the Hon Minister want their names?

HON M A FEETHAM:

No, Mr Speaker, their ages. Has the Hon Member any idea?

HON A J CANEPA:

Mr Speaker, I do not know how old they are.

MR SPEAKER:

Order, order.

HON A J CANEPA:

Mr Speaker, will the Hon Minister please listen to my version of events as they occurred because then he will have to give me credit for the fact that there was no premeditation on my part. I was, as I say, coming into town peacefully when I was stopped by the two young men who had been to GBC to make arrangements to be given exposure. I asked them what they wanted and they said that they wanted to talk to me. I told them that I would be in the House of Assembly at 11.am. They then made the arrangements that followed to have television cameras at the meeting. I took no action whatsoever on the matter. I did not arrange for GBC to be present. I did not arrange for interviews to be given. I did not take any steps in arranging the meeting. This is why, Mr Speaker, when I was asked: "Are you making political capital?", I said: "No". Because I would have been making political capital if I had gone looking for the people involved in order to try and make political capital. But, Mr Speaker, when people approach me, an elected Member of the House of Assembly, I have an obligation, a duty, to listen to them. The version that appeared in the interview, the statements that I made regarding the sale of these cement blocks was taken from reports in the media that morning and from statements made to the Hon Member on my left, Colonel Britto, and myself. Now, Mr Speaker, if the Hon Minister thinks that with the television cameras waiting here, first of all taking film of what was happening and then wanting to interview me, I should stop all this and say: "Wait a minute because what the newspapers say, what the radio has quoted this morning and what the men are telling me may not be true and I had better check with Michael Feetham to see whether the facts are correct before I go on television". Is that the way that the Hon Minister acted when he was in Opposition or when he was a militant trade unionist?

HON M A FEETHAM:

Mr Speaker, let me say that I behaved with more commonsense than the Hon Leader of the Opposition has acted on that particular interview. Because the facts are, Mr Speaker, that the Hon Member met two representatives here in the House who made certain representations, something which they are entitled to do because everyone is entitled to approach Members of the Opposition on matters which affect them. I recognise that, Mr Speaker. However, if they make representations which anyone listening would conclude that it was not possible for that to have happened, then the least that the Hon Member could have done, before saying on television that these men were being used as cheap labour because they were producing concrete blocks which were then being sold at a profit, because this, Mr Speaker, is not correct. It is an untruth. The Hon Member told them to come and see me which they did and they told me that the Hon Leader of the Opposition would be asking questions in the House concerning the matter. Now, Mr Speaker, when I listen to these kind of things coming from a Leader of the Opposition, then I must question his judgement in having said that. What I would have thought would have been more sensible was to have done what the Hon Leader of the GSD did. He asked for an appointment and went through the whole matter and if I am correct he agreed with everything that I told him and the explanations that I gave him.

HON A J CANEPA:

The Hon Leader of the GSD, Mr Speaker, had an appointment with the Hon Mr Feetham about a week after the event.

HON M A FEETHAM:

Fine.

HON A J CANEPA:

Mr Speaker, was I supposed to wait a week when things happen at the pace that they do? Should I seek an appointment with the Hon Minister before appearing on television?

HON M A FEETHAM:

Mr Speaker, I never made a single declaration throughout the week of the dispute because my concern was that I did not want to discredit the training course, I did not want to give the impression to potential employers, who I am trying to convince to take on trainees, that the problem was that serious. By the Hon Member adding fuel to the fire, Mr Speaker he may have prejudiced future employment for some of these people. That is what I did not want, Mr Speaker. That is why I did not lower myself to the level of arguments with trainees who were under a misconception. That, Mr Speaker,

is what the Hon Leader of the Opposition should have done. That was not the only problem, there was also the problem of the money that the trainees were receiving because no matter how often the press, that the Hon Members are so fond of quoting, said that no one was getting less money than when they were on the dole, the Hon Colonel Britto right up to the last moment when he could not find a way out of the problem and passed the problem on to Mr Nuza of the TGWU, still insisted that some of these people were getting less money than when on the dole. The fact is, Mr Speaker, that all trainees, let it be on public record, all the trainees that were undertaking that course were getting substantially more money on the course than on supplementary benefits. There were only two persons who were getting the same amount. These two, Mr Speaker, if my memory serves me well, are no longer doing the course. What we cannot do, Mr Speaker, as a Government, is accept the situation, in line with a question that has been put to my colleague and fellow Minister at the beginning of Question Time. Because, Mr Speaker, what we cannot have in Gibraltar is a level of remuneration for being on the dole which is as high as being in employment. The idea is to have people in jobs and not on the dole. The very people who were on this course, Mr Speaker, are people who for years Members opposite, when in Government, described as 'unemployables'. I cannot accept that anyone is unemployable provided that they take up the opportunities that we are providing. The people on this training course have never had the chance in their lifetime of undergoing a training course to equip them for a better job and a better standing in our society, including people who at the moment are on probation from Her Majesty's Prison. That is the policy that we are pursuing and that is the policy that Members opposite should be supporting.

HON A J CANEPA:

Mr Speaker, is it not a fact that no matter how hard I tried I would never be able to equal the Hon Mr Feetham's record when it comes to adding fuel to the fire because of his record as a militant trade unionist and as adviser to the Taxi Association. No matter how hard I tried, Mr Speaker, it would be like teaching a baby how to suck compared to his record.

HON M A FEETHAM:

Mr speaker,

HON A J CANEPA:

Let him not come here to this House, Mr Speaker, now that he is a Minister in the Government, pretending that he is the most respectable Member ever known in this House.

HON M A FEETHAM:

Mr Speaker, I do not accept that I have ever thought for one moment of being the most respectable Member in this House. Let me say, Mr Speaker, since the Hon Member has raised the matter, that I am proud of having been a leader of the TGWU since 1970. I am proud in having led the working class in consolidating their position in Gibraltar against an AACR right wing bureaucracy run by the Civil Servants, that today they want answers from, because the AACR never run Gibraltar, Gibraltar has been run in the past by the Governor, the Financial and Development Secretary and the Attorney-General and Members opposite, when in Government, were wishy-washy around all the time. That was what they used to do. I am proud, Mr Speaker, of my trade union record and I am proud of having participated in doing away with the discrimination which existed between Gibraltarian and UK workers in the Dockyard, I am proud of having participated in the fight for parity and I am proud to be here today as an offspring of the struggle of the working class in Gibraltar to get representation in the House where before the representation came from a small clique of our society that today would still like to cling to the power and trappings that we ourselves have rejected. If having done all of that classifies me of having been a militant and means that I continue to be classified a militant for the rest of my life, I am proud to have been that militant.

HON A J CANEPA:

Mr Speaker, a working class which the Hon Member and his colleagues are now running roughshod over with arrogance and with dictatorship.

HON M A FEETHAM:

Mr Speaker, I am not letting him get away with that. Because, Mr Speaker, we have all come from the Trade Union Movement and we have been in office just over two years with a lot of experience, collectively, in life. Sometimes, Mr Speaker, under very difficult situations and I would have thought that the House would be able to recognise that in the two years and a bit that we have been in office, with trade union backgrounds, the fact that we have done Land Reclamation, Europort, Westside I and Westside II, the Building Components Factory.....

HON A J CANEPA:

500 houses, Mr Speaker!

HON M A FEETHAM:

Just a minute I have not given way!

MR SPEAKER:

Order, order. This is now generating into a debate and it must stop. I think that the matter has been ventilated long enough and I would like to allow the Hon Member who put the question to pursue his point but this debate on the AACR and the present Government and their achievements must stop. We must all come down to earth and carry on with questions.

HON LT-COL E M BRITTO:

Mr Speaker, before I proceed with supplementaries, with your leave I would like to clarify one point that the Hon Mr Feetham said and that was that I had said publicly that the trainees were getting less on the course than when they were on supplementary benefits. Is that what the Hon Member said?

HON M A FEETHAM:

That is correct, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, what I said was that the level of remuneration was not adequate and that the men had a basic grievance and that it was a justified grievance and that the Government should look again at the level of remuneration. At no stage, Mr Speaker, did I say that they were getting less by being on the course than outside.

Mr Speaker, will the Hon Minister accept that in the very long and detailed explanation that he gave and which sounded extremely reasonable and made him sound the paragon of virtue in the way that he had conducted the negotiations, that in reality it did occur in the way that he would like to see it whitewashed. To start with, Mr speaker, will the Hon Minister accept that although technically the men were volunteers on this course in actual fact there was a certain amount, dare I say, of moral blackmail in getting them to join the course when they went to collect their supplementary benefits the week or two before the course, I am not sure of the exact date, and they were told that they would not be getting benefits? They were given, I understand, a letter to take to the Training Unit and the implication was that they had to accept the course otherwise their supplementary benefits would be in danger. Will the Hon Minister accept that the element of volunteering is highly suspect?

HON M A FEETHAM:

Mr Speaker, we have no evidence to demonstrate that that is a fact. But, surely, the proof of the pudding is in the eating and they are all on the course now under the same conditions.

HON LT-COL E M BRITTO:

Voluntarily?

HON M A FEETHAM:

Voluntarily, as they were the first time. So where is the problem? The answer is there for all to see. Mr Speaker, both the Hon Colonel Britto and the Hon Mr Montegriffo were outside the Parish Hall when people were signing on. Were they being bullied into signing? Were the men not aware under the conditions that they were signing?

HON LT-COL E M BRITTO:

Mr Speaker, will the Hon Minister accept that, in fact, the answer to that question is yes, a qualified yes, but yes? We are talking about men who this morning were called "unemployables".

HON CHIEF MINISTER:

Not by us, Mr Speaker.

HON LT-COL E M BRITTO:

They were, Mr Speaker.

HON M A FEETHAM:

No, Mr Speaker, what I said was that Members opposite had described them for years as "unemployables" and we are trying to give them an opportunity.

HON LT-COL E M BRITTO:

Mr Speaker, we are talking about men who find it difficult to get employment. Most were on supplementary benefits and benefitting, as the Hon Minister rightly said, by taking the course and having a higher remuneration for the length of the course. None of these men really want to stop the course, Mr Speaker, will the Hon Minister accept this? Not only because of the training but because of the fact that they were getting more money. That, however, does not alter the fact that the Government has taken advantage of the situation by giving them an inadequate level of remuneration. Will the Hon Minister accept that to put them on a level of remuneration that is on par with the Cadet Training Scheme, defined for youngsters, and below the level of remuneration of apprentices, is inadequate? Also, is it the intention of the Government to change the level of remuneration for any following courses?

HON M A FEETHAM:

No, Mr Speaker, the answer is no. Let me remind the Hon Member opposite that the existing Construction Industry Training Centre is an extension of what was previously set up by the AACR. In case the Hon Member does not know, the level of pay in the AACR Construction Industry Training Centre course, Mr Speaker, was £15 per week. Does the Hon Member know that? £15 as opposed to £77.16 which they are getting now. Does the Hon Member know that?

HON LT-COL E M BRITTO:

Will the Hon Minister accept that the point that he has highlighted is the fundamental problem with the concept of this course? The figures that the Hon Minister quoted about previous courses under the AACR are irrelevant. The problem is that if this course had been geared for young men who had just left school the level of pay would not have been inadequate but the concept of mixing youngsters with people over the age of 40, with families, is where it has gone fundamentally wrong. Will Members opposite accept that the concept is wrong and that it needs revising for the next course?

HON M A FEETHAM:

Mr Speaker, the course is purely voluntary. There are people who have been on supplementary benefits for a number of years, some since 1977. Quite frankly, Mr Speaker, we are not in the business of making it easier for people to be on the dole. We are in the business of making it easier for people to get jobs. That is what we are in the business of. Every one of them have gone on the course voluntarily. What I am not prepared to do, and I do not hide behind Ministerial responsibility, and I am sure the Government will agree with me, is to actually bring up the level of wages so that in some cases I am subsidising moonlighting. I will not do that. The level of pay has been struck at what we consider, in our judgement, to be at the right level. It cannot be anymore than that. However, I said during my statement that we had suggested to some of those who felt aggrieved that they should wait until a subsequent course in January which would have given us more time to look at the wider implications. Because when one starts to talk about increasing substantially the level of pay for training there are wide implications throughout other sectors of the economy. As, indeed, we could have in the areas which Colonel Britto must be acquainted with, for example, the age related pay for shop assistants. Will we see the Hon Member walking up and down Main Street waving the flag for shop assistants when he employs them in due course if we were to create a disparity in that area?

MR SPEAKER:

We shall have one more supplementary and then proceed to the next question.

HON P C MONTEGRIFFO:

Mr Speaker, I think that one of the things that the trainees did want, and which for my part I accepted the Hon Minister's explanation, was the concept of guaranteed employment. What I would like the Hon Minister to say is to publicly confirm today that whilst not guaranteeing employment, that the Government reiterates in the new conditions attached to the letter of appointment that the trainees have signed, that the Government is going to use its best endeavours to place these trainees, once they have acquired their skills, in those openings in the construction trade that arise. I think that their fears, which are legitimate, is that we have a construction trade largely dominated by outsiders, as far as skills and employment are concerned, and it would be an element of comfort to the trainees and to others who will, hopefully, be induced into acquiring skills, that the Government is serious about placing these people in the openings that occur in the construction industry.

HON M A FEETHAM:

Mr Speaker, in fact, on the very first day that I was, at long last, able to meet a delegation of trainees, I explained to them thoroughly over a three-hour meeting, our development programme and what we are trying to do to get them all in employment by the time the course is over. I also told them that they were not doing themselves any good by taking the sort of action they were taking in relation to potential employers. So although there is no guarantee of employment there is the political will to achieve the same objective at the end of the course. Therefore, the fact that we conceded the three weeks because the course finished just before Christmas and the construction trade closed until early January, we will continue to pay them throughout these three weeks so that by the time the construction trade resumes in early January they will be able, as many as possible and hopefully all of them that qualify, will be able to obtain a job. I am very hopeful that that will be so.

MR SPEAKER:

Next question.

23.10.90

NO. 113 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Will Government say whether it intends to publish a City Plan during this term of office?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 113 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, could we have an indication as to when? Because we have had "Yes, Sir" before.

HON M A FEETHAM:

Yes, during this term of office, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, when during this term of office?

HON M A FEETHAM:

At any time until the Hon the Chief Minister decides to call the next election.

HON LT-COL E M BRITTO:

Mr Speaker, if the Hon Minister does not wish to answer let him say so. But the question is when during this term of office does he intend to publish the City Plan? But please let him stop beating about the bush.

HON M A FEETHAM:

Mr Speaker, I have actually said some time before the end of this term of office. To be more precise, I am unable at the present time to say exactly when.

HON LT-COL E M BRITTO:

Mr Speaker, considering that sometime back he told us that he was going to publish it last February, may we have the reason why it has not been published yet?

HON M A FEETHAM:

Only to the extent, Mr Speaker, that a number of things have happened since then, in terms of Government possibilities in terms of investment and I would rather publish our interpretation of a City Plan when we have completed a number of things that we are about to do. At that time we will provide the people of Gibraltar with a more comprehensive City Plan that puts the position into perspective, say, for the next ten years.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

What are the details of the proposed "Urban Renewal" programme announced several months ago by the Minister for Trade and Industry?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, I did not announce an Urban Renewal programme several months ago.

In introducing planning zones for Gibraltar, I did say that the approach concerning the zone taking in the old Town would be based on a policy of Urban Renewal of existing buildings as against, for example, the construction of new buildings.

SUPPLEMENTARY TO QUESTION NO. 114 OF 1990

HON P C MONTEGRIFFO:

Does that mean, Mr Speaker, that there is no specific programme earmarked by the Government for implementation at some future stage, specifically for the rejuvenation, if the Hon Minister likes, of the old City of Gibraltar?

HON M A FEETHAM:

Mr Speaker, it is natural in the context of having established development zones in Gibraltar, that the zone that includes the old City, which we hold great attraction, should come under close scrutiny in the overall City Plan that we will produce in the future. Before we are able to move into a position of a concret Urban Renewal programme as such, in its widest term, one has to establish a data base and establish a system of infrastructural details that are required before you can actually converge. That is the point that we are at the moment, Mr Speaker, in relation to the old City of Gibraltar.

HON P C MONTEGRIFFO:

I am grateful for that answer but does the Hon Minister not accept, Mr Speaker, that the state of the old City of Gibraltar is such that in the absence of some investment, be it public or private, and in the absence of some legislative changes in the way that large parts of the old City are regulated, that there is a real danger that in the course of the next decade parts of it will simply collapse? Does the Hon Minister not accept that there are

some residential and commercial properties in such a dire state of disrepair that there is an urgent need to specifically itemise some programme of renewal in the lines of what I thought, erroneously, the Minister was contemplating?

HON M A FEETHAM:

Mr Speaker, there is no erroneous situation. It is a question first of all, of establishing the database for what exists in the old City. Deciding which way we wish to enhance the criteria and the planning possibilities for the old City and one positive thing which we have done is, in fact, remove the pressure from the old City, which existed before. Because Hon Members know that before the reclamation, buildings in the old City were indiscriminately demolished to allow for office blocks that could have been built elsewhere. With the reclamation, Mr Speaker, there is one important element in not continuing with the previous policy because we can be a little bit more relaxed but not entirely relaxed if what is needed in order to enhance the old City of Gibraltar. It is a matter of priorities being put into their proper perspective. We will not embark on an ad hoc policy. So it is a matter of looking at it in a very comprehensive and very detailed manner and the points raised by the Member opposite are, in fact, the very points that I am actually looking at and contemplating because it is something that is there for all to see. How we go about it is a matter of judgement on the part of the Government when it has established its overall development policy.

HON P C MONTEGRIFFO:

Mr Speaker, may I ask one final question. In the process of renewal, for want of a better phrase, Urban Renewal Programme. Does the Government envisage any changes to the Landlord and Tenant Ordinance giving part of that review bearing in mind: (a) that part of the crisis facing the old City is conditioned by the present terms of tenancies established by that law, and (b) bearing in mind that, I understand from the GSLP manifesto, that a review of the Landlord and Tenant Ordinance is a matter to which consideration will be given in its first term of office. So, Mr Speaker, are these two matters linked in the Minister's mind?

HON M A FEETHAM:

Mr Speaker, there is no doubt that there is a certain amount of incompatibility between the existing situation and the need to move away from a stagnated position. This is historical and therefore the way that we are moving forward is to take away the pressure from the old City and move to the new City and by doing that try to create an atmosphere in the old City through the participation of private sector investment and trying to formulate a policy involving both

Government and private landlords for the better of the community. However, until we look in depth at the criteria and, most importantly, the database, we will not know what the implications are. This was what we are doing at the present time but until all these factors are completed, which is not an easy one, but generally speaking, we are looking at this in a positive way.

HON P C MONTEGRIFFO:

I am grateful for that answer, Mr Speaker. I however think that unless the old City, or at least parts of it, are actually addressed either through decanting or partial decanting or through greater market forces in certain areas, then parts of the old City will crumble. History will then provide a solution which perhaps will otherwise fox us. There is, I think, that danger.

HON M A FEETHAM:

Mr Speaker, it is precisely why those are some of the points that are being considered that the Government is taking the action that it is taking. In fact, it is since we came into office that the question of urban renewal and protection of the old City is being talked about. The same applies to the question of design and planning criteria for the old City is being addressed because before this did not exist. These matters are being looked at in order to protect and develop the old City so that people can live there without being driven away. All this will be seen by the community as the right way of approaching the problem.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

What are Government's present plans for future reclamation on the East side?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, the position remains unchanged to that stated to the Leader of the Opposition in answer to Question No.70 of 1990.

SUPPLEMENTARY TO QUESTION NO. 115 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, without recalling exactly what the answer was, I imagine that it was a fairly non-committal answer suggesting that the Government was looking at the matter. Could I therefore, Mr Speaker, pursue the question by asking whether it would be Government's intention to commercially participate in any exploitation of the East side on terms similar to that in the West side?

HON M A FEETHAM:

Mr Speaker, if the Hon Member recalls what I said in answer to Question No. 70 of 1990: "We have reached the point where we are looking at the financial appraisal. The question of the engineering and technical ability to do the job had already been concluded". Mr Speaker, until we have finalised the appraisal and obtained independent advice from independent consultants on that position, the Government will not decide whether it will participate or not participate or whether it will be wholly private sector. When we are ready to make the announcement the full story will be made known.

HON P C MONTEGRIFFO:

Mr Speaker, is the Government in a position today to express a view on what assessment it can make of the demand for accommodation for offices and commercial property that the proposed development on the East side would provide? If it is not in a position to do so today, when will it be ready to do so bearing in mind that the decision will presumably have to be taken on its participation in the relatively near future?

HON M A FEETHAM:

I think, Mr Speaker, that there are two issues here. First of all, it is a matter of Government policy to create a land bank. That is in our manifesto and we believe in the investment of the creation of land. It does not necessarily follow that by the creation of land that we may wish to develop it immediately. Obviously if we believe that we should go down that road with that course of action and the investment is there we will take advantage of it. As far as the East side, which is to what the Hon Member is referring to, we envisage that the East side will form part of our stated policy of recreation of the leisure coast of Gibraltar and at the same time enhance the capabilities of our beaches in the process. What will go on it will be fairly in line with that policy and will obviously include a residential aspect. Because as the Hon Member knows the residential aspect related to leisure is a matter of fact in any type of infrastructural leisure orientated development. That is the position, Mr Speaker.

HON P C MONTEGRIFFO:

Surely, Mr Speaker, the Government cannot be prepared to borrow further funds to create a further addition to our land bank in the context of there being an unclear demand for, for example, residential property. Would it not be somewhat lacking prudence to invest in a land bank unless the Government's assessment of the demand for the buildings which will go on it has been clearly made before?

HON M A FEETHAM:

No, Mr Speaker, in the judgement of the Government investment in land is an investment worth taking. It is creating an asset for the people of Gibraltar to utilise either now or in the future. We do not think that it is a political risk. We did not think so on the first reclamation that we carried out, which has been a success and the results are clear for us to see. We are in desperate need for more land in Gibraltar. We do not believe that the growth of Gibraltar has by any means reached the level that we would expect in the foreseeable future and since the projections that we are putting into place are projections aimed for the next ten years. Because I have already informed Hon Members that any development plans that come out are based on a ten year projection. Mr Speaker, it would be erroneous to compare it with what the Hon Member's assumptions may be about the market position at the moment.

HON P C MONTEGRIFFO:

Mr Speaker, I am asking for the Hon Minister's assessment, not my assumptions.

HON M A FEETHAM:

My assessment, Mr Speaker, is that if the financial appraisal fits in with what we expect it to be, the East side reclamation will go ahead.

HON P C MONTEGRIFFO:

Mr Speaker, finally, is the Hon Minister now in a position to inform this House of the environmental impact which the reclamation of the East side of the Rock could have? Is the Government taking account of the environmental aspects of such a development?

HON M A FEETHAM:

Mr Speaker, the environmental issues as part of the Study have been taken into account and, in fact, it is our judgement that it will enhance the environmental situation in the area. Also, Mr Speaker, the Ornithological and Natural History Society welcome reclamation because it increases the possibility of sea life. Mr Speaker, from all aspects the plans as laid out show that it will improve the environment of the area. At the moment nothing could be worse than the way the area just past the incinerator and travelling towards Sandy Bay looks and what the area with the reclamation could look like.

HON P C MONTEGRIFFO:

Mr Speaker, with your leave I would like to put one more short question. Would it be the Government's intention to publish the City Plan before a final decision is taken on the East side reclamation? Because the reclamation of the East side would make such an addition to the physical shape of Gibraltar that surely it would be appropriate to include it in the City Plan bearing in mind that the plan is going to have a life of five to ten years?

HON M A FEETHAM:

Mr Speaker, I think that I have answered this question before. If the Government, in its judgement, considers that the East side reclamation is a viable proposition we intend to go ahead with it. Mr Speaker, it has been on the cards, in one shape or another, for the last twenty years and as far as we are concerned if the economic decision is made we will proceed. Once people see the plans everybody will welcome it because it will be a first class addition to Gibraltar's requirements. It will not deprive anybody of anything in fact it will strengthen the position of our beaches and of Catalan Bay. For instance, the damage that was caused by this year's

storm to the whole of the East side, from Eastern Beach to Sandy Bay, including the damage to the road from Devil's Tower to Catalan Bay, would not happen with the reclamation. Because just the very minor reclamation which is currently taking place to reinforce this vulnerable road has already proved to be very beneficial.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

Will Government confirm whether it intends to authorise the construction of a road in the Upper Rock area with the possible addition of buildings adjoining the proposed route?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, this matter is under consideration. A final decision has not yet been made.

SUPPLEMENTARY TO QUESTION NO. 116 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, is the Minister in a position to indicate the proposed route of this road? The precise starting and finishing points?

HON M A FEETHAM:

Mr Speaker, the new road, if it were to go ahead, because no final decision has been taken yet, will commence in the area of the Waterworks coming down from Moorish Castle and will terminate in the area of the Casino. The purpose will therefore be that all traffic moving down or around the Upper Willis's Road/Moorish Castle will have an access road out from that area without entering the town area. Mr Speaker, if we are successful in concluding this project it will be a major addition to our road infrastructure.

HON P C MONTEGRIFFO:

Mr Speaker, what about the buildings that would adjoin the road? Because the project is being, I imagine, financed by private investment and as a quid pro quo for this the development supporting this project is going to be for them?

HON M A FEETHAM:

That, Mr Speaker, is one of a number of possibilities. But as I have said, a final decision has not yet been taken. What the Hon Member must realise is that this Government is perhaps the only Government that is not eligible for large aid from UK to provide infrastructure for its own requirement. Therefore whatever we do to improve our infrastructure has to be done by increasing our own growth and increasing our own income through one method or another. Therefore, Mr Speaker, as a matter of information, the method that has been described by the Member opposite is one of a number of possibilities but the final decision has not been made as to how that road will be financed.

HON P C MONTEGRIFFO:

Mr Speaker, on the matter of the environmental side of this project, is it not the case that a route, as the one proposed would pose serious environmental concerns which could not be addressed other than by paying the price for the infrastructure that we are putting in. In other words, that if there is to be a road and if there are to be buildings of some sort along that route, that there is an environmental price? If that is so, what is the Government's view of this?

HON M A FEETHAM:

Please, Mr Speaker, for members of the community that are constantly coming down Willis's Road and Moorish Castle Road down into the St Bernard's Hospital area, then for years the environmental and traffic problems arising from not finding an alternative solution is far more damaging than finding an alternative to decongest that problem must surely be better even if there is a slight environmental problem created, which in any case I am not sure what that means. The thing would be to compare it before and after. However, if the Hon Member could be more explicit about the environmental issues of a new road then I might be able to provide more information.

HON P C MONTEGRIFFO:

Mr Speaker, it is difficult to be explicit about what trees, etc are going to be knocked down when the route has only now been indicated. The point that I am making is that from the knowledge of environment as is now being fed to us much more vigorously than before, it would seem to be the case, Mr Speaker, and this is the question that I put to the Minister, that touching the Upper Rock area in any way has to give rise to an environmental price because of the richness of the area anyway. I am not saying that we cannot touch the area at all because otherwise we may as well give up doing anything. What I am saying is that in putting that road up, has the environmental impact been considered by the Minister and is he in a position to make an assessment of it for the benefit of Members of this House? Of course, it is a question of balancing the benefits and disadvantages but has the Minister consulted the different environmental pressure groups on this matter?

HON M A FEETHAM:

The answer to that is yes, Mr Speaker. We have, as a matter of course, consulted the people concerned and, as I have said before, there are a number of alternatives. One of the alternatives, in fact, at my personal intervention, insisted that the density of development on the route should

be reduced considerably so that, in fact, the road, all that it is going to be doing is going through hard rock and rubble and the degree that it moves in a northerly direction is completely restricted to a sensible economically viable situation. Therefore, as I understand it today, the members of the pressure groups mentioned by the Hon Member are entirely satisfied that within what we are doing we have done everything possible to respect their wishes. In fact, Mr Speaker, there are a number of trees in the way which are going to be replanted. That was the only thorny problem that needed solving in the restricted scheme.

MR SPEAKER:

Next question.

NO. 117 OF 1990

ORAL

THE HON K B ANTHONY

Will Government explain why the Queensway Quay Development has been at a standstill for so long, and when is work likely to start?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, I have from time to time given details to the House concerning the Queensway Quay Development, and particularly to the delays. I do not intend to repeat what has been the previous position. However, on the positive side I can state that the contractor has now been appointed by the developers and are due to mobilise on the site on the 1st November, 1990.

SUPPLEMENTARY TO QUESTION NO. 117 OF 1990

HON K B ANTHONY:

Mr Speaker, I thank the Hon Minister for that answer but my concern arises because at the moment we are going through a period when Queensway is undergoing major disruptions and at the rate of work at the moment I anticipate that it will be six to nine months before they are down opposite the Queensway Quay Development and I would hesitate to see a repetition of having laid the sewage etc, have another lot of constructors dig the road up again. Has any effort been made, Mr Speaker, to synchronize so that any disruption is kept to a minimum?

HON M A FEETHAM:

Mr Speaker, all the infrastructural works taking place now, a major investment programme, is actually being put into place on the following basis: (a) to provide the infrastructure necessary for all the development taking place at the reclamation, at Waterport, at Smith Dorrien Road and at Queensway; and (b) to improve and upgrade the infrastructure which has been untouched for years and needs updating to meet the demands from an open frontier and the future. Therefore, everything is planned on that basis and there will not be any need for the Queensway Development to open up the road because the infrastructure taking place now will take it up to the site. The Queensway constructor will only be responsible for the infrastructure within the site.

MR SPEAKER:

Next question.

23.10.90

NO. 118 OF 1990

ORAL

THE HON K B ANTHONY

Will Government state what are their long-term plans for the future development of Naval Ground No. 2?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, at present Government has no plans for the development of Naval Ground No. 2.

SUPPLEMENTARY TO QUESTION NO. 118 OF 1990

HON K B ANTHONY:

Mr Speaker, although the Hon Minister has said that there are no plans at the moment, may I ask if it is intended to develop it other than leaving it as a car park?

HON M A FEETHAM:

Mr Speaker, the answer is not for the moment. We have not made any such considerations for the moment.

HON A J CANEPA:

Mr Speaker, in the Draft City Plan presently being drawn up will there be some indication included of what is proposed for Naval Ground No. 2 in the future?

HON M A FEETHAM:

Mr Speaker, if we have decided by then what we will do, yes, of course, there will. What would then be shown is what it presently is and for what it could possibly be for the future.

MR SPEAKER:

Next question.

NO. 119 OF 1990

ORAL

THE HON K B ANTHONY

Will Government inform this House what it intends to do with Cumberland Buildings?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, when the site was handed over to Government recently a survey was carried out and it was found that the existing life possibilities of the present structure based on refurbishment was not economically viable but indeed prohibitive.

The Government has therefore decided to demolish the buildings.

SUPPLEMENTARY TO QUESTION NO. 119 OF 1990

HON K B ANTHONY:

Mr Speaker, perhaps it would be a little bit premature to ask what plans the Government has once it is demolished? However, since it is presently a residential area does the Government intend to build further residential places at the site?

HON M A FEETHAM:

Mr Speaker, we have decided to demolish the present buildings but to be quite frank with Members we have not decided what will go there, if anything at this point in time.

HON A J CANEPA:

Mr Speaker, is the Hon Minister saying that the state of the building is such that it cannot be put to a short to medium term use for, say, four or five years?

HON M A FEETHAM:

Mr Speaker, the costs would be prohibitive. If I could just inform the House of the number of hours that my colleague the Minister for Housing has spent arguing and trying to find a solution to use it, even on a decanting purpose, to alleviate people for the next four or five years it would seem incredible and we would not be able to quantify the effort he has put. However, it is not possible because it would not be safe and the last thing that we want is to convert it into a Youth Centre and have a possible accident.

HON A J CANEPA:

Will the Hon Minister then, Mr Speaker, agree with me for the benefit perhaps of numerous people in Gibraltar who think and imagine that once the MOD has handed over property to the Gibraltar Government it is the fault of the Gibraltar Government that nothing useful is done with these buildings. Will the Hon Minister agree that 90% or 95% of the time when we get property handed it is in such an awful state that very little can be done with it?

HON M A FEETHAM:

Mr Speaker, I have to agree entirely with the Hon Leader of the Opposition and let us be quite clear that we could be landing ourselves with a huge maintenance bill as a result of the MOD withdrawal because we will be getting other places which are best knocked down than retaining and maintaining. Therefore, Mr Speaker, nothing surprises me.

HON A J CANEPA:

Will the Hon Minister find it of interest if I tell him, and I have witnesses to the fact, that I quarrelled with a Member of Parliament in Malta whom I see on the television screens now and again intervening, Mr John Marshall, because he insisted that the Government of Gibraltar should pay the MOD handsomely for buildings like Cumberland because we can put them for housing purposes.

MR SPEAKER:

Next question.

THE HON G MASCARENHAS

Will Government state whether they have taken decisions on the future use of South Barracks and Buena Vista Barracks?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, no final decision has been taken on these two sites.

SUPPLEMENTARY TO QUESTION NO. 120 OF 1990

HON G MASCARENHAS:

Mr Speaker, as a result of the last question, will the Hon Minister state what is the state of these buildings?

HON M A FEETHAM:

Mr Speaker, in the case of South Barracks a survey is being carried out to establish exactly the state of the building and to what extent the building could be refurbished for one purpose or another. Until we are in possession of that independent survey we will not be able to decide what to do with it.

HON A J CANEPA:

Mr Speaker, without committing himself, can the Hon Member say what the Government may want to do with it? At least some indication of Government's thinking on the matter.

HON M A FEETHAM:

Mr Speaker, there are clear indications of certain requirements in the area of education and of re-housing certain groups of public servants, ie the Police and other sectors. So the ultimate use of these buildings which are ideal, if things come together right, for those areas.

HON G MASCARENHAS:

Mr Speaker, what about the state of Buena Vista Barracks?

HON M A FEETHAM:

Mr Speaker, the position is that as yet we have not really had a chance to look at it.

NO. 121 OF 1990

ORAL

THE HON P C MONTEGRIFFO

What information does the Government now have in relation to release of land which the MOD will be making following the departure of the Resident Battalion?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the information is the same as has been stated previously and the position is that discussions as to details are still taking place regarding the properties to be released once the Battalion departs after April, 1991.

SUPPLEMENTARY TO QUESTION NO. 121 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, is the Chief Minister in a position to indicate whether the proposed release will have an impact on the Government's programme as far as land reclamation is concerned, bearing in mind the question of land which may or may not be involved?

HON CHIEF MINISTER:

Mr Speaker, the position is that the Government's reclamation programme is independent of any land that will become available from the MOD. The MOD land consists of land on which there are buildings, we are not talking about land without buildings on it and consequently the land reclamation programme is on the basis that we will be able to develop reclaimed land because of the technical way in which the land is reclaimed. There will therefore be no need to wait for a period of settlement because as soon as it is reclaimed it is available for development. Whereas, as we have seen in the case of Cumberland Buildings, one of the properties listed down as forty residential dwellings whilst, in fact, we shall have to spend a considerable amount of money knocking it down in order to finish with an empty space of land.

HON P C MONTEGRIFFO:

Mr Speaker, is there, in fact, any sort of timescale which can pinpoint when a detailed list is available of what is to be released?

HON CHIEF MINISTER:

There are tentative dates attached to the availability of the property beginning in March and April of next year. But the dates are tentative and to some extent we have not wanted to come up with a total figure of what was available. Perhaps if I give the Hon Member an example he will understand the point that I am making. On the 16th August we were told that there would be available to the Government, between now and next April, a total of 77 Married Quarters. 40 of those 77 Married Quarters are Cumberland Buildings and which are no longer available so we feel hesitant to come out because people might think that their prospects in being re-housed are better because of the 77 extra flats. It might even reflect on people's decision of buying property because of these extra flats and then find out, in six months time, that of the 77 maybe only 7 are capable of being restored and made habitable. Therefore, until we have the property in our possession and we have made an assessment of the cost of making these places habitable, we will not know. Some of these properties that we have looked at, which are already vacant, are properties that have been empty for many, many years. It is not that they have become vacant now and are being handed to us because they have just been vacated. We expect that the properties that are due to become available after April should be in a better state because they have been in use and we will get them immediately after they stop using them. However, in the 77 Quarters that were due to become available between now and April, it is a question of the paperwork not having been finalised and the Gibraltar Government not obtaining access until the paperwork has been finalised. All these are properties that have been deteriorating through disuse, like Cumberland Buildings have been, and in some of these very old buildings, frankly unless we can find somebody prepared to spend money in restoring them, because, quite frankly, it is uneconomical for the Government to spend an astronomical amount of money in restoring these buildings and then find that the rent that can be charged does not make it a worthwhile operation. In some cases it would be cheaper to build new houses somewhere else than to restore an old pre-war MOD property. We are reluctant to demolish properties that can be restored but it may not be economically viable to restore them given the realistic rent that can be charged for the property once it is restored.

HON P C MONTEGRIFFO:

Mr Speaker, I am grateful for that explanation and although I take the Hon the Chief Minister's point that expectations should not be raised, it must surely be the case that if between August and April next year, if I have understood the Hon Chief Minister correctly, there was an indication that there were 77 dwellings to be released, although the vast majority turn out to be unusable, is it also to be expected that in the future with more substantial release of land there will be the possibility of housing for allocation?

HON CHIEF MINISTER:

We are confident, Mr Speaker, that in the property that will be available after April there will be property that will fall into the category that has been described by the Hon Member opposite. However, we do not know how much will be available until we see the state that they are in. I can tell the Hon Member that in the 77 that we are talking about now, one is the Steward's Quarter in New Mole House which is shown as a separate residential dwelling from the 40 at Cumberland Buildings. Well, even if that one, in itself, is alright if you demolish New Mole House and Cumberland Buildings then you cannot leave the Steward's Quarter standing alone in that area. That is the problem.

MR SPEAKER:

Next question.

23.10.90

NO. 122 OF 1990

ORAL

THE HON P C MONTEGRIFFO

Will government confirm that no flats in the Westside Development forming part of a block in which there are owner/occupiers will be rented out by or on behalf of the Government for persons eligible to be on the housing list?

ANSWER

THE HON THE MINISTER FOR HOUSING

Yes, Sir.

NO. 123 OF 1990

ORAL

THE HON K B ANTHONY

Will Government state where they intend to build the 500 houses for rental that they promised in their election manifesto during the remaining eighteen months of their term of office?

ANSWERTHE HON THE MINISTER FOR HOUSING

Mr Speaker, the position is the same as explained in answer to Question No. 198 of 1989 which I will repeat:

As the Hon Member will note if he looks at the Estimates of Expenditure, the Government has budgetted a sum of £18m for the construction of the 500 housing units in question. The position is, of course, that this programme has already commenced because he will see that money was spent last year and in the current financial year.

Details of the units being built at various Estates have been provided by me both at Question Time and at Budget Time.

The Government has made it clear that the exact composition of the units and the number required would be kept under review in the light of the increased output of Home Ownership Units in Westside II which did not exist at the time the original assessment was made.

It has already been stated publicly and in this House, that the Government has, in fact, an option to purchase units in that project should this be the most cost effective way of producing some of the houses planned.

The Government is not in a position to advance beyond the information that has been provided on this and any previous occasion.

SUPPLEMENTARY TO QUESTION NO. 123 OF 1990

HON K B ANTHONY:

Mr Speaker, did the Hon Minister say in Westside II?

HON J L BALDACHINO:

Yes, Sir.

HON K B ANTHONY:

Mr Speaker, in the previous question the Hon Minister confirmed that no flats in the Westside Development would be rented out.

HON P C MONTEGRIFFO:

Mr Speaker, presumably the Government would subsidise such flats either by soft loans or such other schemes that the Government may devise?

HON J L BALDACHINO:

Mr Speaker, as I answered in answer to Question No. 122, that is the case and as the Hon Member has just said it could be by such means or perhaps some other method.

HON A J CANEPA:

Mr Speaker, is the Hon Minister for Housing saying that he considers that the Government will have fulfilled its electoral commitment to build 500 houses for renting to people on the Housing Waiting List as a result of taking up an option to purchase 500 units at Westside II?

HON J L BALDACHINO:

Mr Speaker, I have not said that we are going to purchase 500 units. What I have said is that we have already commenced building houses for renting in other areas like Glacis, St Jago's, etc and we have now started to resite the Varyl Begg Social Club and another block will be built at the vacant site. We have also commenced preliminary works at the Lake Chad area where an extra storey will be added. Once that has been done we will review how sales are going at Westside I, Brympton and Westside II and take a decision on whether we take up the option that we have in Westside II. That, Mr Speaker, is the position which shows that the Government is going to spend its money on 500 houses.

HON A J CANEPA:

The Hon Minister is accepting that the Government itself will not have been the direct course of 500 units being built?

HON J L BALDACHINO:

Mr Speaker, it is not a question of who builds the 500 units, it is a question of having available 500 units and therefore if we have the probability of buying rather than building and it is cheaper for the Government then I think that is logical. The end result is that there are 500 more units for allocating and we are fulfilling our obligations.

HON A J CANEPA:

Mr Speaker, if all the units at Westside II were to be sold other than to the Government, how many houses would the Government have then built?

HON J L BALDACHINO:

Mr Speaker, I think that the Hon Leader of the Opposition should wait until our term of office is completed. However, why should the Hon Member try to hold us to our commitment to build 500 houses when the economy no longer requires 500 houses and make us waste money in building houses which are going to remain empty. It does not make sense economically.

HON A J CANEPA:

Mr Speaker, I am just recalling that the Hon Minister for Housing, whose honesty I do not doubt for one moment, appeared on television at the time of the General Election and said: "If the GSLP do not build 500 units between now and the next General Election I will not come here to make excuses".

HON J L BALDACHINO:

Mr Speaker, I still keep to that commitment but it was not on television. I said that at the Party's General Assembly. Nevertheless it does not matter where I said it. I will keep to that commitment. If I fail to provide the 500, or if the Government fails, I will not make any excuses.

HON K B ANTHONY:

Mr Speaker, I am delighted to hear the Hon Minister make that statement but I asked the Hon Minister in my question to state where they intended to build them. We have had mentioned Glacis, Varyl Begg, Lake Chad, Westside II. Are there any other places?

HON J L BALDACHINO:

I think, Mr Speaker, that I explained this at Budget time in answer to a question from the Hon Colonel Britto. It has never been said that the 500 houses were going to be built in one Estate. We said we would build 500 houses but not where they would built. We have already commenced and once we have reviewed the position taking into account home ownership, we will decide accordingly. Once we are ready I will then announce it; but as the Hon Member knows I never make announcements until I am ready and once I am ready I will inform him and the general public.

NO. 124 OF 1990

ORAL

THE HON K B ANTHONY

Does Government have any intention of re-housing the present tenants of King's Bastion Quarters in the foreseeable future and, if not, will they undertake to paint the exterior of the Quarters, which are such an eyesore on Line Wall Road?

ANSWERTHE HON THE MINISTER FOR HOUSING

Mr Speaker, in re-housing tenants, the Housing Allocation Committee does not award points for the state of the painting of the exterior of buildings, therefore this is not a relevant factor.

The question of the repainting of the building is a matter to be decided by the department in the context of its workload. More painting of residential areas is being carried out in this year than has ever been done before by the Housing Department, as the Member opposite will be aware from the amount of money provided in the Improvement and Development fund for this purpose.

SUPPLEMENTARY TO QUESTION NO. 124 OF 1990

HON K B ANTHONY:

Mr Speaker, I am quite aware that a lot of money is being spent on painting. I have just asked the Hon Minister if he will undertake to paint the exterior of these particular Quarters?

HON J L BALDACHINO:

Mr Speaker, I have just answered the question. We will look at it in the context of the whole painting workload.

HON K B ANTHONY:

In other words, Mr Speaker, it may or may not be painted?

HON J L BALDACHINO:

Mr Speaker, that depends on the Department's priorities. Mr Speaker, that eyesore has been there for about fifteen years and if I have to make a decision between painting leaking roofs and painting King's Bastion, I will paint leaking roofs.

HON K B ANTHONY:

The answer, Mr Speaker, is that it will not paint King's Bastion?

HON J L BALDACHINO:

Mr Speaker, I have not said that. What I have said is that it depends on my Department's priorities whether it will be painted in this financial year. If it is possible it will be painted but if a decision has to be taken between painting an eyesore and painting leaking roofs I will do the roofs first.

MR SPEAKER:

Next question.

NO. 125 OF 1990

ORAL

THE HON K B ANTHONY

Is Government going to carry out any remedial work on the temporary homes at USOC, to avoid a repetition of the heavy condensation and the cockroach infestation, that occurred during the past year?

ANSWERTHE HON THE MINISTER FOR HOUSING

Mr Speaker, remedial work started on 2nd October, although preparatory work at depot level has been going on since mid-September. All four blocks have now been completed as far as ventilation is concerned and half of the first block has already been provided with safety and protection means between each flat.

The question of the cockroach infestation has been dealt with by the Environmental Health Department.

SUPPLEMENTARY TO QUESTION NO. 125 OF 1990

HON K B ANTHONY:

Thank you, Mr Speaker. Is the Hon Minister aware that up to last Friday there was water getting into some of the flats?

HON J L BALDACHINO:

Mr Speaker, I am fully aware but that does not arise insofar as the Hon Member's question is concerned. The Hon Member has asked about heavy condensation and cockroach infestation. However, I can answer in respect of the last point. I am fully aware, Mr Speaker, about one of the flats having water penetration through the windows and we are looking at means of preventing this. We have already provided shutters for some of the flats and once all have been provided with these shutters we will see if this stops the water coming into the flats. If not we will look at other alternatives.

HON K B ANTHONY:

Mr Speaker, is the Hon Minister confident that he will be able to remedy the condensation problem, in particular, before the heavy rains arrive?

HON J L BALDACHINO:

Mr Speaker, I am not an expert on these matters but I have to point out to the Hon Member that heavy rain and condensation are two separate things. Condensation occurs because of rising heat hitting a cool surface. It is immaterial whether it rains or not. Winter is when condensation will occur. I am satisfied that we have tried to remedy the situation although I am not 100% sure that it will solve all the problem. My advisers however think that it is a solution.

HON A J CANEPA:

Ventilation?

HON J L BALDACHINO:

We have already provided for cool air to come between the roofs and the ceilings. As a result the hot air will not hit against a cool surface.

HON A J CANEPA:

Has the possibility of lagging between the ceiling and the roof been considered?

HON J L BALDACHINO:

Yes, Mr Speaker, and I was told that it was no solution because the hot air would still hit a cool roof. I was told that the best solution would be to have a flow of cool air coming in so that it would push the hot air to the sides. That is the advise and the remedy we have carried out. I am however not 100% sure of it being a solution but that is the advise given.

HON LT-COL E M BRITTO:

Mr Speaker, when I questioned the Hon Minister last winter, at the time when condensation was first identified, he informed me then that the question of circulation was a possible cure but if I remember he also said that he was awaiting advise from the makers. Apparently a representative of the makers was going to study the problem on site. What has been their advise? Also, Mr Speaker, why is it that these flats, which have existed for a long time in the UK, do not have that problem there but do have it here?

HON J L BALDACHINO:

Mr Speaker, firstly, they have been used in the UK as offices, I think I said that during the Hon Member's questioning. The makers are coming to Gibraltar next week because I have insisted that they do so in order that I can talk to them here. Other remedies, like the penetration of water through the links of one floor and another, were carried out immediately last summer. The question of ventilation would not have arisen if we had carried out the works in the summer because, as I have said, condensation occurs in winter. We wanted to do the work now because we had arranged for the maker's representative to come out to Gibraltar. They will see the problem and perhaps advise us further.

HON LT-COL E M BRITTO:

Mr Speaker, just to press the Hon Minister. If I remember rightly the question I asked him was round about the beginning of the year and at that time I was told that the makers were coming in March, if my memory serves me right. Is there any reason why they have not come until now?

HON J L BALDACHINO:

Not as far as we are concerned. They might have some reason but I have been insisting since March that they come out to Gibraltar. They have now confirmed that they will be coming next week. If they do not turn up that is another problem.

HON LT-COL E M BRITTO:

Mr Speaker, is there still a possibility of legal proceedings taking place against the makers?

HON J L BALDACHINO:

I would not like to divulge that at this stage. I would first like to discuss the matter with them when they come. In any case, that would be a matter for the Attorney-General once I consult him. I would not like to go further than that, Mr Speaker.

HON LT-COL E M BRITTO:

Finally, Mr Speaker, I am not quite sure of the Minister's point that these units are used as offices in the UK and that therefore the problem does not arise. Is it not a fact that the condensation here occurs just as much during the day as during the night? The difference in temperature in the UK is greater and therefore with people in these units during the day the problem would be the same, if the reasons are the same, and condensation should still occur? If not, why is it that it occurs here and not in the UK?

HON J L BALDACHINO:

The information that I have, again, from the makers, is that this problem has not occurred elsewhere where they have built them, that is their position. They do not see why it should occur here. I think that it has to do with the difference in temperature in Gibraltar. They are, however very surprised that it has occurred here.

HON LT-COL E M BRITTO:

Mr Speaker, whilst not questioning that that is what the manufacturers are saying, does the Hon Minister agree with me that it is illogical? Because if the reason that he has been given is that condensation occurs because of the difference in temperature between the outside of the building and the inside and the greater the difference in temperature the greater the condensation, then surely in the UK where buildings tend to be heated inside and it is colder outside, the difference is greater and therefore, if that is the reason, there should be more condensation in UK and not less. Would the Hon Minister agree that that is logical?

HON J L BALDACHINO:

Mr Speaker, that is logical if he follows the argument that he has followed from the beginning. I have said that in the UK these buildings have not been built for residential purposes. They have been built as offices. In residences there are more cooking facilities which add to the rise in temperature as well as more people living in them. According to the makers they have built these type of units in hotter temperatures than the UK and this problem has not occurred. I can only go by what they have said, Mr Speaker, and although I follow the Hon Member's logic and I agree with him, I cannot say why it does not happen in the UK or anywhere else. I am giving the Hon Member the reasons the makers have given me. It does not mean that I agree with them.

MR SPEAKER:

It must be the levanter! Next question.

THE HON LT-COL E M BRITTO

Will Govewrnment confirm that some non-Gibraltarian labour engaged at GSL on a casual basis does not pay income tax or social insurance?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 126 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, will the Minister then confirm that all the labour at GSL, including those employed on a casual basis, have always paid and continue to pay tax and social insurance?

HON J E PILCHER:

No, Sir.

HON LT-COL E M BRITTO:

Mr Speaker, the Hon Minister will not confirm that they have always paid?

HON J E PILCHER:

No, Mr Speaker, because the Hon Member opposite is working under the premise that GSL employ casual labour which it does not.

HON LT-COL E M BRITTO:

We are entering the area of pedantics again, Mr Speaker. Is labour working at GSL on a casual basis?

HON J E PILCHER:

Not for GSL, Mr Speaker. It is not a matter of pedantics but of fact.

HON LT-COL E M BRITTO:

Mr Speaker, is there casual labour working for companies engaged by GSL?

HON J E PILCHER:

The answer to that question, Mr Speaker, is that GSL does sub-contract certain companies on a lump sum basis on specific contracts. Whether they employ casual labour or not is something which will have to be raised with them and not with GSL.

HON LT-COL E M BRITTO:

Mr Speaker, is the Hon Minister aware of any casual labour working at or engaged by GSL that does not pay tax or social insurance?

HON J E PILCHER:

No, Mr Speaker. If the Hon Minister was aware of that he would do his duty as a Government Minister and report the matter to the relevant authorities immediately. That is precisely what the Hon Member opposite should do if he has such information.

HON LT-COL E M BRITTO:

Mr Speaker, I have a limited amount of information but not enough to be able to communicate it to the Hon Minister. In fact, I was hoping that through my questioning I might be able to get more information but it is obvious that I am not going to get it. I shall therefore carry out certain investigations on the lines that I have been pursuing and if I am able to substantiate and confirm the matter I will take further steps by either informing the Hon Minister or bringing the matter before the House again.

HON J E PILCHER:

I thank the Hon Member and any information he can give us, as a Government, will be more than welcome. I must however point out that if he thought he was going to illicit such information from us, which is a breach of the law, then he should have thought again before putting the question, Mr Speaker.

HON LT-COL E M BRITTO:

My information, Mr Speaker, is that there is a private company, run by a Portuguese gentleman, or which used to be run by such a gentleman, because I am now given to understand that he is now in partnership with someone local, again I am not sure of my facts, and no doubt the Hon Minister knows what I am talking about. My information,

Mr Speaker, is that the labour being contracted or being brought in by this private company, and I am not sure where it is working within the GSL/Joint Venture system, on a short-term basis, I understand, and paid cash at the end of the week without pay slips and without the deduction of tax or social insurance. That, Mr Speaker, is the limit of the information that I have and which I pass on to the Hon Minister at this stage. I shall, however, carry out further investigations and if I obtain anything else I will let him know.

MR SPEAKER:

Next question.

NO. 127 OF 1990

ORAL

THE HON A J CANEPA

Will the Minister for GSL explain the position regarding discussions with Kvaerner?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Mr Speaker, as the Hon Member is aware, I will be tabling the GSL Accounts for 1989 at the adjourned meeting of the House and as such a full debate on GSL will follow. I will deal with this question at that time.

SUPPLEMENTARY TO QUESTION NO. 127 OF 1990

HON A J CANEPA:

I was expecting that reply, Mr Speaker. However, is the Minister aware that the debate will entail discussion on the 1989 Accounts? That we are now in October, 1990, and that what is or is not happening with Kvaerner is not related to the Accounts ending on the 31st December, 1989? It is therefore quite proper, Mr Speaker, that I should ask questions and expect answers independently of that debate because neither the Hon Minister or we, in the Opposition, have to bring up the question of Kvaerner when we debate those Accounts.

HON J E PILCHER:

Mr Speaker, as the Hon Member is aware and although he is technically correct that the motion which will be tabled by me at the adjourned meeting will deal with the 1989 Accounts, the Hon Member should also be aware, because he has been here in this House since GSL was created in 1984, that when such motions are tabled the opportunity is taken by the political entity of the day, before it was the AACR and although presented by the Financial and Development Secretary, since we come into office, Mr Speaker, we have used the occasion to explain what has happened during the year of the Accounts but also to explain the position as it is happening today and the short to medium-term future of the company. This, Mr Speaker, happened last year and we intend to do the same this year.

HON A J CANEPA:

Mr Speaker, I cannot compel the Hon Minister to answer my questions today but what I will do, Mr Speaker, is ask a list of supplementary questions on which I would wish information and request the Hon Minister when he comes to the House in two week's time, to move the motion on the Accounts, to provide

the necessary answers. The information we are requesting is the following:

(a) the question of redundancies: What is the position of GSL? In the discussions with Kvaerner regarding redundancies, how many people at management level are Kvaerner likely to bring out from Norway? How many industrial workers are they proposing to bring out from Norway? What is the future of the Pension Plan going to be? The Pension Plan established at GSL, what is that Pension Plan's future in the context with the discussions with Kvaerner?

(b) What is the position of Gunwharf? Is that part of a possible takeover by Kvaerner? Or is that being dealt with separately? And, if so, why?

(c) The other thing, Mr Speaker, is that I hope that, of course, the Hon Minister will also, and I am sure that he will, at the time of the debate be in a position to communicate to us the latest position of the attitude of the men and the TGWU on the state of the discussions.

These, Mr Speaker, are the things that we are likely to want answers at this juncture on the affairs of GSL. They are, we think, quite proper questions, and that the Hon Minister will provide the necessary information.

HON J E PILCHER:

Mr Speaker, if the information that the Hon Member is seeking is available at the time of the discussion on the GSL Accounts ~~it~~ will obviously be made available. We will, however, have to wait until the adjourned meeting.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

Can Government undertake that it will continue to have political responsibility for the operations of our shiprepair yard in spite of any deal that may be arrived at with any new operator in the future?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

No, Sir. The Government will not be engaging an operator to run the yard on its behalf.

SUPPLEMENTARY TO QUESTION NO. 128 OF 1990

HON P C MONTEGRIFFO:

That means, Mr Speaker, that the Government is still of the view that it will answer politically for the operations of the yard in this House?

HON J E PILCHER:

It is a pity, Mr Speaker, that the Hon Mr Ken Anthony, who used to teach me English Literature, is not beside the Hon Member at the moment because my reply was "No, Sir. The Government will not be engaging an operator to run the yard on its behalf". Therefore the answer is that we will not be engaging an operator. If we go down the path that has been discussed about an operator taking over, the operator will take it over as a separate commercial entity.

HON P C MONTEGRIFFO:

So the Government will no longer make itself responsible to answer on behalf of the company?

HON J E PILCHER:

That is correct, Mr Speaker.

HON P C MONTEGRIFFO:

Will there therefore be no Government Minister on the Board of GSL?

HON J E PILCHER:

Mr Speaker, GSL would not be running a shipyard and therefore there would not be a need for direct intervention by Government in what would be, at that stage, although at the moment it is still hypothetical, a commercial company.

HON P C MONTEGRIFFO:

Mr Speaker, did I not understand it to be a fundamental cornerstone of GSLP policy that in the running of the yard, however it was managed, either through a management contract or otherwise, the Government felt political responsibility was a crucial factor and that the operation of the yard would be something which the elected GSLP Government would remain politically accountable for?

HON J E PILCHER:

No, Sir. The Hon Member's perception of what we said or did not say is immaterial. That is not what we said and that is not the position, Mr Speaker.

HON G MASCARENHAS:

Mr Speaker, does the takeover of the yard entail the transfer of the Government's shares or will the company be wound up?

HON J E PILCHER:

Mr Speaker, I have just informed the Hon Leader of the Opposition that there would be a full debate on GSL when the Accounts are ready. I think we are now leading to the same points which the Hon Leader of the Opposition asked he would like to know about when we debate the matter and if they are available at the time we will answer these points.

HON P C MONTEGRIFFO:

Mr Speaker, the effective conclusion which the Hon Minister's answers seem to lead us to is that what is envisaged is a privatisation of the shiprepair operation. Because what we are seeing is the conversion of a public owned facility, either through a company, as it is at present or directly as it would have been before, as an MOD structure, to an entirely private run operation for which the Government would feel it is not politically answerable. Is that an accurate summary, Mr Speaker? That the Government is contemplating privatisation as the means of its deal with Kvaerner or with any other operator?

HON J E PILCHER:

That, Mr Speaker, is one of the possibilities but again, at this stage, the question is hypothetical.

HON P C MONTEGRIFFO:

And if the Hon Minister is prepared to answer this question, if not, I would ask him to reply during the debate. Would the holdings that GSL has in the various joint venture companies linked to the diversification programme, now supposedly to be abandoned, also be privatised in favour of the new operator? Or are they matters which are totally separate and Government will hold on to those shares?

HON CHIEF MINISTER:

Mr Speaker, the Government is not considering selling GSL to anybody. There will therefore be no transfer of GSL, as a company, to anybody or of any company in which GSL has a shareholding, to anybody. What the Government is considering is a proposal for renting out the area. Therefore if the area is rented out to a separate independent private company that will pay a rental to the Government that separate private company will not, in fact, be presenting Accounts to us, as a Government, because we will not own shares in that company and therefore the Accounts would not be brought to the House because they would not be the Accounts of GSL. GSL would get a fee income from that company and that company, if they were to proceed, which may or may not happen, would be responsible for keeping its profits, if it makes money and carry its losses if it loses money. We are certainly not considering and are not prepared to consider having somebody managing the shipyard on behalf of the Government, which is what we terminated when we came into office in 1988. So there is no question of GSL engaging an operator to run the shipyard on its behalf. Either the shipyard is run as a Government owned company by the Government, where we said that we reassess the possibility of doing that this year, and that assessment will be explained by my colleague when he presents the Accounts, because that is what we have committed ourselves to doing or else we will not be involved in repairing ships.

HON P C MONTEGRIFFO:

I am grateful to the Hon the Chief Minister for that explanation. The position then does remain, Mr Speaker, that if the deal goes through we are then talking about the privatisation of the functions or the exploitation of a certain area in the yard currently now used for ship repairing but which could be diversified by the new company in such area as would be permitted under its agreement with Government. But it would be a private commercial enterprise which the company would be exclusively responsible for?

HON CHIEF MINISTER:

Yes, Mr Speaker, it would be if were we to go ahead but we do not know whether it will or it will not. If, however, it were to go ahead, as far as we are concerned as a Government, the position is that we are not prepared to have a situation, frankly, where we have an outside company involved and we carry the responsibility. That is what we thought was wrong before we came into Government, where we had a situation where A & P Appledore were calling the shots and the Government of Gibraltar wanted to distance itself from something which it could not distance itself from because it was the owner and therefore, politically responsible. We do not accept that situation and will not be prepared to contemplate such a proposal, if such a proposal were to be made. The position is that if the Hon Member opposite wants to call it privatisation then I suppose every time we rent a building and the tenants are a private company that is considered to be privatisation. The future of the yard independent of Kvaerner is a matter where we have already laid down very clear guidelines in last year's debate. That the yard had, in fact, to achieve certain targets and Members will be told whether they have or they have not achieved those targets when the Accounts are presented.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

What guarantees is the Government prepared to give to such employees who will not be taken on by any new operator in the shiprepair yard?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Mr Speaker, the guarantees that have been given to GSL employees will continue to apply to anyone who remains in the employment of GSL.

SUPPLEMENTARY TO QUESTION NO. 129 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, what guarantees will be given to those who are not kept within the operation as run by any new entity taking over responsibilities for the yard? Will the Hon Minister confirm that in line with the previous undertaking given by the Government to workers in the yard that nobody will be made compulsorily redundant? And that those people who do not get a job from the new operator, for want of a better description, will be given job opportunities by the Government

HON J E PILCHER:

Mr Speaker, I refer the Hon Member opposite to the answer which I have just given which says that "the guarantees that have been given to GSL employees will continue to apply to anyone who remains in the employment of GSL".

HON P C MONTEGRIFFO:

So what is envisaged, Mr Speaker, is that those people who are not contracted by the new entity, so to speak, will remain GSL employees and GSL will presumably diversify into other activities within the remaining areas of the yard?

HON J E PILCHER:

Mr Speaker, the future of the employees, who in the hypothetical case of GSL being taken over, because let us face it, Mr Speaker, we are being asked hypothetical questions, in the hypothetical case that that were to happen, the future of the employees that remain with GSL would be discussed between the company, the Union and the employees involved and not here in this House.

HON A J CANEPA:

Mr Speaker, before leaving the subject of GSL, may I thank the Hon Mr Pilcher for the advance draft Accounts that we have received.

MR SPEAKER:

Next question.

23.10.90

NO. 130 OF 1990

ORAL

THE HON G MASCARENHAS

When will the Minister for Tourism make public last year's expenditure in respect of attracting tourism to Gibraltar?

ANSWER

THE HON THE MINISTER FOR GSL AND TOURISM

Answered together with Question Nos. 131, 132 and 133 of 1990.

23.10.90

NO. 131 OF 1990

ORAL

THE HON G MASCARENHAS

Will the Minister for Tourism state what plans the Government has for attracting tourism to Gibraltar next year?

ANSWER

THE HON THE MINISTER FOR GSL AND TOURISM

Answered together with Question Nos. 130, 132 and 133 of 1990.

23.10.90

NO. 132 OF 1990

ORAL

THE HON P C MONTEGRIFFO

What changes to the advertising and promotional marketing of Gibraltar does the Minister for Tourism intend to introduce to deal with the present crisis facing the industry?

ANSWER

THE HON THE MINISTER FOR GSL AND TOURISM

Answered together with Question Nos. 130, 131 and 133 of 1990.

THE HON P C MONTEGRIFFO

Will the Minister for Tourism define what the Government means by "upmarket tourism" and from which markets is the Government intending to attract such tourism?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Mr Speaker, it is not practical to answer any of these questions in isolation since I have already, on various occasions, made known the overall marketing strategy being pursued by the Gibraltar Tourism Agency. For the benefit of Members Opposite, I will briefly explain this strategy which is based on a three year programme.

On taking office in March 1988, the overall Tourism Marketing Strategy and image of Gibraltar was re-assessed. This reassessment was necessary as Gibraltar's standing in the tourism markets, and more specially in the United Kingdom, was perceived as being that of a very down market destination. After consultation with the different sectors of the Industry and in keeping with the Government's own defined ideas, it became apparent that Gibraltar's future in the Tourism World was dependant on its ability to attract a more high profile and specialist client without ignoring the requirement of the day visitor.

It has always been obvious that Gibraltar could not compete in mass tourism, not just because of its size but because that type of tourist market is based on the availability of cheap labour, cheap food supply and cheap services, none of which have existed or can exist in our economy.

"Up Market" tourism or "High Profile" tourism, are terms used to denote the leisure travel activity of tourists in the A, B and C socio-economic groupings. These people have above average earnings and therefore greater than average spending power, which makes them potentially highly valuable to the local economies of the places they visit.

In order to achieve these objectives, of going up-market, an in depth study was carried out by us and its conclusion resulted in the need to change Gibraltar's image. To achieve this it was necessary to depart from the past and from the policies that had proven unsuccessful. Our first move was to appoint new Advertising Agents capable of working to this new policy and objectives. During this period of transition and conscious of the need to maintain a market presence, the Tourist Office run a series of consumer press advertisements.

On the 1 April 1989, the Tourism Agency took over responsibility for Gibraltar Tourism. Its first objective was the formulation of a three year plan to make Gibraltar a high profile destination. This Plan would run in parallel with major improvement to the product locally, which was felt to be one of the main priorities.

The first stage was to create a new image and identity that would signal a break with the past. A new corporate identity was designed under the guise of the National Tourist Board. A marketing plan consistent with the objectives of taking Gibraltar to a more high profile destination, was adopted.

The presentation of the new image together with the plan was announced to the Trade and Press locally and in the United Kingdom to coincide with what is perhaps one of the most important Touristic events, The World Market exhibition in London. This was followed up with similar presentations in Madrid during the time of F.I.T.U.R. and in Berlin during I.T.B.

The three year Marketing plan is composed of the following:

1. Consumer Advertising.
2. Trade Advertising
3. Supporting Advertising and Marketing Activities which include the production of a new brochure emphasising the change.
4. Trade Exhibitions.
5. Trade and Media relations.

Consumer Advertising has been geared to target special interest groups covering areas relevant to Gibraltar. Each Campaign is aimed at a specific market presenting the benefits Gibraltar offers as a tourist destination. Last year the Agency spent in excess of £320,000 in Advertising/Marketing.

In parallel with the major campaign in the UK, which incidentally is proving very successful, the Agency is actively pursuing other markets and has held a series of meetings with major tour operators from Spain, Central Europe and Scandinavia. The Agency will shortly also undertake a marketing trip to Morocco together with a local entity.

There have also been major changes in the product locally ranging from major improvements to the sites to a new high profile image of information in general, but I am sure that there is no need to enumerate these as extensive local publicity has been given.

Mr Speaker, a lot has been said this summer about the present crisis in Tourism as if this were something applicable to Gibraltar only. The crisis in tourism has been worldwide and has been caused by a series of effects, in most cases unrelated to the destinations. Taking this background into account Gibraltar has not fared badly this summer.

There are no changes to the advertising and promotional marketing of Gibraltar envisaged.

I will also remind this House that there are changing trends in international Tourism which will continue to affect Gibraltar and that this together with the transitional state of Gibraltar will continue to provide problems in certain sectors. Overall, Mr Speaker, I am satisfied, and so are most sectors of the Industry, that we are going¹¹⁷ about the business of selling Gibraltar in the right way.

SUPPLEMENTARY TO QUESTION NOS. 130, 131, 132 AND 133 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, is the Hon Minister satisfied that Gibraltar has the facilities and is in a state to attract "up market" tourism in the forthcoming tourist year? Are the facilities adequate to make "up market" tourism a credible policy?

HON J E PILCHER:

Yes, Mr Speaker, particularly in the light of the amount of financial outlay that has been made by the Hotels in bringing their product up to what is now considered to be a very "up market" refurbishment.

HON P C MONTEGRIFFO:

Mr Speaker, is the Minister not of the view, and we would all like it to be different, that the general facilities offered by Gibraltar are not anywhere yet close enough to the level of services that we would have to provide before "up market" tourism can be attracted to Gibraltar? Does the Minister believe that the basic facilities for that "up market" tourism are in place?

HON J E PILCHER:

Mr Speaker, the Minister is not sure that at this moment the infrastructure that the Hon Member is referring to is in place. Let me inform the Hon Member that it is not a question of changing from the "D's", "E's" and "F's" straight to the "A's". There has to be a transitional period by which we attract tourism of a higher profile image and this is happening already Mr Speaker. There has been a lot of changes in Gibraltar and there are going to be many more. As I said before, it is not possible for Gibraltar to compete with mass market tourism. Tourism, Mr Speaker, is like any other business anywhere in the world.

HON P C MONTEGRIFFO:

Mr Speaker, I accept the analysis that Gibraltar cannot compete in the mass tourism market, but the point that I am trying to make is that it cannot also compete in the "up market" tourism unless much more major investment is made into the tourist infrastructure, or product. I put it to the Hon Minister that we are all kidding ourselves in pretending that we are in the business of "up market" tourism bearing in mind the dearth of facilities which unfortunately Gibraltar provides at the moment. Does the Hon Minister not agree that this is the case and will continue unless we provide major investment in the product?

HON J E PILCHER:

I can confirm, Mr Speaker, that the Hon Member is kidding himself. That I can confirm. I have given the Hon Member opposite the answer to the question that he is asking. I am convinced that Gibraltar can develop into a more high profile "up market" destination. We have to do this slowly and this links up very well with the International Business Centre. We are already working at this and improving the tourism product. We may or may not require much more financial expenditure but what we are investing in our infrastructure with regard to telephones, services, etc is part of our strategy to develop into an "up market" destination which can cater for "up market" tourism.

HON P C MONTEGRIFFO:

Finally, Mr Speaker, I just put it to the Hon Minister that a credible tourism policy for the next one to three years and a credible advertising policy for tourism should not concentrate exclusively on the "up market" segment because if we do that, frankly, we are completely misleading ourselves into believing that we can carve a niche for ourselves in that market at present. In the absence of a much greater degree of investment in Gibraltar's favour, in Gibraltar's facilities, all we have to show is a glossy brochure that pretends to tell the truth about Gibraltar's tourism product but that is, in fact, not the case.

HON J E PILCHER:

Mr Speaker, I think that the Hon Member opposite is doing Gibraltar a disservice by saying what he has just said.

HON P C MONTEGRIFFO:

I am being frank, Mr Speaker.

HON J E PILCHER:

First of all, Mr Speaker, I have explained on two occasions, in the two previous supplementary questions, that it is not a question of gearing Gibraltar from a "down market" to an "up market" destination overnight. If the Hon Member had paid attention to my answer he would have noted that we are also targeting "C1's" and "C2's" which are considered to be middle of the road because the "A's" and the "B's" are considered to be "up market" and the "E's" and the "F's" are considered to be "down market". "C1's", "C2's" and "D's" are considered to be "middle market". What we are trying to do, Mr Speaker, is balance the two and slowly move "up market". This is based on what the industry themselves told us two and a half years ago and also given the knowledge that we have, given that Gibraltar is not a cheap destination and cannot hope to become

a cheap destination. We know we cannot compete with a place that is yards away from Gibraltar. With regard to investment, Mr Speaker, we are investing in many areas and there are further plans to invest but it is a question of priorities. I am however certain that we can make it as an "up market" destination. It may not be overnight a destination that will only cater for "A's" but Gibraltar has everything it needs to become a very important "up market" destination.

HON P C MONTEGRIFFO:

Mr Speaker, I agree that the potential is there. What I am questioning is the degree to which we are marketing something before the transformation has taken place. Mr Speaker, if I can ask one final question. In target ing the markets which we are supposed to be attracting tourists from, is it still United Kingdom or does the Hon Minister feel, despite our position on flights to Gibraltar, that Gibraltar would be sufficiently attractive to attract, for example, Germans coming to Gibraltar for a significant stay?

HON J E PILCHER:

Mr Speaker, the Hon Member knows, because I have already mentioned this, that we are targetting other areas, like Scandinavia and Central Europe. There is no doubt at all in my mind that it is more difficult to bring to Gibraltar tourists from Germany and other areas through London than it would be direct from their place of origin. However, at the end of the day, Mr Speaker, what we are trying to do at the moment is to activate interest. Once the interest has been activated, once the Tour Operators, and I have said in my answer that we are talking to the major Tour Operators, are convinced that Gibraltar can become a one, two or three centre holiday destination because Gibraltar can become the centre of such holidays, and if they are to spend a few days up the Coast or in Morocco, well it is also a benefit for Gibraltar. I realise that it is more difficult through London but we are also actively looking at communications.

HON G MASCARENHAS:

I thank the Hon Minister for his brief statement on last year's expenditure. He has gone slightly further than what he said on television because he has now said in excess of £320,000. Mr Speaker, will he tell the House what they are spending in terms of advertising, promotion and marketing this year?

HON J E PILCHER:

First of all, Mr Speaker, I think the Hon Member is confused because I didnot use, at any stage prior to this summer which is when the so-called crisis hit Gibraltar, or mention any amount of money that I was spending. What I did say, and I even forget the circumstances because this was blown out of

all proportion, was that we were spending 60% more than what the AACR ever spent on advertising. What I am now saying is that we have spent £320,000 for last year. I have all the relevant figures here and can, if the Hon Member wishes, go over them. This year one will be spending more than what we spent last year. However, until such time as the year is over I will not be able to give him the exact figure involved.

HON G MASCARENHAS:

What the Hon Minister is saying is that the Agency intends to spend more than £320,000?

HON J E PILCHER:

What I said, Mr Speaker, and I will repeat it, is that I did not remember under what circumstances or what context these comments were said but what I said was that I was sure that we were spending at least 60% more than what the AACR ever spent on advertising. In these £320,000 I can vouch for the fact, and I can prove it if the Hon Member wishes, that we have spent more than 60% of what the AACR ever did. Not only on pure advertising but together with marketing we have spent more than they ever did. What I can say to the Hon Member today is that this year we are spending more.

HON G MASCARENHAS:

So the Hon Minister is saying that he will increase the expenditure of last year but he cannot give us an indication of whether it will be an increase of 10%, 20% or whatever?

HON J E PILCHER:

I dare say, Mr Speaker, that if I do say to the Hon Member opposite that I think that we are going to spend 10% or 15% or 20%, normally they would then hold me to it. So what I am saying is that the commitment is to spend more and in June or July of next year, when the Accounts are ready, if he wishes, I will tell him how much we have spent but it will certainly be more than the previous year.

HON G MASCARENHAS:

What I am trying to get at is that we are already into the financial year and surely the Hon Minister has a budget of what the Agency intends to spend. If they do not start to spend it now when are they going to, when the crisis is on us again next June or July?

HON J E PILCHER:

Mr Speaker, I have said in this House today and on television before that I do not agree with the Hon Member's definition of 'crisis'. I have already spent some money and I am also targeting other areas. Mr Speaker, the Hon Member knows this because he was in a forum, in his other role outside politics, where he met with me and where we were looking at a marketing trip to Morocco. We are also looking at, with the Chamber of Commerce, at specific targeting of the Spanish market, this will therefore change the projections and we could end up by spending more than what we thought at this stage. The Hon Member, Mr Speaker, should be happy that I am telling him that we will spend more than £320,000.

HON G MASCARENHAS:

I am neither happy or sad, Mr Speaker. As far as we are concerned the Government does not have a tourism policy, whether it is a higher profile or whatever he wishes to call it. Finally, Mr Speaker, the Hon Minister ended his statement by saying that there had been a worldwide recession and that Gibraltar had not escaped this. Could he please tell me which other nation, in Europe, let alone the world, had 20% to 30% capacity in their hotels?

HON J E PILCHER:

Mr Speaker, if the Hon Member wishes, and if he had bothered to check the Hotel Occupancy Survey that was tabled today, what the Hon Member would have seen

HON G MASCARENHAS:

Mr Speaker, that Survey refers to 1989.

HON J E PILCHER:

Yes, Mr Speaker, 1989. Has the Hon Member bothered to look at the Survey?

HON G MASCARENHAS:

Yes, Mr Speaker, and there is a substantial decline already in 1989.

HON J E PILCHER:

If the Hon Member bothers to look at the Hotel Occupancy Survey what he will realise, Mr Speaker, is that the policies that I have just expounded are already taking effect. If the Hon Member looks at the Arrivals table - All Hotels, he will see that Tourist Arrivals in 1989 were much greater than Tourist

Arrivals in 1988 and All Arrivals in 1989 were higher than All Arrivals in 1988. Although the information that I have is of a nature that because of statutory obligations I cannot reveal it to this House, I can tell the Hon Member opposite that the trend is continuing. There are more tourists coming to our hotels today than there have ever been. Overall stays are also higher than they have ever been. However, Mr Speaker, in a transitional state what we are not getting is the people that used to stay in Gibraltar for seven to fourteen days and which were package tours. What is now happening is that there are more "up market" "high profile" "high spending", call it what you like, coming to Gibraltar and staying in our hotels for three or four days. So there are more tourists in Gibraltar at the moment but they happen to spend less time in our hotels. Now to finish the equation, Mr Speaker, the Hon Member knows, because he is a professional in this field and as a Travel Agent/Tour Operator, that the amount of money paid to an Hotel by a package operation could be as little as £10, £15 or £20 a night whilst someone who stays for three or four nights over the counter pays much more because they pay at full rate. What I am explaining, Mr Speaker, is that we do not require to exchange fifteen tourists in Group "F" for fifteen in Group "B" because the latter spending is much greater. Mr Speaker, as I indicated to the Hon Mr Montegriffo, we have to look in our overall policy not at tourism as an isolated element but in the overall economy of Gibraltar. What we cannot do, Mr Speaker, is continue to bring people to Gibraltar who are of very little spending power and who, in fact, create a burden to the economy of Gibraltar. We do not, in fact, have less tourists. We have more tourists but are staying less days in our hotels and in Gibraltar. Another thing which I must tell the Hon Member, and now that I have him opposite I am not going to let him get away easily, is that in all the sectors that concern tourism in Gibraltar there is an increase this year. Day excursionists are up, Cruise liners are up, etc all are showing an increase. So, Mr Speaker, I would like the Hon Member to explain to me, and this House, where exactly there is a crisis? As far as I am aware there is only one problem this year, albeit it is a serious problem, but it has already been discussed and that is the question of airline capacity this summer to bring tourists. I have, and I can show the Hon Member, faxes from Tour Operators, colleagues of his, saying: "I have the people to send to Gibraltar but I cannot send them because there are no seats available". This I accept is a fact and we have discussed the matter with both airlines and I think we now have a comprehensive winter programme. I hope that we will not have a repetition of this summer's difficulties. I am satisfied that the airlines have now created a very good Winter Programme.

HON G MASCARENHAS:

I understand what the Hon Minister is saying. I know that Hotels are now fuller than during the summer. The Hon Minister is however mixing visitors, be they businessmen, with tourism. I am talking about tourism, pure tourism, and the Hon Minister is failing to distinguish those facts, Mr Speaker.

HON J E PILCHER:

Mr Speaker, I have just explained to the Hon Member opposite that not only do we have an increase of his so-called tourists in 1989 and 1990.....

HON G MASCARENHAS:

The 1990 figures are not available.

HON J E PILCHER:

Mr Speaker, the Hon Member will have to accept that since the AACR drafted the Statistics Ordinance, I am not able to give information to the House because these figures are produced to the Statistics Office on a confidential basis. The Hon Member can however take my word for it that the trend we saw in 1989 of more tourists coming to Gibraltar, that that trend has continued in 1990. So we have this year more tourists coming to Gibraltar than we have in 1989. He will have to take my word for it, Mr Speaker. As I have already said, the problem lies in less Package Tour Arrivals and the non-availability of airline seats but I have explained those two points.

HON G MASCARENHAS:

Mr Speaker, the Hon Minister is talking about numbers but does he mean visitors or does he mean tourists?

HON J E PILCHER:

I have already explained that, Mr Speaker. I will however explain it again. Day excursionists, what we call people coming in for the day, we have had an increase, using the same statistics that have been in existence since 1985, of 9.5%. The other aspect is that we have had a 12.6% increase to date this year with regard to Cruise liner arrivals in Gibraltar. The other element is what I call the overnight tourist, which is what the Hon Member is referring to, and we have a major increase in the number of tourists coming to Gibraltar this year. The difference is that instead of spending seven, ten or fourteen days in Gibraltar, as they used to do before, they are now staying a less amount of days in our Hotels. Hence the consequent problem of Hotel Occupancy. But we must accept that we are in a transitional stage and we will not

only catch up but because the people coming in now spend more money we will all be better off, especially the Hotels because these people pay higher rates than package tourists. The Hon Member knows this.

HON G MASCARENHAS:

Mr Speaker, 20% to 25% hotel occupancy rate even at the tariff rate is not profitable for any hotel.

HON J E PILCHER:

Fine, Mr Speaker, I have not shied away from that problem and I said at the end of my answer that "the trends in international tourism together with the transitional state of Gibraltar will continue to provide problems in certain sectors" However, to go from that to say that there is a crisis in Gibraltar is not the case. There is no crisis. We have more day excursionists and more tourists coming to Gibraltar than ever before. So to say that there is a crisis is to do Gibraltar a disservice. If necessary, I will seek permission from the Hotel Association to allow me to produce this year's figures to show the Hon Member that I am telling the truth.

HON G MASCARENHAS:

Will the Hon Minister give an undertaking that next year's figures will be even better?

HON J E PILCHER:

Mr Speaker, if the trend that has been established is maintained, that will be the case. I however do not have a crystal ball.

MR SPEAKER:

Next question.

23.10.90

NO. 134 OF 1990

ORAL

THE HON G MASCARENHAS

Is Government taking any action to improve the flow of traffic on the Upper Rock particularly at the Apes Den?

ANSWER

THE HON THE MINISTER FOR GSL AND TOURISM

Yes, Sir. Government has taken action to improve the traffic flow on the Upper Rock. Traffic Wardens were employed this summer to control traffic at both St Michael's Cave and Apes Den. This measure proved successful. Traffic control within the Apes Den has also been improved and part of the duties of the Wardens is to ensure adequate traffic flow. The Tourism Agency is now in the process of substituting Jew's Gate for Queen's Balcony as the Panoramic stop on the South Side of the Upper Rock tour thus decongesting the entry road to St Michael's Cave. This together with the introduction of new tourist sign posting for the Upper Rock area will, I feel, greatly improve the flow of traffic.

23.10.90

NO. 135 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Will the responsibilities and functions of the post of Principal Auditor be changed in any way when the present incumbent retires at the end of the year and when is it intended to appoint his successor?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, no change will take place in the responsibilities and functions of the post and a successor will be appointed in due course.

SUPPLEMENTARY TO QUESTION NO. 135 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, am I right in saying that the present incumbent retires at the end of December?

HON CHIEF MINISTER:

I do not see what difference that makes to the question and the answer that I have given the Hon Member, Mr Speaker. I suppose that he does.

HON LT-COL E M BRITTO:

I am trying to pin down the Hon the Chief Minister, Mr Speaker on what he means by 'due course'. Does the Hon the Chief Minister mean

HON CHIEF MINISTER:

Mr Speaker, by 'in due course' I mean that if he retires on the 31st December, 1990, the new incumbent will be in place by midnight on the 31st December, 1990.

HON LT-COL E M BRITTO:

Thank you, Mr Speaker, that is what I wanted.

MR SPEAKER:

Next question.

THE HON LT-COL E M BRITTO

Will Government say what Special Funds, as understood in the context of the Public Finance (Control and Audit) Ordinance, have been or are in existence in 1990 and say who is the Controlling Officer in each case?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, one new Special Fund was created in 1990, the Gibraltar Coinage Fund. The information the Member is seeking regarding the other Special Funds is already available to him in published documents and is not, therefore, a matter that has to be dealt with in this House.

SUPPLEMENTARY TO QUESTION NO. 136 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, the Controlling Officers are available in public documents?

HON CHIEF MINISTER:

That is correct, Mr Speaker. Every time a Special Fund is set up the Controlling Officer has to be named and the Public Finance (Control and Audit) Ordinance says that if there is not a Controlling Officer named then the Accountant-General is the Controlling Officer. Let me also say, in passing, Mr Speaker, that in 1988 there were thirty Special Funds previously created by the AACR administration and that since 1988 there have been three created by my Government.

MR SPEAKER:

Next question.

23.10.90

NO. 137 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Will Government say whether income tax assessments for the year 1986/87 have now been completed and give an indication when those for 1987/88 and 1988/89 are expected to be ready?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the 1986/87 assessments have, I understand, now been completed. The Tax Office has been engaged, since January, in an exercise to computerise all income tax records from 1987/88 onwards. This will enable assessments for the two years, 1987/88 and 1988/89, to be done by computer and to be undertaken simultaneously instead of having to do each year's separately. The Department expects to be able to process assessments more rapidly once the new system is fully operational. At present the information on the tax returns for the two years is being loaded into the computer and the assessments are expected to commence before the end of this year.

SUPPLEMENTARY TO QUESTION NO. 137 OF 1990

HON LT-COL E M BRITTO:

Thank you, Mr Speaker.

NO. 138 OF 1990

ORAL

THE HON P C MONTEGRIFFO

Will Government agree to treat management companies of Housing Estates as being free from liability to income tax?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, management companies of Housing Estates do not pay tax on the subscription by members.

SUPPLEMENTARY TO QUESTION NO. 138 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, my understanding is that certain management companies which make a profit are subject to income tax. Those that are trying to build up their reserves in order to be able to meet repairs to their Estate, subsequently. Is it the Chief Minister's view that these profits which are to be used for the benefit of the Estate should be subject to the payment of income tax?

HON CHIEF MINISTER:

My understanding, Mr Speaker, of the situation is that in fact that if the management company builds up a fund and invests that fund, the investment income of the fund to the extent that it is not offset by expenses of the management company would be a taxable surplus. But let me say, Mr Speaker that when I received representations shortly after we were elected in 1988 from one particular management company, which is the only one that has approached the Government on this matter, and I said that I was prepared to look at the possibility of giving them an opportunity to invest in an account with the Government which would allow for that problem to be overcome. I think, Mr Speaker, that that is a different situation from saying that a particular kind of company is going to be treated differently from anybody else and not have to pay tax on its investment income.

HON P C MONTEGRIFFO:

I accept that, Mr Speaker, but is it not a fair point to encourage home occupiers living in Housing Estates to set funds aside for future maintenance that that income generated and put aside as a reserve should be exempted from paying tax because it is a non-profit making company? It is a company where the funds put in by the contributors, owner-occupiers, are exclusively for the benefit of the Estate. Therefore, although it is a profit it is not going to go into anything other than for the benefit of the Estate.

HON CHIEF MINISTER:

Mr Speaker, I have already said that the one single representation that I have received, one single group of home-owners, was made about two years ago and we said to them that we would be prepared to look at the possibility of creating an investment vehicle for them which would make the income non-taxable and they never came back.

HON P C MONTEGRIFFO:

Mr Speaker, would the Hon the Chief Minister not agree that in the interests of encouraging home-ownership it would be of great benefit if the monies contributed by home-owners to the management company looking after their Estate should not be subject to tax because it is for the enhancement of their property? It should not be open to that management company that approached the Hon the Chief Minister but a general application to all management companies whose assets are for the betterment of owner-occupier Estates. Does the Hon the Chief Minister not agree that it would be another benefit in the home-ownership package and encourage people to actually contribute significant sums of money?

HON CHIEF MINISTER:

Mr Speaker, I have already answered and I have said that we have considered it and we have suggested an alternative. The people who made the representation never took the offer up.

MR SPEAKER:

Next question.

23.10.90.

ORAL

NO. 139 OF 1990

THE HON P C MONTEGRIFFO

What is the Government's present calculation for the projected deficit for the financial year 1990/91?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the controls introduced this year by the Government are proving reasonably effective. The Financial and Development Secretary has been monitoring the situation and reminding Controlling Officers of the need to seek prior approval before expenditure can be allowed to go above budgets. The Government is therefore reasonably confident that it will be able to meet the expenditure requirements this year with little or no supplementary appropriation and that therefore the projected deficit should be within the forecast given last April.

SUPPLEMENTARY TO QUESTION NO. 139 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, did not the Hon the Chief Minister in one of his Ministerial broadcasts refer to the effect that the extent of the deficit that we were running would result in the depletion of the reserves, at the time, I think, it was within eighteen months, now it would be roughly about one year? Would the Hon the Chief Minister explain whether we are still on course for reaching the depletion of our reserves within that timescale or are there other factors which have brought adjustments to that timescale?

HON CHIEF MINISTER:

Mr Speaker, roughly we are still on course. When we are making a long-term forecast of this nature it is clear that there has to be an element of uncertainty about it. For example we put in last year's Budget an amount of money for the Pay Review which was found to be insufficient, i.e. in 1989. In the 1990 Budget we have put in a sum of £4m which is much bigger than in any preceding year and that looks like it is going to be enough. In making a projection of the position that we will have in the Consolidated Fund at the end of the year 1991/92 to some extent because of our wage link with UK where the rate of inflation in UK rather than our own rate of inflation and consequently the increase in the pay levels will be a major impact because of the total recurrent expenditure of about £70m, as I have explained before, something of the order of £40m, more than half, is wages and salaries which means that if you are looking at an average

increase of 10% or 11% you are looking to £4m or £4.5m a year. On the basis that it stays at that level, then the projection of a position where the underlying finances of the Government takes us comfortably into mid-1991/92 still holds.

HON P C MONTEGRIFFO:

Mr Speaker, to the extent that the deficit for the financial year 1991 is still on target and to the extent to which that means that within a timescale of about a year the reserves will be exhausted, is the Government in a position today to indicate what areas would further saving in public expenditure or further major restructuring of the way public expenditure be required in the course of the next year, not physically, but years from now, to allow us to avoid exhaustion point in reserves?

HON CHIEF MINISTER:

Mr Speaker, the situation with the restructuring of the Government services that have taken place so far have, in practice, mean that we have been able by better utilisation of manpower and by redeploying people to finance to a very large extent the annual pay reviews. We expect to be able to continue doing this but not for much longer because obviously the more we progress along this road the more difficult it becomes to find more progress. So at the end of the day we are looking at a situation where beyond 1991/92 the savings will have to come not so much from a restructuring of the Government services as such, but from the fact that having established sufficient controls over public spending, which we wish to keep as far as possible within the total limit of £70m, the growth that will have taken place in other areas, for example, a greater level of home-ownership in the longer term will have an impact on the level of subsidised rented houses that we have and consequently the longer term structural changes in the economy will come about through features like that rather than from getting a slimmer and better controlled and better named public service where the targets have already been made public but the extent to which we can achieve these targets is a matter which is in doubt. We will have to see whether we get there in a year or in two years or in three years. We cannot however go beyond the target which we have already mentioned and produce a more compact situation. We do not think that that is possible.

MR SPEAKER:

Next question.

NO. 140 OF 1990

ORAL

THE HON P C MONTEGRIFFO

What joint venture or other companies has the Government directly or indirectly through a subsidiary, acquired an interest in from March 1988, to date and from which such companies has it withdrawn its participation during this period?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, since March 1988, the Government has invested in three activities in which it was not involved prior to that date. These have been the Land Reclamation Company, the Building Components Factory and the creation of a new Building Society. The Government continues to have an interest in the first two but this year sold its shareholding in the Building Society to its partner in the venture.

SUPPLEMENTARY TO QUESTION NO. 140 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, clearly the Government is involved in commercial participation in matters outside the three areas that the Hon the Chief Minister has outlined and is the Hon the Chief Minister prepared simply to itemise those other companies in which the Government has a participation on the basis that it has a participation as a subsidiary or as a shareholder with other parties?

HON CHIEF MINISTER:

Mr Speaker, the Hon Member already asked me that in Question No. 156 of 1989 and I answered him in the negative.

HON P C MONTEGRIFFO:

Mr Speaker, I accept that the question has already been put but the basis for restating it now is that questions previously put, Mr Speaker, have been on the basis of seeking details as to the commercial operations of each of these companies and, as I understand Government policy, the policy is that they will not answer commercially for activities undertaken by these companies. Mr Speaker, whilst not accepting that position, what I am now asking is will the Hon Chief Minister, whilst not answering in specific commercial matters, will the Government confirm what decisions it has taken, at the initial stage of investment, in a company either directly or through a subsidiary? I do not wish to know what happens after, at the initial stage of investment, because at that stage it is a Government decision as to whether it invests, of taking that decision of investment. There is a distinction, Mr Speaker.

HON CHIEF MINISTER:

Well, Mr Speaker, first of all, the action where a company in which we have an interest takes a shareholding in another company is not a Government act. It is an act by that company in which we have an interest. Secondly, as I have already said in my initial answer, there are three new things in which we have invested. We have made clear from the beginning, Mr Speaker, that although there has been this reaction or reflection from Members opposite as to a whole range of joint ventures being created, the truth of the matter is that each one of those activities was an activity in which GSL was involved in in 1988 and the total number of people employed in all the companies that are trading is no different or, if anything, is less than was employed exclusively by GSL. So if we have a situation where, and I have explained this before, Mr Speaker, if we have a situation before there was a department composed of Security Guards which was part of the 785 workers that GSL employed and today we have a Security company that employs 40 Security Guards, that is not a new activity and new investment and something new that the Government is doing. It is just a more efficient way of organising an activity and a way which has helped to reduce the overheads of the shipyard. It was done for that purpose and it was explained in the manifesto before we were elected that we were going to do it. We actually said that the yard would be diversified and restructured so that the numbers of people who were employed in it were removed from being dependent on shiprepairing because it was losing a lot of money. Independent of that, I have already explained that we created a property owning company, I explained that in 1988 and re-explained it in 1989, I explained it in the 1990 Budget, I gave the Hon Member the same explanation in answer to Question No. 156 of 1989 and this, as I explained at the time, was recycling the money that we were raising in loans by capitalising the equity in the properties that we owned and financing the capital works programme in the Improvement and Development Fund. Other than that the only new activities in which we have been engaged are the three that I have given in my answer.

HON P C MONTEGRIFFO:

Mr Speaker, I am grateful to the Hon the Chief Minister for clarifying that a lot of the joint venture companies are no more than attempts to make more profitable or to run on a more profitable basis activities in which GSL was involved previously or which involved other Government functions. However, Mr Speaker, it is precisely for this reason, and that in fact there is no magic to it, that some people fail to understand why there should be a certain reluctance in spelling out, in very simple and undramatic way, the various companies in which Government, in fact, has an interest, both those that are used for formal proper investment such as the Land Reclamation Company which the Chief Minister has drawn

attention to and to those which really form part and parcel of a restructuring programme of either a public service or of other activities. That, I think, is a question which people ask themselves and which in the absence of decisions being taken lead me to conclude that there could be more to it than the Chief Minister likes to indicate. Having said that, my final question would be, Mr Speaker, my understanding of the Government's position would be in Government not giving information on the commercial activities of the company it has an interest in is that these decisions are necessarily confidential because they are commercial decisions of the company. Now, surely, Mr Speaker, in any situation where the Government withdraws its participation from a company.....

MR SPEAKER:

I must point out to the Hon Member that one of the rules of the admissibility of questions is that if the Member has to make a statement it must not be of excessive length. Will the Hon Member please bear that in mind, otherwise I shall have to intervene.

HON P C MONTEGRIFFO:

I will bear that in mind, Mr Speaker. May I just put the question this way: "Will the Government give its reasons for its withdrawal from its participation in the one joint venture which the Chief Minister has indicated, bearing in mind that that information can no longer be commercially 'in confidence' as far as the company is concerned, since it only concerns the Government?"

HON CHIEF MINISTER:

Yes, Mr Speaker. The original decision to participate in creating the Heritage Building Society was because we were approached with proposals, at the time. We thought that within the parameters of the terms of the Gibraltar Investment Fund, which was created in April, 1988, investing money in commercial entities which was for the social and economic benefit of Gibraltar seemed to us to make sense in providing further facilities for mortgages because it was compatible with Government's commitment to home-ownership. Since then the Society which was established has progressed, there are new people in the field, our partner was concerned about expanding it further and we were not particularly keen having helped to set it up to devote more resources or time, from the Government, into an area which we thought was already, in fact, proceeding well. It was on that basis that our partner was prepared to buy out our shares on a return which was considered to us to be satisfactory for the money that had been there and the period that the money had been there, we took our profits and parted amicably.

HON P C MONTEGRIFFO:

Mr Speaker, could it be confirmed that the Hon the Minister for GSL and Tourism is no longer a Director of that company?

HON J E PILCHER:

No, Sir, it cannot. Because one of the, I will not say conditions, because conditions would be too strong a word, but when, as the Hon the Chief Minister has explained, for the reasons stated to sell its shares in the Heritage Building Society, I felt, Mr Speaker, that the transition from a joint venture, if you like, to a purely private commercial entity was such that I wished to be there to see the interests of its members protected. So what I did, Mr Speaker, was that I stayed on as Chairman of the Heritage Building Society, and will continue as Chairman, since it is proceeding from strength to strength.

HON P C MONTEGRIFFO:

Mr Speaker, I feel I must press this point. Does the Minister fell, and I am casting no aspersions on the matter, because the Society is blossoming like all other such lenders in Gibraltar, but does the Hon Minister think it reasonable, in the exercise of his Ministerial functions, to continue to be the Chairman, nothing less, of a body which is in competition with other lenders and which the Government does not have any interest at all? I am prepared to accept the argument that in a transitionary stage the Minister felt that there was a case for a handing over but, surely, the Hon Minister must be minded to move out of that situation in the near future?

HON J E PILCHER:

Yes, Mr Speaker. In fact, as I have already insinuated to the Hon Member, and I am glad that he has confirmed that the Heritage Building Society is flourishing like other businesses in Gibraltar, I am at this stage happy that this is the case and members have been protected fully, that it is an expanding business and I have already advised the shareholders that I will be resigning as Chairman at the end of this year.

MR SPEAKER:

Next question.

NO. 141 OF 1990

ORAL

THE HON P C MONTEGRIFFO

What is Government's policy in relation to employees of joint venture companies or Government agencies with regard to their entitlement to be re-employed with Government if they should so elect?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the terms under which former Government employees have transferred to other entities have been agreed with the affected parties and given to them in writing.

SUPPLEMENTARY TO QUESTION NO. 141 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, does that mean that there has been no uniformity of approach as far as the employees are concerned?

HON CHIEF MINISTER:

Yes, Mr Speaker, it does mean that because in different situations a different approach took place. For example, in the case of the Tourist Agency, the jobs were not created by converting everybody that was in the Tourist Office into an employee of the Tourist Agency. As a condition laid down by the Clerical Union people were invited to apply from the entire body of the 600 white collar workers in the Administrative Grades. In that case, for example, people volunteered or applied for promotion. They did so in the knowledge that by doing so they were severing their links with the Government and not being able to come back. In other cases there is a situation where the function was transferred wholesale and the agreement with the Union required that everybody should move, based on a majority vote, and not on volunteers applying for those jobs. The conditions agreed in each case reflected the circumstances of each case.

MR SPEAKER:

Next question.

NO. 142 OF 1990

ORAL

THE HON P C MONTEGRIFFO

Will Government confirm what Government properties have been transferred to Gibraltar Residential Company Limited and on what terms?

ANSWERTHE HON THE CHIEF MINISTER

None so far, Mr Speaker.

SUPPLEMENTARY TO QUESTION NO. 142 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, is the Hon the Chief Minister prepared to indicate the type of terms which is envisaged would apply to a transfer of a Government property?

HON CHIEF MINISTER:

Yes, Mr Speaker, I am happy to oblige and inform the Hon Member opposite. In fact, it is following the same lines that have taken place of commercial property to the Commercial Property Company which I explained to the Hon Member in the supplementaries he put to me in relation to Question No. 156 of 1989. The properties are transferred by a valuation undertaken by the Government Valuer of what is the Government market value of the property taking into account that it is occupied and that it is in a particular state of repair. On the basis of that the formula that has been devised for the residential properties is for post-war properties, which are the properties that we are talking about not pre-war, a valuation of approximately forty times the rent which would give a yield of 2½%. In practice, in fact, a true market value with vacant possession would represent an even higher valuation. In the region of something like sixty times the rent because the yield would, in fact, on current rents be closer to 1½%. The situation is that the properties are, in fact, transferred to the Residential Property Company and immediately leased back to the Government with a clause in the lease that stipulates that the existing occupants of the buildings retain their existing rights as tenants and continue to be tenants of the Government. On the leaseback situation it is still the Government, through the Housing Department that collects the rents, carries out the maintenance and allocates the houses. In fact, all that we are doing is transferring the assets, which in our books currently do not appear, into the Residential Property Company and the money that will result from that transaction will form part of the £25m of property sales, as I indicated at Budget time, when the Member opposite asked me where was the £25m going to come from.

HON P C MONTEGRIFFO:

Then, Mr Speaker, all we are talking about is a transfer of the freeholds of these properties, as opposed to the leaseholds of the properties to the Company, inasmuch as all the properties will be transferred to the Company and then a lease will be granted to the Government. So that, in effect, what the Company is left with is what we would call, lawyers would call, the freehold title with a lease having been granted out to the Government. Would that be correct, Mr Speaker?

HON CHIEF MINISTER:

No, Mr Speaker. The Government, as a matter of policy, does not believe in selling freeholds. So the freehold will continue to be held by the Crown. What we are transferring to the Company is a 150 year lease. What the Company then does is that it leases it back to the Government for a shorter period. We are currently operating on the basis that that period will be ten years on the assumption that in ten years time the Government will be able to make a reassessment of the level of housing stock it requires in the rented sector.

HON P C MONTEGRIFFO:

I am grateful, Mr Speaker, for that explanation. The terms of acquisition by the Company of the leases, will they include provision for the borrowing against those assets, and if so, can the Hon Chief Minister indicate what sort of provision, allowing the Company to borrow against those assets, would be included in the leases?

HON CHIEF MINISTER:

Mr Speaker, there are no special provisions in that respect. To my knowledge if anybody buys an asset the person selling the asset cannot say to the person buying the asset that he may or he may not borrow against it. However, if the Company was going to borrow then no doubt the lender, in looking at the security, would take into account that that property was not available with vacant possession, but was, in fact, the subject of a leaseback to the Government and an occupancy tenancy agreement.

HON P C MONTEGRIFFO:

Mr Speaker, is it therefore, in fact, not envisaged that there will be borrowings taken against those assets held by the Company?

HON CHIEF MINISTER:

Well, not at the moment, Mr Speaker, because at the moment the borrowing capacity of the Government which is being recycled, as I explained to the Member in Question No. 156 of 1989, is sufficient to feed the existing level of expenditure from the Improvement and Development Fund. With our existing borrowing capacity, for example, some of the money that we recently raised from a long-term loan from Barclays Bank will capitalise our Residential Property Company and will come back into the Improvement and Development Fund through a transfer of those assets. It is a way of managing our assets which is, in fact, the other element in our strategy which compliments what I was saying to the Hon Member in answer to the previous question about what we are doing in the restructuring of the Civil Service, essentially we have explained from the beginning that we saw only two possibilities of creating our wealth and of making our national product that much bigger. The first was to make better use of manpower and the second to make better use of property and physical assets and land. That, Mr Speaker, is essentially what we are doing.

HON P C MONTEGRIFFO:

Finally, Mr Speaker, bearing in mind that no properties have yet been transferred to the Residential Company and bearing in mind the purpose of the method that is going to be used, is the Hon the Chief Minister in a position to indicate to this House which properties are envisaged to be transferred and when?

HON CHIEF MINISTER:

Well, Mr Speaker, the fact that no properties have been transferred is because of the time it takes the system to translate policy into reality. That may be a reflection of the slowness with which we are being successful in restructuring the public service. The decision to do this was taken a very long time ago and as far as we are concerned the authority for the transfer is already there. It goes back, in fact, a year when the transfers were approved in Gibraltar Council as they have to be when talking about transfer of Crown Lands. We are talking, Mr Speaker, about the entire post-war housing stock being done in stages.

MR SPEAKER:

Next question.

23.10.90

NO. 143 OF 1990

ORAL

THE HON A J CANEPA

Will the Government make a statement explaining their policy on the tobacco export trade?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with Question No. 144 of 1990.

THE HON P C MONTEGRIFFO

What is the Government's view of the social implications in Gibraltar of the tobacco export trade?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Government has monitored the situation regarding the exports of duty free tobacco and concluded, in consultation with HMG, that the wayleave on these exports should be raised so that it could not be alleged that there was a deliberate policy of encouraging such exports.

As a result of the gradual increase in tariff, the licenced export trade has diminished considerably.

It is clear that in addition to the quantities exported under licence there are many persons who visit Gibraltar and purchase tobacco and other goods which they subsequently take away.

The Government does not consider that such persons can be prevented from purchasing goods in Gibraltar which have paid the necessary customs dues on importation. The Government has no evidence to suggest any specific social implication of the tobacco export trade requiring action but the situation will clearly be kept under review so that a view can be formed if and when such information becomes available.

SUPPLEMENTARY TO QUESTIONS NOS. 143 AND 144 OF 1990

HON A J CANEPA:

Is the Government concerned, Mr Speaker, about any possible negative repercussions on Gibraltar's image and reputation as a credible Finance Centre arising from this trade?

HON CHIEF MINISTER:

No, Mr Speaker, we think that the allegations in this respect are unfounded because from our perusal of the comments by our neighbours it would appear that they are much more on the attack against the Finance Centre than they are against the tobacco exports. There has been suggestions which we have, of course, made clear that as far as we are concerned, would command total support from the Government that there may be a link between tobacco exports and drug trafficking. If the position is that there is any evidence in that then it is the drug trafficking that will be attacked by the public authorities. Because the policy of the Government of Gibraltar in this respect is that we take a much tougher line on drugs than our neighbours do.

HON A J CANEPA:

One other question, Mr Speaker. Having regard to incidents this last summer affecting safety at our beaches, what steps does the Government propose to take to ensure that there will be no repetition next year?

HON CHIEF MINISTER:

Well, Mr Speaker, the question of the safety at the beaches is the function of the speed at which the boat travels and the closeness to the shore, not the contents of the boat. It is consequently being looked at in that light, independent of the use to which the boat may or may not be put, by my colleague the Minister with responsibility for the Port. The necessary tightening up of the Regulations will be taking place and we are also looking at how physically greater protection can be given to bathers.

HON A J CANEPA:

Is the Hon the Chief Minister saying that his colleague, the Minister with responsibility for the Port, is going to take an overall look at the situation and arising from these steps and measures that might be taken he is hoping that this problem will also be addressed?

HON CHIEF MINISTER:

No, Mr Speaker, what I am saying is that there will not be different treatment to people who run the risk of running somebody over at the beach depending on whether they are carrying tobacco or Scotch whisky or something else.

HON P C MONTEGRIFFO:

Mr Speaker, does the Government accept that a number of our young people are currently involved, on what is described in questions and recognised in the answers, in the tobacco export trade?

HON CHIEF MINISTER:

Mr Speaker, the Government does not have knowledge of the people who are involved in transporting tobacco out of Gibraltar to be able to say what is the demographic structure of those involved.

HON P C MONTEGRIFFO:

Mr Speaker, may I put it to the Hon Chief Minister that a good percentage of those people involved in the physical side of the tobacco export trade, because there are various elements to it, are young people and on that premise does the Government consider that the "employment" of various sections of our young people in this activity is an enhancement of the skills which young people should be developing? And is an enhancement to the economy of Gibraltar in a way that the Government is seeking to encourage?

HON CHIEF MINISTER:

I am afraid, Mr Speaker, that I do not know what the Hon Member is on about. We are not encouraging anybody to do anything. What I am saying is that the skills that they may be developing or not developing and earning money with may be desirable or undesirable as compared to the skills of registering companies to evade Spanish taxes which other young people are doing in our economy.

HON P C MONTEGRIFFO:

Mr Speaker, I put it to the Hon the Chief Minister that young people are, in fact, involved in the tobacco export trade and I ask him does he consider that the work ethic and the responsibility to contributing to the community in as productive an occupation as is possible is encouraged by young people undertaking this type of activity? Is the Chief Minister seriously telling this House that he has no information, of a private or public nature, to lead him to conclude that, in fact, a number of our young people, an important number of young people, are involved in this trade? Is the Chief Minister so badly informed that he does not recognise that that is a social fact which lamentably affects Gibraltar today?

HON CHIEF MINISTER:

Well, Mr Speaker, the Hon Member is talking about it being a social fact which lamentably affects Gibraltar today as if we were talking about the bubonic plague affecting our young people!

HON P C MONTEGRIFFO:

Something like that, Mr Speaker.

HON CHIEF MINISTER:

Well, that is a matter of judgement, Mr Speaker. According to the Spanish media the worst plague that we have in Gibraltar is people registering companies, in the legal profession, which the Spanish Government feels needs action by imposing a 5% tax on property held by companies. That, Mr Speaker, may be a way of earning money which requires less of a work ethic than going out in a boat. I do not know. I have never tried either of them, Mr Speaker, so I am not in a position to judge which is more hard work. However, if the Hon Member is so concerned about saving the souls of all these young people that he knows are in the trade, then perhaps he will provide me with a list of the people that he knows. I am here, Mr Speaker, to answer facts not speculation or hearsay. From the facts available to the Government we do not know who is involved or how old they are or how many are involved or whether it is half the electorate. We do not know. However, if the Hon Member has knowledge which I do not have, then I would draw his attention to the last sentence in my original answer: "The situation will clearly be kept under review so that a view can be taken, if and when, such information becomes available". I therefore invite the Hon Member to make the information available to me.

HON P. C MONTEGRIFFO:

Mr Speaker, it is not the Spanish Government's view which I am interested in, it is the view of the elected Government of Gibraltar that I am interested in and I put it to the Hon the Chief Minister that he has the resources to confirm what every single individual in Gibraltar knows, that there is a significant number of young people involved in this. On the assumption that the Hon the Chief Minister takes my word for it that there are a significant number of young people involved in the trade of taking tobacco out of Gibraltar in fast launches into international waters and whether that is an activity which the Government feels it should encourage as a profitable activity for raising revenue or whether it is an activity which it would prefer not to encourage and instead to direct young people into other types of occupation?

HON CHIEF MINISTER:

Mr Speaker, I would remind the Hon Member opposite that he tabled a question previously accusing virtually the Government of encouraging the illegal export of tobacco from Gibraltar and at the time I reminded him that in all the years of attack and vilification that Gibraltar has endured from our neighbours, it was the first time in Gibraltar's history that a Member of this House had actually taken up cudgels on behalf of our neighbours. The position of the Government of Gibraltar is that in order to kill any such accusations

of us encouraging our young people to go into this business we have actually done what was suggested by Her Majesty's Government should be done, so that HMG could defend its position internationally, which is to say that nobody is being encouraged to do this by creating special facilities. In the absence of any special facilities, the Government is not in a position, and does not believe it has the right, to intervene in the normal process of trade which is done within the Laws of Gibraltar and where goods are bought in Gibraltar, legally, and after paying duty. If there is a problem arising out of this then it is a problem that the Government will have to address. But it is not the only problem that the Government has to address because there may be other problems in other areas involving other activities that the Government may have to address. Therefore I cannot accept that the Member opposite should be trying to impute in the way that he phrases his question that the Government believes that this is what everyone in Gibraltar should be doing and that we are arranging training courses for this.

HON P C MONTEGRIFFO:

No, Mr Speaker, what I am suggesting is what the Hon the Chief Minister has confirmed that he considers what we are talking about as just another example of normal trade from Gibraltar. If that is the Hon the Chief Minister's view I would like it confirmed. For the record I would like to state that we differ and that I do not consider activities of this nature, undertaken by young people, in the circumstances that we are taking to be normal and, I would say, healthy trade for Gibraltar.

HON CHIEF MINISTER:

Mr Speaker, on whether it is healthy or unhealthy, my understanding is that it is more healthy to carry it than to smoke it actually. However, that is not an issue for which the Government has a responsibility as a Government. The Government has a responsibility for upholding the law and the law is being upheld. If the Hon Member opposite wants to commit his Party to preventing this, and there is a very simple way of preventing it, either we ban the imports of the stuff or we raise the duty on it to make it more expensive in Gibraltar than in the neighbouring territory. In which case the trade would be in the opposite direction. That, Mr Speaker, is a matter which the Hon Member can include in his manifesto.

MR SPEAKER:

I think we are now labouring the point and this will be the last supplementary question.

HON P C MONTEGRIFFO:

Mr Speaker, if the Hon the Chief Minister believes that there are only two options to curb this problem, either to ban the imports of tobacco or to raise the duty, I offer myself to him to suggest a myriad of other solutions which, in a much more efficient way, would stop this socially unacceptable and dangerous side of this trade but still not making Gibraltar either a tobacco free zone or a zone where

MR SPEAKER:

I must remind the Hon Member that he has used almost the same words about ten times already tonight and the Hon Member has been given the same answer and he is going to get the same answer again.

HON CHIEF MINISTER:

Mr Speaker, Question Time is an opportunity for Members opposite to seek information which is supposed to be factual. The Hon Member tells me that there is a social problem. My response to him is that the Government does not have information that there is a social problem and that the Government is reviewing the position constantly, like every other position, and that, if and when, the Hon Member provides evidence of the social problem then we will take a view on it. However many times the Hon Member asks me that same question, rephrasing it in as many ways as he wishes, he will not receive any other answer than my original answer to the original question.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

How much revenue does the Government project it will be receiving from the sale of tobacco in Gibraltar in the year 1990/91?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Government is not planning to sell tobacco in 1990/91 and is not projecting receiving revenue from any such sales.

SUPPLEMENTARY TO QUESTION NO. 145 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, if the Government thinks that it is such a profitable venture of normal trade perhaps the Government is considering entering into a Joint Venture. Does the Government know how much revenue it will be receiving in duty on the sales being effected?

HON CHIEF MINISTER:

Mr Speaker, as I have already explained, the wayleave which was used in respect of re-exports has been brought into line with the normal import duty for domestic sales. Import duty therefore on the same volume is expected to be eight times what it was before because that is the level by which it was raised. Since the level has now been brought into line with the duty paid in the domestic market, the figures are expected to reflect this. The Government does not publish information on the amounts of duty from each different product. It is not expected to be in Gibraltar's interest to do so.

HON P C MONTEGRIFFO:

May I ask the Hon the Chief Minister, Mr Speaker, why in this case it should not be in Gibraltar's interest to publish to this House details of how much revenue the Government is receiving from tobacco sales?

HON CHIEF MINISTER:

Mr Speaker, I have already informed the Hon Member that we do not publish such information.

HON P C MONTEGRIFFO:

But the Hon the Chief Minister knows how much? Why does he not do so in this case?

HON CHIEF MINISTER:

The Government is not prepared to do so, Mr Speaker.

HON P C MONTEGRIFFO:

Then, Mr Speaker, the Hon the Chief Minister is not prepared to give figures on the duty received from the sale of tobacco or anything else for that matter?

HON CHIEF MINISTER:

Mr Speaker, it is not that the Government is not prepared in this case because the Hon Member opposite is asking this question. I have already said that the Government does not publish, has never published and does not intend to publish the yield of import duty from tobacco, radio transmitters or Scotch whisky or anything else which can only serve for somebody else to say that we are a bunch of contrabandists selling watches or anything else across the frontier. I find it odd, Mr Speaker, that I should have to explain to the Hon Member opposite, who is supposed to be elected to this House to protect Gibraltar's interests, why it is not in Gibraltar's interest.

MR SPEAKER:

Next question.

NO. 146 OF 1990

ORAL

THE HON P C MONTEGRIFFO

What is the latest position in relation to the case being brought in the European Court by or on behalf of Government and when does it expect the matter will be heard in Court?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the position of the case is that the Court has yet to fix a date for considering the preliminary hearing on admissibility. We understand from our lawyers in Brussels that the delay is normal but as yet there is no firm indication of the date of the hearing.

SUPPLEMENTARY TO QUESTION NO. 146 OF 1990

HON P C MONTEGRIFFO:

Mr Speaker, has there been an amendment to the proceedings to introduce the Gibraltar Development Corporation as plaintiff or as the applicant? Or is the Gibraltar Development Corporation's role as a potential litigant confined to a further case which may be brought against our exclusion from other Directives?

HON CHIEF MINISTER:

To a further case, Mr Speaker, because when the original case was started in the Courts the Gibraltar Development Corporation was not in existence.

HON P C MONTEGRIFFO:

So, Mr Speaker, the arguments that the Gibraltar Development Corporation may strengthen Gibraltar's case will not, in fact, apply to the case pending because it is, in fact, in the Gibraltar Government's name?

HON CHIEF MINISTER:

No such argument, as the Hon Member has described, has ever been used.

HON P C MONTEGRIFFO:

Mr Speaker, is it not the case that the Government has said that an action by the Gibraltar Development Corporation would have more chance of success, on the basis that it could be demonstrated that a commercial entity has a proper interest in the matter, than a case brought by the Gibraltar Government?

HON CHIEF MINISTER:

That is correct, Mr Speaker.

HON P C MONTEGRIFFO:

If that is the case, Mr Speaker, it must logically be the case that the reverse is also true. That if the case is being brought by the Gibraltar Government it stands less of a chance and therefore more complicated or lessens those chances to a greater extent?

HON CHIEF MINISTER:

No, Mr Speaker. The position is that the Gibraltar Development Corporation is, as the Hon Member has said, in a better position according to the advise that we have but it was never the intention that it should take over the existing case started by the Government.

HON P C MONTEGRIFFO:

Does the Hon the Chief Minister have an indication of when it is envisaged that the question of admissibility will be heard? What timescale are we talking about, Mr Speaker?

HON CHIEF MINISTER:

No, Mr Speaker, we do not have an indication, as I have said in my original answer. All that we are assured, by our lawyers is that the speed at which it is progressing or not progressing, whichever way one wants to look at it, is in fact the normal rate of progress in the Court.

HON P C MONTEGRIFFO:

There is therefore no political interference or no politically motivated interference by those parties that are affected or have an interest in the matter in delaying the proceedings coming before the Court?

HON CHIEF MINISTER:

On the assumption that the Courts in Europe enjoy the same degree of independence that the judiciary does in the British system, the Hon Member must professionally know that that cannot be true.

HON P C MONTEGRIFFO:

Mr Speaker, the Hon Member will know that professionally if I wish to delay a case without having to bribe the Judge I can delay it because there are ways of doing so. What I am asking is that without suggesting a conspiracy by the Courts to delay it, is there any evidence that the other interested parties are keen to delay the process rather than have a determination sooner rather than later?

HON CHIEF MINISTER:

Mr Speaker, I have already answered that in my original answer. I have said: "We understand from our lawyers in Brussels that the delay is normal". It follows from that that they do not believe that any of his suggestions are happening. I however do not know if our lawyers have also been got at.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

What are the details of the application for EEC funds which has been made on behalf of Gibraltar and when can it be expected the matter will be decided?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, Members will recall that in 1988 when our Government was elected, GSL was in a situation where on the advice of the Attorney-General at the time, the Gibraltar Government had been told that it could not provide a subsidy to meet the yard's losses because this was prohibited by the EC Directive on competition and subventions to shipbuilding and shiprepairing industries in the Community.

It was clear that the yard would have to close unless support could be given or a restructure to reduce capacity undertaken. As part of the programme of making the yard viable, the Government undertook a rationalisation of the activities of the shipyard involving capacity reduction and a contraction of the workforce engaged in shiprepairing activities by transferring them to other companies created for the purpose and engaged in non-shiprepairing work. Based on this structural adjustment programme a case was produced and submitted to the EC in May, 1989.

The case described the transformation that had taken place in the level of operations in the shipyard since 1984 and demonstrated that a large reduction in capacity was being implemented and would be finally in place this year.

In July this year our case was considered but failed to meet the requirement that the reduction in capacity had to involve at least 1000 jobs in shiprepairing. Obviously, since the shipyard in Gibraltar only employed some 800 workers to start with, it was impossible to meet this requirement.

When I met Commissioner Bruce Milan I was told that our case had been well documented and presented and they felt that it was unfortunate that no discretion existed to deal with it for the reasons I have explained.

The Government felt encouraged by this response to try again for EEC assistance under a different proviso of the EEC programme.

The new application that has now been made is under Regulation 4254/88 concerned with structural funds for a number of objectives, in this case the creation and maintaining of employment opportunities by the provision of workshop facilities.

To be successful under the particular Article of the Regulation the application has to show innovative content and the quality of creating experience which may be of application to other parts of the European Community with similar problems or symptoms.

It is well understood in Brussels amongst staff of the European Commission, that Gibraltar represents a microcosm of many of the fundamental problems facing the Community and that it can provide an environment of substantial interest in which to conduct pilot projects of this kind. Our application was prepared in Gibraltar with combined public and private resources and has been made in the name of the Government of Gibraltar. So far I understand that it has been well received in the Commission and I am optimistic that we can expect a decision before the end of this year.

SUPPLEMENTARY TO QUESTION NO. 147 OF 1990

HON P C MONTEGRIFFO:

I am grateful for that explanation, Mr Speaker. The Hon Chief Minister mentioned workshop facilities. Could he elaborate a little more extensively as to what that would actually entail?

HON CHIEF MINISTER:

Well, Mr Speaker, it is not something that I can, frankly, easily do because we, the Government, have been involved in the policy and in the political role of taking the matter up with the Commission. However, the exact nature of the element of it being innovative, which is an element of the fact that the building is being used to house workshop facilities, the Construction Training Centre and a Generating Station which is providing wholesale electricity supplies to the Government, is that an old structure is being developed for new uses and that there is an input of transfer of knowledge and skills from other members of the Community, including, for example, the AMU Construction Course which is housed in that building. It is that element, which is a multiple use facility out of our existing building and which preserves the structure of the building but puts it to new uses which is concerned with creating new skills and employment and with transferring knowledge from one Member State to another Member State, which has been the main argument in the submission.

HON P C MONTEGRIFFO:

Mr Speaker, other than matters of transfer of knowledge and probably technical expertise which may be involved as well, is the Hon the Chief Minister able to disclose the value of any capital assistance which the programme may or may not involve? I am not sure if it does involve that aspect.

HON CHIEF MINISTER:

Mr Speaker, I would rather not put a figure because we have already, as I have explained earlier, submitted a previous application and there were various optimistic noises being made about it because these applications were made to the Community via the UK through the Department of Trade and Industry, because they all felt that we stood a good chance of getting a fair amount of money for a community of our size. We are not talking about hundreds of millions of ECU's, but when the crunch came it was rejected. So I would prefer, frankly, to see what answer we get before saying anything ourselves.

MR SPEAKER:

Next question.

NO. 148 OF 1990

ORAL

THE HON K B ANTHONY

Will Government make a statement on the progress being made towards finding a solution to break the deadlock of the problem of the small number of Indian children living on the Rock who do not have residential permits?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, when members of the Indian community recently made representations to me on this matter, I agreed to look into it and to take the matter up with His Excellency the Governor. The Government has refrained from making any public statements on this issue because it believes it is too serious an issue to be allowed to become a political gimmick as the AACR has tried to do. I particularly condemn their statement of 10th September when they stated, and I quote: "At the beginning of the summer the Government had to do a U-turn in respect of the Indian children whom they were going to deport". This statement alleged that a political decision had been taken to stop the visitors' permits of these children and that this decision had been revoked. This is totally false.

The children in question, whose appeal was turned down by His Excellency the Governor earlier this year, had been refused a permit of residence based on a policy decision taken in 1987 at the time of the AACR administration. The first of these cases was that of Jason Jaswani then 2½ years old. The permit was refused on 25th November, 1987, and the applicant informed that the renewal on the expiry date of 20th February, 1988, would not take place and that the right of appeal existed. The Immigration authorities adopted a similar procedure in all subsequent cases. The appeals in all these cases were placed before His Excellency earlier this year and nine cases were rejected and it was decided that further consideration was to be given to the others. The nine cases in question were those involving arrivals with a six months visitors permit since 1988.

In looking back on previous decisions it has emerged that no child previously on a visitors' permit has ever been given a residence permit on appeal and the procedure followed did not stem from any new policy introduced by my Government.

I asked His Excellency for the matter to be reviewed with a full examination of the extent of the problem. This is being done but those affected continue to be in Gibraltar on temporary residence permits. Meanwhile a report prepared by the Police Department shows that the Principal Immigration Officer has been requesting a policy decision since 1970 and never received any replies or indication that the matter was

being tackled until this year when the review has been instigated by my Government. As a consequence it has come to light that the oldest case pending a decision and still on a monthly visitors' permit dates from 12th February, 1971, and the most recent case from 19th March, 1990. A large number of recent cases involve Indian families who arrived in Gibraltar as visitors and in breach of their conditions of entry have attempted to set themselves up in business, or to seek employment.

The number of families who have arrived between March and September this year are thirty-two and action is being taken to ensure that they do not overstay their six months visitors' permit or attempt to undertake economic activities in breach of their conditions of entry. The Government cannot look at a few limited cases in isolation but must seek to develop in consultation with Her Majesty's Government, who has the ultimate constitutional say in these matters, rules on immigration which are clear and capable of implementation.

SUPPLEMENTARY TO QUESTION NO. 148 OF 1990

HON A J CANEPA:

Mr Speaker, may I remind the House that in 1970 or 1971 the AACR was not in office. In fact, none of the present Members of this House, with the exception of the Hon Mr Featherstone, belonged to the House of Assembly then.

HON CHIEF MINISTER:

Well, Mr Speaker, may I thank the Hon Member for that information but he inherited the problem in 1972 and he had sixteen years to put it right. He however passed it on to us unchanged!

HON K B ANTHONY:

Mr Speaker, I assure the Hon the Chief Minister that I am not raising this matter as a political gimmick. I raise it for two reasons. One is the social reason that these families with these children are in a worse social position with regard to travelling than any Gibraltarian was during the sixteen years that the frontier was closed. They cannot leave Gibraltar with their children to the neighbouring country or the UK or wherever for fear that they will not be allowed back into Gibraltar. The second reason, Mr Speaker, is a financial one. The children of these few families have to be educated and at the moment they have to pay for their children's education. They are paying the sum of £380 per term. At least that is my information and perhaps the Hon the Minister for Education can confirm that.

HON CHIEF MINISTER:

What is the question, Mr Speaker?

HON K B ANTHONY:

Mr Speaker, I am trying to explain the situation before putting my question to the Hon the Chief Minister. Mr Speaker, a child of $4\frac{1}{2}$ years is paying this sum, or his parents are paying, for half a day education and I think that this is a very high figure indeed. My question is very simple, Mr Speaker. Will the Hon the Chief Minister, knowing these facts, do his utmost to try and get a speedy decision in order that these families and children can have the social and the financial burden lifted as soon as possible?

HON CHIEF MINISTER:

Mr Speaker, the Hon Member's facts are incorrect. I have already said in my original answer that the nine children whose visitors' permits were not converted into residence permits by His Excellency the Governor, on appeal, were all children who had arrived here since 1988. In one case the entire family arrived as visitors. To my knowledge there is nowhere in Europe, and for all I know it is not the case in India, that one can actually go on a holiday, obtain a visa allowing a six months stay, as a holidaymaker, with one's entire family and then buy a sweetshop and ask for a residence permit because one is a company director. That, Mr Speaker, is what has been happening. It is not a question of just a few, it is a question of thirty-two new ones in the last six months. That is what I have already stated in my original answer. Mr Speaker, it is meaningless to have a situation where somebody requests a visa to visit Gibraltar, in order to visit relatives here, then get a permit that says: "This permit is on condition that you do not take up business and that you do not seek employment". They then take up a business and seek employment, which is a breach of the condition under which the permit was issued and appeal against the decision that the permit has expired. I have had the Immigration Authorities produce for me a very comprehensive report that deals with every single case. As I mentioned in my original answer, Mr Speaker, the oldest case still waiting on a temporary monthly permit has been waiting for nineteen years. I do not think that we can treat the person who has been waiting for nineteen years to have confirmed whether he can stay or not in the same manner as a person who arrived in March this year with six months that expired in September. It is in the light of wanting to be fair but not being able to allow a loophole to exist in our Immigration and Employment Laws that we are looking at the situation. This is why we believe that it requires a comprehensive review of all the people affected and then come up with a policy and with rules which are public and people know where they stand.

HON K B ANTHONY:

Mr Speaker, may I thank the Hon the Chief Minister for that answer. Does he however anticipate that there will be a solution in the near or middle term future?

HON CHIEF MINISTER:

Well, Mr Speaker, we certainly hope to take less than it has taken so far which from our knowledge is twenty years.

MR SPEAKER:

Next question.

NO. 149 OF 1990

ORAL

THE HON LT-COL E M BRITTO

Will Government say what steps it intends to take to safeguard the interests of Gibraltar in general and those of the Finance Centre in particular, in view of the draft proposals shortly to be considered by the Spanish Parliament which, if implemented, would mean a 5% tax on the rateable value of properties in Spain owned by non-resident companies?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Gibraltar Government is not in a position to influence what taxes the Government of the Kingdom of Spain, or indeed any other country chooses to introduce within its territory. The suggested tax of which there is no official information, is something which cannot be introduced exclusively for Gibraltar based companies. The Government has taken the necessary action to protect Gibraltar against the possibility of discriminatory treatment by taking up the matter with Her Majesty's Government as has already been stated publicly when the matter was first reported in the Spanish media several months ago.

SUPPLEMENTARY TO QUESTION NO. 149 OF 1990

HON LT-COL E M BRITTO:

Mr Speaker, whilst accepting that discriminatory legislation cannot be taken against Gibraltar by Spain, is it not, in fact, what is intended to discriminate against other centres like the Channel Islands, for example, but who will not be as affected as Gibraltar, and the business concerned will be channelled to places which have a dual taxation treaty with Spain. Is that not the case?

HON CHIEF MINISTER:

I believe, Mr Speaker, that that report was not entirely accurate and that, in fact, there are no double taxation agreements with off-shore centres and Spain. In any case, most of what has been said is hearsay because we do not know yet what is going to be the exact nature of the tax or the conditions attached to it. However, the way that the matter is being debated in Spain, where there has been a certain amount of opposition from people who dissented, not because it harms Gibraltar, but because it will harm Spain and make Spain less attractive as a place for investment. It appears that the administration is defending the policy as a way of

tracking down possible vehicles used for laundering money and are saying that the tax can, in fact, be avoided even by an off-shore centre and even in the absence of a double taxation agreement if the beneficial owners are prepared to reveal their identity to the authorities.

HON LT-COL E M BRITTO:

Which I understand, Mr Speaker, is not always what the beneficiaries want to do. I am content with the Chief Minister's answer that the matter is under review and being monitored.

MR SPEAKER:

Next question.

23.10.90

NO. 150 OF 1990

ORAL

THE HON A J CANEPA

Does the Government intend to introduce the European Passport and, if so, when?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the Government is not aware that a decision has been taken on a European Passport. A proposal has been put forward by Spain, as a Member State, and this is at a very early stage of consideration.

NO. 151 OF 1990

ORAL

THE HON A J CANEPA

Will the Government say whether it is aware of any intention to remove or change the physical characteristics of the frontier fence?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the Government is aware that the replacement and /or repair of the frontier fence has been under consideration for some time but no final decision has been taken on this matter.

SUPPLEMENTARY TO QUESTION NO. 151 OF 1990

HON A J CANEPA:

Is the Chief Minister aware, Mr Speaker, whether it was under consideration prior to reference to that being made by Sir Geoffrey Howe?

HON CHIEF MINISTER:

To my knowledge yes, Mr Speaker, it has been, from a military point of view. The need to do some work on the fence has been under discussion for several years, certainly as I understand it, before 1988 and although it has been brought to my attention in my normal discussion with His Excellency the Governor, there is no imminent decision on how it is going to be dealt with.

HON J C PEREZ:

Mr Speaker, I think Members will recall press cuttings, when the Hon Member opposite was in Government, of my colleague the Hon Chief Minister suggesting that Felipe Gonzalez should come and plant carnations at the frontier.

HON CHIEF MINISTER:

Geraniums.

HON J C PEREZ:

Geraniums, that was it, Mr Speaker. So the issue was gone into at the time, if I recall from the press, of the first meeting following from the Brussels Agreement.

MR SPEAKER:

Next question.

23.10.90

NO. 152 OF 1990

ORAL

THE HON A J CANEPA

Does the Chief Minister have any plans to visit London in order to keep Members of Parliament informed about matters concerning Gibraltar?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, I have no specific plans to visit London for this purpose but I will take every opportunity to maintain contact with Members of Parliament whenever I am in London on Government business.

SUPPLEMENTARY TO QUESTION NO. 152 OF 1990

HON A J CANEPA:

Sir, in view of the relative inactivity of the British/Gibraltar Group, does the Hon Chief Minister not agree that he ought to go beyond the Members of the Group by perhaps using his contacts with the Labour Party in order to reach a larger number of Members of Parliament?

HON CHIEF MINISTER:

Quite often, Mr Speaker, the Members that I do meet when I am in London are not members of the Group. They are Members that I meet because of other contacts, for example, we are planning in the not too distant future a presentation and a Seminar in Lancashire, where we have close links with the Lancashire County Council, and there we expect to have an opportunity to involve the local MPs. People who have no previous contact with us.

HON A J CANEPA:

Mr Speaker, I am sure, because you were there, to confirm the fact that a great deal of interest was shown in Gibraltar by British Members of Parliament who attended the CPA Conference in Zimbabwe. I would therefore ask the Hon the Chief Minister, will he try to arrange for follow-up action to be taken, particularly in order to keep those younger Members of Parliament who were in Zimbabwe, to keep them informed about Gibraltar? Perhaps some literature could be sent?

HON CHIEF MINISTER:

Mr Speaker, the Government believes, as the Leader of the Opposition does, that maintaining such contacts are very important as part of keeping a lobby in the Houses of Parliament committed to Gibraltar's cause. Therefore I would be quite happy to do as he suggests or even to invite any group he might suggest to visit Gibraltar.

HON A J CANEPA:

I thank the Hon the Chief Minister for that answer, Mr Speaker.