

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

26TH APRIL 1994
(Volume II)

No. 65 TO No. 126

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QUESTIONS & ANSWERS

26th April 1994

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26.4.94

ORAL

NO. 65 OF 1994

THE HON P CUMMING

FRONTIER QUEUE INTO GIBRALTAR

Are Government prepared to take any steps to prevent long queues building up of cars waiting to enter Gibraltar?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, most of the delays experienced by motorists entering Gibraltar are caused by the insistence of the Spanish Authorities having a passport control at the point of exit of the country, something which is only normal at airports and for security purposes.

The main hold-up which used to occur on our side of the frontier when dealing with incoming coaches or custom searches of private vehicles was done away with some time ago through better liaison between the customs and the police.

Government have taken the steps necessary for what they are responsible for. We do not, however, control what happens on the other side.

SUPPLEMENTARY TO QUESTION NO.65 OF 1994

HON P CUMMING:

Nonetheless, Mr Speaker, there are times when there is a build up of cars and it is due to the custom and/or to our police and it seems to me that since the queues build up on our side trying to get into Spain, of course, so much disruption and difficulties and problems to us that it might be an opportunity, as it were, to preach by example and put our house in order so there is never a queue on that side. So hopefully, as they say every action has an equal and opposite reaction, they may respond in the same way and help us out with our problem.

HON J C PEREZ:

Mr Speaker, our house is in order. The hon Member might try and get a concession from the others but our house is certainly in order.

26.4.94

ORAL

NO. 66 OF 1994

THE HON LT-COL E M BRITTO

EASTSIDE ROADSIDE WALLS

What steps will Government take to improve the deplorable state of the road, pavement and roadside walls along the East side between the entrance to William's Way Tunnel and Dudley Way Tunnel?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, this part of Sir Herbert Miles Road has not been included in any substantive work programme because of the continuing uncertainty during the last few years on whether or not a major development was to take place in the area. The road is regularly patched up and part of the pavement is being included in the 1994/95 works programme. The Roads Engineer informs me that his department checks it regularly and that it is structurally sound although somewhat bumpy.

SUPPLEMENTARY TO QUESTION NO. 66 OF 1994

HON LT-COL E M BRITTO:

So, Mr Speaker, I take that to mean that there will be no effort to improve a pedestrian access along that road before the summer season to the users of Sandy Bay?

HON J C PEREZ:

Mr Speaker, I have already said in my answer that the question of the pavement is being included in the programme which we are to debate in this House when we deal with the expenditure and therefore until the money is voted that programme cannot be looked at. Certainly the priority will be given obviously for the pedestrian areas to be hopefully repaired for the summer season given that that is when they are mostly used. I cannot guarantee to the hon Member until I get together with the Roads Engineer and look at his programme for the year which I have not done recently for lack of time.

HON LT-COL E M BRITTO:

Mr Speaker, one of the problems in that area and of the damage to the pavements obviously is the use of those pavements for parking by the users of beaches in that area. We have a bit of a catch 22 situation. My feeling is that it would be inadvisable to prohibit parking on those pavements because then it would be impossible to use the beach. On the other hand, the pavements get damaged. Is the Minister considering, as part of the works programme, any provision for parking on the pavements or modifying the pavements so that the law is not broken, so that people can park without actually going on top of the pavement? Is he considering any change to the present two way system, maybe during the weekends in the summer months where one flow of traffic in only one direction, then the problem of parking on the pavement is not so acute.

HON J C PEREZ:

Mr Speaker, the Government have been able to provide over the last two or three years alternative parking spaces in the area within what was the gate of the Ministry of Defence before in order that there should not be double parking on either side of the road on the area of what used to be called the Beach Hotel. There used to be double parking there and that was eliminated and there is single parking now there and alternative parking was created on the other side. It is difficult to do more other than make sure that a certain amount of parking within that area is earmarked for the summer and that will be done as it is every summer. The question of the two way system being changed for the weekends is something that we will have to refer to the Traffic Commission and/or the police. I think the issue was raised by the hon Member sometime back in the House and there was a different view being given by the police and by people in the Traffic Commission because they found it rather useful, but given that it is the summer months and it is the weekend, it is something that I am sure will be looked at by the people concerned.

26.4.94

ORAL

NO. 67 OF 1994

THE HON LT-COL E M BRITTO

TRAFFIC LIGHTS

Will Government consider installing co-ordinated traffic lights at the various road junctions inter-connecting Rosia Road, Red Sands Road, Boyd Street, Europa Road and Trafalgar Hill to speed up traffic flow at peak hours and ensure safety for pedestrians?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Answered together with Question No. 68 of 1994.

26.4.94

ORAL

NO. 68 of 1994

THE HON LT-COL E M BRITTO

WESTSIDE PARKING AREAS

Will Government say why the road running between Gib 5 Estate and the Westside developments, which is arguably the widest road in Gibraltar, is a no parking area while at the same time there are severe parking problems in the Varyl Begg Estate, only metres away?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, there is no political involvement whatsoever in matters of parking or traffic other than when a policy decision is needed or when any financing is required. These matters are the sole domain of the Traffic Commission in which the Minister does not sit. The police, the roads section engineer, representatives of taxis, buses and transport and two independents from the committee.

I can inform the hon Member that the question of traffic lights at some of the road junctions he mentions are presently under consideration and a matter to be discussed with the Government because of the costs involved. I can also inform the hon Member that I understand that there exists plans for improving parking within the Varyl Begg Estate.

I would suggest, that if any hon Member has any comments or complaints to make on any traffic matter that he should write in to me and I shall be delighted to pass his comments on to the Traffic Commission for consideration.

SUPPLEMENTARY TO QUESTION NOS. 67 AND 68 OF 1994

HON LT-COL E M BRITTO:

Mr Speaker, the Minister makes the point that the Government only becomes involved if it is a question of policy or financing. He has clarified the question of financing reference the road junctions in Trafalgar Hill area. He has not mentioned pedestrian crossings, but I assume those will come in at the same time. But when we come specifically to the road in Varyl Begg, can I ask him to say if there has been a policy decision to make it a no parking area and whether the Government have been consulted by the Traffic Commission?

HON J C PEREZ:

No, Mr Speaker. There has not been a policy decision to make it a no parking area. I have not had sufficient time to investigate the matter but part of the reason for the extent of the no parking area seems to be in connection with the rights of the development and the tenants association in the area, but I am not sure of it. The only thing that I can tell him is that it is not a decision for which I am answerable because I do not take the decisions. The Traffic Commission because of the problems that were encountered with the previous administration where the Minister was involved and the subject of direct conflict between the different aggravated parties of interest, that the policy of this Government in 1988, was that the Minister commence being the Chairman of the Commission and nine months afterwards decided to make the Commission independent. So if someone wears a crash helmet or not, it is not the decision of the Commission, the Commission can recommend because that needs legislation and needs a policy decision of the Government. Things that need legislation, things that need to be costed are policy decisions which come to the Government, but day to day decisions on what areas should be parking or no parking areas do not come to the Government. I can offer the hon Member my intervention to go to the Commission or to the police, get the information and give it back to him, but I am afraid that I am not answerable for them because I do not take those decisions.

HON LT-COL E M BRITTO:

Fine, Mr Speaker. Can I then touch on the point made by the Minister that provisions are being studied to improve the parking problems in Varyl Begg Estate? Can he confirm that the provisions that have been studied is the construction of parking spaces in what was formerly the MOD area just outside the estate and that it is the intention to sell these parking places to the inhabitants of Varyl Begg Estate?

HON J C PEREZ:

No, Mr Speaker. The extent to which the plans have been taken are not there. There has been an internal study being made to see whether parking needs to be created and what the cost of those parkings are. I am not directly involved but I am aware of it. Once all the information is gathered, then we will have to sit with the tenants association in the area to see the costing of it and to see how best to put it into practice but my hon Colleague, Mr Baldachino, is the one that is dealing with this at the moment directly with the tenants and there has been no progress other than a collection of information, so it is not that we have decided to do it in any particular way yet. The matter is being discussed at the moment.

HON LT-COL E M BRITTO:

Mr Speaker, I appreciate that the Minister has been away from Gibraltar for personal reasons. My information is that progress is a little bit further than he has indicated. There is already a collection of names of people who have shown an interest in purchasing parking spaces, that the parking spaces have been priced and offered for sale and the thrust of the question is, Mr Speaker, as put to me by residents of Varyl Begg Estate, whether the area outside the Estate has been made into a no parking area to encourage the residents to buy their parking spaces inside and then eventually the road outside, which is wide enough to take two lanes of traffic parked on either side, can be used for parking. If it is not so, Mr Speaker, will the Minister take up the offer that he made previously, to approach the Traffic Commission to make the parking on the road outside the estate possible at least.....

HON J C PEREZ:

To get an explanation why they have done it, let us take a stage at a time.

HON LT-COL E M BRITTO:

Let me finish this question, Mr Speaker. If it is not the policy to deliberately stop people parking, will he encourage the Traffic Commission to allow parking at least at night and at the weekends when the parking problem is most severe?

HON J L BALDACHINO:

Mr Speaker, I would like to clarify some of the points that have been raised by the hon Member. One of the points is that the Government are looking at making available parking spaces within the estate so that people are forced to buy a parking space.....

HON LT-COL E M BRITTO:

Those are the Minister's words not mine.

HON J L BALDACHINO:

That is what the hon Member has said.

HON LT-COL E M BRITTO:

I did not say force. I said encouraged.

HON J L BALDACHINO:

Encourage people to buy the parking space because people are not being allowed to park on the road between Gib 5 and Westside 2. The reality of it is that I had a meeting with the tenants association and it was a proposal from them which proposed if we could make available parking spaces for the tenants of Varyl Begg because the complaint was that people who have second cars in the Montagu Gardens project and the Harbour View project were now parking in Varyl Begg and obstructing the tenants who live in Varyl Begg. The Government have said that we were prepared to look at it in that way but we considered that it would be a good idea if they could carry out a survey in the estate to see what the reaction would be. That is the stage that we are in now.

HON LT-COL E M BRITTO:

Mr Speaker, I accept the declaration, but will the Minister accept from me that it still does not answer why it is if the problems are more acute in Varyl Begg now because people from the Montagu Development are parking there, that parking is not allowed on this huge stretch of road outside which is completely empty and which would alleviate the problem?

HON J C PEREZ:

Mr Speaker, I am glad that the hon Member accepts that one thing is totally unconnected to the other and that my hon Colleague is providing the parking spaces within Varyl Begg regardless of what is happening to the adjacent road. I told the hon Member that I shall put to the police or to the Commission why this has been done and I shall write to the hon Member with the information. I would appreciate it if he should send a note to me on the matter and I will raise it with the Commission.

26.4.94

ORAL

NO. 69 OF 1994

THE HON P R CARUANA

GBC RADIO

Mr Speaker, will Government undertake to lay before the House any contract that they or the board of GBC may sign for the privatised running of GBC radio?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Answered together with Question No. 70 of 1994.

NO. 70 OF 1994THE HON P R CARUANA

GBC RADIO EMPLOYEES

Mr Speaker, will Government ensure that GBC radio employees taken on by any private contractor engaged to operate radio continue to enjoy the same terms of employment so successfully obtained for them by the trade unions?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, GBC radio is not a Government department. It is run in accordance with the GBC Ordinance outside the Government service. That ordinance empowers the Corporation to franchise out, at any time, any or all of its functions as long as the operation of such services continue to comply with the terms of the Ordinance and any directions which the Governor may give from time to time. If the discussions and negotiations taking place were to culminate in the signing of an agreement, the only involvement of the Government would be on the financial side since at present it subsidises GBC. If and when an agreement is signed, there will be a public statement.

On the question of Government ensuring that employees of GBC who are not public servants should be offered anything by a would be franchise holder, is not and would not be the role of the Government as the hon Member himself has often enough reminded this House.

SUPPLEMENTARY TO QUESTION NOS. 69 AND 70 OF 1994

HON P R CARUANA:

Mr Speaker, just to correct the Minister, GBC is not subsidised by the Government, it is subsidised by this House. Presumably, if he believes that he is entitled to sight the contract because he says he subsidises GBC, presumable, given my correction, he will agree that we are entitled to see it as well, since we all collectively, as a House, vote the subsidy for GBC. On what basis does he think that the Government, as he has just carefully pointed out, have got no responsibility for GBC? On what basis does he think that he is entitled to access to the contract, but not me as an Opposition as if it was his money that was going into GBC as opposed to mine?

HON J C PEREZ:

Precisely because we have that responsibility to find the money and he has not, Mr Speaker. Let me correct the hon Member that I am not going to sign the agreement, that the agreement is not going to be signed by any Minister, so he has no fear of that. The financial side of the agreement is something that is the responsibility of the Government because it subsidises GBC with the approval of the House and Opposition, at the time of the Budget and at any time during the House, may raise issues on the financing of it, but the responsibility for looking for that money and looking for that subsidy in the same way as the responsibility of collecting taxes and allocating different funds for different purposes is the responsibility of the Government and therefore that information belongs to the Government and not to the Opposition. The Opposition have the information provided to them in the Estimates of Expenditure which we are going to debate in the House during the course of this meeting and it is there and at question time, as the hon Member is doing now, where he can ask his questions on the matter.

HON P R CARUANA:

The information, with the greatest of respect, the Minister will accept, does not belong to the Government, I realise that we can make a philosophical debate about this. It is not information that belong to the Government, it belongs to the people. It is public information and he does not withhold the information from the Opposition, he withholds it from the Opposition and everybody else as if he were entitled to see the terms of GBC's contract with Dewmont or whoever, but not anybody else, having just admitted that it is not a matter for which his Government have governmental responsibility. Well he cannot have his cake and eat it. Either he is responsible for it or he is not. And if he is not responsible for it, he is no more entitled to sight the contract than I am.

HON J C PEREZ:

Mr Speaker, I am not responsible for the terms of the contract in respect of the operation. That is a matter for the GBC board. The hon Member can write to the board on the matter. I am responsible for the financial part of it and the financial part of it shall be signed by an official of the Government which will not be the Minister. The hon Member is free to ask the board for a copy and if the board and Dewmont or whatever party wants to show him a copy, I have no objections, but I am not responsible for that.

HON P R CARUANA:

And is the Minister, that has nothing to do with GBC except that he pays for it, aware of what the problems are between Dewmont and the staff as to the proposals being discussed between them?

HON J C PEREZ:

Yes, Mr Speaker, in the same way as members of the staff have gone to him, they have asked me to meet them and I am aware of some of the problems that they have, as the hon Member himself is aware because I know that they have also gone to him to talk about matters.

HON P R CARUANA:

Therefore the question is geared specifically to those areas where it seems that a proposed contractor is seeking to substantially worsen the terms of employment of people in respect of whom the Government have got to, at least approve of the franchise contract, given, as the Minister has already said that he pays for it. Will Government approve of a contract which in effect deprives staff at GBC in terms of employment that they already enjoy?

HON J C PEREZ:

Government have nothing whatsoever to do with the terms of employment or any other term in the contract that is not a financial one and those terms do not need the approval of the Government. The only thing that needs the approval of the Government is the financial part because the Government have to look for the money to subsidise the operation. The markers related to providing the service, how that service is provided and what happens to the employees, is a matter of the management and the board of GBC and the Government continues to hold the arms length relationship that I have explained in this House is being held throughout. The Government's input and involvement has been on the financial side for reasons that I have already explained and, Mr Speaker, any problem that the staff might have with the would be operator or the GBC board or the management is something for them to resolve. When people come to see me, I listen to them and I try and help them along. I am not interfering directly. They come to see me in the same way as they go to see the Opposition Member but it is a direct involvement on my part in trying to get any contract off the ground other than the financial aspects which I have already explained to hon Members why it is that we participate.

HON P R CARUANA:

Within the realms, Mr Speaker, if you give me the latitude of one more supplementary, of those parameters, I suppose that the Minister has an interest in ensuring, and he will express his views to the Chairman of the board of GBC presumably, that his Government would not be very happy to see a contractual of GBC Radio in effect convert the place into a sweat shop, Victorian style, whereby workers are going backwards, in terms of terms of conditions, rather than forward. The Minister may not be about to sign the contract himself but presumably, no contractor which the Government disapprove would be sanctioned by the board since after all he has made it very clear to them that he pays the pipeman and therefore he calls the tune.

HON J C PEREZ:

Mr Speaker, my understanding of the matter is that the conditions that the hon Member describes are not the ones on offer but, as I said before, it is not a matter for the Government to decide and my understanding of the matter is that no one is being forced to go to any contractor. They are being offered alternative employment within GBC if they do not want to go with the contractor, so no one is being forced to go to Victorian times and sweat in the galley or anything like that.

26.4.94

ORAL

NO. 71 OF 1994

THE HON LT-COL E M BRITTO

FEMALE PRISON STAFF

In what capacity are female staff temporarily employed at the Prison?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, as female prison officers.

SUPPLEMENTARY TO QUESTION NO. 71 OF 1994

HON LT-COL E M BRITTO:

Mr Speaker, is that the only post filled by females and why are they temporary?

HON J C PEREZ:

I do not get the hon Member. What is the only post as female? In what capacity are female staff employed? As female prison officers, that is what I am saying.

HON LT-COL E M BRITTO:

My supplementary is, are female prison officers the only posts that are filled by women or are there other posts that are occasionally filled by women?

HON J C PEREZ:

Within the Prison?

HON LT-COL E M BRITTO:

Within the Prison and why are female prison officers temporary and not permanent?

HON J C PEREZ:

The only post in the Prison employed by females are female prison officers and they are there temporarily in the event of there being a female inmate in the Prison and for the duration of the term of imprisonment. Since obviously the internment of a female prisoner is much more irregular than male prisoners and the legislation in Gibraltar provides that they should be treated by female prison officers. This is complied with every time there is a prisoner who is a female.

26.4.94

ORAL

NO. 72 OF 1994

THE HON P R CARUANA

PRIVATISATION OF GOVERNMENT DEPARTMENTS

Which Government departments, sections thereof or function presently carried out by Government, are Government intending to privatise or contractorise?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, the position continues to be as stated previously that there is no list as such of areas intended for commercialisation. Areas are looked at as and when proposals are received and in consultation with the employees in the area of activity concerned. Currently this is happening with philatelic sales by the Post Office.

SUPPLEMENTARY TO QUESTION NO. 72 OF 1994

HON P R CARUANA:

Are the Government considering any proposal in respect of other sections of the Post Office?

HON J C PEREZ:

No, Sir.

HON LT-COL E M BRITTO:

Are the Government considering any proposals or are they studying the possibility of civilianising the immigration facilities at the frontier?

HON J C PEREZ:

Not at the moment.

HON P R CARUANA:

And the cleansing depot?

HON J C PEREZ:

Mr Speaker, that does not arise as a matter of Government policy. Those situations have arisen as a result of the deal entered into with Moroccan workers and is separate from the normal Government policy and has been explained publicly and been negotiated with the Union and the employees concerned in order to be able to continue to provide the services that were provided with the Moroccan workers being here. There have been some things that are being done in-house with the existing workforce and other things that are being contracted out with the agreement of the Union.

NO. 73 OF 1994THE HON P R CARUANA

HIRE OF PRIVATE VEHICLES

Mr Speaker, how many vehicles are there currently on hire to the Government, how many suppliers are there and by what procedure were the suppliers selected?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, there are only two departments presently hiring vans from private contractors, the Gibraltar Post Office has one and the generating station has three. The usual procedure is for the relevant department to ask contractors for quotes and hire the most economical.

SUPPLEMENTARY TO QUESTION NO. 73 OF 1994

HON P R CARUANA:

There is no tender process as such either for the hire or the purchase of vehicles?

HON J C PEREZ:

No, because it is not a long-term thing. In the middle of the year if there is a big breakdown of any particular vehicle and it is expected to be a long time in the garage or beyond economical repair, the hire takes place between that point and the end of that financial year and provision is made at the end of the financial year for a new vehicle to be bought and the contract expires. So it is not long term things, it is only used very short term.

HON P R CARUANA:

Can the Minister say whether there is such a tender system in relation to the renewal of vehicle stocks?

HON J C PEREZ:

Yes. The hon Member should know. He has been voting the money in the House for several years. Tenders have come out publicly in respect of Government vehicles and in respect of the money that is voted in the House.

26.4.94

ORAL

NO. 74 OF 1994

THE HON F VASQUEZ

NEW HARBOURS LETTINGS

Mr Speaker, what proportion of the total overall constructed area of the New Harbours Development has now been let to commercial tenants? Of this total area what proportion of the constructed office accommodation has been let?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Answered together with Question No. 75 of 1994.

26.4.94

ORAL

NO. 75 OF 1994

THE HON F VASQUEZ

INCOME FROM NEW HARBOURS

Mr Speaker, what income do the Government of Gibraltar presently derive from tenants of the New Harbours Development, and what capital payments in the form of premiums or key money if any have the Government received in respect of any letting in the New Harbours?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, as has been explained in the past, the New Harbours development has been transferred to the Commercial Property Company which already holds other previously Government owned commercial buildings.

The transfer of the assets form part of the income of the Improvement and Development Fund which has enabled the development programme to be financed over the past five years.

The income from the rented space in New Harbours or from the sale of leases therefore accrues to the Commercial Property Company who, in turn, uses that money to acquire further properties from the Government. Hence the money eventually appears as income from property sales in the Improvement and Development Fund.

The level of rental or the price negotiated for a particular lease is undertaken by Land Property Services Ltd on behalf of the Commercial Property Company.

The overall level of occupation is 41.2 per cent and that indicates the success of the venture. I am not prepared to go into the commercial arrangements or types of spaces.

These are day-to-day commercial decisions taken by the property managers in the light of what the competitive market situation at the time will allow.

SUPPLEMENTARY TO QUESTION NOS. 74 AND 75 OF 1994

HON F VASQUEZ:

I have got the answer to some of the question, Mr Speaker. Is the Minister prepared to tell this House what income the Commercial Property Company is deriving on behalf of the Government of Gibraltar, after all it was the Government of Gibraltar that paid £30 million for this development. What income is being derived from the property through the Commercial Property Company? Is he prepared to give us that information?

HON M A FEETHAM:

Mr Speaker, in fact I am not prepared to give it on the basis that the New Harbours is a commercial development and as far as we are concerned there is no reason why we should disclose that information.

HON F VASQUEZ:

Mr Speaker, the reason is very clear. There is £30 million of taxpayers money which is being sunk into that New Harbours development. Does the Minister not appreciate that the taxpayer might want to and indeed is entitled to know what sort of return he is getting for his investment and why do not the Government give this House the simple information as to what the rental income from the New Harbours development is for the benefit of the people of Gibraltar and the taxpayers who have paid for it?

HON M A FEETHAM:

Mr Speaker, the Government deal with hundreds of commercial arrangements entered for all sorts of properties because the Government are the biggest landlord in Gibraltar, and I do not see why we should set a precedence over this particular development, which incidentally is proving to be extremely successful, on the basis that the Opposition Member has got a bee in his bonnet about the New Harbours.

HON F VASQUEZ:

Mr Speaker, we know that we spent £30 million, which is more than £2,000 per man, woman and child paying tax in Gibraltar. No taxpayer now knows what sort of return he is getting for that money, which is his money, which is being spent on this development at the Minister's idea and motivation. The Minister seems delighted that there is a 41 per cent occupation of these premises. Was that the occupation was projected for the development when Government decided to spend £30 million on this?

HON M A FEETHAM:

Mr Speaker, what the Opposition Member fails to understand is that the New Harbours has only been opened since August of last year and this is the development which is an infrastructural pivotal scheme based on a long term projection of being able to give people in Gibraltar a development of commercial space, which is of a high standard, that they require for expansion of their business and also to give us an opportunity to bring in new businesses from outside. The projection for the New Harbours were in fact based on at least twelve years, Mr Speaker. The project is part of the Government's economic plans for the future. The Opposition Member is being critical of the Government because he expects a project of that nature to be fully filled after less than one year of it being put on the market, then I think he is not giving credit where credit is due.

HON F VASQUEZ:

Mr Speaker, the Opposition Members are being critical of the Government for refusing to divulge to the taxpayer the sort of return they are getting on their investment. Nevertheless, I think the people of Gibraltar are going to be paying for Feetham's folly, as that is becoming to be known, for a lot more than 12 years for that ridiculous investment that was undertaken on the part of the taxpayer. Let me ask the Minister this, has that development attracted a single new business or industry to Gibraltar yet?

HON M A FEETHAM:

Mr Speaker, whether it has attracted a new business or not, the Government's endeavours are to try to attract new businesses to Gibraltar. I honestly sincerely hope that we are able to attract new businesses to Gibraltar because the Opposition Member will have an opportunity to compete as a lawyer for at least to be able to deal with a new client. The fact is that if we have not got a wider infrastructure in Gibraltar to be able to give Gibraltar an opportunity to expand and diversify its economy, then there is no way we are going to be able to attract new business to Gibraltar. Therefore, Mr Speaker, despite the recession, despite the difficulties, despite the MOD rundown, despite the Spanish attempt to sabotage our economy, left, right and centre, Mr Speaker, this Government will continue to try to bring in new business. Whether we are successful or not sometimes it is because of external circumstances, but the fact is that we do need a project like the New Harbours there to be able to do so. In reply to his answers, at the

moment, Mr Speaker, we are negotiating with about five different new businesses that are looking at New Harbours that are likely to create jobs. What I am saying is I hope that we are actually successful in actually getting them there, but the reality is that unless we had it there we would not be in the position to be able, at this point in time, to be talking to them to get them into the New Harbours. So it is a matter of commercial and economic judgement whether the New Harbours should have been done or not done. What I can say is that everybody that has gone in there are quite delighted for the fact that they are able to go into New Harbours, otherwise he should take the trouble of going down there and speaking to them.

HON F VASQUEZ:

I do not doubt for a minute that the few tenants that are in there are absolutely delighted in that palatial accommodation. The question I want to ask is whether that palatial accommodation was something that Gibraltar could afford or whether this was a speculative investment that this Government has undertaken on the part of the taxpayer? I will repeat the question, Mr Speaker, because I have not had an answer for it yet. Has the Government managed to introduce a single new business into Gibraltar at the New Harbours or have we paid £30 million which is £2000 per taxpayer for relocating existing businesses?

HON M A FEETHAM:

Mr Speaker, as far as I am aware, there are about three new businesses in New Harbours. Let me repeat once again. It has been opened about one year. We have just gone extensively into what we can hopefully say into a marketing drive for Gibraltar, hopefully, because we up to very recently we were not sure whether the British Government was in favour, against or indifferent about certain things connected with Gibraltar, which has inhibited our ability to be able to put certain projects together. So in the light of that, Mr Speaker, we need to give the New Harbours and indeed any other venture an opportunity to prosper, but the New Harbours is not a 12 months venture. It is a long-term infrastructural project designed to meet a number of things and one of the main areas that was discussed when we actually decided to go into that was that we did invite commercial interests in Gibraltar and they supported the requirement for that type of scheme for them to be able to expand their business activities and everybody that has gone into New Harbours, have done it on the basis of that better warehousing, more centralised conditions and opportunities to expand their business. That is why they are there.

26.4.94

ORAL

NO. 76 OF 1994

THE HON P R CARUANA

BUENA VISTA BARRACKS

Mr Speaker, who administers the Buena Vista Barracks complex and Stone Block in what was previously HM Dockyard and on what terms are units occupied?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, both these areas are administered by Land Property Services Ltd on behalf of the Government. The Buena Vista Barracks complex was offered as temporary accommodation to small start-up businesses prior to the move to the new Business Centre at the Stone Block. This is currently happening.

The terms of the Buena Vista Barracks and the new Business Centre are negotiated between the occupier and Land Property Services Ltd in the knowledge that these terms are intended for small start-up businesses and not full commercial ones. The negotiations are conducted by the tenants and their lawyers and Land Property Services as agents for the premises.

SUPPLEMENTARY TO QUESTION NO. 76 OF 1994

HON P R CARUANA:

Mr Speaker, do I understand from the Minister's reference to the fact that they are administered by LPS Ltd for the Government, that the rents, for example, accrue to the Consolidated Fund and that the expenses and revenue are in the Consolidated Fund as opposed to in some other special fund under the Investment Fund? He said that Land Property Services administers them for the Government.

HON M A FEETHAM:

There is distinction between one project and the other, as far as Buena Vista project is concerned, that is paid to the Government through Land Property Services.

HON P R CARUANA:

And as to Europa?

HON M A FEETHAM:

Europa Business Centre goes through the same arrangements as the New Harbours, to the Commercial Property Company.

26.4.94

ORAL

NO. 77 OF 1994

THE HON L H FRANCIS

KING'S BASTION

Mr Speaker, are there any plans to develop or make use of the King's Bastion area?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, none at present.

NO. 78 OF 1994

THE HON M RAMAGGE

LATHBURY BARRACKS

Mr Speaker, which Government department will be responsible for the Lathbury Barracks upon its handover by MOD and when is that handover anticipated to occur?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, the Department of Trade and Industry and Lathbury Barracks is to be offered for transfer in October 1994.

SUPPLEMENTARY TO QUESTION NO. 78 OF 1994

HON LT-COL E M BRITTO:

Mr Speaker, has the area of Lathbury Barracks been identified for any usage by Government?

HON M A FEETHAM:

Mr Speaker, various ideas have from time to time recently been discussed. There are indications of proposals being put but we have not devoted time into making a decision about its usage. We need to consider it very carefully.

HON P R CARUANA:

Does the Minister know what the state of the buildings are generally?

HON M A FEETHAM:

Mr Speaker, I have made it a point of insisting that we should on the point of handing over of properties, get a structural survey which should be carried out by the MOD or the Defence Land Agent, before we receive any future properties because it is clear, Mr Speaker, that as the acceleration takes place, we are getting quite a lot of properties or areas which, quite frankly, are going to be a huge increase in the "maintenance bill" of the Government of Gibraltar which really, at this point in

time, we can ill afford. It would also be ironic that there are buildings in Gibraltar in MOD hands which have not been maintained for years and then on being handed to the Government of Gibraltar, the Government on advice have to demolish the building and then we get, including Opposition Members, criticising the Government for demolishing certain properties. I think we have learned a lesson, particularly this Minister has, and from now on if MOD are going to hand over any properties to the Government of Gibraltar we want to have a full factual report on the state of those properties.

HON LT-COL E M BRITTO:

Mr Speaker, there have been public statements by senior committee members of the Island Games organisation and, subject to be corrected by the Minister herself, of Lathbury Barracks being used to house the visitors of the Island Games. That by implication means that nothing temporary can go in there between October and the date of the games. I do need to remind the Minister of the record of MOD buildings which are left empty over a period of time in Gibraltar and if large number of visitors from outside are going to be housed there, what steps are the Government taking or will the Government take to ensure that the buildings are not vandalised or do not deteriorate rapidly once they are handed over?

HON M A FEETHAM:

Mr Speaker, on the first part, yes it is correct that Lathbury Barracks is being considered for that use, but in a temporary way, because it is a one off situation. What I was responding to was a more long term solution for the Lathbury Barracks complex. Indeed it is being considered for the Island Games. In terms of vandalism and so on, the MOD have to, prior to the handing over, make properties secure. What happens is that in some cases indeed we have had to make properties secure ourselves, but that does not prevent vandalism. We have tried to do everything possible to the extent of course that we ask authorities like the police that these properties are now in Government hands and could they patrol the areas as part of their duties, but unfortunately that does not prevent vandalism. We try to do our best to prevent it.

HON LT-COL E M BRITTO:

Mr Speaker, I think I would ask the Minister to be particularly aware of this area. My knowledge of the way MOD works if the buildings are handed over, facilities are going to be cut and everything is going to be taken away. Military guards will be removed and that area is particularly accessible from the Upper Rock to vandalism and I hesitate to think what sort of state of deterioration in only three or four months before the games take place.

HON M A FEETHAM:

Insofar as Lathbury Barracks is concerned, there is of course, special consideration because we may want to make use of it for the Small Island Games, so we may have to put what one can term temporary extra security vigilance like security guards or whatever, but we have not yet made a decision, but certainly it is one that my department is at the moment studying in order to make certain recommendations.

HON LT-COL E M BRITTO:

One final question, Mr Speaker, more from a personal interest point of view. I know that MOD are retaining certain facilities on the Windmill Hill area, can the Minister give us an indication of what the dividing line will be between the area to be handed over and what will remain in MOD hands?

HON M A FEETHAM:

In fact, Mr Speaker, I cannot, because this is one of the problems that the Government are constantly facing, that a statement is often made from official to official about this property or this area which is going to be handed over to the Government, for example, like Lathbury Barracks by October 1994 and more often by the time October 1994 comes, they are still not ready to have been able to identify the extent of the handing over because they have got things like services and so on for which they may not even have plans or have not been able to identify it, so by the time the handing over comes, it has to be delayed. Mr Speaker, sometimes we ourselves do not get the full extent of the information. As far as Lathbury Barracks is concerned, the position is that. We do not know the boundaries at this point in time.

HON H CORBY:

Mr Speaker, would this be an idea for the Minister? There is a gate at Jews Gate at the top and an army police post just at the entrance going up to Lathbury Barracks. It might be an idea to close that with a gate or something so that the security guards can stay on one side and then patrol the area and the two accesses are closed instead of leaving the accesses to Lathbury Barracks free for anybody to come in.

HON M A FEETHAM:

Mr Speaker, I take note. I did actually say that one of the things that we are looking at and really we would have to depend on what recommendations the officials tell us as to the security on it, but I will take note of what he has said.

26.4.94

ORAL

NO. 79 OF 1994

THE HON P CUMMING

REGISTRATION OF BUSINESS NAMES

Would the Government explain how complaints about the registration of business names are dealt with?

ANSWER

THE HON THE MINISTER FOR TRADE AND INDUSTRY

Answered together with Question No. 80 of 1994.

NO. 80 OF 1994THE HON P CUMMING

BUSINESS NAMES REGISTRATION

Given that the purposes of the Business Names Registration Ordinance is to prevent duplication of names of businesses, could the Government explain why two businesses have been registered by the name of the "Leading Edge"?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, it would not appear from a reading of the Business Name Registrations Ordinance which dates from 1916 that the purpose of the Ordinance is to prevent the duplication of names of businesses and there is no proviso to this effect in the Ordinance. The position regarding therefore the registration of a name Leading Edge is that the only grounds on which the name could have been refused registration was on the grounds that it was undesirable and that presumably it would have applied to both businesses. The procedure laid down in the law for dealing with a complaint is on the basis of appealing against a refusal to register the name. As far as the Government can tell there has only been one case where a business name was refused which was similar to one already in existence and the entity that was refused appealed against the decision and was successful.

SUPPLEMENTARY TO QUESTION NOS. 79 AND 80 OF L994

HON P CUMMING:

Mr Speaker, I asked this question as a result of a complaint of a constituent. After hearing the problem I spoke to the Hon Michael Feetham who referred me to the Attorney-General and the Attorney-General actually wrote me a note which I have here saying that the thing to do here was to point them in the direction of an appeal because under the Ordinance, the Governor would set up three independent people to look into the complaint and give a final ruling. This I did thinking that my job as a Member of the House of Assembly was now over having sort of made the contacts and passed on the information. Then I hear from this constituent again a couple of months later that having written for an appeal they are told that there is no appeal possible. It seems to me that this constituent loses faith in the House of Assembly and in the Ordinances and laws which are supposed to protect small businesses from bigger businesses and I wonder whether the Minister could tell me why in fact the appeal was denied to this constituent.

HON M A FEETHAM:

Mr Speaker, I have tried to make it as clear as possible. The Ordinance is not there to protect one business from another. As far as the appeal against it, I do not know what the Attorney General may have told the hon Member, but I can only go from what I am told that the law is under the present Ordinance. What someone can do is to appeal against a refusal or because the Registrar may think some other reason but not on the basis that there is already a business registered in the same name. It is unfortunate but that is the reality of the situation. Now if the Attorney General advised the hon Member to tell his constituent, whoever made the complaint, that he can actually appeal because his constituent had already registered, then I think that was not the appropriate advice to have been given because it is not correct. But it is not a matter for me to respond on behalf of the Attorney-General.

HON P CUMMING:

This is the Financial and Development Secretary. May I say first of all it is commonsense for the man in the street, it is not desirable that business names should be duplicated. That would seem to be elementary commonsense and secondly, this is the Registrar of Companies is, I believe, the Financial and Development Secretary and it was him who said, "This is officially the Assistant Registrar, I am not going to intervene, but I am telling you and I have it here in writing, tell them to appeal and then the Governor will set up an independent body." I tell them and then they are told there is no possibility of appeal and the Ordinance has in-built in it this facility of complaint.

HON M A FEETHAM:

Mr Speaker, when the Opposition Member called me without actually having looked at the legislation and the way he explained it to me, I must admit that I thought why this had occurred. So I said, "I am not responsible for the register, speak to the Financial and Development Secretary." On the face of it it seemed to me as well that there was a point being made quite frankly, but the realities are we have to go by what the law says and the law is very specific. Having looked at it, it may well be that they may over a period of time, the evidence has not shown it, that the law ought to be changed. But one can only act on how the law states and that is the point that I made to the hon Member. So it is no good arguing about it. He may have been told something but on the face of it, the Financial and Development Secretary, like me, when he explained said, "Well why should there be two" but the realities are that someone can only appeal under specific conditions. That is the reality.

HON P CUMMING:

In the last meeting of the House of Assembly, the Attorney-General did say that the law was like the Ritz, it was opened to everybody and I am afraid that if this is the general attitude, I am afraid that it brings this House and the law in general into disrepute.

HON CHIEF MINISTER:

Mr Speaker, nobody is saying that because the constituent approached the Opposition Member, he was denied access to the law which was then opened to somebody else or that in order to appeal, he needed to engage a QC and therefore it was like the Ritz open to everybody provided they could pay the fee. The hon Member is right in saying that initially the response was to say, "If somebody has got a complaint about somebody else being registered with a name which is the same as the name that they have already got, there must be a mechanism for objecting to that." I can tell the hon Member that that advice was given in good faith but happened to be incorrect. The Governor actually went as far as appointing a committee to listen to the appeal and then when they looked at Section 16 of the Ordinance, they found that the only type of appeal that the committee can listen to is an appeal against a refusal to register a name, not an appeal against an objection because a name has been registered. So in fact the committee that had been appointed, had to be disbanded because the law did not give them the power to listen to that nature of complaint. The fact that that advice was given in good faith and incorrectly perhaps is explained by the fact that it is the first time it has ever happened and the law has been there since 1916. So it is not that it was a long tradition of complaints of this nature before. Having researched the matter for the purpose of this question - because I knew nothing about it until the question appeared - what I was informed was that on a previous occasion, there was a situation where somebody wanted to register a name, the Registrar rejected it on the grounds that it was very like one that already existed, the person that was rejected appealed and won. So what I am telling the hon Member is let us suppose the Registrar had rejected the second Leading Edge, on the basis of the one single case we have had before, the second Leading Edge would have appealed and would have won. In looking at this and in looking for example at the Companies Act in the United Kingdom and the Companies Ordinance in Gibraltar, what we have found is that in the Companies Ordinance a name can be turned down because it is very similar to an existing name in Gibraltar or anywhere else. That carries certain dangers for the small business, because the small business might want to start a registered business then which is not

a limited company and using a household name, so if, for example, somebody that wants to call himself Rolls Royce Sweet Shop, we could then have somebody say, "I object because somebody can mistake the sweet shop for Rolls Royce in the United Kingdom." It is not easy. I feel the problem the hon Member has raised is a genuine one and needs to be addressed but it is not so straight forward to find a solution because the converse argument is well then if we have a situation where somebody says, "I have Rolls Royce in my registered business for my sweet shop" and then Rolls Royce wants to come here, they find then that they cannot operate because the original owner of the name would object to the newcomer. But since the hon Member has brought it up, we have looked at it and if we can find a way of reconciling the position, we will. I agree with the sentiments of the Opposition Member and we do not want to be depriving small business entities of being able to operate and not be damaged by bigger organisations.

NO. 81 OF 1994THE HON M RAMAGGE

SCAFFOLDING AT ALAMEDA ESTATE

Mr Speaker, what has been the cost to Government of the scaffolding which was erected in various parts of Alameda Estate during 1992/93?

ANSWERTHE HON THE MINISTER FOR BUILDINGS AND WORKS

Mr Speaker, the cost of scaffolding for the rendering and painting of the blocks at Alameda Estate during 1992/93 amounted to £90,000.

SUPPLEMENTARY TO QUESTION NO. 81 OF 1994

HON P R CARUANA:

Mr Speaker, can the Minister say whether the Department that he now heads has considered it necessary to give any further consideration to the observations at paragraph 6 on pages 29 and 30 of the Principal Auditor in his report, to the effect that, in his opinion, given the amount of money that the Government was spending on scaffolding and on such things as idle time, he thought it sensible that the Government should acquire its own stock of scaffolding to which he received an answer from the then Housing Manager that this was not viable because of lack of storage facilities to which the Principal Auditor said that he was certain that the Government could make available storage space. Is it now the policy of his Ministry to continue to hire scaffolding notwithstanding the cost? Is he not persuaded by the views of the Principal Auditor, that this is something that the Government could economically purchase for itself?

HON J L BALDACHINO:

Mr Speaker, after reading the remarks that the Principal Auditor made in the Report, my Department is now confident that with the amount of scaffolding that we have, it is more than likely that we will be able to carry out whatever major refurbishment there has to be done without going out to hiring. It depends on the job. It might be that in the future we will have to hire but we will not have to hire to the same extent that we have been hiring previously, but as far as I am concerned, I would prefer to keep it in-house rather than go out for hire.

HON P R CARUANA:

And on these rare occasions where it may still be necessary to go out of the Department, what regard, if any, will the Minister have to the observations of the Principal Auditor at paragraph 6.3.7, in which he asked whether there was any public tender process in relation to the hiring of scaffolding and the Minister may not recollect the passage. Basically the answer that he got was that there was a sort of departmental tendering process because they had several quotations from different firms and they chose the lowest one. That is not actually a tender system in the strictest sense of the word.

HON J L BALDACHINO:

No, but it is the most effective cost wise, Mr Speaker. What happens is that we invite all major providers of scaffolding to submit a sort of tender on what will be the cost for a project for x amount of weeks or months and obviously then it is looked at and the one who gives the best conditions is the one that is hired. I think that is even better than the tendering procedure, Mr Speaker.

HON P R CARUANA:

By best conditions, the Minister means the cheapest price, necessarily?

HON J L BALDACHINO:

One of them, Mr Speaker.

HON P R CARUANA:

I shudder to ask what the other circumstances might be if not price.

HON J L BALDACHINO:

There are other conditions, Mr Speaker, that it might be that if the job is prolonged more than what we have said that it would take, then obviously in some of the tenders, they put that it will cost extra and other people say we can keep it on even if it is prolonged beyond that date. So that is another consideration we take into account.

HON P R CARUANA:

That is cost. We are wondering what considerations other than cost you might take into account.

HON J L BALDACHINO:

No, only cost.

26.4.94

ORAL

NO. 82 OF 1994

THE HON M RAMAGGE

QUEENSWAY HOUSING ESTATE

Mr Speaker, will Government state categorically that all flats at the Queensway Housing Estate are safe to live in?

ANSWER

THE HON THE MINISTER FOR BUILDINGS AND WORKS

Mr Speaker, the advice given by the professionals to my Department is that the flats in question do not represent a danger to the tenants.

26.4.94

ORAL

NO. 83 OF 1994

THE HON LT-COL E M BRITTO

VARYL BEGG SWIMMING POOL

Will Government explain why the residents of Varyl Begg Estate have been unable to use the estate's swimming pool for the last two years and will they take steps to remedy this unsatisfactory state of affairs before the forthcoming summer?

ANSWER

THE HON THE MINISTER FOR BUILDINGS AND WORKS

Mr Speaker, last summer was the first time that the Varyl Begg Estate pool could not be used. The previous summer the pool had been used. The pool had been badly vandalised during the winter months and the person who had the licence to operate the pool could not bring it up to the required standard in time for it to be used during the summer season. The person currently holding the licence is now trying to negotiate new conditions with Land Property Services. I have informed Land Property Services to bring this matter to a head with the current licence holder and if no agreement can be reached within the next few weeks that they should contact other parties who have shown an interest in running the pool.

SUPPLEMENTARY TO QUESTION NO. 83 OF 1994

HON LT-COL E M BRITTO:

Can the Minister then say that the pool will be operative this summer?

HON J L BALDACHINO:

I have not said that, Mr Speaker. What I have said is that I have instructed Land Property Services to bring it now to a head with the person who holds the licence bearing in mind precisely with the view that it should be brought in before the summer months.

HON LT-COL E M BRITTO:

By implication the Minister is saying that the pool is the property of the Government.

HON J L BALDACHINO:

The pool and the area that the pool is in is the property of the Government which has licensed out to somebody to look after it and obviously to carry out whatever business he has to carry out within that area.

HON LT-COL E M BRITTO:

Is the Minister then saying that the person who has the licence also has the responsibility, not only for the maintenance, but for making good the vandalism there has been during the winter months?

HON J L BALDACHINO:

He has the responsibility to look after the pool and therefore if there is any type of vandalism, it falls within his responsibility because he is to look after it during the summer months and the winter months.

HON LT-COL E M BRITTO:

It seems, Mr Speaker, that the people who lose out are the residents of Varyl Begg because there is a situation where a licence is given and if they do not ensure that the person does his part of the deal, then we end up with the summer in which the residents do not have the use of the pool. So will the Minister give an undertaking that whoever he gives the licence to, whether it is the present licence holder or a new one, the terms of conditions are such that the pool is in use by the time the summer months come around.

HON J L BALDACHINO:

Mr Speaker, I have got a letter here from Land Property Services dated 20 April 1994. The management of the pool was licensed out two years ago. The area however was vandalised during the winter of 1992/93 resulting in the pool not being available last summer. Negotiations are presently in hand with the licensee with a view to having the pool available for the forthcoming summer season and let me say, Mr Speaker, that one of things is that somebody has to look after the pool. He has to maintain it and another thing is that people do vandalise the pool or whatever other property. I have to make it clear and I made it clear on the day that the pool was built, that if the pool at any time was going to be a burden financially, then we will take away the pool and we will use the area for something else. The Government are not prepared to finance the pool.

NO. 84 OF 1994

THE HON F VASQUEZ

BUILDING AND MAINTENANCE SECTION REMUNERATION

Mr Speaker, has any remuneration for work done by the employees of the Building and Maintenance Section of the Ministry of Buildings and Works been paid out of anything other than monies voted to that Ministry by this House in the usual way over the last twelve months?

ANSWER

THE HON THE MINISTER FOR BUILDINGS AND WORKS

Mr Speaker, there was no head of expenditure for the Ministry of Buildings and Works in the 1993/94 Estimates since the change of name occurred after the Estimates had been approved. I assume that the hon Member is referring to the Housing Department's estimates of expenditure? If that is so then the answer is none.

SUPPLEMENTARY TO QUESTION NO. 84 OF 1994

HON F VASQUEZ:

Whether it is part of the Housing Department or the Ministry of Buildings and Works, the question is the same. Can the Government confirm that there have not been occasions recently when the employees have been paid in a way that it involved their getting the usual cheque or the cash from Government setting out the usual way.....

HON J L BALDACHINO:

Mr Speaker, I think I have been very clear in my answer. The answer is none.

NO. 85 OF 1994THE HON H CORBY

MAINTENANCE OF HOUSING ESTATES

Mr Speaker, what has been the annual maintenance cost to the Government during each of the last six years in respect of each of the following Housing Estates:-

- (1) Alameda
- (2) Varyl Begg
- (3) Laguna
- (4) Glacis
- (5) Moorish Castle
- (6) Queensway pre-fabs?

ANSWERTHE HON THE MINISTER FOR BUILDINGS AND WORKS

Mr Speaker, the hon Member should know that the cost of maintenance of the Housing Estates is met from Head 8 Subhead 7 - Housing Maintenance. This sub-head block vote covers the maintenance of all the Government's rented housing stock. The cost of maintenance for the financial years 1988/89, 1989/90, 1990/91 and 1991/92 have been published in the Government's annual accounts for the years quoted above. In respect of financial years 1992/93 and 1993/94 the figures have not yet been audited.

SUPPLEMENTARY TO QUESTION NO. 85 OF 1994

HON H CORBY:

Mr Speaker, what I wanted is a broken down version in the different estates.

HON J L BALDACHINO:

Mr Speaker, the Government, on the maintenance of their housing stock, have a block vote and therefore do not have individual maintenance cost for each of the different estates. Mr Speaker, I have to remind the hon Member that the same as he has the right to whatever question he wants, I have the right to answer the question whichever way I like.

HON P R CARUANA:

We have not asked the Minister what has been published in the estimates. We know where to find that. The question says in respect of each of.... The answer is that he has not got the information broken down or is not willing to give the information.

HON J L BALDACHINO:

It does not exist, Mr Speaker. I have given him the answer where he can find it. I have stated in my original answer that this is a block vote and therefore we do not carry each individual maintenance analysis for each of the different estates that the Government maintain.

NO. 86 OF 1994THE HON H CORBY

ALLOCATION OF GIB 5 HOUSES

Mr Speaker, how many houses at Gib 5 have been allocated to persons on each of the following basis:

- (1) 50/50 Scheme
- (2) Outright purchase
- (3) The so-called "Option C"
- (4) Ordinary rental?

ANSWERTHE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, the following are the number of houses allocated to persons under the categories requested:

- (1) 50/50 Scheme - 283
- (2) Outright purchase - none
- (3) The so-called "Option C" or contract of purchase scheme - 191
- (4) Ordinary rental - none.

SUPPLEMENTARY TO QUESTION NO. 86 OF 1994

HON H CORBY:

Mr Speaker, that means by the answer that the Minister has given to us that there is no ordinary rental inasfar as Gib V is concerned. Once a person pays in the rental for the month, in essence he becomes a home-owner for month one, once he has paid the amount of rent for a month. Is that correct?

HON J E PILCHER:

Mr Speaker, I assumed and the answer was ordinary rental - none, because that does not exist, ie an ordinary rental system in the Sir William Jackson Estate. The nearest to an ordinary rental is the schemes which have been put in place under the new category of licences for our senior

citizens. There are 110 of those. If what the hon Member is asking; and I am trying to be helpful; is if under the contract to purchase scheme, the moment that the person signs, he becomes the home owner, under the "Option C" payments, then the answer is yes.

HON H CORBY:

Mr Speaker, in the 1992 manifesto, it states "In the next four years we will build however many units are required to meet the needs of those of low income who cannot afford to buy". Inasfar as Gib V is concerned, I believe it might tally with the statements here that they will build as many houses as possible. It does not afford the low income rental accommodation that offers the low rental people purchase of a house.

HON J E PILCHER:

Mr Speaker, to be absolutely honest, I am prepared to give this House any information required, but that question has got nothing to do with the request for information on the number of units that were being sold. I am prepared to answer any question but not to be dragged into another question which I believe is going to be geared, I may be wrong, in the same manner, which is 88/94.

26.4.94

ORAL

NO. 87 OF 1994

THE HON H CORBY

GIB 5 OPTION C

What criteria has been used to allocate Gib 5 houses under the Option C Scheme?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, the position is as stated in answer to Question No. 213 of 1993.

SUPPLEMENTARY TO QUESTION NO. 87 OF 1994

HON H CORBY:

Will the Minister restate how he comes to allocate houses under the C Scheme, what criteria is used for people to go into the C category and is it what money they have in the bank account, how much they earn, etc?

HON J E PILCHER:

Mr Speaker, I believe I explained all that in answer to Question No. 213 and then again when I made a public statement. The way that the system was working, Mr Speaker, was that it was not means tested. Persons who were eligible for the Option C were those persons who because of their income were not able to obtain a mortgage either under the 100 per cent or 50/50 and then those categories of persons were re-interviewed for the Option C.

26.4.94

ORAL

NO. 88 OF 1994

THE HON H CORBY

REFUSAL OF GIB 5 OFFERS

Mr Speaker, how many persons on the housing waiting list have refused the offer of housing at Gib 5?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, it is not possible to accurately quantify those persons on the waiting list who have refused an offer of housing at Gib 5.

SUPPLEMENTARY TO QUESTION NO. 88 OF 1994

HON H CORBY:

Mr Speaker, if people have refused housing at Gib 5 because the units are small and they require a bigger house, is the Minister contemplating or has he contemplated moving those persons in the housing waiting list irrespective of their family units into a bigger home in order to allocate at Gib 5?

HON J E PILCHER:

I do not really understand the question, Mr Speaker. If the hon Member is referring specifically to the schemes operated at Sir William Jackson Estate, the answer to the question is yes, but that obviously only applies to Gib 5. It does not apply to the houses in the waiting list where the composition actually categorises the persons in the room category per house, but in Gib 5 Estate there have been instances where this has been accepted.

26.4.94

ORAL

NO. 89 OF 1994

THE HON M RAMAGGE

HOUSING WAITING LIST

Mr Speaker, will Government explain the criteria governing the categorisation of persons into the new housing waiting list?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, there has been no change in the criteria governing the categorisation of persons into the housing waiting list. The criteria used is the scheme approved by the Government in 1987.

26.4.94

ORAL

NO. 90 of 1994

THE HON H CORBY

DECANTING OF FAMILIES

Will Government say by what date they will decant families from Town Range, Old Police Barracks and Queensway pre-fabs?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, it is not possible for the Government to give dates by which families will be decanted because of the complex nature of the decanting process and the availability of houses. It has to be stressed that, as has been stated in this House in answer to Question No.185 of 1993, Old Police Barracks is not a decanting area. The same applies to the Queensway pre-fabs which is itself a decanting centre and this has also been made public by me.

SUPPLEMENTARY TO QUESTION NO. 90 OF 1994

HON H CORBY:

Mr Speaker, inasfar as the Queensway pre-fabs are concerned, has the Minister any problems inasfar as certain members which are there at the moment which are not in the housing waiting list and it will be difficult for him to allocate elsewhere?

HON J E PILCHER:

Mr Speaker, my understanding is that there is nobody in the pre-fabs at this stage that does not have a historical housing file. What occurred some four or five weeks ago is that, in bringing the new files into place by looking at what had happened after Gib 5, it was discovered that somewhere along the line some of the old files in moving people from their old addresses to the pre-fabs had been, I would not say lost, but had been misplaced. This has now been corrected and I would say that every single person in the pre-fabs has a file at least going back, in many cases prior to 1992, but certainly most people have files that go back to early 1992.

HON H CORBY:

Mr Speaker, inasfar as the Police Barracks which is in a dilapidated state, is it being used to decant people into there and then move them on to somewhere else?

HON J E PILCHER:

Mr Speaker, not as a norm. In very exceptional circumstances where there have been specific social problems and the Government have found that at a specific time they did not have a house, rather than allow the person to be homeless, we have used the Old Police Barracks for that, but it is not a norm and it is not something that the Government wish to utilise.

NO. 91 OF 1994

THE HON LT-COL E M BRITTO

CENTRALISED COLLECTION OF REFUSE

Will Government say in which areas has the centralised collection of domestic refuse been made permanent and say whether they intend to extend the system to other areas?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, the Government has made permanent the centralised collection of domestic refuse in the following areas:

Line Wall Road
 Mackintosh Square (North)
 Mackintosh Square (South)
 Castle Street
 Engineer's House
 Engineer Lane
 Rosia Dale
 Cumberland Road (North)
 Cumberland Road (South)
 Naval Hospital Road (North)
 Naval Hospital Road (South)
 Scud Hill (opposite Scud Hill House)
 Castle Road (opposite Carters)
 Castle Road (by Sacred Heart Church)
 Danino's Ramp
 Hospital Ramp (opposite Maternity Ward)
 Willis's Road (top)
 North Pavilion Road
 Hargraves
 Crutchett's Ramp
 Catalan Bay

Due to certain difficulties, the trial continues in the following areas:-

Cornwall's Lane
 Irish Town
 Turnbull's Lane
 Scud Hill (by Post Office)
 Castle Road (opposite Artillery Arms)

It is the intention of the Government to extend the system to other areas as and when these are identified.

SUPPLEMENTARY TO QUESTION NO.91 OF 1994

HON LT-COL E M BRITTO:

Mr Speaker, as the areas that we are now given are obviously more and more extensive than in answer to previous questions, is it then Government's policy to extend throughout the whole of Gibraltar as far as possible?

HON J E PILCHER:

It is the intention of Government to extend the system to other areas as and when these are identified. We will do as many as are possible, given the fact that I have already said prior to that, that in some areas we do have difficulties. We will not implement the system just because that is the policy. When there are difficulties we have to look at specific areas.

HON LT-COL E M BRITTO:

So I take that to mean, Mr Speaker, that the intention is to do away eventually with door to door collection where possible?

HON J E PILCHER:

Yes Sir.

HON LT-COL E M BRITTO:

What sort of reaction is this getting from the public?

HON J E PILCHER:

In the majority of cases, Mr Speaker, I believe that the public are cooperating and in most cases the central cubicle systems, as we call it, are welcomed by the tenants, as I say, in the majority of instances. For example, we have got a situation where people obviously historically have put their little bag with their refuse outside the door and it has been picked up. I think over the last two to three years particularly, people have understood the environmental effect of that and people want to live in a more cleaner, healthy area and therefore, Mr Speaker, in general terms, people welcome the move although I accept, before the Leader of the Opposition jumps up from his seat, that there are still areas where that is not the case.

HON P R CARUANA:

The environmental effects, Mr Speaker, of the areas chosen for the central cubicle system, both visually, smell and every other kind, is dreadful. The fact of the matter is that over weekends the end of Irish Town is a veritable rubbish tip and I think that a fair amount of more work needs to be done in marrying the household deposit of rubbish with the frequency of the collection and the emptying of this. What is not acceptable is that people should be depositing throughout the weekend and that there should be no collection from Friday morning to Monday morning. So that we have areas of town that are veritable garbage dumps in the middle of a highway for day in and day out. Certainly for 48 hour periods during weekends. That I can vouch for from my own experience in relation to Irish Town.

HON J E PILCHER:

I believe, Mr Speaker, that the hon Member has in fact in that way declared an interest. I assure him we did not choose that area because he happens to live above it and it is one of the difficult areas that I have mentioned in my initial reply which we will continue to monitor.

HON P R CARUANA:

What it needs is to clear it up more often, not monitor it.

NO. 92 OF 1994THE HON M RAMAGGE

TRANSFER OF MOD PROPERTIES

Mr Speaker, which Government department is responsible for the preservation of properties transferred to Government by the MOD and why are so many allowed to deteriorate before any action is taken?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, the reason why MOD vacant properties deteriorate so quickly is because of vandalism. What happens is that, once they are formally handed to the Government, action is taken to board them up but there are no special funds available for maintaining the empty property. Sometimes they are empty for quite a long time even before they are formally handed over, in which case the MOD is asked by the Government to secure the premises and protect it from vandalism as far as possible prior to formal transfer. Once the property belongs to the Government of Gibraltar, the Government of Gibraltar tries to make them secure.

SUPPLEMENTARY TO QUESTION NO. 92 OF 1994

HON H CORBY:

Mr Speaker, would it not be an idea once that the Government have these properties in their possession, which have been boarded up, because they are now accepting these properties, that they are given off to whoever they are going to sell it to or rent it or whatever, quickly in order that it is not vandalised.

HON M A FEETHAM:

Mr Speaker, we are working as quickly as possible towards that objective. It is not an easy matter but the declared policy is precisely to do that.

26.4.94

ORAL

NO. 93 OF 1994

THE HON L H FRANCIS

PARSONS LODGE/CITY HALL

Mr Speaker, is there any commitment on the part of Government to assist the Heritage Trust with projects such as Parsons Lodge and the City Hall?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, the Government already assist the Heritage Trust in all its projects through the Ministry of the Environment and the Gibraltar Tourism Agency. This is not the case only of the two projects mentioned in the question but is true of almost all the projects taken on by the Heritage Trust since 1988.

SUPPLEMENTARY TO QUESTION NO. 93 OF 1994

HON L H FRANCIS:

Mr Speaker, will the Minister say what sort of assistance is provided?

HON J E PILCHER:

Short of financial assistance, in some cases it is even that assistance, the assistance requested by the Heritage Trust. In the case, for example, of Parsons Lodge, the area was handed over to the charitable trust created by the Heritage Trust, at no cost. Mr Speaker, when the team visited Gibraltar to refurbish and clean up, we made premises available for the visitors to stay in Gibraltar. We have made available design services of the Ministry of Trade and Industry, through Buildings and Works. There is a lot of assistance given in various areas and as I say some is financial, but the majority of the cases, it is short of finance because that is not something that we have a lot of these days, Mr Speaker.

HON L H FRANCIS:

Has the Minister received any request for financial assistance and been turned down?

HON J E PILCHER:

Not in the case of the Parsons Lodge, Mr Speaker. I am at the moment in discussion with the Heritage Trust in looking at the City Hall project to see how we can assist including some kind of financial assistance to that project which is turning to be a much more costly project than I think the Heritage Trust imagined it would be at the start.

26.4.94

ORAL

NO. 94 OF 1994

THE HON L H FRANCIS

PIAZZA REMODELLING

Mr Speaker, why has the remodelling of the Piazza taken so long?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, the remodelling of the Piazza was initially supposed to have been complete by early April of this year. Due to changes in the specifications and the addition of items included under the phase two works, the completion date is now early June of this year.

26.4.94

ORAL

NO. 95 OF 1994

THE HON LT-COL E M BRITTO

EUROPA POINT TOILETS

Is Government aware of the bad impression caused to the many visitors to Gibraltar who use the toilets at Europa Point by the regularly dirty and unhygienic state of these toilets and will they state how frequently they have actually been cleaned in the last six months?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, the Government are aware that the toilets at Europa Point have had major problems created by both sewage infrastructure defects and vandalism. The toilets have been cleaned regularly over the last six months but however due to the above problems have not been to the standard maintained at other toilets used by visitors to Gibraltar and residents alike.

SUPPLEMENTARY TO QUESTION NO. 95 OF 1994

HON LT-COL E M BRITTO:

Are the problems of sewage infrastructure of a serious nature that they have not corrected, because it seems to me from information that I have been given, that the problem has existed for a long time?

HON J E PILCHER:

Mr Speaker, I am not sure what the source of information of the hon Member is. The source of information that I have is both the contractor and the people that we contract to do the cleaning of the sewage once the sewage system becomes clotted up. It is repetitive and I dare say it is the age of the sewage infrastructure system in that area, but I can advise the hon Member that this happens very, very regularly. Perhaps it is also related to vandalism. I am not absolutely sure, I will leave it to the hon Member's imagination.

HON LT-COL E M BRITTO:

Mr Speaker, the vandalism is not just to the actual facilities themselves. As recently as two days ago, the door was broken, there was no lock on the door, the windows were broken and the ceiling of the roof because it is simply corrugated plastic sheeting that has been broken by rocks or other heavy articles going through it, quite apart from damage to wash basins and toilets and so on. Is there a particular reason why this building in that area is identified to vandalism because it seems to me that next to it is the Europa sports field pavilion which ultimately anyway does not seem to suffer anything like vandalism? Next to it is the commercial premises beside the Light House and that shows no sign of similar vandalism. Is it that there are a certain group of people who occupy that area at night using binoculars and looking out on the straits? Are they the ones who are guilty? Is there any indication why this particular building is suffering so badly?

HON J E PILCHER:

That, Mr Speaker, is a rheological question.

HON LT-COL E M BRITTO:

It is not meant to be, Mr Speaker, it is very much a question of fact. It seems to me that this is a problem that has been going on for a long time and something should be done to try and correct it.

HON J E PILCHER:

Mr Speaker, the Opposition Member has explained in detail the vandalism to that specific building. Why is it that they target that building? Who is it that targets that building? Why they throw stones through the roof? Why is it that they break the door down and pull up everything and anything? Mr Speaker, we have already advised the police. We do that regularly. They have regular patrols in the area, but obviously, Mr Speaker, I do not know which type of person does it, which group of persons does it or whether they have binoculars to look at the sea or to look at birds, I have not got the slightest idea.

NO. 96 OF 1994

THE HON P CUMMING

MARKETING OF GIBRALTAR

How does Government evaluate its levels of success in marketing Gibraltar?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, it is not possible to evaluate the success or otherwise of marketing Gibraltar since the number of tourists visiting Gibraltar is not determined only by how the destination is marketed. Normally a good measure of success is how the industry feels in relation to this marketing and as I have already stated publicly, the Gibraltar Tourism Agency Ltd markets Gibraltar as requested by the Gibraltar Information Bureau and the Industry in the United Kingdom, Gibraltar Tourism Association.

SUPPLEMENTARY TO QUESTION NO. 96 OF 1994

HON P CUMMING:

Mr Speaker, I did not intend in this question to limit the marketing of Gibraltar to the question of tourism. Is it not true that this Government said that in the first term of office was going to be dedicated to infrastructure and the second term to marketing? We are more than half way now into the second year, there should be some sort of evaluation of the level of marketing that has been done and the reason that I ask, Mr Speaker, is that I remember a remark made by the Hon Mr Bossano on the television about the successful marketing of Gibraltar to the extent that he said that if "we do not do it it is because it cannot be done." I am wondering whether now half way into the second term of office, there is any indication of whether it can or cannot be done to the level to ensure the survival of Gibraltar. It does seem that from time to time, Mr Speaker, there is an element of desperation coming into remarks made by Ministers where, for example, the Hon Michael Feetham returns from South Africa and says, "I bring people from South Africa and then here you tell them about the frontier and cite the difficulties and then they go away, forget about the frontier". And this kind of remark makes people very depressed about the future and wonder whether in fact the Government's evaluation is as grim as it occasionally sounds.

HON M A FEETHAM:

Mr Speaker, marketing is an ongoing thing. One continues to try to market Gibraltar. Indeed not just the Government. I think that there are a substantial number of people in the private sector who are continuously marketing their product, trying to do the best they can, not just for their own business, but obviously, if they are successful, it will have its impact for Gibraltar generally. The realities are that whilst everybody in Gibraltar tries to do his bit to ensure a successful diversification of the economy of Gibraltar, the realities are that for the last two years, as the Opposition Member is fully aware, we have had quite a lot of fundamental problems in establishing Gibraltar's position in certain areas, particularly as far as Gibraltar's position in the EC is concerned, which is extremely important in trying to put together packages as part of the marketing drive and if these things are put into question, it puts back Government's efforts. Not that we ever doubted what our position and our capacity were, but the moment that we get pressure from certain quarters externally questioning this and questioning it is I think fair comment to say, we tend to be fairly alarmist in our composition. I think it is a psychological inheritance we have had as a consequence of the frontier being closed for many years. We get people in Gibraltar seriously concerned about what other people say and that has an impact when we attempt to bring people to Gibraltar and it is a fact whether we like it or not and I am sure nobody, no Opposition Member wants Gibraltar to fail irrespective of whether GSLP as a Government fails or not. I think we are all here in this House to try to ensure success for Gibraltar's future because not only just ours, but our children's future lies in a successful changeover from the old military structure into a modern economy competing in world markets and in the context of the European Community. But it is a fact that many people have come through here and I could actually be on the front page of the Chronicle virtually everyday with people that we have brought over or other clients have brought over to Gibraltar looking at business opportunities in Gibraltar and the moment that they come out here and learn of the uncertainties about this and the uncertainties about that, people say, "I better come back sometime in the future when these things have cleared up." That is the reality. It is true to say that in the previous term of office we put in the infrastructure to give Gibraltar an opportunity to survive so that we could diversify, in terms of infrastructure in the widest possible sense, from telecommunications to warehouses, to office space, to new sewers and so on and so forth and that we were relying on the next four years to market and bring in business. The realities are and it is known very, very well that we have been faced with quite a lot of problems, some of which are never likely to go away but that all of us are going to

have to start to think more about influencing events ourselves and going out there and being aggressive and not worry about, for example, what Spain says every day or what Mr Ruperez says about this or Mr Ruperez says about that. That comes out in the front page of the Chronicle nearly everyday and if somebody comes to Gibraltar and sees what the future holds for us and if that is the psychological thing that we want for Gibraltar, we are not going to succeed. We must begin to forget what other people think about what their rights are and we are going to have to start thinking about what our rights are and what our possibilities are and work on that. So when I go to South Africa, Mr Speaker, and I try to sell Gibraltar, I go there precisely to try to sell Gibraltar and I think we have had a measurable level of success in my marketing in South Africa and indeed for ongoing discussions as the result of the joint effort in other areas like China, we are beginning to see a level of interest being created. All I hope is that as a result of what seeds we may be planting that if indeed some Opposition Members are successful in the long term future, our only hope is that whatever we may have done may be to their benefit later in being able to build up from the foundations that we have established. So when we talk about marketing, marketing cannot be measured overnight. Marketing is an ongoing thing. All I hope is that we are able to turn round and I can tell the Opposition Member who is so concerned about New Harbours, sometime in the future, instead of three clients, I have got ten clients because I am sure that he wants a successful New Harbours. He is not criticising me for bringing in New Harbours on the basis of an investment because I am sure that he wants a successful New Harbours, as indeed we want success for Gibraltar. At the end of the day, Mr Speaker, we are all trying to do our best but it is not possible to measure things on a day-to-day basis. Some things are more on a long term basis.

HON P CUMMING:

Mr Speaker, I have no intention of wanting to criticise the efforts that the Government have made to market Gibraltar. It is a question of a realistic evaluation because we have to face the fact that the economic blockade Spain puts to us is being effective. It seems to me, Mr Speaker, that a new approach may break down that economic barricade to Gibraltar, so that they begin to change their policy from pressure to persuasion. I think that we would welcome a bit of persuasion and it seems to me, Mr Speaker, that if the elephant has its foot on the mouse's tail, the mouse will have a try at turning round and saying, "Please Mr Elephant would you mind taking your foot off my tail." This approach may have some effect. We have seen from Mr Ruperez's remarks that whether someone is a Minister of such a large nation or a small one, they do take note of personalities, they do take note of statements, they do act and react very much like we do, just that they represent more people, it does not make them different.

HON M A FEETHAM:

Mr Speaker, I think I need to make this point. There is no doubt, I have said it time and time again, that if we were able to market Gibraltar in the context of its possibilities in terms of the potential it would have, in terms of what there is around us, ie the Campo de Gibraltar - we are looking at it strictly from a commercial perception - I think Gibraltar's potential would be that much enhanced. There is no doubt about it but the realities are that there is no indication politically on the other side that that is a starting base. There is no indication of that and for information, there has been two ventures that I have been associated with, one from South Africa and another one from China, that because we could not meet all their requirements in Gibraltar. I said, "Commercially we may be able to meet 25 per cent of your requirements if Spain is able to meet commercially the rest" and it seemed to me that that was something that is worthwhile looking at. From the marketing point of view, it is commonsense to try to use everything at our disposal, providing the goodwill is there. I can say that from that perception we actually passed on the information to companies that have got association with Gibraltar, commercially and are established here, but are originally from Spain. And those two proposals are at the moment in the pipeline. The indications that I have been given are that they have blocked politically. So here is a position where we have given an opportunity to be able to bring something to this area that would give us employment, in the areas where the Gibraltarians are most used to, where land and other resources are available there, which would not be available in Gibraltar, where commercial interests there could participate and quite frankly, up to now, we have not had a final response and I am told on a private basis that there is some political pressure.

HON F VASQUEZ:

Mr Speaker, I just cannot believe the speech I have heard in the last ten minutes from the Minister. It seems to me he is living with Alice in Wonderland. Has the Minister just woken up to the fact that Spain is actually working to sabotage this economy? Is he seriously telling this House that all this great economic plan that the Government Members are planning depended on the goodwill and the assistance of Spain to help this economy take off? Is this what the Government's marketing drive consists of? The Minister has spoken to us about laying the seeds and relying on goodwill. I ask the Minister the question how he expects the Government marketing drive in respect of Gibraltar to succeed when any international investor seeking to bring money to Gibraltar picks up a newspaper and reads about Gibraltar only about smuggling, drug

smuggling and scandals involving Ministers which are not replied to by Ministers. How is he going to market this jurisdiction? How is he going to bring people here? We normally have the international press knocking us and the Government doing nothing in reply. If he is relying on the goodwill of Spain to make industry certain in Gibraltar, I cannot believe what I hear.

HON M A FEETHAM:

Mr Speaker, that is not the point I made. I was responding specifically to the question put over by the Opposition Member who was saying that if we were able to be persuasive, if there was a way round the possibility of getting Spain on our side. He did not get to the point of saying, conceding concessions, so I gave him[Interruption] Mr Speaker, will he be more respectful to this side because I have given him an opportunity to ask. So what I am saying to him is that if it was possible to go down a particular road commercially, then of course it will be an advantage, but let him not preach to the Government about Spanish antagonism towards Gibraltar because it has been this side that has fought the Lisbon Agreement, that has fought the Brussels Agreement, that has been the resistance against Spanish political take-over in Gibraltar. The hon Member is one of those people that if he had half the chance would do a deal with Spain. He and a few others like him because he has represented vested interests all his life, Mr Speaker. He is not interested in the good of Gibraltar, that is his position and he has not got the courage and the guts to say so.

HON F VASQUEZ:

Mr Speaker, we have heard the Minister for economic development in this community, saying for the last ten minutes in reply to a question by the Hon Mr Cumming, that the Government's marketing plan has not really taken off because we cannot rely on the goodwill of Spain to attract businesses to Gibraltar that might be able to get 25 per cent of their services in Gibraltar and 75 per cent from Spain. That is what he has been saying and I find it incredible, Mr Speaker, and I ask the Government to confirm that if in fact their economic plan is based on the assumption that we are going to get cooperation and goodwill from the Spanish side because if he is then I am amazed that he is living in Alice in Wonderland.

HON M A FEETHAM:

Mr Speaker, the answer is no. We are not depending on that. I was simply replying to a question put by the Opposition Member. I have said very clearly that we have to continue to do the best we can irrespective of the position that Spain takes. I made that very clear and we have always taken that into account.

NO. 97 OF 1994

THE HON F VASQUEZ

MARKETING OF GIBRALTAR

Mr Speaker, what steps have Government taken to market Gibraltar as a holiday destination for the coming tourist season?

ANSWER

THE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

Mr Speaker, as I informed the House last year during the Budget session, the marketing of Gibraltar by the Government is done in liaison and partnership with the United Kingdom Gibraltar Tourism Association.

This year the activities planned and approved are amongst others as follows:

ADVERTISING

A major national advertising campaign will target ABC1 UK holidaymakers directly. The focus of activity will be in April/May and September/October. National publications such as the Mail on Sunday, the Daily Telegraph and The Times are included in the media proposal. The European, as a pan-European publication is also being used. A brochure response mechanism and market research will be used to measure the responses and analyse the Gibraltar "customer".

EXHIBITIONS

A stand will be taken at the Trade Exhibitions FITUR in Madrid and the ASTA Convention in Lisbon. FITUR attracts a large percentage of the public who visit the Costa del Sol in the summer and the ASTA Convention will be attended by top operators from the United States and beyond.

UKGTA

Support will be given to individual tour operators servicing Gibraltar. The tourism budget will also support the UK Gibraltar Tourism Association on a "pound to pound" basis. The Association's activities include the production of a new Gibraltar entitled "The Classic Collection" which is being launched this week and will be distributed to all ABTA Travel Agencies in the UK.

This brochure along with Cosmos and Sovereign will ensure that all ABTA Travel Agencies in the UK, which number 7000, will have a bookable brochure of Gibraltar on their shelves.

SPAIN

The Gibraltar Information Bureau is also in discussion with the Chamber of Commerce with the view of implementing a joint advertising campaign to support the summer season day visitor. It is expected that this year the Costa del Sol will surpass all previous figures of visitors.

PUBLIC RELATIONS

Mr Speaker, a major public relations campaign involving extensive media relations activity will continue throughout the year. Using editorial channels of the press and broadcasting media Gibraltar will be publicised in a variety of ways. Television examples being the broadcast of the Antiques Roadshow from Gibraltar in March. The Detectives (BBC1) is due to be filmed from Gibraltar in the Autumn.

Journalists from top national and regional newspapers and magazines will be brought to Gibraltar on familiarisation trips in May and October. These visits usually result in special features being written on Gibraltar.

High circulation national consumer magazines and newspapers including the Daily Telegraph, Woman's Realm and Chat and specialist publications such as Active Life and Good Holiday will feature double page and competitions and editorial features on Gibraltar during the course of the year.

Press information is also distributed regularly to all travel writers.

TRADE

The travel trade will continue to receive Gibraltar's full colour newspaper entitled The Key. It is circulated to 7000 ABTA Travel Agents in the UK on a quarterly basis. Featuring articles on different tourist sights, places of interest and accommodation, the newspaper is a colourful directory geared to appeal to the travel trade. Each newspaper includes a coupon response for the travel agent to request tour operator brochures. This coupon response attracts hundreds of enquiries.

Gibraltar roadshows will replace the World Travel Market. Gibraltar roadshows will take place in the UK in Manchester, the south coast, London and Newcastle at which independent agents will be invited to a seminar on Gibraltar. A new Gibraltar video will promote the Rock, its history, heritage and tourist sights within the ambit of this roadshow.

SUPPLEMENTARY TO QUESTION NO. 97 OF 1994

HON F VASQUEZ:

Mr Speaker, that is a very full reply and I hope it comes to fruition and I hope we will see the Minister for Tourism reverse the tide which has led to the virtual destruction of the hotel industry over the last five years in his period of tenure as Minister for Tourism. I have a couple of questions that I want to ask in supplementary. The first, what is the advertising budget allocated to the marketing of Gibraltar? Secondly, I am surprised to hear that Gibraltar is to be represented at the FITUR exhibition. I was under the impression that Gibraltar recently backed out of FITUR at the last time that it was held.

HON J E PILCHER:

Three parts to that. First of course, I do not agree with his initial..... [Interruption] Secondly, the budget specifically allocated to tourism is discussed every year at budget session. We advised the Opposition Member. It was £300,000 and obviously he has to wait another couple of weeks to find out what this year's budget is, but it is what Gibraltar can afford to spend in marketing tourism and if we had £10 million we would spend £10 million. If we had £20 million we could spend £20 million. On the third point, Mr Speaker, we did not back off FITUR last year. If the hon Member had bothered to find out the exact position, he will find that most of the major entities backed out of FITUR last year because the week of FITUR coincided with the major industrial action movement in Spain by two of the major unions in Spain and FITUR last year was a disaster because a lot of people did not go, Mr Speaker. And those who did, half the time Madrid was paralysed.

HON F VASQUEZ:

Can the Minister confirm that Gibraltar is still being marketed as one of these short stay weekend breaks for high class tourists?

HON J E PILCHER:

In general terms, we do market Gibraltar in various areas, but mid-week breaks and week-end breaks, that is one of the major drives within the market.

HON F VASQUEZ:

Mr Speaker, if that is one of the major marketing drives, perhaps the Minister can explain why over the Easter weekend - when in fact we managed to attract quite a number of tourists, I understand there were several hundred tourists that came into Gibraltar over the Easter weekend - how his Department managed to contrive things so that these tourists wandering around Gibraltar, with the Cable Car shut, the Apes Den shut, the Upper Galleries snut, the Moorish Castle and nowhere for them to go. Is this the sort of marketing and liaison campaign which his Department is indulging in order to save Gibraltar as a tourist centre.

HON J E PILCHER:

Mr Speaker, I very rarely lose my patience and I certainly will not lose it with the likes of the Hon Mr Vasquez. But, I am not sure if it is a point of order or not, but he has just lied to this House. The Nature Reserve was opened throughout the Easter break, the Apes Den consequently was opened, St Michael's Cave was opened, the new areas were opened, even the beaches. I do not control the Cable Car. It is a commercial private entity.

MR SPEAKER:

Could the Minister please withdraw the phrase lied? Perhaps he has misled the House.

HON J E PILCHER:

Misled the House, I am sorry.

HON F VASQUEZ:

Mr Speaker, I have no hesitation in withdrawing if in fact I am incorrect, I withdraw it unreservedly. The information that I had was that they were shut, certainly the Cable Car was shut and I understood other services also available to tourists were shut. If that is not the case, I withdraw it unreservedly.

HON J E PILCHER:

I accept the Hon Mr Vasquez's apology, Mr Speaker.

NO. 98 OF 1994THE HON F VASQUEZ

AIR TRAVEL ARRANGEMENTS

Mr Speaker, are Government satisfied that Gibraltar's interests are well served by the present air travel arrangements to Gibraltar?

ANSWERTHE HON THE MINISTER FOR THE ENVIRONMENT AND TOURISM

No, Mr Speaker. The Government believe that Gibraltar's interests would be better served if the air travel arrangements to Gibraltar were covered by the provisions of EEC Regulation 2408/92 which took effect on the 1 January 1993, which allows total free movement within the European Union by any airline from any Community airport to any other Community airport. The exclusion of Gibraltar since 1987 by the infamous Anglo Spanish Airport Agreement of 1987, has, in the Government's view, acted against Gibraltar's interests by creating a situation which makes it possible for indirect pressure to be brought to bear on airlines that may wish to fly the Gibraltar route and creating an image that Gibraltar is less well served by airlines that it could otherwise be.

SUPPLEMENTARY TO QUESTION NO. 98 OF 1994

HON F VASQUEZ:

Mr Speaker, once again we have a complete red herring in reply. Yes we would all love it, if the EEC Air Liberalisation Directives applied to Gibraltar. They do not. So what are we doing about it? Is the Minister satisfied that the present arrangements for servicing Gibraltar's airport is satisfactory?

HON J E PILCHER:

Again, I did not know what the hon Member was referring to. So I honestly thought, Mr Speaker, that he was referring to the inability to attract European airlines. Now that I know what he is referring to, Mr Speaker, I can then tell him that the Government are satisfied that the present air travel arrangements are the best possible arrangements given the difficult state of the civil aviation market worldwide. The Government are also

satisfied that the present carrier is doing its utmost to serve the present air travel requirements of Gibraltar and has in fact established a very good liaison with the civil aviation authorities in Gibraltar. Having said this, Mr Speaker, the Government cannot be satisfied until it expands further the overall network of airlines feeding traffic into Gibraltar.

HON F VASQUEZ:

I notice obviously that the Minister is reading from a reply, a prepared text, so obviously he knew exactly what the question was aimed at. The fact is, as the Minister must be aware, that passengers, both trying to travel to and from Gibraltar on an aircraft are finding it increasingly difficult to find seat availability and secondly are being pressed to pay increasingly ever larger sums for those tickets. The fact is that it is becoming ever more expensive to fly to and from Gibraltar and that is the experience of almost anyone who has been involved in that. We have been told in the past that under the present arrangements whereby only one carrier is operating the route, there was established some sort of monitoring arrangements whereby Government would constantly monitor the question of seat availability and the question of prices. Are Government actually indulging in that sort of monitoring activity and are they satisfied that passengers are paying too much and that not enough seats are being made available on the route?

HON J E PILCHER:

First of all, the Government have been monitoring. Let me explain to the hon Member because on the one hand he tends to pay attention to rumours and on the other hand he does not read statements made by Ministers. I advised the Gibraltar Chronicle some time back that the arrangements which we had entered into with GB Airways terminated in October 1993. Since then, Mr Speaker, we have had a situation where we monitor seat availability and the problem of seat availability in Gibraltar, Mr Speaker, is a much more difficult problem than the hon Member realises because when there are no seats coming to Gibraltar, there is excess capacity going out of Gibraltar and when people want to come out of Gibraltar there is excess capacity coming in. The balance of that is what is difficult for the airline to maintain. Secondly, Mr Speaker, we do monitor the fares. All the fares are authorised by the United Kingdom Civil Aviation Authority. We monitor that and certainly the scheduled fares are equivalent to scheduled fares in airports around the region. But, obviously, what we do not have in Gibraltar, Mr Speaker, is the charter traffic which has

got a majority of movement in Malaga and there is where the cheaper flights come in. From a scheduled point of view, Mr Speaker, the fares are equivalent and we do monitor that but there is very little we can do because it is a life-line operation. Let me just add one more thing, Mr Speaker. Since we terminated the liaison between GB Airways and the Gibraltar Government, there has not been any second airline knocking at our door.

NO. 99 OF 1994THE HON P R CARUANA

STATISTICS OF RESIDENCY

Mr Speaker, what change of classification took place in 1992 in relation to residence of persons marrying in Gibraltar which appears to have distorted both the "Resident" and "Non-resident" statistics contained in Table 11 on page 14 of the 1992 Abstract of Statistics?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, there was no change in classification in 1992 relating to persons marrying in Gibraltar. The figures for that year which appears in Table 11 of the 1992 Abstract of Statistics are incorrect and should read 246 Residents and 532 Non-residents. There was an arithmetic error in the compilation by either the Registrar or the Statistician.

SUPPLEMENTARY TO QUESTION NO. 99 OF 1994

HON P R CARUANA:

Did the Chief Minister say 432?

HON CHIEF MINISTER:

I think what has happened, Mr Speaker, is that the figures in the columns were transposed. They are compiled on a monthly basis and when the adding up took place, they added up half the wrong column, so, in fact, they should have come up with 246 residents and 532 non-residents which the hon Member will see is compared to the previous year where there was 229 and 552. So there has been no change.

NO. 100 OF 1994THE HON P R CARUANA

IMMIGRATION CONTROL ORDINANCE

Mr Speaker, what is the Government's policy in tendering advice to His Excellency the Governor upon consideration of applications for exemption from the requirements of Section 12(1) of the Immigration Control Ordinance by an Indian national who has been continuously resident in Gibraltar for 23 years?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, any advice that the Government tenders to the Governor in this matter is confidential. The nationality of the individual making the application is not a relevant factor. If the hon Member will provide me with details of the case which he is referring to, I shall look into the matter.

SUPPLEMENTARY TO QUESTION NO. 100 OF 1994

HON P R CARUANA:

Mr Speaker, will the Chief Minister recognise that there are persons in Gibraltar, some of whom are of Indian nationality, although I am certain that what he says that that is not held against them, who are even on the electoral register, although there seems to be a contradiction there, who are unable to get what they consider to be Gibraltarian status (Exemption from Section 12(1)) and that there are many long term residents in Gibraltar that are excluded or appear to be excluded by combination of what appears to be policy at the Convent, which when enquiries made there we were told that this is the Gibraltar Government's policy and not vice versa. The result is that we get one answer from the Convent, another answer from the Government, both of whom point at each other and the result is that people appear to be under the impression that the door has been slammed and that no such cases will be considered.

HON CHIEF MINISTER:

Mr Speaker, I have not pointed the finger at anybody in my answer. I have told the hon Member that certainly from the description that the gentleman or lady is Indian and had been for 23 years, I do not know who he is talking about. Therefore, if there is a particular case that

he wants me to look at and he lets me have the details outside the House, I will look at it. What I can tell him is that certainly one thing that does not enter into the equation is what is the current nationality of the applicant. There is no racial bias in the system in considering applications. Certainly the length of time alone, is not enough. I think in practically all the cases that have been successful in applying for nationalisation have been those that are married to local people. I think there have been very few other cases. That is as far as I can go.

HON H CORBY:

Mr Speaker, the Chief Minister knows that I have gone up that path inasfar as trying to get people, both into schools and nationality wise and on what I got from the Convent, which I spoke to him on the matter, I got the impression that it was very much the Convent liaising with the policies of the Government inasfar as that was concerned.

HON CHIEF MINISTER:

Mr Speaker, the question of residence permits is a different issue. The question is about naturalisation and the reason why it is talking about an exception from the requirements of Section 12(1) is because under the 1981 British Nationality Act, it says that someone can only apply for naturalisation if the person is free from immigration restrictions and since anybody that is here on a temporary renewable permit is subject to immigration restrictions because the person might have been here for 23 years or 50 years, but he has not got residence in Gibraltar, I imagine, other than as a consequence of having employment. We know this from the position of Moroccans who have been here for 23 years, who argue because they have been 23 years here, they should be allowed to stay here for the rest of their lives. The position in law is that immigrant workers arriving in Gibraltar are brought by their employers; the permit is granted to the employer and the residence permit is giving to the employee on the strength of the work permit given to the employer. In that area the question of children being allowed, who in the main arrive here as visitors and then somehow get forgotten and become long term residents into our schools, is a matter in which the Government have a say, because we are then talking about the kind of question we had early in the Order Paper, "Do we have enough teachers? Do we have enough school buildings?" Those are areas where we feel that we cannot have a situation where the Governor may feel that there is a meritorious case, he grants all the necessary permits and then waves goodbye and we have to find the budget for ever more.

HON P R CARUANA:

Mr Speaker, is there no development of the number of people that are belongers in Gibraltar by reference to passage of time? There are many Gibraltarian families who came from various parts of the world that are now regarded as Gibraltarians which if these rules had been in place then, presumably would not be. Are we saying that the category of belongers - I do not use the word "Gibraltarians" knowing that the Chief Minister would understand me - is now closed, unless they are of British or European Community origin who are free from immigration control?

HON CHIEF MINISTER:

No, Mr Speaker. This is not the case. The fact that Community nationals are free from immigration controls, does not, in fact, mean that they will have any greater prospects of getting nationality granted as British Dependent Territory Citizens. When this is evaluated, what is looked at primarily is what is the net effect on the survival of the population given the constraints that we have got at the moment 21,000 belongers, whom we have to make sure survive in this place and that if we have 22,000 belongers, then it becomes that 5 per cent more difficult. That is the basic criteria.

HON P R CARUANA:

We are talking about long term people that are already here and have been here as an integral part of the community for 25 years. They are already part of our problem.

HON CHIEF MINISTER:

The length of time alone is not enough. I can tell the hon Member that there have been instances of people with 40 years that have not been successful.

NO. 101 OF 1994THE HON P R CARUANA

OFFICIAL CARS

Mr Speaker, will Government say what policy they apply to the use of official cars by Ministers attending social functions?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, there is no policy as such. Ministers make use of official cars when they have a need to.

SUPPLEMENTARY TO QUESTION NO. 101 OF 1994

HON P R CARUANA:

The purpose of the question, Mr Speaker, is to highlight the practice which appears to be now - I do not say it happens on every occasion - whereby Ministers avail themselves of the official car to attend a social function, which may be a social function to which they are invited in a public capacity, and then the driver and car waits outside twiddling thumbs, presumably at overtime rates, for the duration of the social function. It seems to me until anybody argues the contrary on the basis of practicality, that the logical thing to do would be to fix the time for return and say, "Come back at 3 am, by which time I will be in a fit state for you to drive me home," rather than have them waiting there from 8 pm to 2 am on overtime. It seems to me wasteful at the time when we are all tightening our belts.

HON CHIEF MINISTER:

I did not know what the purpose of the question was, Mr Speaker, so I did not really know. I agree with the hon Member that it makes more sense rather than have somebody in the uncomfortable situation of simply waiting there if it is known when the person is going to leave whatever function it is, that they should be asked to come back. I regret to say that that will not produce any savings and that the established practice of paying the person for the time that he is required, whether he is there or when he comes back to collect has to be respected. I think otherwise we would all have to start walking to the functions.

NO. 102 OF 1994THE HON F VASQUEZ

BANKING LICENCES

Mr Speaker, are the Government aware what, if any, reasons the Duchy of Luxembourg has given for its reported decision not to recognise in Luxembourg licences issued to banking and other financial services institutions in Gibraltar?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Government became aware of the refusal of the Duchy of Luxembourg to permit a Gibraltar licensed bank to operate a branch in that country after my return from meeting Ministers in London in September last year. I raised the matter verbally with the Foreign Office on the basis that a bank in Gibraltar licensed by the Financial Services Commission in Gibraltar was a Community bank as defined in the Second Banking Co-ordination Directive. As a Community Credit Institution, the Gibraltar licence could only be valid if it was valid for the entire territory of the European Union. I pointed out that the bank was entitled to take pre 169 proceedings if it was not allowed to operate in other parts of the European Union. The understanding of the position then was that Luxembourg's refusal was based on its unwillingness to recognise the Gibraltar licence because the Financial Services Commission, as a licensing authority, was not classified as being one of the competent authorities in the European Community.

Perhaps I should stress, Mr Speaker, so that hon Members can fully understand the position, that at the time, having returned from lengthy discussions at Ministerial level in London in September, I was not aware of the views that Spain had put to the Banking Advisory Council in July 1993. Nor indeed that in September of that year, the United Kingdom intended to answer replying to these views. I only became aware of all this in the first week of November when I was given a copy of the Spanish position paper of the previous July which I was told had been overlooked during my September visit. I was also given a copy of the response of Her Majesty's Treasury to the Commission refuting the arguments in the Spanish paper. On reading this, it became very clear that the position adopted by the Duchy of Luxembourg was entirely consistent with the position adopted by the Kingdom of Spain in July 1993. The Spanish position in the paper that they presented in July was summarised as follows:-

it considered that the application of the Second Banking Directive in territories under the responsibility of the United Kingdom should be the preserve of the British Authorities alone. Thus even if for internal purposes a territorial division of authorities were to exist in the UK the validity of such division for Community interstate relationship was unacceptable.

Spain went on to say that they considered that no country of the European Community could accept the substitution of the Gibraltarian for the British authorities in the procedures envisaged in the Second Directive. Until these doubts were dispelled, the opening of branches or the freedom to provide services in EC countries by banks authorised in Gibraltar should not be acceptable.

It is self evident that this is precisely how Luxembourg reacted three months later. Needless to say, Mr Speaker, I did not reflect this in the statements I made on my return from the Ministerial meetings in September 1993 in London, nor in this House when the matter was raised in October 1993 because, as I have already stated, through an oversight, the British Government neglected to inform me until November.

SUPPLEMENTARY TO QUESTION NO. 102 OF L994

HON F VASQUEZ:

Mr Speaker, one of the things that occurs to me from that reply is how did the Luxembourg authorities.... I take it that Spain must have circulated its opinion to the other Member States?

HON CHIEF MINISTER:

No, Mr Speaker. The Banking Advisory Council consists of 12 representatives and the Spanish position paper was tabled at the meeting of July of the Banking Advisory Council and every member had a copy.

HON F VASQUEZ:

I am grateful for that, that was an aside. But my principle supplementary is this. Gibraltar has recently been forced into a situation and to a position that it would not have liked or would have preferred to have been in, ie, we have had to accept that the regulations of the financial services industry henceforth is going to be directed from London. I take then that the quid pro quo for that arrangement is surely that the British Government has undertaken to lead on all the other Member States to satisfy them that in fact Gibraltar now is complying with the requirements of the relevant Directives and has the Chief Minister had any such undertaking from Her Majesty's Government?

HON CHIEF MINISTER:

Mr Speaker, I made public the exchange of letters with the Chancellor where I ask precisely for that undertaking in exchange for us agreeing and I got the undertaking. I have also said publicly that notwithstanding having had the undertaking, I am not convinced in my own mind until we test it, that, in fact, what the UK has proposed addresses the Spanish argument. I can tell the House that the UK in September - I have said that they answered in September what the Spaniards said in July - indicated to the Commission for circulation to all the Member States that they were holding intensive discussions with the Government of Gibraltar, in order to ensure that there was what they called a direct line of accountability to the Member State, so that the Member State could reassure the other Members that they were in a position to guarantee that Community standards were being implemented in Gibraltar. I do not believe and it remains to be tested, because in November, subsequent to the detailed account that I have given, Spain replied rejecting that, saying that was not enough. Spain then went on to say that irrespective of the structure, as far as they were concerned, the very essence of the dispute was one about inter-state relationship. They argued that the Member State was UK and the relationship had to be that the applicant, say Luxembourg, had to be an applicant which was authorised by the national laws of the Member State. The UK has argued that the laws of this House are the national laws of the Member State because that is a purely internal arrangement. I can tell the hon Member that one of the things that I have insisted on in my negotiations with UK, prior to this latest position is, that whatever should be done, should be done by legislation here and not by the application of UK legislation to Gibraltar. One of the changes that we were successful in persuading them to make, was that in the original draft that they put in, they actually put that the Commissioner should regulate business in accordance with the laws of the United Kingdom. I said if we legislate in Gibraltar telling the Commissioner that he acts in accordance with the law of the UK and tomorrow we change the law in the UK, we have, by our law de facto said that every subsequent law of the UK will apply in Gibraltar, willy nilly, without us having a say in it. That was changed to reach matching standards as opposed to effectively complying with UK legislation. It is a matter in which we will go into when we debate the Financial Services Ordinance and the proposals, but I can tell the hon Member, that it seemed to me, with the benefit of hindsight, after I put all these things together, that one can see that what Spain urged other Members to do, is what Luxembourg did. Obviously, in this situation, I think part of the difficulty is that Luxembourg is a competitor, so it does not take much persuading. If Spain provides them with

a ready made argument, saying that this is not really kosher EEC licence, because after all Gibraltar is not a Member State. The Member State is UK and the licence ought to be from the Bank of England. Luxembourg said that that was a very convincing argument because it suited them to say to somebody, "If you want to be in Luxembourg, come and open a bank here rather than open a branch."

HON P R CARUANA:

That is exactly, Mr Speaker, the point that I wanted to make. It is clear that whilst we can understand why Spain has argued what she has argued, it is entirely a political argument. Luxembourg is a good deal cruder than that. They are simply trying to keep out a competitor on a subject incidentally when their own house is hardly in order, given their dismal failure to regulate BCCI. But in relation to the question of licensing, has the Chief Minister considered that given that we have now agreed to implement standards of regulation acceptable to the United Kingdom, that this argument can be in effect circumvented by saying to the Bank of England, "Now you must put your rubber Bank of England stamp on any licence issued by Gibraltar because after all you are willing to defend this in Europe, so make the Gibraltar licence a Bank of England licence for European purposes by simply replacing your own stamp on it." That would deprive all these other European countries of the argument.

HON CHIEF MINISTER:

Mr Speaker, I believe that I have explained this before publicly, but I am quite happy to explain to the hon Member the nature of the problem. Before we were able to make any advance in discussions with the United Kingdom, the first problem we had when the whole thing was totally stagnant was because the UK itself had not, at the Government level, taken a position to put to us on a government to government basis and my understanding was that eventually it required an agreement at the level of Kenneth Clark and Heseltine and the Chairman of the Bank of England to determine what should be done because the Treasury's preferred position was that it should be on the basis that it was a Bank of England stamp. But the Bank of England's position was that they would not accept having the Bank of England name on something that was not 100 per cent under their control. [Interruption] They do not think it is. The Financial Services Commissioner of Gibraltar under the new proposal is appointed with the approval of the Foreign Secretary. As far as the Bank of England is concerned, that is not enough. We must realise, Mr Speaker, that the position that we have got is not just the result of a process of

argument and negotiation between us and London. Within the UK itself, there were different positions being taken by the Bank of England, Her Majesty's Treasury and the Department of Trade and Industry. Eventually, what they came and put to me was what was their consensus which they said was their bottom line, which was no longer renegotiable because otherwise it would have opened up again the whole issue. That is why it became so difficult to change even a full stop and a comma because it had taken them a very long time to reach that position which, I think, again, if we put it in the context of the Spanish objection, frankly, I would have preferred that they had told me that they had not had this unfortunate oversight and told me in July, "Look this is the difficulty we are facing with Spain, how do we tackle it?" Or, "We propose to tackle it this way, what do you think?" I think the fact that they did not let me know that there was a problem with Spain meant that I was focusing on the problem from a position of saying, "Because they cannot reach agreement amongst themselves, here we are suffering the consequences." Once I have analysed the arguments put in the two papers by Spain, it seems to me that the problem with Spain is not going to go away and I told the Chancellor as much when we were together in London and I said, "You may be able to persuade Luxembourg," he said he would just pick up the phone and talk to his friend in Luxembourg and the bank would be in, we will have to wait and see but I doubt it if he can pick up the phone and talk to whoever is around in Rubio's place and say, "Accept the Gibraltar licence." Obviously, I do not suppose in July it was Sr Rubio who did not think our licences were up to scratch.

MR SPEAKER:

That is enough now. I have allowed all this but we are anticipating everything that is going to happen. So that is the end of this question. Next question.

NO. 103 OF 1994

THE HON H CORBY

EMERGENCY DISASTER PLAN

What effect is the withdrawal of MOD services personnel having on the ability to implement the Emergency Disaster Plan?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the Gibraltar Disaster Plan is currently under review and due account is being taken of the effect of the continuing rundown in MOD personnel.

SUPPLEMENTARY TO QUESTION NO. 103 OF 1994

HON H CORBY:

Mr Speaker, does that mean that Government will have to put in material resources to carry on with the plan?

HON CHIEF MINISTER:

Well, I think the state of the material resources the Government have are self evident. Certainly we are looking at the review of the disaster plan on the basis of not having the buck passed to us, let us put it that way.

26.4.94

ORAL

NO. 104 OF 1994

THE HON LT-COL E M BRITTO

MOD CIVILIAN JOB LOSSES

Have Government been able to establish from the British Government how many more civilian jobs will be lost in the MOD locally by 1997?

ANSWER

THE HON THE CHIEF MINISTER

As is already public knowledge the Ministry of Defence is engaged in a reduction of its presence in Gibraltar known as the 30..30..50.. study which was announced in December 1991 and covers the period 1992 to 1997. This exercise is designed to achieve by 1997 a 50 per cent reduction in land holdings and a 30 per cent reduction in manpower and budget costs.

The further study which was revealed in the press on 4th February would imply an acceleration of this programme with more civilian jobs being lost than originally envisaged. The information that I have at the moment is that the study concerned is still with the United Kingdom Government and that a decision has not yet been taken at ministerial level. The Government of Gibraltar have no other information than this but clearly it considers that a reduction of the MOD presence accelerating further the cuts that are already in place will create serious problems for the Gibraltar economy and that Her Majesty's Government have to take this into account in coming to a decision on the proposals.

SUPPLEMENTARY TO QUESTION NO. 104 OF 1994

HON LT-COL E M BRITTO:

Mr Speaker, in view of the seriousness of the potential cuts, can the Chief Minister indicate what representations he has made to the British Government about the figure indicated in the paper that was leaked or made available or found by the Chronicle and published on the 4th February which showed losses of the order of 1,416 civilian jobs, and whether he has been able to establish whether that figure is going to be in any way accurate?

HON CHIEF MINISTER:

Mr Speaker, the document published by the Gibraltar Chronicle had 'confidential' printed on it and the MOD have not confirmed that and I do not think it is proper to ask me to confirm or deny it. All I can tell the hon Member is that it was printed in the Chronicle. I can tell the hon Member that certainly the decision has to be taken at ministerial level and not just by the Ministry of Defence but by the Defence Committee that has looked at defence cuts in Gibraltar in the past but from what I hear on the UK news they seem to be in the middle of a major and quite draconian exercise of which I am sure this must form part. Basically the bottom line and the strongest way in which we can put it to the United Kingdom is that they cannot simply see this in terms of defence requirements because ultimately they have a constitutional responsibility for the financial stability of the territory and that all that we are asking is for some understanding that coping with change - which is something we all have to do in life and we all have to do with the changes that are taking place in Europe - certainly cannot be done overnight and it cannot be done with the limited resources that our community has. In looking at implementing the decision rather than in taking the decision, I think it is difficult for me to say to them, "You should not cut 1,000 jobs, you should cut 500". What we have got to try and do is commit them through this undertaking that they have given us of working jointly with the Government in the Joint Economic Forum and saying to them, "The phasing in of any cuts must be made to dovetail the creation of new activities as alternatives in the economy. And this means that, if necessary, measures will have to be delayed or deferred so that that can happen". That requires a certain amount of work being done, for example, not just on the global number of people affected, but of things like the age structure; the balance between males and females, because if one is looking at alternatives it is no good saying, "Tomorrow we are going to bring a factory which will employ 500 people" and it turns out that the people who are being redundant are office cleaners and messengers and they are not capable. So we have to look at the pool of skills that potentially could be released and what would be the activity which I think is also important in looking at alternatives. I do not think it is sufficient to say, "We bring in new activity" which at the end of the day cannot be undertaken by people who are here and we have to bring in the new activity and the new workers to go with the new activity. Obviously it is better to have more activity rather than less but the objective must be that the activity must be one that the people who lose their jobs can take on. That is the nature of the argument that we have put.

HON LT-COL E M BRITTO:

Mr Speaker, another factor, it would seem to me, is the figure, again, leaked in the document we are talking about of 1,024 services jobs. In view of the present size of the MOD establishment in Gibraltar, I would venture to assume that that figure must include Gibraltar Regiment personnel. If that is so, would the Chief Minister agree that it makes the situation even worse because if those Gibraltar Regiment jobs are lost, the effect would be to add to the figure that comes under the civilian heading higher up in the piece of paper and the total figure, if that document is correct, makes the situation worse if Gibraltar Regiment jobs are affected?

HON CHIEF MINISTER:

The information I have at the moment is that the Gibraltar Regiment will not be affected and that the cuts are mainly on the RAF and secondary on the Navy. In fact, the withdrawal of the resident battalion is really more or less the cut that the Army took. But I want to put on record, Mr Speaker, that my experience of dealing with this situation over the last 10 years is that the stronger the guarantee that one gets and the more often one gets told one does not need to worry the more one has to worry. That is my experience and I have seen it happen with the dockyard closure and with many other moves. At the moment all I can tell the House is as much as I know. It is not a great deal.

26.4.94

ORAL

NO. 105 OF 1994

THE HON P CUMMING

GIBRALTAR DAY CELEBRATIONS

What steps are the Government willing to take to ensure that Gibraltar Day celebrations of our national identity do not become orientated towards party political position, so that the day may be enjoyed by the widest possible cross-section of our community?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, as far as I could tell, from participating in the National Day celebrations in 1993, the event was enjoyed by the widest possible cross-section of our community, almost the entire population. Certainly the Self Determination Group that organised the event last year are looking forward to a repetition this year and, if anything, an even bigger turnout.

SUPPLEMENTARY TO QUESTION NO. 105 OF 1994

HON P CUMMING:

Mr Speaker, speaking for myself in the Opposition and with a wellknown position as regards the Brussels process which is also shared by the Opposition, I think I can go that far to say, we would want to be there as, after all, we are representatives as well of this people and be harangued by the Self Determination people about the dangers of the Brussels process.

HON CHIEF MINISTER:

Mr Speaker, I believe that the spirit in which we decided to call a public holiday on the 10th September and the spirit upon which it was carried last year and the spirit in which I would expect that it should continue to be carried was one of a day of celebration where we can at least for one day a year stop quarrelling with each other and enjoy our identity as a people and then the day after, on the 11th we can start hitting each other again.

26.4.94

ORAL

NO. 106 OF 1994

THE HON P R CARUANA

PARTY POLITICAL ACTIVITIES BY EMPLOYEES

Are persons employed by the Gibraltar Development Corporation or the Employment and Training Board permitted to pursue active party politics?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, I do not know what the Leader of the Opposition means by pursuing active party politics, nor am I aware that any employee to whom the question refers is aggrieved because he or she is being deprived, as a citizen, from being involved in the activities of any political party of the person's choice. If there is a complaint of this nature the matter will be investigated.

SUPPLEMENTARY TO QUESTION NO. 106 OF 1994

HON P R CARUANA:

I think the complaint may be in other quarters not in the quarter of the employee. The fact of the matter is, Mr Speaker, that within the structure of the Gibraltar Development Corporation and particularly the Employment and Training Board and other functions that Government have found out for a variety of reasons, there has developed really what some might call a parallel civil service in the sense that there are a body of people who are not civil servants in the sense that they do not work for a Government Department who are nevertheless employees of one or other of these bodies and it seems to me unfair that they should be free to pursue activities which would not be tolerated in the civil service when in reality both are paid from, what are really, in the broadest sense of the word and not in the constitutional sense of the word, public monies. They are all employed, in effect paid for by the community to perform administrative functions for the community and it seems to me that if civil servants have restrictions and constraints placed upon them, that others in that category should have similar restraints placed upon them.

HON CHIEF MINISTER:

I can tell the hon Member that, in fact, in the employment of the Employment and Training Board, I think the majority are seconded civil servants and that those who are not seconded civil servants are mostly people who were employed originally in the shiprepair yard; subsequently in one of the other companies and have tended to be transferred from function to function as something has gone into decline and we have had to look for redeployment of such persons as an alternative to making them redundant. I do not think there has been any sort of new recruitment into the employment of the Employment Board other than maybe some two or three clerk typists.

HON P R CARUANA:

The sort of function that I had in mind where employees of Government-owned companies and even of the Employment and Training Board, for example, who may participate in putting together the Chief Minister's party political newspaper, things like that which would not be tolerated in the civil service and it seems to me that an unfair distinction is drawn between what somebody in one service can do and what somebody in the other service can do.

HON CHIEF MINISTER:

I do not accept that there is a party political newspaper which belongs to me, Mr Speaker, but certainly if what the hon Member is saying is that there are people who may volunteer, who are not civil servants and that it is unfair that civil servants who may want to volunteer are not allowed, I am prepared to allow all the civil servants who want to volunteer to do so.

26.4.94

ORAL

NO. 107 OF 1994

THE HON F VASQUEZ

GDP FOUNDATION

When did the Government become aware of the GDP Foundation?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with Question No. 108 of 1994.

NO. 108 OF 1994

THE HON F VASQUEZ

BALTICA CASE

Why have Ministers refused to give evidence to the Danish fraud trial relating to the affairs of Baltica, and how many Ministers and civil servants provided statements to the Danish prosecuting authorities?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the Government is not prepared to make any comments or statements on any matter which is at all connected with the court case that is taking place in Denmark regarding allegations involving former employees of Baltica and will not make any statements on this matter until after the judicial process is over.

The Government has made clear, from the beginning, to the investigating officers that while they could have access to whatever records they required for the conduct of the investigation, no one from within the Government Service would become involved in a foreign court case which is, as far as the Government is concerned, the way any other Government would conduct its affairs.

As regards the question of statements, there have been no statements provided by Ministers or any civil servant to the Danish prosecuting authorities. There has been no involvement, as far as anyone in the Government is concerned, between the Government and its public officers and the Danish prosecuting authorities.

SUPPLEMENTARY TO QUESTION NOS. 107 AND 108 OF 1994

HON F VASQUEZ:

Mr Speaker, that raises a number of issues and I trust Mr Speaker will indulge with me in the number of supplementaries.

MR SPEAKER:

It depends on how far you go on this. You have got to stick to the point.

HON F VASQUEZ:

Mr Speaker, there were two questions and I need to deal with them one by one. I see that the Chief Minister has replied in relation to the Danish proceedings but he has not commented on the question related to the GDP Foundation. I do not know how he is connecting the GDP Foundation to the Danish proceedings. I have read no report which is linked to them and so I will repeat the question because already the Chief Minister has admitted in public that he is aware of the existence of the GDP Foundation and the question I put to him is when did he or any member of the Government become aware of the existence of the GDP Foundation? I have not mentioned the Baltica proceedings in that question.

HON CHIEF MINISTER:

And the answer that I have given him, Mr Speaker, is that I am not prepared to tell him.

HON F VASQUEZ:

What he has said is that he is not prepared to comment on the trial taking place in Denmark. That question does not relate to the trial in Denmark. The question relates to the GDP Foundation upon which he has already commented in public. On the 7th December the Chief Minister released a statement confirming that the Government were aware of the existence of the GDP Foundation. Why does he feel that now he cannot comment upon it, in fact, he has been interviewed on television about the GDP Foundation. Why does he now tell this House that he is not prepared to comment?

HON CHIEF MINISTER:

Mr Speaker, I do not think I have to give him any reason as to why I choose to tell him or I do not choose to tell him. It is the prerogative of the Government, in dealing with a question, to decide whether they provide the answer or not and I have told him I am not prepared to make any statements in anything that is remotely connected with the case. There is nothing he can do about it, he can ask me 20 times and I will tell him 20 times.

HON F VASQUEZ:

There are other factors.

MR SPEAKER:

It is no use asking the same question again and again because you would be out of order.

HON F VASQUEZ:

I do not intend to ask the same question again. We just have the Government's refusal to comment on matters on which allegations have been made publicly against his Ministers.

HON CHIEF MINISTER:

What is the question, Mr Speaker, and I will answer it?

HON F VASQUEZ:

The question is, when did he find out about the GDP Foundation?

HON CHIEF MINISTER:

And the answer to that is I am not prepared to tell him and if he is going to preface your remarks about allegations, I will start putting my allegations against him in my answers.

MR SPEAKER:

Order, order.

HON F VASQUEZ:

They are not allegations.

MR SPEAKER:

No imputations must be made in this House.

HON F VASQUEZ:

We have heard that the Government is not prepared to comment on proceedings that are taking place at Denmark. At one time it was believed because Ministers and civil servants were going to give evidence and now it transpires they are not, but it also appears that the Attorney-General has issued a Commission Rogatoire on the Swiss authorities requiring

a Mr Max Volanvyder who it is alleged controls the funds in Switzerland to give evidence to the Swiss authorities. Can the Chief Minister or the Attorney-General please explain why that presumably is nothing linked to the Danish case, it is not an application made by the Danish authorities, it is an application made by the Attorney-General? Can the Attorney-General or the Chief Minister or any Minister please explain why that Commission Rogatoire has been issued by the authorities in Gibraltar and is there, in fact, an ongoing investigation unrelated to the prosecution in Denmark?

HON CHIEF MINISTER:

Certainly I cannot give an answer to that question, Mr Speaker, and I think if the Attorney-General is in a position to do it he will do it and if not the hon Member should address it to the Governor or should address it to the people who are carrying out the investigation. I am not carrying out any investigation and if anybody is investigating me they had better come out and say so openly.

HON F VASQUEZ:

Well, Mr Speaker, we have the Attorney-General and it is known that he has issued a Commission Rogatoire so I have put the question to the Attorney-General who is in a position to answer it. Can he confirm that he has issued a Commission Rogatoire requiring Mr Max Volanvyder to give evidence in Switzerland in reply to questions that he wants to put to him?

HON ATTORNEY-GENERAL:

The hon Member would know that in any investigation of a criminal character, it is on in Denmark now, that it would be entirely inappropriate at this stage for me to make any comment. He knows that.

HON F VASQUEZ:

Mr Speaker, we have already heard that the Government is not prepared - we do not know why - to answer questions in relation to proceedings in Denmark where certain allegations have been made. The question now does not relate to those proceedings. We know that a Commission Rogatoire has been issued by the Attorney-General. Can he at least confirm that he has issued a Commission Rogatoire to the Swiss authorities concerning a Mr Max Volanvyder?

HON ATTORNEY-GENERAL:

Mr Speaker, if in fact the hon Member says that he knows I have and he says it in public and in the protection of the House, I do not have to confirm what is known, if he is right.

HON F VASQUEZ:

Let me phrase the question this way. There have been reports that the Attorney-General has issued a Commission Rogatoire, I am not asking, it seems there is a deliberate stonewalling for political reasons because I see no other reason why the Attorney-General should not answer a perfectly proper question unless he is playing party politics. So I want him to answer the question. Is there an investigation proceeding in Gibraltar in the course of which he has issued a Commission Rogatoire which is unrelated to the Danish proceedings? Mr Speaker, the point is if there are Danish proceedings continuing, the Danish authorities might wish to issue a Commission Rogatoire; this Commission Rogatoire has stemmed from the Attorney-General. So can he confirm that, in fact, there is an ongoing investigation in Gibraltar? Yes or no?

HON CHIEF MINISTER:

Mr Speaker, before the Attorney-General answers, I must ask the hon Member to withdraw the imputation that his willingness or unwillingness to answer is as a result of any political pressure from me because, in fact, it is a criminal offence, in case the hon Member does not know with all his knowledge as a lawyer, to seek to influence the decisions of the Attorney-General who is totally independent politically. We do not tell the Attorney-General whether to have a Commission Rogatoire or not, or whatever it is because I do not even know what a Commission Rogatoire is and I refuse to accept that the hon Member who is a professional should come out saying, "One must assume that he is under political pressure" as if he did not know the implications of what he is saying. So he must withdraw that. He must say that it cannot be true because if he says that I am under political pressure then, Mr Speaker, I will ask the police to take up his accusation. That is a very serious accusation to say that the Attorney-General is under political pressure from me. If he is under political pressure from anybody it is not from the Government of Gibraltar.

HON F VASQUEZ:

Mr Speaker, then perhaps the Attorney-General can explain why he refuses to answer a perfectly straightforward question? I can understand that he is not allowed to comment on matters under investigation but I can find no precedent for the Attorney-General refusing to either confirm or deny

that an investigation is taking place. I am not seeking to in any way prejudice that investigation. I do not see how it can possibly prejudice an investigation for the Attorney-General to confirm that an investigation is or is not taking place. The question is simple, is the Attorney-General pursuing an investigation? If he refuses to answer the question, Mr Speaker, perhaps he can grace the House with an explanation as to why he refuses to answer a simple question.

HON ATTORNEY-GENERAL:

Mr Speaker, firstly let me explain to the hon Member that I am not an investigator, I am not a Police Officer and I have no part in the investigative process. What happens, if he looks at the Constitution, is that if he looks at section 77 he will see that at the end of the day if a report is sent to me - there is one here, nothing to do with Baltica and nothing to do with his firm. It is a report prepared by the Royal Gibraltar Police on a matter that we have to make a decision in my chambers whether there are to be proceedings or not. I am not the investigator. I have not taken the statements by the Police Officers who have given me statements in this case which I have not read because it is too noisy. The point is this, at the end of the day a decision will be made but I am not prepared to say at the moment that anything is happening because I, at the moment, am not the investigator. At the end of the day I might make a decision or I might not. As to whether Commission Rogatoires have been issued or not, the hon Member knows because he has said that he knows there has been a Commission Rogatoire issued. He says that in fact there are proceedings issued by Mr Max Volanvyder or vice versa. I cannot comment on that, I really cannot and I am not prepared to.

MR SPEAKER:

There is one point that I want to clear up for the record. The accusation made that there was political pressure on the Attorney-General and that matter has got to be resolved for the record of the Hansard. You said before, and I do not know whether you have got any statement that you can support, that the Attorney-General acted under political pressure in the House.

MR F VASQUEZ:

Mr Speaker, I have suggested.....

MR SPEAKER:

You withdraw that.

HON F VASQUEZ:

No, the point is this, I have not said that. I have suggested that the only reason I can think that he has not answered.....

HON CHIEF MINISTER:

It is the same.

HON F VASQUEZ:

Then I withdraw it. Unlike the Chief Minister, if my attention is drawn by the Speaker I withdraw it and I do not argue with the Chair, Mr Speaker.

HON ATTORNEY-GENERAL:

Mr Speaker, I think I should make one point absolutely plain because I am standing here on the Government side and I want to say, unequivocally, since the 14th July 1992 when I came here, there has been absolutely no pressure of any kind to make me do or not do what I should do in accordance with the functions of the office. That is positive and I hope it is on record.

HON P R CARUANA:

On a different point, Mr Speaker. Will the Chief Minister comment, given the explanation that he has given of what his Government's position apparently has always been in relation to the Danish case, on the Danish public prosecutor's expression of bewilderment, as reported in today's press, at the non-cooperation by his Government with the investigation in apparently refusing to allow two former civil servants to provide evidence and this gentleman appears to not share the Chief Minister's view about how civilised governments should treat each other in cooperating with one another and this man.... [Interruption] Well, who are we discussing? The Danish Government or the Gibraltar Government? I assumed that both were civilised, the Government seem to think that one of them is not. I am proceeding on the basis that both are. And it seems to me as a contradiction that one civilised Government should express bewilderment at the conduct of the other. One of them has clearly got a mistaken criteria and it seems to

me that the position, at least as visible from the public, is that the Government of Gibraltar has information which, incidentally not just the prosecution but also the defence say they might find useful. Certainly I am told the law appears to be, although I have never researched it, that the law is that Ministers cannot be compelled and that civil servants cannot be compelled; in other words, the Court cannot order them to give evidence, but that is not a reason why they should not voluntarily give evidence, as indeed many people have done in Gibraltar, in order to assist the administration of justice in another country, not just for the prosecution because far be it from me to assume that the information in the possession of the Government would assist the prosecution. I would expect it to rather assist the defence and presumably the Government can possibly have no incriminating evidence on their files. Given these assumptions that I make in favour of the Government, is it not logical that the Government should make this evidence available voluntarily, and I accept that no foreign court ought to be able to compel Ministers of this Government or of any other Government to give evidence but on a voluntary basis as others have done. Otherwise, I am afraid, that people will believe with - I would put it to the Chief Minister - a degree of justification, that there is some sort of cover-up going on.

HON CHIEF MINISTER:

Mr Speaker, I am not sure what the question is because the Leader of the Opposition has been making lots of different points. Let me say, starting from the beginning, that my only reaction is that I am bewildered by the bewilderment and presumably I am entitled, in my own country, to be as bewildered as some foreigner that turns up on my doorstep, in a free society. Therefore if, indeed, it is a voluntary decision then, surely, the exercise of choice must be one that is free from people having the right to say, "Well you are free to either be my witness or not be my witness but if you choose not to be my witness that must be that I am entitled to say there must be something fishy about it". Well no, we are free and I would like to know which Danish Minister has appeared in which court case at the request of which prosecution in which civilised country in Europe. Because the hon Member is comparing me.... [Interruption] What, there has never been any scandal involving.... The whole Baltica scenario, Mr Speaker, went bust over there before it even surfaced here. They lost hundreds of millions of pounds with all the same Danish companies over there and it was because they collapsed over there, because the takeover of Hafnia collapsed and because the whole system started shaking that they started questioning whether the investments here were profitable or not. It is not up to us in this House to make a comment on whether anybody did anything wrong or did not do anything

wrong. When the investigation started the position of the Government was, if people want to know what was the nature of the transaction, then they go and they look at the information and they can get corroboration of the nature of the transaction but that does not mean that any of us are prepared to be asked to appear in court as witnesses and if the fact that they know all that there is to know is not enough, well I am afraid that is their problem and not our problem, and certainly the degree of cooperation that has been provided in a year and a half has served too precious little in order to stop people saying every time..... We have had a situation, Mr Speaker, where somebody has said, "Can you confirm that there was a meeting on such and such a date?" And what has been reflected publicly? That they were reading the Minister's diaries as if this was something almost X, where the Minister would have all his little 'pecadillos' in the diary. That is the situation we have faced for a year and a half and we have tolerated it with enormous tolerance and patience and we have had enough. Therefore bewildered or not bewildered he has had all the cooperation he is going to get and that is our final word. Those who like it can like it and those who do not can lump it.

26.4.94

ORAL

NO. 109 OF 1994

THE HON P R CARUANA

SOCIAL ASSISTANCE FUND

Mr Speaker, who administers the Social Assistance Fund?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the controlling officer for the Social Assistance Fund is the Accountant-General.

SUPPLEMENTARY TO QUESTION NO. 109 OF 1994

HON P R CARUANA:

Will the Chief Minister confirm that he maintains therefore and administers all payments in and payments out and is a function of the Treasury as any other Government accounting fund?

HON CHIEF MINISTER:

Yes, that is what is provided in the Public Finance (Control and Audit) Ordinance.

NO. 110 OF 1994

THE HON LT-COL E M BRITTO

COMMUNITY WORK PROGRAMME

Will Government explain the conditions of employment in the Community Work Programme financed by the European Social Fund?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the conditions laid down for eligibility to the programme, in order to qualify for European Social Fund support, is that the participants should be long-term adult unemployed which is defined as over 25 and 12 months unemployed in 1993. In the submission for funding for this year the new rules applicable in the new programme has reduced the definition of long-term unemployed to six months as opposed to one year.

As regards the scheme itself, as is already known, the funding is limited to £81 a week of which 45 per cent is provided by the European Social Fund. In actual practice the participants in the scheme, which was announced in last year's Estimates, have been paid £128.70 for a 39 hour week. This represents an hourly rate of £3.30, which has been selected because around 20 per cent of the unskilled jobs notified as vacant in the private sector are offering pay rates of £3.30 or less.

The difference between the £81 and £128 plus the social insurance cost and employment registration cost are met from the funding provided in the Improvement and Development Fund and charged to the actual project being undertaken as community work. The persons who are offered the opportunity of participating have this explained to them when the offer is made. Those who have taken part in the scheme understand that the conditions of employment are such that the scheme is not intended or designed to provide permanent employment but to give people an opportunity to re-acquire skills which will improve their prospects of employment and their prospects in competing for vacancies that become available through the Employment and Training Board. Those that are in the scheme therefore continue to be considered available by the Employment and Training Board to be sent for interviews with employers in the private sector. The conditions of employment include, in fact, the proviso that when required to attend an interview by the Employment and Training Board, they are released during working hours on pay in order to attend such interviews.

There has been a modest success rate in persons obtaining employment elsewhere during the course of their participating in the community work schemes.

On completion of the period of re-training on community work, the person becomes eligible for unemployment benefit if his insurance record prior to the commencement of the scheme plus the time that he has spent on the scheme, is enough to enable him to obtain unemployment benefit. Obviously the other conditions of employment are those that would apply in comparable unskilled work in the private sector as laid down in the law. There has been, as is known, a minority of persons involved who have either refused to join the scheme or, on completion of their term in the scheme, complained that they were being used as cheap labour and underpaid. In some cases it is a fact that the net income on the scheme has only been slightly higher than what would have been paid as social assistance prior to participation in the scheme. So far, however, it has to be stressed that the participation has been on a voluntary basis. Nobody has been compelled to accept the offer of training. There are sufficient persons interested to make it worthwhile pursuing the matter with a view to getting further funding this year to continue with the schemes. Provision is being made again in the Estimates this year, in the Improvement and Development Fund, so that the scheme continues.

When schemes are renewed one thing that the Employment and Training Board will be looking at is ensuring that the person understands fully and is given, in writing, the conditions of participation in the scheme. This will make it clear that essentially the scheme is not permanent employment, but temporary training which is being enhanced in order to allow a higher rate to be paid to adults than would otherwise be the case under EEC rules.

SUPPLEMENTARY TO QUESTION NO. 110 OF 1994

HON LT-COL E M BRITTO:

Mr Speaker, are these rules in any way influenced by conditions of giving the funding from the EC or are the rules drawn up locally?

HON CHIEF MINISTER:

No, they are imposed on us. That is to say, in order to qualify for the funding which, incidentally, is submitted not directly from us by the Department of Employment in the UK, we have to run the scheme on the same rules as any region in the UK. Our information is that the regions in the UK running these schemes only pay the £81.

HON LT-COL E M BRITTO:

Mr Speaker, I think, by implication, from the ending of what the Chief Minister has said, he accepts that there is room for improvement when the scheme re-starts. Would he accept that, first of all, there is scope for dividing and having different rates of pay for people who have certain skills and people who have no skills at all? Because the accusation of cheap labour to which the Chief minister has himself referred and which have been made public in the media, I think seemed to be based mainly on that; they do not seem to come from the unskilled employees but from those who have some degree of skill or qualification and who feel aggrieved at the lower rate of pay.

HON CHIEF MINISTER:

Mr Speaker, this is a voluntary system and one cannot go beyond that because, in fact, we are not employing people to do a job for which a rate of pay is laid down which we need done. We are creating an opportunity for somebody who is unemployed to be able to improve the amount of money that he takes home. A number of these instances affect individuals who were not just unemployed. The hon Member will remember that when I announced it last year and in previous questions I have indicated that one of the things that happens in these cases, as we have expanded the scheme this year we have had other people in but initially we were talking about people who had been out of work maybe for 10 years. They may have been very skilled but nobody would employ them for 10 years. And part of the flexibility in the scheme is that if having not been successful in obtaining employment for so long had created a situation where it was not the easiest thing in the world to get up in the morning however skilled one was, instead of arriving at 8 o'clock they arrive at 10 they do not get sacked, they get paid two hours less; and if instead of turning up five days a week they turn up four they do not get sacked, they get paid for four. The whole purpose of that exercise, irrespective of their skills, is so that when we send them to a prospective employer, the prospective employer will see them in a better light, shall we say, than the situation that they were in before where we used to get people saying to us, "Look, I am a plumber and yet whenever I go either they employ a Spaniard or they employ a Portuguese or they employ an Englishman but they will not employ a Gibraltarian". And we thought, "Well perhaps part of the problem is that you may have been a plumber but the last time you did any plumbing was 15 years ago and that may influence." So it is better if you are able to say, "I am employed as a labourer but I am a plumber and I am applying to be a plumber because the rate of pay is higher". Certainly I have told the hon Member that they continue to be sent to vacancies so if we have got somebody who is a plumber

and who is getting £3.30 and the rate for a plumber is £4.75, he gets sent to the vacancy of plumber whilst he is on the scheme and therefore that gives him the opportunity to go. At the end of the day, frankly, if we were to pay some people more that would only be at the expense of employing less people and if we employed less people because we have got a finite budget, that would mean we would be getting less units of the £81. Because as far as the Community is concerned, they are not interested whether we pay the guy £81 or £800, they will only give us 45 per cent of the £81. But if we have got less numbers with higher pay then the money from the EEC is a lower proportion of what we actually expend and therefore would be spreading what is available over a narrower number of people and benefiting less. We have weighed these factors, frankly, and in arriving at this and I can tell the hon Member honestly that I believe the volume of funding that we are likely to get, which is not enormous, we are going to find sufficient people willing to do it voluntarily.

HON LT-COL E M BRITTO:

I find very little to argue with the principles of what the Chief Minister has been saying except for one point and that is to take issue on this question of people taking up the employment voluntarily. I speak not for myself but again for allegations that have been made in the press by participants in the scheme themselves; straight from the horse's mouth. The accusations, as the Chief Minister will be aware, are that if people do not "volunteer" to take on the job then the supplementary benefits tap is turned off. Whilst I would not necessarily criticise that principle on a 100 per cent basis because there may be some people who need that little bit of extra push but on the other hand it should not be used as a means of coercing people if they have reasons for not wanting to accept it. If we have a situation where unemployment is still relatively high, there must be plenty of others who would be willing to take employment on a voluntary basis without having to force anybody to do it by cutting off their supplementary benefits.

HON CHIEF MINISTER:

Mr Speaker, whatever the horse may be whose mouth it was that said it, I can categorically deny it. Nobody has been told, "You will not get the supplementary benefits" because it does not make sense.

HON F VASQUEZ:

He is wrong.

HON CHIEF MINISTER:

No, I am not wrong. I ask the hon Member to produce one.

HON F VASQUEZ:

I can give him the name but I think it is improper.

HON CHIEF MINISTER:

No, Mr Speaker, what is improper is that if there is somebody who has made such an allegation and I am saying it is not true, it is quite obvious that Mr Vasquez will believe the devil incarnate rather than Joe Bossano so Joe Bossano must be the liar, that is the truth. Therefore what I am telling the hon Member, Mr Speaker, if I am allowed to finish giving the explanation, is that where somebody has turned up and said, "I am not willing to work for this money", he has been told, "Go back and report to the ETB" because we have got more people than money willing to join the scheme and because it does not make sense to dragoon somebody who will then, because he does not want to be there, stir everybody else up. So I am telling the hon Member if he has got one name and he does not have to give it here publicly because I do not think people should have their names bandied about, if he has got one name and somebody has told that one person, "You either do this or we will take your money away" and he passes the name on to me, I will make sure that it is investigated and I will make sure that whoever has done that without proper authority never does it again. But all I can tell him is the policy is not to do it and therefore nobody has complained to me that they have done it so it has not happened.

HON F VASQUEZ:

There are two points I want to raise in supplementaries. The first that I want to comment is on a point of order, the Chief Minister seems to have taken upon himself that every time I get on my feet I am accusing him of lying. I did not accuse him of lying, I said he was wrong because it is quite possible that he has got the wrong information. I am not imputing lying on his part but he seems to assume that every time I say something I am accusing him of being the devil incarnate.

HON MEMBERS:

Very unlikely.

HON F VASQUEZ:

The fact is that I have had people before me, they may be lying, I cannot imagine why they would make this up, who have been to the Employment and Training Board who have been told that if they do not take the position at SOS 24 Ltd at this level of salary that they had better take it because if they do not take it their names are not going to be left on the ETB list for the skilled jobs that they are looking for anyway. That is the information that I have had from more than one person, people who have been dragooned into SOS because they are being told, "Either you take the job or you are going to stay on supplementary benefits because we are withdrawing your name from the vacancies". That is what I am saying. I am not accusing the Chief Minister of lying, I am just telling him that that is the information I have and that, in fact, he may not have the correct information. The fact is that the Employment and Training Board is not a Government Department, it is a company; he keeps on saying that these companies are their own entities and that he cannot answer for their actions and there are may be things happening within these companies of which he is not aware.

HON CHIEF MINISTER:

Mr Speaker, it is not a company, it is a statutory body set up under the Gibraltar Development Corporation by a law. But in any case the point that the hon Member has made now does not seem to be the same one as the questioner was making. The questioner was saying that people had been told, "Either you go on the community projects or we withdraw your supplementary benefits". I am telling the hon Member, as far as I am concerned, nobody has been told that. If somebody has been told that then it is wrong and they should have not been told that because it does not make any sense to do that. I can understand that somebody who is getting £88 a week may not be attracted to working for £100 a week. If they are getting £88, as far as they are concerned, they are working for £12. Of course they may have other sources of available income other than the £88 which may also influence their decision of not wanting to be in a scheme which only gives them £12 more but we have not gone into any of that. We have just said, "Well, right if you do not want to go do not go". We have said to the people who have gone and then started complaining, "You do not have to stay", in the first week when they go their first pay packet, "If you do not like it go back and you go back to register". So as far as I am concerned, people have neither been told that they will be de-registered which, in fact, they cannot be because as we have explained in giving the figures on registered unemployed, if the person calls at the ETB they have to appear on the register, there is no proviso for de-registering people even if they turn down jobs. We do

not do it here. They do it in other places but we do not do it here. One of the areas where I think not enough has been done in the scheme is in making sure that whilst people were on the scheme they were sent to other jobs. I do not think we have done enough on that, I think we have actually only placed something like 19 individuals in permanent jobs while they were on the scheme and I think that is because the tendency is that the person who is behind the counter in the ETB and has got somebody on the other side of the counter is more likely to remember that person than somebody that was sent off to do a community scheme a month before. I think we have to correct that because part of the purpose is that if we are able to create that scenario of people spending some time in these retraining programmes and then, as it were, coming off the other end then we can have a flow where people who are unemployed for a long time and having difficulty in coping with the unemployment and sometimes they get very depressed but at least we have got them actively employed until they can be put somewhere. That is the idea but it does not work like that. I mean it started in May last year, Mr Speaker, we have been running this thing for about eight or 10 months. I am not saying that there have not been any difficulties in making them operational and that it has worked perfectly because that would be untrue, but what I am telling the hon Member is that I can give a categorical assurance that at no stage were people told they would lose, in fact, their registration as persons who are unemployed unless they accepted to go on the scheme and at no stage were they told they would have the social assistance removed unless they joined the scheme. If they were told, it should not have happened. If I am told to whom it happened I will make sure it does not happen again.

HON LT-COL E M BRITTO:

Mr Speaker, I referred to the matter originally and I was quoted the horse's mouth and I cannot give the Chief Minister a name because simply I have not got it written down but it is quite easy for him to find it from the information I am going to give him. The information to which I referred is public, it appeared on the front page of the Gibraltar Chronicle on the 17th January and, if I remember rightly, the headline was something on the lines of cheap labour but that may not be accurate. It was a front page article, it was dealing with the whole question of Community funding and in it there was an interview with one of the participants and I honestly cannot remember at this moment if there was a name mentioned or not, I have a feeling that there was but I cannot vouch for that. That person said, amongst other things, what I said before, that either he or others like him had been coerced into taking up the position at the risk of losing their social benefits if they did not do so.

HON CHIEF MINISTER:

Mr Speaker, I will check the information the hon Member is providing but from memory I think the individual concerned was, in fact, somebody who packed it in the first week and went straight back on getting supplementary benefits. That is the proof. The proof is that that was somebody who, on the first day said, "I am not prepared to work for this because I am a tradesman" and he probably went back to getting supplementary benefits.

HON LT-COL E M BRITTO:

One final question, Mr Speaker. Why was it that a proper period of notice was not given or appears not to have been given, maybe it was but the impression that I have from the public comments of the people concerned in the scheme, is that they went back to work after the Easter weekend to find that the scheme had terminated? Presumably if the amount of funding was known and the scheme had been going on for X number of months, at least a week ahead of the scheme terminating people should have been told. Is there a reason why this did not happen and, if so, is it something that can be avoided in the future?

HON CHIEF MINISTER:

Mr Speaker, what is going to be avoided in the future is anybody being given the opportunity of saying subsequently that he did not know what it was or that he was misled and that is why I answered my original question saying, "This is what is going to happen, this is what you are going to get paid, this is what the scheme is for, this is when it is going to start, this is when it is going to finish and sign here saying you have read and understood" and then when somebody says it is not true we will produce a piece of paper.

NO. 111 OF 1994THE HON F VASQUEZ

SOS 24 LTD/PCS LTD

What amount of EC funding has been paid by Government to the Companies SOS 24 Ltd and PCS Ltd and how is this funding administered by or on behalf of the Government?

ANSWERTHE HON THE CHIEF MINISTER

The EC funding was originally obtained in a submission made in 1992 to provide training during 1993 for catering industry skills for the proposed Hyatt Hotel. When this project was postponed alternative proposals were put seeking the use of the fund for a scheme in other skills in order not to lose the grant.

The maximum allowance payable to an individual under the European Social Fund rules is £81 per week of which the EEC funding provides 45 per cent. The estimated funding has been £78,400 consisting of 2152 man weeks at 45 per cent of £81 and the number of individuals that have participated in the schemes have come to 98 individuals between May 1993 and 31 March 1994 when the scheme terminated. The Government is at present putting together a submission for further funding for 1994 and 1995.

SUPPLEMENTARY TO QUESTION NO. 111 OF 1994

HON F VASQUEZ:

Mr Speaker, I am grateful for the detailed answer as regards the figures but it seems that the second part of the question has not been answered fully, and that is, how is the funding administered by or on behalf of the Government? Is the money just put in in a company account; how is it done?

HON CHIEF MINISTER:

The money is provided by the UK Department of Employment as a grant. It is deposited with the Accountant General and the Accountant General makes periodic payments from that money which is on deposit to the Employment and Training Unit on the basis of the returns that they make of the number involved in the scheme. It is the Employment and Training

Unit that goes through the process of selecting the individuals, so really the two companies have no choice in selecting who is in the scheme. The Employment and Training Board selects individuals, provides them to the company that is running the scheme and the Employment and Training Board pays the £81 to, say, SOS or PCS, and claim 45 per cent of that £81 from the Accountant General who is the holder of the grant from the Department of Employment in the UK. The company then has to obtain the difference between the £81 and the £128 on the basis of the project which is being given as a community project for those persons to be working on.

26.4.94

ORAL

NO. 112 OF 1994

THE HON F VASQUEZ

FINANCES AND STRUCTURE OF GOVERNMENT COMPANIES

Will Government lay before the House of Assembly the Binder Hamlyn and Nabarro Bathason reports relating to the finances and structure of Government companies?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with Question No. 113 of 1994.

NO. 113 OF 1994

THE HON F VASQUEZ

GOVERNMENT OWNED COMPANIES

In light of his public statement that explanations have been given in the House repeatedly for the network of companies established by the Government, will the Chief Minister state when explanations have been given in the House in respect of the following companies which are owned and controlled by the Government: Gibraltar Residential Property Company Ltd, Gibraltar Investment (Holding) Ltd, Gibraltar Land (Holdings) Ltd, Gibraltar Commercial Property Company Ltd, GRP Investments Company Ltd, Rock Holdings Company Ltd, GIIC Ltd, Gibraltar Commercial Property Company Ltd, GCP Investments Company Ltd, GRPI (Holdings) Ltd, GCPI (Holdings) Ltd, Gibraltar Land Holdings Investment Company Ltd, Venture Enterprises Capital Company Ltd?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, in dealing with this question I wish to make reference to the public statements that Opposition Members have been making in recent weeks in relation to the structure of Government companies. In an interview on GBC television on 3 March 1994 the Leader of the Opposition denied that they were making malicious attacks on the Government. He said, and I quote, "Mr Bossano does not appear to distinguish between theft on the one hand and accountability on the other. He seems to assume that the fact that the Opposition and the public calls for accountability from the Government means they are accusing them of stealing".

Mr Speaker, I have no difficulty in telling the difference between the two. In a previous interview on 24 February the questioner, Mr Vasquez, stated on GBC television in reference to the structure of Government owned companies in the Gibraltar Investment Fund, "The only purpose of setting up a structure, complicated network of companies of this sort is purely to disguise, to hide what is going on. This is the sort of design which Robert Maxwell might have used to disguise the shenanigans, the comings and goings, the movement of funds, the payments of dividends, the capital transfers from here to there and, basically, by the employment of this kind of very complicated company network it becomes impossible to trace either the provenance or the directions of the firms as they flow in and out". This, Mr Speaker, is not a call for

accountability but an accusation of theft which is what Mr Maxwell was accused of. He then went on to say, "it is a completely irresponsible and almost fraudulent way of conducting the business of Government". Mr Speaker, an accusation of being engaged in a fraudulent way of conducting the business of Government is not an accusation about accountability; it is an accusation about stealing. I accuse the hon member of making such statements knowing them to be false. The explanations that have been given about the companies in the House and the accounts of the Government of Gibraltar clearly demonstrate that it is not true that the bulk of the business of the Government is being handled through nebulous companies controlling hundreds of millions of pounds about which there is no record. All the companies mentioned in the hon Member's question are companies which employ nobody, which are not engaged in trading and which simply hold assets valued at millions of pounds but which do not involve millions of pounds in cash slushing about as he claims in obscure funds. That explanation has been given by me in this House on many, many occasions previously. The companies were in existence before the hon Member was elected to this House. The existence of those companies has been known before the 1992 General Election and I defended the existence of the companies in an election campaign against precisely those accusations from Opposition Members.

I find it odd, Mr Speaker, that a person who makes these outrageous and scandalous statements should take offence and consider his personal integrity under attack because somebody calls him a liar. The explanation that has been given in this House which was reflected in the public statements that I made on many occasions since and prior to 1992 has been that the companies that were created under the Gibraltar Investment Fund were companies which were capitalised by money coming into the Gibraltar Investment Fund. The accounts of the Government show the money that came into that fund to the last penny. There is no question of the House not knowing how much money went into the fund. The hon Member is wrong therefore to say that the provenance of the money in the companies is not known. The principal use to which the money has been put is also known. A cursory analysis of the accounts of the Government will clearly demonstrate the equivalence between the money going into the Gibraltar Investment Fund and the money going from the Gibraltar Investment Fund through the companies into the Improvement and Development Fund. It has been explained ad nauseam in this House that the structure of these companies was designed in order to capitalise Government existing assets which previously were not shown as having any value in the balance sheet of the Government and recycling funds which sustained the substantial development programme since 1988.

In the Estimates tabled at this meeting of the House, Mr Speaker, the assets of the Government are shown as £250 million. In 1988, when my party was elected to Government, the assets were shown as £68 million. The primary difference between these two figures is the capitalisation of assets that has been conducted through the creation of companies in the Gibraltar Investment Fund. Are we then talking about a situation where these companies have received millions of pounds which is unaccounted for? No, Mr Speaker. The millions of pounds worth of assets are reflected in the balance sheet of the Government and indeed as income to the Improvement and Development Fund. If Opposition Members, instead of making scurrilous accusations took the trouble to study the documentation, they would be able to verify for themselves the close correlation that there is between the accumulated revenue of the Improvement and Development Fund from sales of property and the capitalisation of the Gibraltar Investment Fund. The money received to date by the Improvement and Development Fund is shown in this year's Estimates as £152 million. That money has been spent by appropriation from the Improvement and Development Fund voted in successive budgets since 1988. Where else does the hon Member think the £152 million came from? I have been explaining this in the House budget after budget. I have explained that what we are talking about is not, in fact, the use of cash holdings in different companies but the transfer of bricks and mortar to different companies. To the extent that there is still cash in some of the companies in the Gibraltar Investment Fund, again, as I have said before, that cash is held on deposit in the Gibraltar Savings Bank. Other than the few trading companies that remain of the former GSL operation, all the other companies are those which are holding assets and which have got paper values. There is no way that such a situation, which is known to Opposition Members, can justify the statement made by Mr Vasquez on television that we are hiding hundreds of millions of pounds and to do so in the knowledge that it is not true and I simply cannot possibly believe that somebody with his professional background, earning his living by incorporating companies, is not aware of this. To do so is to deliberately misrepresent the truth to mislead people. It is in this context and against this background that I made the public statement that the explanations on the structure of the companies have been given on many occasions in this House of Assembly.

It is a nonsense, Mr Speaker, to suggest that if instead of having one company, as there was in 1988, employing 500 people one has 10 companies employing 50 people each, there has been some ulterior motive or some intention to defraud, or some Machiavellian plot to hide the people's money. I cannot possibly, therefore, believe that these innuendoes have been other than a deliberate ploy by Opposition Members.

Since 1992, which is in parliamentary terms the only decisions that Opposition Members are entitled to question, decisions that have been implemented since they were elected to this House, the only one company that has been created was the Gibraltar European Investment Trust. As I said in answer to a question at a previous meeting, the Gibraltar European Investment Trust currently has a cash deposit with the Gibraltar Savings Bank and has not made any other investment. The decision to create such a company was included in the manifesto of the party when we stood for election in 1992. It is the very essence of the democratic process that a Government is entitled to pursue the policies which it was elected on and has been elected on in an election campaign and not be subjected to the undermining to which my Government has been subjected by Opposition Members. An example of this is the assistance that the Government obtained post-1992 from a specialist legal firm with experience of corporate restructuring and from a specialist accountants firm from the UK. These companies came to Gibraltar in 1992 to advise the Government on streamlining the structure of the holding companies. The decision of the Government to streamline the companies was initially as a result of the post-GSL closure of 1991 where some of the previously existing subsidiaries of GSL were no longer trading. The Government took a decision in 1992 that the structure that had developed between 1988 and 1992 could be slimmed down and be made more effective through the consolidation that could be introduced. This has been taking place since 1992. The effect of it will be that we will finish up with less companies holding the same assets since we came to the conclusion that there was unnecessary duplication in the structure.

It is not the intention of the Government to table in this House the advice that is received from lawyers and accountants in respect of Government company restructuring, any more than it tables in the House the advice that it receives from lawyers and accountants in any other area where it obtains specialist advice. Mr Vasquez again, in that infamous television interview, picked on this to portray a picture of the Government being under investigation by outside agencies which is something the Government of Gibraltar would not tolerate.

Finally, Mr Speaker, to deal with what lies behind the two questions from the hon Member, I reiterate what I have said publicly, that the choice of timing by the Opposition to make an issue of these matters which had featured in the 1992 election campaign and since in this House was deliberate. The statements were made to coincide with the restructuring of the Financial Services Commission by claiming that the position of the UK Government was due to the existence of the company structure. As I have already stated publicly, the structure was there before

the Financial Services Commission came into existence in the first place in 1989. It is therefore a complete nonsense to suggest that if the British Government was opposed to the existing legislation of the Financial Services Commission, it was opposed because of the structure of Government companies. In fact, they could have prevented the original Financial Services Ordinance and Financial Services Commission Ordinance from coming into place in the first instance had they chosen to do so because of Government companies.

In answer to Question No. 102, I have shown how there is a certain correlation between the requirements of the UK on the new structure for the Financial Services Commission and the reaction in the Banking Advisory Committee to the Spanish challenge to Gibraltar's ability to be recognised as a competent authority to license credit instructions. I hope that will convince hon members.

SUPPLEMENTARY TO QUESTIONS NOS. 112 AND 113 OF 1994

HON P R CARUANA:

Mr Speaker, I do not intend to engage the Chief Minister in an argument about political philosophy or what is or what is not acceptable political activity. I do not accept, just to establish some ground roots between us, nor do I believe does anybody in Gibraltar accept, except perhaps his most die-hard supporters, that he has any mandate for conducting unaccountable Government simply because there might have been a reference in his 1992 manifesto to the use of companies. Nor do I consider that the electorate were giving the green light to anything that went on in his Government before 1992 simply because they re-elected him in 1992. That, with the greatest of respect to the Chief Minister, is a perverse view of democracy and he knows it. Only last week or a fortnight ago, he was on television explaining that, of course, 73 per cent of the people did not vote for him on every issue in his manifesto to the extent of 73 per cent. And if that is the view that the Chief Minister takes of the effect of his manifesto, then we shall just agree to disagree. He can stand there and lecture and now I lecture him in reply. I do not consider that that is the effect of his mandate nor, incidentally, do I consider that we are entitled to question him only about companies that have been created post 1992 simply because that is the date of our arrival in this House. If there are continuing situations, we can ask to our hearts content whether or not we were here at the time that these companies were created. Those are the ground rules by which I will try and answer some of the points that the Chief Minister has made although

formulating my submissions always in the form of a supplementary question. Mr Speaker, in setting out this list of companies in Question No. 113 of 1994 and when the plan of those companies was devised, firstly we were not under the illusion that this was the totality of Government companies, this is just the part that we had been able to piece together, since I do not know how many of them have now been discontinued. This has represented, I suppose and I assume, a small part of the network of companies that Government have established and dis-established from time to time when it is no longer suitable. As to the Chief Minister's repetition in this House today of what he said in his interview, does he accept that although he has repeated ad nauseam - I accept that it is ad nauseam, because if I am sick of hearing it, he must be even sicker of giving it - that the whole question of borrowing and to capitalise on the money moving from Government to the Improvement and Development Fund and back as the purchase of Government properties, that explanation he has given? The question asks when in the context of that explanation he has mentioned all of these companies. How is anyone who has heard any of his explanations about the mechanics for the capitalisation of Government properties, have assumed or known, that Venture Enterprises Capital Company Ltd and the other 23 companies above it, with the exception, perhaps, of Gibraltar Residential and Gibraltar Commercial, which are the ultimate, are necessarily involved in that mechanical capitalisation scheme when he did not mention those companies in relation to that scheme? Now he tells us for the first time and therefore not ad nauseum, that each and everyone of these companies, is involved in that scheme of capitalisation and only in that scheme. This is the first time that it is confirmed. Why should it be necessary to use a company called Venture Enterprises Capital Company Ltd in the capitalisation of Government property for balance sheet purposes, is beyond me. But certainly, as the Chief Minister said that that is what it was used for, I assume that that is what it was used for. I would ask the Chief Minister to explain why the need for the complicated and convoluted cross and circular shareholdings, which one would have seen in the little sketch that we published recently, for the Government to subscribe for shares in a company and for that company to use the fruits of that shared subscription, to buy properties from the Government. Why it needs 13 companies with complicated cross and circular shareholdings, is not immediately obvious to me. One company would have done, 13 companies perhaps, if Government Members had believed that they needed one company per property. But as to the need for the convoluted cross ownership and circular holdership, I put to the Government Member that there is no obvious need for that complicated structure to achieve the simple

balance sheet act, that the Chief Minister has described ad nauseam in this House before and that, in addition, his explanation has never been accompanied by the mentioning of these companies as being used for that purpose. Therefore, we are entitled to assume until the explanation has been given today for the first time, that these companies serve some other purpose. Mr Speaker, a supplementary, although I accept that this is now becoming the nature of other than questions. In the nature of the Binder Hamlyn Report and the Nabarro Nathanson Report, the reason why I asked for those, dearly as I would like to have them simply for their factual content, the Chief Minister knows that I disagree with him profoundly on the use that he makes of companies in the sense that I believe that there must be more openness and that there is an obligation to accountability, I know that he disagrees. But, the reason why I renew the request, in the context of the Binder Hamlyn and the Nabarro Nathanson Reports, is that I understand that these reports have been made available to the British Government and I will be damned if this Government that considers that we are on the verge of the end of the colonial era, considers it justifiable to have a greater degree of accountability to the Foreign and Commonwealth Office than they feel they need to have to the people of Gibraltar. If this is advice, as he now says it is, solicited by him, by the nature of professional advice to his Government, for his Government to organise its affairs in accordance with that advice entirely as it sees fit, why has the information been given to the British Government. Perhaps he could confirm that my understanding of that fact is right. Why can it therefore not also be made available to this House? If it is confidential, it is confidential in respect of both the British Government and this House. Therefore, there would seem to be little justification in treating the people of Gibraltar with less accountability that he is prepared to submit, let us say, voluntarily to the British Government, if indeed that is how the Binder Hamlyn Report came into existence in the first place. Amongst the last points that the Chief Minister has made, is that there has been a deliberate linking on company structure and on the question of the allegation that we have made and that we shall debate tomorrow, that the position in which Gibraltar finds itself in relation to financial services, reflects - this is a view that we do hold - the view with which the British Government holds this Government's record for accountability. That is an incontrovertible fact which is not to say that we linked it. By the time that we linked it, it was all over. It was a fait accompli. He had come back from London telling us that we had two weeks to take it or leave it. How could we have prejudiced his position further by saying that after the event? I put it to him that his

suggestion that the two matters were linked purposely in order somehow to prejudice his negotiating position which is presumably the purpose that he sought to make of, it was untenable. He stepped off the aeroplane from London saying "Negotiations are over, discussions are over, this is now brought to Gibraltar on a take it or leave it basis".

HON CHIEF MINISTER:

I will answer the last question first, Mr Speaker. When the hon Member raised in this House in October last year, the nature of our discussions with the United Kingdom, which he insisted on calling a dispute a number of times and then accepted that it was not a dispute, he finished up asking me whether it was influenced by lack of trust, having told me that I could count on his support for what it was worth. He finished up saying to me, Mr Speaker, that when I went to the United Kingdom to argue the case with the United Kingdom Government, I could count on his support for what it was worth. I discovered what it was worth when I stepped off the plane on my return.

HON P R CARUANA:

An offer he did not take up. It was too late by then.....

HON CHIEF MINISTER:

I have not given way, Mr Speaker. I have allowed him under the guise of supplementaries to explain his position because I think it is fair that he should have the same opportunity to explain it as I have explained mine. Now if he wants me to answer, I will answer but then he has got to wait until I have finished. He said that for what it was worth, we could count on the support of the Opposition. I assumed that that was on the basis, not that he expected me to take him with me, but on the basis that he supported what I was defending, which was the autonomy of Gibraltar, absolutely. When he said, "Is it a question of trust?" My reply was "How can it be a question of trust, because if they say they do not trust the Commission, they are saying they do not trust something which is completely independent of the Government? They can trust me or not trust me, whatever they like, but that does not mean that they have to do anything to change the Commissioner or the members of the Commission who are professionals". That was the answer that I gave him. So if they are expressing distrust, they are expressing distrust of the professionals in the industry, not of me or of the Government. We have made it clear from day one that it is the industry that is represented on the Commission and it is the UK that say

they want a majority of expatriates. Nothing to do with the Government. That was the answer that I gave him. So it seemed to me that having apparently been satisfied by that answer, that when I should come back and say we have got this difficulty with the United Kingdom..... Let me say, Mr Speaker, as I have said before, it would have been the easiest thing in the world for me to do what perhaps has been done in the past, which is to come here and do a selling job and I can tell the hon Member that it was made very clear to me that all sorts of medals would be put, metaphorically speaking, if I came back saying what a wonderful deal we had got. But, since, as far as I am concerned, it is more important to spell out the truth even if it gives people the opportunity to hit me over the head with a cadjole which I do not think is in anybody's interest, so be it. I knew what I was exposing myself to but I certainly did not think, frankly, after the exchanges we had here in October, that I was exposing myself to a situation, where on balance, the line of the hon Member would be to say "The United Kingdom is justified because they do not trust Bossano", because that is really what he was saying. [Interruption] No? I will get the quote and post it to him. Therefore, I felt that since they have known about the structures of the companies since 1992, the printing of the structure, the brandishing it on television, the putting it on the front page of the Chronicle and the full page adverts were not all accidents. They were all a deliberate attempt to say that the blame lay here, not in London. I do not think, frankly, that that is good for anybody and if that was the view of the hon Member, he did not need me to come back and say it because when we had it in this House, he should not have said to me that I could count on his support for what it was worth. He should have said to me "Since you are obviously Maxwell Mark 2, you cannot count on my support". That is what he should have said if that is how he sees me. We live in a democracy and in a democracy, Mr Vasquez is entitled to think that I am the scum of the earth and I am entitled to think the same of him. But, when we are talking about influencing things beyond our personal hatred, then we have to think of the implications of what we are saying. It may be that Opposition Members honestly believe all the things that they say. I can tell them there is absolutely no justification. If the hon Member says "I know the British Government does not trust you", then he ought to reveal his source. Who has told him in the British Government that they do not trust me? Somebody here, somebody there? Who? Because I would like them to say it to me on my face. I am cheesed off with the half truths. Let us have it out in the open and let us hear the whole truth, Mr Speaker. I am saying to the Opposition Member that we agreed with the United Kingdom to accept their offer of assistance in

paying for Binder Hamlyn, then obviously, I dare say, that since they paid for it, they have got a copy of what I got. They paid for it. It is not the first time they pay for something which has been provided here. When the British Government paid for the Price Waterhouse Report on GSL, the Government of the day told me when I was sitting in the Opposition benches, that I could not have a copy and I had to accept it. I did not say to Sir Joshua Hassan, "That means that you must be colonialist because the Foreign Office has got a copy of the Price Waterhouse Report, which they paid for, and you are not prepared to give it to me". I accepted that the United Kingdom Government, as the Government responsible for the colony, do not need the permission of the Chief Minister to have access to any document which belongs to the Crown. It is the same Crown here as the Crown there. They do not need to ask me for these things. They are entitled to have them, constitutionally. The Opposition Member is not entitled to have it constitutionally. I can choose to provide it or I can choose not to provide it and just like I do not provide the advice he might give me legally to anybody else, if I pay for it, then I do not provide him with the advice of Nabarro Nathanson, who are a firm of lawyers, who are supposed to be advising us on the restructuring because the point that the hon Member has made is "Is that not unnecessarily complicated?" Yes, perhaps it is valid, it may be unnecessarily complicated. But whether the complication in the structure is wise or unwise, whether it is sufficiently accountable or not sufficiently accountable, those are perfectly legitimate differences of view. I will not criticise the Opposition Member who says that I have fought an election and "Because you are not giving enough information about these companies and therefore I will continue criticising you because you are still not giving enough information." I will say that I defended in 1992 the information and I said in a debate with him sitting beside me "If we get elected we will continue with the policies that we have already been implementing". It does not mean that we have to agree, but that does not give anybody the right to say "The only possible explanation, because you will not give me the explanation, is that you must be up to something fraudulent". In political life for somebody to call a member of the GSD a liar, because that puts the integrity, if his standards are so high that it is immoral and libelous to say to somebody, "You are a liar," then to say to somebody, "You are engaged in near fraudulent Government" and to say to somebody, "It is a kind of structure that Maxwell used for his shinanegans". he is telling the people of Gibraltar, "Bossano is up to the same shinanegans as Maxwell," that is what he is telling people. There is no getting away from it. At least have the honesty to admit that that was what was

done. I am saying to the Opposition Members that that is not good for political life, for any of us. Criticise me for all they want, because they think I am making mistakes, because they think I am going to not succeed in having a viable economy, because at the end of the day, there have been occasions when the hon Members have said to me, "I wish the hon Member would succeed for the good of Gibraltar, but I do not think that he will". We can have that kind of difference, Mr Speaker, but I tell hon Members honestly, in 22 years of public life in this House, I have never had a situation either sitting on this side or sitting on that side, where the bitterness that has been created in the House by the nature of the going over the top, where I have experienced this, and, frankly, we are too small to engage in this and we should have whatever differences we want but still be able to live in the same place.

HON P R CARUANA:

Will the Chief Minister give way on that point?

MR SPEAKER:

First of all I think this has developed into a debate and we have to come to the end of the debate. We have broken all the rules of the book. I have allowed it to go on but there must be an end. So will you please just put yours in that is it.

HON P R CARUANA:

Mr Speaker, I do not know how the atmosphere and temperature compares with other Houses of Assembly, because of course, with the exception of the tail end of the previous House, this is the only one in which I have served. I am aware that there has been a fair amount of acrimony between Leaders of the Opposition and Chief Ministers in the past and my belief had been that in certain of those, in fact, it was even more acrimonious than ours because ours appears to be limited to certain issues whereas in other cases it seemed to be broader, but still, that is neither here nor there. I think the Chief Minister, if he really wishes to go down that road of analysis, which he appears to have and not by asking that question that made me jump to my feet, is I know that there was a pre-1988 precedent in the case of the wretched Quarry Company which had an awful lot to answer for.

HON CHIEF MINISTER:

In 1980.

HON P R CARUANA:

Yes. But there is no precedent in the politics of Gibraltar in which an Opposition has had to grapple with a shrinking Estimates of Revenue and Expenditure, with an ever increasing list of companies, with a creation of a parallel civil service through the Employment and Training Board and the Gibraltar Development Corporation and a whole structure, be it companies or special funds, that are less accountable than the consolidated fund, because they are not subject to the estimates appropriation mechanism and the Chief Minister has got to understand and accept, if he does not agree with it, that imputations of the sort that he has described follow, he may think unnaturally, that is a separate argument, but they originate, if they do not follow, in the whole methodology of Government and of the organisation of Government finances, which has proliferated since he has been in the office of the Chief Minister, because with the exception of the Quarry Company and perhaps also with the exception of GSL, which did exist before 1988.

HON CHIEF MINISTER:

1984.

HON P R CARUANA:

Yes. Those were the only two companies. Now we have a situation where we have, I do not know, how many companies, because of course that is one of the issues that I do not know how many companies, although the Principal Auditor publishes the list of holdings that the Gibraltar Investment Fund has directly. Underneath that there could be hundreds and hundreds of companies.....

MR SPEAKER:

I must ring the bell because there is a lot of repetition now and you are anticipating. You are going into the estimates and you are probably going to say the same thing all over again when we come to the estimates.

HON F VASQUEZ:

I am grateful for the Speakers indulgence. I just want to, in the form of a question, put it to the Government because the Chief Minister has made a number of accusations against this side of the House and against me personally. [Interruption] Asperssions! OK! Accusing me of hatred, accusing me of a number of other things. My question to the Chief Minister is did he or did he not read the press advertisement issued by the GSD on the 4 March of this year? The GSD said as follows "If Mr Bossano is alleging that the Opposition has accused Government of impropriety in the sense of dishonesty, then the GSD now challenges Mr Bossano to say when and where we have made such allegations. The GSD has never accused the Government of using companies for dishonest purposes. If Mr Bossano, on the other hand, means that the Opposition is accusing the Government of impropriety in the sense of irresponsible, secretive and unaccountable Government, then he is absolutely correct. That is exactly what the Opposition is accusing the Government of." That is the point that we were making, that is the point that we have sought to make, that is the point that we will continue to make in our legitimate discharge of our function as Opposition. I accept that in the course of that television interview, I said, and I maintain, that this web of Government holdings created by the Government, is exactly the sort of web that somebody like Mr Maxwell would employ, because he did. Now it is up to the Government to demonstrate what on earth the point of all this is. We have sought explanations and we have never had them. I maintain that here has never been an imputation of dishonesty on the part of Government.

HON CHIEF MINISTER:

Mr Speaker, I think the hon Member has got incredible hard face. He may not agree with the structure but he knows.....

HON F VASQUEZ:

I do not understand the reason for it.

HON CHIEF MINISTER:

And he may not understand the reason for it and he did not vote for me. And the people that did vote for me voted in an election where he was precisely attacking that structure on those arguments in 1992 and I was defending it and the essence of democracy is that if we do something which he does not agree with, he has got the right to say "I do not understand it, I do not agree with

it, I think it is a **mistake** " but he does not have the right to say, "Because I do not understand it, because I do not agree with it and because I do not think it should be done, it must follow that it is up to what Maxwell was up to". He knows that as a lawyer, Mr Speaker. The hon Member knows that if he was not libelous, then certainly the libel suit that he said he was going to take against another party because it is going over the top to say that he is a liar, how can it be to go over the top to say to somebody that he is a liar and not to go over the top to say on television that the only purpose is for the kind of shinanegans that Maxwell did. Maxwell was not accused of not publishing the accounts of the company. Maxwell was not accused of running a Government. I can produce for the hon Member a web, as he wants to call it, of the Western Australian Government and their structure of companies. Therefore, Maxwell did not have the monopoly. The hon Member knows that a holding company with subsidiaries looks like that, whether the shareholder is Maxwell or anybody else. It has nothing to do with who the owner is. The choice of the individual was a deliberate choice to plant that doubt and that innuendo. If he says that that is not the intention, then he ought to watch how he expresses his criticisms so that he does not create that, because there can be no doubt about what the game was. Therefore, Mr Speaker, the position is, we defended our strategy in 1988, we defended it in 1992 and we will defend it in 1996 and that is our right. The Opposition Members have got the right to criticise us for it and to disagree with it but we have got the right to carry out the policies we defended in 1992, not to change them in mid stream because if we do not change them, we are exposed to being labelled all sorts of things. That is wrong.

26.4.94

ORAL

NO. 114 OF 1994

THE HON P R CARUANA

DEBTS OR BANK LOANS OF COMPANIES

Will Government say whether the Government is bound by any agreement whereby, in relation to the debts or bank loans of any company, Government may, in any circumstances, be directly or indirectly required to finance that company in relation to its debt or loan obligations, whether by loan or equity finance or otherwise?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, none whatsoever in any circumstances. I have already given this answer to similar questions in the past on a number of occasions.

26.4.94

ORAL

NO. 115 OF 1994

THE HON P CUMMING

FINAL PAYMENTS FROM PENSIONS FUND

What average individual amounts are involved as final payments to Spaniards after the winding up of the Pension Fund, and how many have taken up these final payments?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the average individual amounts due as final payments to Spaniards after the winding up of the Pension Fund is not yet known. The calculations are being carried out by the United Kingdom Government's Actuaries Department. There has therefore been no offer yet of any final payment to Spaniards.

26.4.94

ORAL

NO. 116 OF 1994

THE HON P R CARUANA

REPLACEMENT OF OLD AGE PENSION SCHEME

What progress is Government making in devising a permanent replacement for the now repealed Old Age Pension Scheme?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the proposals produced by the Government Actuary Department of the United Kingdom as to a possible future scheme are being studied by the Gibraltar Government and have been submitted by the UK to the European Commission for their comments.

NO. 117 OF 1994THE HON P CUMMING

SPANISH PENSIONS COURT CASE

Is it true that legal advice given to the Government is that we are unlikely to lose the Spanish pensions case in our court and the European courts?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Government is not aware of any case having been presented as regards Spanish pensions in the European court. As regards the case for judicial review presented by Messrs Triay and Triay in the Gibraltar court against the Government of Gibraltar, the case challenges the legitimacy of the decision taken in the House of Assembly to provide legislation for winding up the Social Insurance Fund and also suggests that the Fund was wound up because of financial difficulties of the Government of Gibraltar. The Government totally rejects these two assumptions but clearly is not prepared to explain the legal advice it has on the case.

I am sure the hon Member understands that anything I say in that respect could serve to assist Messrs Triay and Triay in their case against the Government and prejudice Gibraltar's interests.

SUPPLEMENTARY TO QUESTION NO. 117 OF 1994

HON P CUMMING:

I would like to know, Mr Speaker, what happens if we should lose the case?

HON CHIEF MINISTER:

Well, if apart from all hell breaking loose if we should lose the case, presumably we would find that the Social Insurance Fund which no longer exists would, in legal terms, never have been dissolved. I am not sure how one would handle this financially because apart from the fact that the Fund is no longer there, there have not been any contributions generated in that direction any more. So, frankly, I have not got a clue as to how we would handle that situation except to pass it back to London.

26.4.94

ORAL

NO. 118 OF 1994

THE HON P CUMMING

AIRPORT RUNNING COST

Has the Government any information as to the cost of running the Gibraltar airport?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, I assume that the question is about the cost to the Ministry of Defence of running the Gibraltar airport.

I have no information as to this cost. On enquiring from the Ministry of Defence I have been told that the defence budget for Gibraltar is £60 million a year and that the Ministry of Defence does not make public the cost of individual items of the defence presence in Gibraltar.

NO. 119 OF 1994THE HON P CUMMING

SHARING OF AIRPORT

Would the Government be prepared to share the airport in any circumstances with Spain?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, I do not know what the hon Member has in mind with his proposal for sharing the airport with Spain.

It is the first time since the question of the airport has been discussed in this House since 1984 that any Member of this House has publicly advocated the conversion of Gibraltar's airport into a shared airport with Spain, and it is the hon Member who recently stated, in an interview, that it seemed logical to share the benefits of a shared airport.

As far as the Government of Gibraltar is concerned, it is not prepared to share the airport with the Spanish Government under any circumstances and it is only in that context that I can interpret the meaning of the words "shared with Spain". This, of course, does not mean that we are opposed to Spanish airlines establishing services to the Gibraltar airport. Indeed, this would have been the logical consequence of the inclusion of Gibraltar in the EC Directives on Air Services Liberalisation which is the position that the Government of Gibraltar and the House of Assembly consistently adopted since the 1987 Airport Agreement excluding Gibraltar for the first time, was signed. Prior to the 1987 Airport Agreement, Gibraltar was included as an EC airport under the 1983 Inter-Regional Flights Directive. It is the view of the British Government that under the terms of the 1983 Directive, which was never repealed in the case of Gibraltar, it is possible for flights to take place between Gibraltar and Spain on the terms of the Directive which limits the aircraft size to 70 seats or less.

SUPPLEMENTARY TO QUESTION NO. 119 OF 1994

HON P CUMMING:

Mr Speaker, in view of the comments made last year by the Hon Mr Bossano that if the airport was handed to him in the morning he would close it in the afternoon and therefore we would have an asset just wasting away and with Spain apparently willing to share expenses of running it, would it not seem logical that in the end, if we want to make use of it, we are going to have to share it?

HON CHIEF MINISTER:

Mr Speaker, the hon Member has got a question, No. 121, about the objections to the Airport Agreement. Certainly if by sharing the airport he means implementing the 1987 Airport Agreement and if we have got our backs to the wall they will have to elect him as the Chief Minister to do it. I will not go down that route now, in 1987 or at any time in the future because I have no doubt that if it comes to the crunch I will be in the group of Gibraltarians - and it is not being ultra-nationalist or manning the barricades, it is a question of the sense of pride we have in ourselves as a people and the love we have for our country. The proposed Airport Agreement, as I will explain to the hon Member in the next question, is completely immoral; they have no right to do what they did and therefore the fact that we have got difficulties does not mean that we crack and we say yes today to what we said no yesterday because if we even given the impression we are inviting more pressure to make us crack that much quicker.

HON H CORBY:

Mr Speaker, I believe that I speak for the Opposition Members of the GSD who are in complete agreement in as far as the Airport Agreement is concerned with what the Chief Minister has just said.

26.4.94

ORAL

NO. 120 OF 1994

THE HON P CUMMING

JOINT USE OF THE AIRPORT

Has any feasibility study been carried out to try and establish potential profitability levels for any joint use of the airport with Spain?

ANSWER

THE HON THE CHIEF MINISTER

Not as far as Government is aware.

SUPPLEMENTARY TO QUESTION NO. 120 OF 1994

HON P CUMMING:

Mr Speaker, I do not know whether the Chief Minister has had the pleasure of reading the Dewmont interview with me done two weeks ago in which Dewmont expresses his own views as well and took me by surprise with a question saying, "What do you think of the future of our very expensive airport, would it not be better to close it and use Malaga?" and it was in that context that I heard for the first time that local expert opinion says that this airport cannot be viable under any circumstances in view of the great progress of Malaga airport and other airports on the other side. This took me completely by surprise and it seems that the world moves on and that by not developing it as soon as we can we may, in fact, never be able to develop it and looked at from a commercial point of view it may not get very far. I did read, just recently, an article in a Spanish newspaper talking about the reclamation along La Linea and how the Algeciras port was going to spread part of its assets down to there and reference of latching it in to the Gibraltar airport and they said, "In spite of the many limitations of the Gibraltar airport it could still contribute something to this development" which, again, was a new idea that this is a very limited airport and that if we do not start to develop it soon we may end up with no airport at all.

HON CHIEF MINISTER:

Mr Speaker, the question is, "Has any feasibility study been carried out" and the answer is I do not know of any feasibility study having been carried so therefore whatever views Mr Dewmont may have, he may be an expert on safety deposit boxes, I do not think it necessarily follows that

he is an expert on airports and therefore, as laymen, we can all have all the views we like on the airport but it does not mean any of us know what we are talking about. For what it is worth, I certainly feel that the potential of the airport in terms of flights other than from Spain has been grossly overrated and I certainly believe that the potential for flights from Spain is very great. I believe we would get a lot of traffic from, say, Madrid and Barcelona. Obviously there is a limit to the amount of traffic unless one has got a tunnel or some other way, otherwise one would then finish up with a closed land frontier because of the aeroplanes landing every five minutes. The essence of the Spanish position from the beginning, the hon Member may not be aware of it, was about whether a flight from Spain was a domestic flight or an international flight. Before they were in the EEC, before the Air Liberalisation Directives came in, going back to 1984 and the time of the signing of the Brussels Agreement where there is a specific reference to cooperation on air communication, the immediate problem that the Government of the AACR came up against in 1984 was that the Spanish position was, "We will restore flights to Gibraltar tomorrow on the clear understanding that the aeroplane is not leaving Spain" which the Government of Gibraltar did not accept and which I supported from the Opposition. So the essence of that from day one, ten years ago, before anything else was, "You have to accept that the aeroplane has landed on Spanish soil". That is where the problem started.

HON P CUMMING:

Could it be then that people like Mrs Thatcher were claiming that the Airport Agreement was sovereignty neutral?

HON CHIEF MINISTER:

Mr Speaker, I think I will be able to demonstrate in the next question that the hon Member has about my objections to the Airport Agreement rather than on this one which is about the feasibility study, whether it is sovereignty neutral or not.

NO. 121 OF 1994

THE HON P CUMMING

AIRPORT AGREEMENT OBJECTIONS

Would Government specify their objections to the Airport Agreement?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the purpose of questions in the House is to obtain information which is not readily available from public records. I have difficulty in believing that the hon Member is not aware of my reasons for rejecting the 1987 Anglo Spanish Airport Agreement on which volumes have been published.

I can only surmise that it is not therefore only a matter of information but that with his new found freedom the hon Member may be questioning the wisdom of rejecting the Airport Agreement. If that is the case he should say so publicly rather than camouflage it in a question. Notwithstanding what I have said, I am prepared to give, again, the main, but by no means the only, objection.

Perhaps, Mr Speaker, I also need to remind the hon Member that, in fact, the Airport Agreement was rejected unanimously by this House in March 1991. In the motion rejecting the Agreement it was stated that the House considered the 1987 Anglo Spanish Airport Agreement capable of being construed as giving Spain the right to participate on the use of Gibraltar's airport and that it had been so construed. It has been the long-standing position of the House of Assembly that any agreement with Spain that was capable of being construed in this way would be unacceptable to the people of Gibraltar.

The Spanish submission in the European Court of Justice serves to make it absolutely clear that so far as Spain is concerned, Article 1 of the 1987 Agreement, which requires that applications to fly on the Gibraltar route from third countries should be subject to consultation between London and Madrid, was seen by Spain as a major concession as a result of which the role of competent authority for the Gibraltar airport would be shared between the United Kingdom and Spain. This view was explained in the submissions by the representative of Spain before the European Court of Justice.

Spain explained that their position was that the airport at Gibraltar was a Community airport under Article 227(1) of the Treaty of Rome as a Spanish airport and not under Article 227(4) as a British regional airport. They then went on to add that it was in order to safeguard these two respective positions in the dispute that Gibraltar had been suspended from the application of the Directive and that the Spanish and United Kingdom Governments had set up the arrangements for the joint use of the airport agreed in London on 2 December 1987. Spain said that that suspension was necessary not only to safeguard their position in the dispute and compliance with the result of the negotiations for decolonisation put in hand by the United Nations, but also on technical grounds. Also, insofar as Decision 87/602 required the determination of the Member State from which permission was to be sought for the commencement of air services to its airport, the arrangement for the joint use of the Gibraltar airport shared such competence between Spain and the United Kingdom for which reason it was necessary to await their implementation in order to deal with the applications.

The Spanish argument put in the European Court clearly links the 1987 Airport Agreement with the Brussels Agreement and, in particular, with its reference to decolonisation and the use of the issues of sovereignty, in the plural. Spain argued that the 1987 Agreement was neutral on sovereignty simply because it did not bring about a transfer of sovereignty of the isthmus to Spain but, in fact, created a situation which was tantamount to the sovereignty of the isthmus as far as competence for permitting flights to the airport was concerned, being shared jointly between the United Kingdom and the Government of Spain.

I would have thought, Mr Speaker, that it was self-evident that for this reason alone the 1987 Airport Agreement is totally unacceptable and has always been unacceptable and contrary to the views expressed in this House of Assembly prior to the 1992 election. Therefore, I do not think there is a need to analyse any other part of the Agreement.

SUPPLEMENTARY TO QUESTION NO. 121 OF 1994

HON P R CARUANA:

Mr Speaker, just for the purpose of the record, on that issue certainly the Chief Minister knows that he has always enjoyed our support since 1992.....

HON J E PILCHER:

For what it is worth.

HON P R CARUANA:

Exactly. Really it represents the views of everybody that has analysed the Agreement, not necessarily as an agreement in relation to the use of the airport, but who has looked at the Agreement for the political document that it is, for the political document that it is intended to be rather than for any pretence that it has at being a document in relation seriously intended to regulate the joint use of any airport, let alone one of a disputed territory.

HON P CUMMING:

Mr Speaker, I should just like to say that I do not see any harm in revising the arguments and exploring them once again. I have not come to any conclusion on the issue except that I thought that I would share with the House this view presented to me in the Dewmont interview that we may end up in fact with no airport at all.

HON CHIEF MINISTER:

Well, Mr Speaker, I think the hon Member should understand that these decisions have not been taken lightly and they have been debated at length. If the hon Member checks on what was said recently in the Foreign Affairs Committee by Senor Solana and Senor Ruperez he will find there total corroboration of what I have told him about this Agreement. In a way, as I explained to the House, probably for the one thing that it was worth spending more money in going to the European Court of Justice was because we got an explicit explanation which previously we could only surmise and when the UK was saying, "They have their interpretation and we have our interpretation, so you implement it on our interpretation". Our view was to say, "Well, wait a minute, who is going to be able to impose the interpretation at the end of the day?" Because they have got an interpretation that in 1984 Spain agreed to allow the ferry from Algeciras and that is not the Spanish interpretation. And the British interpretation is worthless because there is still no ferry. So if the British Government is saying in London, "Spain is interpreting the Agreement wrong" then they ought not to ask us to implement something which is going to bring us into a head-on collision the day after we implement it because we have two different interpretations. How is that conducive to better relations for heaven's sake? So our view has been to say, "Go back" and that has been the most open position that we have taken with them. It has been to say to them, "You go back and reconcile your difference with Madrid. It does not mean we are going to accept any agreement but at least put to us one agreement to us to consider not two". Today the situation is that it is two and that in fact the weight of the

argument of Spain is enormous, logically, rationally, if we analyse the veto can we really think that Spain removed the veto in 1987 for anything less than this? It is inconceivable. They may have been mistaken, they may have thought they were getting something that the UK never intended them to get but I have no doubt that they honestly thought they were getting this in order to remove the veto because it seems to me that if all they were offered, which is what the UK claims they were offered, is that they would be told, "Somebody has applied to fly to Gibraltar" - which is an exclusive British airport - "and we are going to ask you what you think of it. And then when we have heard what you think of it, we will do what we like and in exchange for that remove your veto which has been holding up the entire air liberalisation process for nine months". They must be awful negotiators if having blocked everything they remove the block for something as inoffensive as that because, frankly, we would not have objected to that. If it is a face-saver where we say, "There is no question that Gibraltar is a British regional airport" but we are going to say to Spain, "We will take your views into account" because, after all, if we have a lot of traffic you could say it affects the neighbouring towns, there could be a lot of noise so it is reasonable that we should say to them, "What do you think?" but ultimately it is our decision. Which, for example, is the situation in the Basle airport. Ultimately there is one government which has got the final word and to put us in a situation where the use of the airport requires a unanimous decision between the two sides and one can veto it is, effectively, to give it to the one who will veto it because there is only one that will. So in those circumstances, frankly, we have to be brutally honest. If we have to choose between a Spanish airport south of the frontier or no airport, I put my money on no airport.

26.4.94

ORAL

NO. 122 OF 1994

THE HON P CUMMING

TALKS WITH CAMPO MAYORS

Is Government prepared to resume dialogue with the Campo Mayors?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, if the question refers to the meetings of the Economic Coordination Council, the position of the Government is as stated publicly following the decision of the Campo Mayors to discontinue the meetings of the Council.

NO. 123 OF 1994THE HON P CUMMING

TALKS WITH SPAIN

Would the Government clarify in what circumstances it would attend talks with Spain, and what importance it gives to establishing such talks?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the answer to this question is a matter of public record. As the hon Member well knows the Government does not support the Brussels Agreement and will not participate in any talks with Spain as part of the United Kingdom delegation on the basis of the Brussels Agreement. Indeed, the Brussels Agreement was unanimously rejected by this House prior to the 1992 election. The Government stand by the terms of the motion carried in 1991 which *inter alia* said that the House supports the promotion of cooperation with the neighbouring country on a mutually beneficial basis and rejects that such cooperation should be linked to any negotiations involving Gibraltar's status, sovereignty or decolonisation as suggested in the Brussels process.

The clarification that the hon Member is seeking can be easily obtained if he cares to read the statements that I made, on two occasions, to the Committee of 24 and to the Fourth Committee where the position of the Government of Gibraltar was spelled out in detail.

As regards the final part of the question, in an interview that was published in 'Interviu' dated 4 to 11 April 1994, I made clear that the holding of such talks is not a high priority for the Government.

SUPPLEMENTARY TO QUESTION NO. 123 OF 1994

HON P CUMMING:

Mr Speaker, when the statue of the sapper, the soldier artificer, in Main Street was unveiled, the Chief Minister was reported to have said that we must learn from the sappers and defend Gibraltar like they did. It seemed to me something like a psychological connotation that we are going to dig into the rock with a siege mentality and fire down the depression carriages onto the surrounding

area. It seems to me that we must defend Gibraltar yes, but with a different more outgoing approach. Furthermore would the Chief Minister agree with me that it is apocalyptic type statements coming from him, for example, that he is going to sink with the ship, that makes people feel that we must re-examine the whole situation that Gibraltar is in and take stock of where we are at?

HON CHIEF MINISTER:

I did not make that statement in order to cause the hon member to leave the GSD, that is the result it had, it was unintentional. What I said, Mr Speaker, in an interview which had nothing to do, of course, with talks with Spain, was when somebody said to me, "Will you resign? Will you pack it in?" I said, "No, I will not pack it in. However difficult it gets, I go down with the ship". That is not apocalyptic or getting into the trench, what I was saying was, "I have taken on a job and I will see that job through come hell or high water, however tough the going gets I am not throwing in the towel". That was the context in which I answered a question from Clive Golt about sinking with the ship. I was not saying, "The ship is going to sink and I have not got any lifeboats", what I was saying was, "I will not resign and pack up because we have got a problem with the United Kingdom on financial services". It was in answer to that question. I can tell the hon Member that I honestly believe that though he will not want to do damage or harm to Gibraltar, he is exposing himself to a situation of becoming a weapon in the hands of people on the other side who have already said that he is being intimidated. I think that the views that he is expressing are totally unacceptable to the majority of the people of Gibraltar and I do not think he will get re-elected to this House if he defended them. Therefore, frankly, it is too serious an area for us to be able to just take it. If tomorrow the hon Member were to disagree with some other part of the GSD views and say, "I am now resigning from the GSD because I think the structure of companies of the Government is wonderful" we would not be criticising him. But when he talks about fundamentals which can be engineered then he is on dangerous grounds.

26.4.94

ORAL

NO. 124 OF 1994

THE HON P R CARUANA

CONTACTS WITH SPANISH POLITICIANS

Is the Chief Minister pursuing contacts with Spanish politicians, and if not, is it his intention to do so?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, I am not sure what is meant by pursuing contacts with Spanish politicians. The only Spanish politicians that I have met, because they have called on me, have been Senor Carracao, who is a Senator in the Spanish Parliament and Senora Pilar Rahola, who is a Deputy in the Cortes. The contacts with these two politicians continue as and when the occasion arises.

I do not share the apparent enthusiasm of the hon Member for contact with Spanish politicians and in that sense I have no intention of pursuing anyone.

SUPPLEMENTARY TO QUESTION NO. 124 OF 1994

HON P R CARUANA:

Mr Speaker, the question carefully uses the words "Spanish politicians" and not "Spanish Government". We have heard in his last answer that he does not give a high priority to political discussions with the Spanish Government. Is there no nature of politician in Spain with whom he believes contact could ultimately assist us in our common goal of trying to persuade Spain to shift its approach to Gibraltar? Presumably, he, who subscribes to the view that Spanish public opinion has to be changed, because he has often expressed that view, presumably does not altogether abandon the notion that certain Spanish politicians may be in a position to assist that and I ask simply whether he does have that view; whether he is in contact with such Spanish politicians or whether he would be in contact with any such Spanish politicians?

HON CHIEF MINISTER:

I think, Mr Speaker, the answer to that is that it is a two-edged sword. The obvious affinity of views on self determination between us and Spanish politicians are with those Spanish politicians who would not be unhappy to see self determination in Gibraltar followed by self determination in Cataluna, followed by self determination in the Basque. I am not sure we particularly would gain in winning friends by being bracketed with those minority views but they are minority views which are important because.....

HON P R CARUANA:

..... many of the people who share those sentiments are not fringe politicians of the sort that I hear the Chief Minister was describing, like this lady.

HON CHIEF MINISTER:

Mr Speaker, the Esquerra Republicana, for example, which is a minority, is strong. It was the Government of Cataluna for a brief period when Cataluna was an independent republic and they want to get back there. What I am saying is, we are very grateful to those colleagues who clearly have defended our right of self determination within Spain which is not something that we can do anything other than welcome but he has got to understand that if we are seen to be, if we like, getting involved in their own domestic feud - this is why I said it is a two-edged sword - we cannot then provoke an even more hostile reaction from the people that have got the power and the influence in the central government than we are getting already. So it is a question of keeping them warm without overdoing it.

NO. 125 OF 1994THE HON F VASQUEZ

NEGOTIATING PROCESS WITH SPAIN

Is the Chief Minister in a position to state what proposals he intends to put on the table if and when he succeeds in establishing a negotiating process with Spain?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, for reasons that I am not aware the Opposition Member is assuming that I am engaged in attempting to establish a negotiating process with Spain. This is totally untrue, therefore the question of succeeding or failing in establishing such a process is irrelevant. The first part of the question therefore does not arise. In any case, let me say that if there was such a process in place and there were any proposals to put, which there are not, the Opposition Member would be the last person I would tell since in my judgement the Spaniards would learn about the proposals from him, even before the negotiating process was off the ground.

SUPPLEMENTARY TO QUESTION NO. 125 OF 1994

HON F VASQUEZ:

The point is, Mr Speaker, that I am not asking the Chief Minister to tell me, I was asking the Chief Minister to tell the House. The reason the question was asked was because it came to our attention that the interview in "Interviu", which none of us has seen in its entirety. We just saw the quote which the Chief Minister was quoted as saying that he was prepared to negotiate with Spain and that came as a surprise and we were interested in knowing what line the Chief Minister intended to pursue. It now becomes apparent that, in fact, it seems to have been an aside because certainly it is not a priority in this administration's policy to seek those negotiations.

HON CHIEF MINISTER:

Mr Speaker, I think the interview, whatever they chose to highlight, actually said that I had said in answer to a question that most of our people were more concerned with the MOD cuts than with talks with Spain and that this was no different from the people in Linares who were

concerned about Suzuki leaving. That was in answer to the interviewer who asked, "Are you pursuing having negotiations with Spain?" and I said, "No, this is not the priority of the Government. The priority of the Government is to deal with the economic problems." We have always maintained, as a Government, that the most important thing is to get a solid base for our economy. One does not negotiate from weakness, one negotiates from strength.

HON P R CARUANA:

On a point of order. I think that the Chief Minister's formal answer as delivered from his prepared text to my hon Friend's question contains an outrageous imputation and I am really surprised that Mr Speaker has not.....

MR SPEAKER:

If you explain what was said I will look into it.

HON P R CARUANA:

If I correctly understood the Chief Minister, I would not even say meant, what he said was that if he was to participate in the process of negotiation with Spain the last person that he would tell was my hon Colleague, Mr Vasquez, because if he did that then the Spanish Government would get to know what his position is even before the process of negotiating got off the ground. What he clearly said, I would go further than meant, was therefore that my hon Colleague, Mr Vasquez, would presumably rush off to the Spanish Government in some act of betrayal for the purposes of revealing to the Spanish Government the Gibraltar Government's negotiating position. If there is another interpretation, another meaning to the words of the Chief Minister then, of course, I would be very grateful to hear it.

HON CHIEF MINISTER:

Mr Speaker, I would not think it was an act of betrayal because I think the Opposition Member stood for election and has defended consistently this great desire for dialogue and reconciliation with our neighbour and it seems to me that if he asks me to reveal the proposals in this House what else is he doing? What is the purpose of saying in the House of Assembly, "What proposals would you put to Spain on the negotiating table?" except so that they can just simply tune in and find the proposal? He would not even need to wait till he got to Sotogrande to tell them, all they need to do is to tune in.

HON P R CARUANA:

The Chief Minister may think the question is foolish but that is not what he said. What he said was not that he would not tell anybody in case the Spanish Government was listening to this broadcast on the radio, what he said was that the Hon Mr Vasquez was the last person that he would tell because if he told him..... Mr Speaker has got the written text in front of him and I have not - and if that is not the imputation that was being made then another meaning will have to be given to those words. I put it to you, Mr Speaker, that the clear imputation of those words were that the Hon Mr Vasquez is a non-reliable recipient of information of sensitivity to the national interests of Gibraltar because in the opinion of the Chief Minister he would go and spill the beans, like some traitor, to the Spanish Government. That is what he said, that is what he meant and to quote him in this session earlier before, he should have the honesty to admit that that is what he meant to put Mr Speaker out of the misery of having to decide whether or not there has been an imputation. There has been an imputation, he knows there has been an imputation, now let him be honest enough to admit it.

HON CHIEF MINISTER:

No, Mr Speaker, I do not accept that that would make Mr Vasquez a traitor because I do not think the Hon Mr Vasquez has got the remotest loyalty to me or my Government or my party and therefore as the Opposition Member has often said, one must not confuse the policy of the Government with the national interest. The fact that the Hon Mr Vasquez disagrees with the proposals of the Government does not make him a traitor but the fact that he disagrees with the views of the Government makes him susceptible to reproducing those views. In fact, Mr Speaker, is it not the case that views are being expressed by Opposition Members to visitors in Gibraltar - which is not in the best interests. We know because we have it reported back, everything gets reported in Gibraltar from everybody, therefore what I am saying is if the GSLP in Government have a strategy and a proposal to put, of the 21,000 persons that I had to tell, the last one I would tell would be the Hon Mr Vasquez and that would not make him a traitor, it would mean that I have less trust in him than in the other 20,999 and I think I am entitled to have less trust in one person than in another one. I would tell the Hon Mr Cumming last but one.

HON P R CARUANA:

Mr Speaker, if you will buy that smoke-screen if you are minded to be as lenient as possible with the Chief Minister but if you buy that you will have to buy the next one that I give you as well.

MR SPEAKER:

Let me analyse the position as I see it and my view is the one that counts and I make my own interpretation as to whether this is unparliamentary or not unparliamentary. If you are going to close the view that by divulging a negotiating position, which is really what it amounts to, and the other individual going and spilling the beans, let us put it that way.....

HON P R CARUANA:

.... Mr Speaker. What the Hon Mr Vasquez asked was for the Chief Minister to tell this House.

MR SPEAKER:

I know, I know that clearly. That is what he said and what he implied was, as I see it, "I would not tell this House" because it could not mean anything else "because the Hon Mr Vasquez is going to go and tell the Spanish Government". If he tells this House, because there is no other way, it could not mean anything else in this answer to the question, the Spanish Government would know it even before the Hon Mr Vasquez....

HON P R CARUANA:

That is why.....

MR SPEAKER:

Order, order, order. I am passing the ruling and I do not want any more interruptions from any hon Member. Therefore my position is now to say that this is not really unparliamentary, that this does not mean to say that the Hon Mr Vasquez is a traitor by any means. Next question.

NO. 126 OF 1994THE HON P R CARUANA

CONSTITUTIONAL STATUS

Will Government say what constitutional status it wishes to obtain for Gibraltar?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the hon Member asked the same question in October last year. The answer to the question is the same as the one that I gave then. There has been no change in the Government's position.

SUPPLEMENTARY TO QUESTION NO. 126 OF 1994

HON P R CARUANA:

So the position remains that there is not a constitutional status that the Government of Gibraltar seeks as a target for Gibraltar, except modification to the Constitution in respect of certain items?

HON CHIEF MINISTER:

Mr Speaker, I do not know why the hon Member should think that the policy of the Government has changed between October and April when I told him in October that we had not gone to an election on the basis of decolonising Gibraltar and giving it a new status but on the basis of reforming the Constitution of Gibraltar within the limits provided for in the existing 1969 Constitution. If I said to him in October that this would not change the status of Gibraltar as a British dependent territory, unless he thinks that Senor Portillo or Mr Clarke have upset me so much in the last few weeks that I have now decided to do something different, I do not see why he should think that anything has changed.

HON P R CARUANA:

Only, Mr Speaker, because in the Ceremonial Opening of this House the Chief Minister did say that by 1996 he would expect that the end of the colonial era to have been heralded in. The end of the colonial era can only arrive when there is decolonisation; decolonisation has to be

in favour of some status other than a colony. We are a colony whilst we have the existing Constitution, until we have another status which renders us not a colony. Therefore if he believes that by 1996 he will have ushered in the end of the colonial era he must know what era he will have ushered in because there has to be a status attached to decolonisation, is there not? We cannot remain a British dependent territory and not a British colony, or can we?

HON CHIEF MINISTER:

Mr Speaker, now I understand the reason for the question. The reason for the question is not that he wanted to know if there has been a change of policy since last October but that he wanted to use this argument about the Official Opening of the House in 1992 which he forgot to use in October so he puts the same question so that he can use the argument because he is not telling me he has discovered since October what I said in the Official Opening, he knew that in October when I gave him the answer... [Interruption] I have not finished, Mr Speaker, if the hon Member wants information he sits and listens attentively but if he keeps on jabbering in the background he misses half the story. He did not make that point in October because what I said to him in October and what I say to him today is "Ushering in the end of the colonial era requires as a necessary prerequisite the recognition of our inalienable right to self determination". That is what I said to him then. Therefore, our philosophy and the philosophy that we support in the Self Determination Group is that before we start talking about which status we want, the first thing we have got to establish is if we are going to be given the opportunity to have any status at all other than being Spanish, which is the position of Spain which says that it is a matter of territorial integrity and we can choose to be either expatriates in a Spanish Gibraltar or Spaniards in a Spanish Gibraltar and that position has been repeated in the last week in the Foreign Affairs Committee in Spain by both sides, by Senor Ruperez and by Senor Solana, and that is not a choice of status; or the position of the UK which is to say, "We really believe you ought to have the right to self determination but we are caught by Article 10 of the Treaty of Utrecht". Until we break that barrier it is a nonsense to be speculating about status in the judgement of the Government. If Opposition Members feel that it is so important to come out with a new status, there is nothing to stop them doing it. If he thinks it is so important, and I do not agree with him, but if that is his view, he should say, "We, in the Opposition, think this is the status we should have", why does he not do that? Not here, because here he has got to ask questions, after.

HON P R CARUANA:

Because he is the Chief Minister and I believe that the people of Gibraltar are entitled to know from him what status he wants for Gibraltar and for him to fob off the answer either because he does not want to tell the people what he wants for Gibraltar or because he has not got a policy of what Gibraltar should be, to simply say that we should not even start to think about it until we have recognised our inalienable right to self determination which we all agree we have but is not being recognised, is to postpone the rather thorny question almost in perpetuity. Or does he believe that some day somebody in Spain is going to wake up and recognise suddenly our right to self determination in isolation from a particular status aspiration?

HON CHIEF MINISTER:

Mr Speaker, I told the hon Member last October what I believe. He is entitled to hold a different view. What I can tell him is that, Mr Speaker, when I was elected to the House of Assembly in 1972 and I was elected on the ticket of seeking a new status for Gibraltar which was integration, I did not wait for the Government to say what they wanted because the people of Gibraltar expected the leadership from the Government. I have fought on a philosophy and I defended that philosophy and then when I stopped subscribing to that philosophy I left the Integration Party in 1976. If the hon Member believes that it is the responsibility of the Members elected to this House, which I do not think it is because, in fact, the only party that fought the election on a new status for Gibraltar did not get elected and they are the only one who had it in their manifesto. We did not have in our manifesto having a new status. I do not see that people who voted for me voted for me in order to come out saying, "This is the new status for Gibraltar". If they voted for me on any ticket it was on the basis that I would exercise judgement on how to handle both our relations externally and our domestic affairs and to be held to account for both at the next time the election comes up. So I do not believe that people are having sleepless nights waiting for me to announce the new status and I have no doubt that the hon Member would dearly love me to come out with something else he could criticise when he runs out of companies or other things so I am not giving him a new piece of meat.