

GIBRALTAR

HOUSE OF ASSEMBLY



HANSARD

28TH JUNE, 1996

(adj to 5th July 1996)

REPORT OF THE PROCEEDINGS OF THE HOUSE OF ASSEMBLY

The Second Meeting of the First Session of the Eighth House of Assembly held in the House of Assembly Chamber on Friday the 28 June, 1996, at 10.00 am.

PRESENT:

Mr Speaker .....(In the Chair)  
(The Hon Judge J E Alcantara OBE)

GOVERNMENT:

The Hon P R Caruana - Chief Minister  
The Hon P C Montegriffo - Minister for Trade and Industry  
The Hon Dr B A Linares - Minister for Education, the  
Disabled, Youth and Consumer Affairs  
The Hon Lt-Col E M Britto OBE, ED - Minister for Government  
Services and Sport  
The Hon J J Holliday - Minister for Tourism, Commercial  
Affairs and the Port  
The Hon H A Corby - Minister for Social Affairs  
The Hon J J Netto - Minister for Employment and Training  
and Buildings and Works  
The Hon K Azzopardi - Minister for the Environment and  
Health  
The Hon Miss K Dawson - Attorney-General  
The Hon B Traynor - Financial and Development Secretary

OPPOSITION:

The Hon J J Bossano - Leader of the Opposition  
The Hon J L Baldachino  
The Hon Miss M I Montegriffo  
The Hon A Isola  
The Hon J Gabay  
The Hon R Mor  
The Hon J C Perez

IN ATTENDANCE:

D Figueras, Esq, RD\* - Clerk to the House of Assembly

PRAYER

Mr Speaker recited the prayer.

MR SPEAKER:

I have got a short announcement to make before the start of the proceedings.

The Standing Orders are silent on the question of dress and Erskine May does not help. During the long hot summer without air-conditioning in this House I think that it is permissible for any Honourable Member who suffers from heat to take off his jacket, provided he retains his shirt and tie, particularly if the tie is that of the Commonwealth Parliamentary Association.

As the master of this vessel I shall be the last to discard my coat.

CONFIRMATION OF THE MINUTES

The Minutes of the Meeting held on the 31st May 1996, having been circulated to all hon Members, were taken as read, approved and signed by Mr Speaker.

DOCUMENTS LAID

The Hon the Financial and Development Secretary laid on the table the Draft Estimates of Revenue and Expenditure for 1996/97.

Ordered to lie.

HON CHIEF MINISTER:

Mr Speaker, on a point of order. Before we commence the official business of the House I would like to, on behalf of all Members on the Government benches and although we have extended our condolences to him in our private capacities, formally and for the record extend Government's condolences to the Hon Juan Carlos Perez on the death of his father and his brother. He has the sympathy and the condolences I am sure of the whole House.

MR SPEAKER:

And the House includes the Speaker.

ANSWERS TO QUESTIONS

The House recessed at 12 noon.

The House resumed at 3.15 pm.

Answers to questions continued.

ADJOURNMENT

The Hon the Chief Minister moved the adjournment of the House to Friday 5 July 1996 at 10.00 am.

Question put. Agreed to.

The adjournment of the House was taken at 5.30 pm on Friday 28 June 1996.

FRIDAY 5TH JULY 1996

The House resumed at 10.00 am

PRESENT:

Mr Speaker .....(In the Chair)  
(The Hon Judge J E Alcantara OBE)

GOVERNMENT:

The Hon P R Caruana - Chief Minister  
The Hon P C Montegriffo - Minister for Trade and Industry  
The Hon Dr B A Linares - Minister for Education, the  
Disabled, Youth and Consumer Affairs  
The Hon Lt-Col E M Britto OBE, ED - Minister for Government  
Services and Sport  
The Hon J J Holliday - Minister for Tourism, Commercial  
Affairs and the Port  
The Hon H A Corby - Minister for Social Affairs  
The Hon J J Netto - Minister for Employment and Training  
and Buildings and Works  
The Hon K Azzopardi - Minister for the Environment and  
Health  
The Hon Miss K Dawson - Attorney-General  
The Hon B Traynor - Financial and Development Secretary

OPPOSITION:

The Hon J J Bossano - Leader of the Opposition  
The Hon J L Baldachino  
The Hon Miss M I Montegriffo  
The Hon A Isola  
The Hon J Gabay  
The Hon R Mor  
The Hon J C Perez

IN ATTENDANCE:

D Figueras, Esq, RD\* - Clerk to the House of Assembly

MR SPEAKER:

Hon Members will have noticed that there are two notices of motions dealing with the same subject matter, ie the granting of the Freedom of the City to Sir Joshua Hassan.

The first was tabled by the Hon the Leader of the Opposition on 21 June and the second by the Hon the Chief Minister on 27 June.

Standing Order 47(1) provides that a matter already appointed for consideration by the House cannot be anticipated by a motion, as long as the former remains upon the Order Paper. The motion tabled by the Hon J Bossano remains upon the Order Paper and I must therefore rule that the motion by the Hon the Chief Minister cannot be moved.

I should mention that there were no grounds for not accepting the tabling of the motion by the Hon the Chief Minister as putting it in the Order Paper safeguards the moving of his motion had the first motion been withdrawn.

The second ruling is that the mentioning of the name of a relative of a Member of this House is not improper. It may mention by name. It is improper if mentioned by relationship to the Member. Let me give an example - an honourable Member might wish to state that Mr Lugaro has done something, good or bad. It would be wrong for that honourable Member to say that the Speaker's son-in-law has done something.

DOCUMENTS LAID

The Hon the Financial and Development Secretary moved under Standing Order 7(3) to suspend Standing Order 7(1) in order to proceed with the laying of documents on the table.

Question put. Agreed to.

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

1. Statement of Consolidated Fund Reallocations approved by the Financial and Development Secretary (No. 16 of 1994/1995).

2. Statements of Consolidated Fund Reallocations approved by the Financial and Development Secretary (Nos. 4 to 13 of 1995/96).

Ordered to lie.

MOTIONS

HON CHIEF MINISTER:

Mr Speaker, I beg to move the Motion standing in my name. Mr Speaker before I do so I should just like to clarify in relation to Mr Speaker's ruling to which of course I bow, if Mr Speaker would clarify whether the ruling is based on the slight difference in wording that there is between the Gibraltar Standing Order and the United Kingdom Standing Order as interpreted by Erskine May?

MR SPEAKER:

The Standing Order of the House of Commons is completely different to our Standing Order which is more restrictive and that was the basis of my ruling.

HON CHIEF MINISTER:

Would Mr Speaker agree with me that I am at liberty to move the suspension of Standing Order 47?

MR SPEAKER:

I think everyone is at liberty to move the suspension of a Standing Order, we have just done it.

HON CHIEF MINISTER:

Indeed. Mr Speaker, under the practice that prevails in the House of Commons the rule which Mr Speaker has correctly applied.....

MR SPEAKER:

We have not reached that stage have we?

HON CHIEF MINISTER:

Well, it depends on which Motion I want to address first.

MR SPEAKER:

All right.

HON CHIEF MINISTER:

Mr Speaker under the rules which presently prevail in the House of Commons the rule of anticipation which Mr Speaker has correctly interpreted and applied in so far as Gibraltar is concerned, is different and because the practice is in the UK what I am about to suggest, I am convinced that it is not unparliamentary or indeed a disservice to the proper working of democracy in this House to move to suspend Standing Order 47 in these circumstances. Mr Speaker, according to Erskine May the 21st edition, under the heading "Motions", the rule of anticipation is made clear and I quote from it Mr Speaker "Stated generally, the rule against anticipation which applies to other proceedings as well as Motions is that a matter must not be anticipated if it is contained in a more effective form of proceeding that the proceeding by which it thought to be anticipated, that it may be anticipated if it is contained in an equally or less effective form."

What that means Mr Speaker is that because the Motion of the honourable Member opposite, the Leader of the Opposition and mine are both instruments of equal parliamentary effectiveness, in the United Kingdom, in the House of Commons the rule against anticipation would not apply to prevent my Motion going ahead notwithstanding his. It is for that reason Mr Speaker that I move that Standing Order 47 be suspended to enable me to proceed with my Motion in relation with the Freedom of the City to Sir Joshua Hassan.

MR SPEAKER:

Before we finish with you, I have got to refer you to Standing Order 59 which reads: "Any Standing Order may, with the consent of the President....." who is me "..... be suspended on Motion of which at least one day's notice, in writing, exclusively of Saturdays, Sundays and Public Holidays, has been given to the Clerk. Provided that, if he is satisfied that the matter is one of urgent necessity, the President may dispense with the requirement that notice shall be given. If the motion be carried the Standing Order or Orders shall be suspended so far as is necessary to carry out the object for which the Motion was made. No debate shall be allowed on such motion being made." So you have got to convince me the urgent necessity for this.

HON CHIEF MINISTER:

Mr Speaker, if Mr Speaker is not satisfied that the Motion in my substantive form is urgent in the sense of importance then I will have to have recourse to another device which will simply delay the consideration of this matter which is not, as far as I am concerned, troublesome but it would mean that the matter in question cannot be disposed of today. In the sense of avoiding inconvenience to the House for procedural reasons, Mr Speaker may wish to consider that in terms of the progression with the House's agenda as quickly as possible, nothing is lost by proceeding on this basis but I am entirely in your hands Mr Speaker. If you would rather that I dealt with this matter when it is raised by the honourable the Leader of the Opposition in his Motion I am very happy to do that.

MR SPEAKER:

The Freedom of the City to any citizen is a necessity that can never be an urgent necessity so I rule that without the Notice the Standing Order cannot be suspended.

HON CHIEF MINISTER:

Mr Speaker, then I beg to move.....

HON J BOSSANO:

I do not know whether Opposition Members have anything to do or say in this matter because it says that there shall be no debate on the Motion to suspend a Standing Order. But I would, if you would allow me, draw your attention to the consequences of what the Government are trying to do for which there is no precedent since the Constitution of 1969 was enacted. It has never happened before.

MR SPEAKER:

But I have already ruled they cannot do it.

HON J BOSSANO:

Yes I accept that, but given the fact that the Chief Minister after you have made the ruling, has attempted to still do it by seeking to suspend Standing Order 45, I would like to raise the point and on which I would welcome your views, if you are in a position to give guidance on this matter, as to whether in fact, the consequences of allowing the Government to move the Motion that they propose to move,

of which they gave notice after I had given notice of mine, would be, that I would then be prevented under the rules of not being able to debate a matter which has already been debated from debating mine at all.

MR SPEAKER:

I feel I have given already too much guidance this morning.

HON CHIEF MINISTER:

Mr Speaker, I beg to give notice of a motion standing in my name: "That this House resolves that the following Members should be nominated to the permanent Select Committee on Members' Interests: The Hon Lieutenant-Colonel E M Britto OBE ED, the Hon K Azopardi, the Hon R Mor, the Hon J Gabay."

Mr Speaker, this is a matter of traditional early business in the first meeting of the House to establish one of the few Standing Select Committees of this House. I understand that there has been due consultation with the Opposition Members as to their nominations to this Committee and therefore I do not propose to take any of the House's time in addressing the motion. I commend the motion to the House.

Question proposed.

Question put. Passed unanimously.

BILLS

FIRST AND SECOND READINGS

THE APPROPRIATION (1996/97) ORDINANCE, 1996

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have the honour to move that a Bill for an Ordinance to appropriate sums of money to the service of the year ending with the 31st day of March 1997, be read a first time.

Question put. Agreed to.

SECOND READING

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have the honour to move that the Bill be now read a second time. You of course Mr Speaker with your long and

distinguished career of public service will record the occasion when formerly a Member of the House the Financial and Development Secretary used to make a speech on these occasions. In accordance with recently-established convention I do not propose to make a speech nor indeed in keeping with the tradition of restraint which I have become famous in the last two years do I intend to make any preliminary observations of a more general nature even including Shakespearean quotations. I will leave the subject to the politicians to discuss, Mr Speaker, and commend the Bill to the House.

MR SPEAKER:

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

HON CHIEF MINISTER:

Mr Speaker, the Appropriation Bill before the House and the Draft Estimates of Revenue and Expenditure tabled in support of it is not, of course, the budget of this Government and in this respect we are in a similar but not in an identical position in terms of time that has elapsed since polling day, to the one in which Opposition Members were when they first gained office in 1988, namely that it is just quite apart from the fact that these Estimates had already been tabled before the Election in this House, there has in fact been insufficient time for the incoming Government to reconsider the budget in detail and indeed for the civil service, to prepare any new or significant amendments to the Estimates. In those circumstances, what we propose to do Mr Speaker, is to debate and if the House thinks fit, adopt the budget and the Appropriation Bill as it is before the House and the Government anticipates that it will be necessary to bring a Supplementary Appropriation Bill to the House some time during the autumn, in any case before the end of the calendar year.

Mr Speaker, this Appropriation Bill and the Estimates laid in support of it is not a statement of the recurring Revenue and Expenditure of the Government of Gibraltar. Honourable Members will recall that I made that point repeatedly when I was on the other side of the House. The fact is, that the Appropriation Bill and the Estimates of Revenue and Expenditure contain only about 65 per cent, probably nearer 60 per cent, of the Recurrent Revenue and Expenditure of the Government of Gibraltar and therefore omits the other 40 per cent or 35 per cent and the devise by which that state of affairs was brought about during the term of office of the

previous administration is one that this House is aware of, namely that because the law requires that permission of the House of Assembly for expenditure to be sought to the mechanism of the Appropriation Bill only for the expenditure of monies that have first been paid into the Consolidated Fund, the previous Government, diverted large amounts of public revenue and income from the Consolidated Fund to other Special Funds and entities so that they would not need the permission of this House to the appropriation mechanism to spend it.

That, Mr Speaker, is a state of affairs which is not acceptable to this Government. It was not acceptable to us when we were in Opposition and it is not acceptable to us now that we are in Government. We have not had time to do it for this year's budget but when the House considers the Appropriation Bill in respect of the Financial Year 1997/98 and when the House considers the Estimates of Revenue and Expenditure next year, in about May, it will have before it, and this Government will have restructured Government finances in a manner that all revenue collected by Government, with the exception let it be said, of the traditional pension fund which historically has been outside of the appropriation mechanism of the House, will be before this House either in the Appropriation Bill or certainly in the Estimates of Revenue and Expenditure. If we have not by then had time to actually include all the revenue within the appropriation mechanism, but certainly the information will be contained in the Draft Estimates of Revenue and Expenditure. Mr Speaker, if this Appropriation Bill were prepared and if these Estimates were prepared in accordance with the principles of transparency in public finances to which I have alluded, the Estimates of Revenue would not be as the present Estimates suggest, £72 million, it would be a figure in the order of £111 million and the Expenditure of the Government of Gibraltar would not, as this document suggests, be estimated at £95 million. As I say, Mr Speaker, the real position will be reflected in next year's Budget through the Consolidated Fund and preferably but if not and, certainly or, at the very least disclosed in the Budget so that the information and the Government's views of the Estimates will certainly be in the public domain.

Mr Speaker, the list of companies wholly-owned by the Government of Gibraltar directly or indirectly would appear to be as follows:

Gibraltar Investments Holdings Limited  
Gibraltar Land Holdings Limited  
Gibraltar Residential Properties Investment Company Limited

Gibraltar Commercial Property Company Limited  
Brympton Co-ownership Company Limited  
Westside II Co-ownership Company Limited  
Westside I Co-ownership Company Limited  
Gibraltar Information Bureau Limited  
Gibraltar Joinery and Building Services Limited  
Gibraltar Industrial Cleaners Limited  
Calpe Cleaning and Painting Services Limited, subject to  
question mark that I still have to clarify, and  
Gibraltar Quarry Company Limited.

The Government are considering which of these companies can be eliminated and it is the policy of the Government to eliminate such companies as are not essential for the proper and good organisation of the affairs of Government in the light of the structures as they presently exist. But, whatever happens during the course of the restructuring for the elimination of as many of these companies as possible, as part of the system to restore the presentation of public finances to a transparent one, the Government will shortly publish all the historical accounts of these companies and place them in the public domain. That is not something which the Government are required to do by law but it is something that the Government pursuant to our policy of complete public transparency in matters of finance are to do voluntarily. We will shortly be making available for public inspection, the audited accounts of all companies which are presently directly and wholly-owned, or indirectly but wholly-owned by the Government. Mr Speaker, whilst we proceed with this restructuring and certainly in any case in respect of any companies which we are not able to eliminate as quickly as we would like, the Government will answer questions in this House about the affairs and the finances of any company which is wholly-owned by the Government directly or indirectly and in that respect, it is our intention to reverse the policy of administrations hitherto which as Mr Speaker knows has been that Ministers are not answerable for the affairs of Government-owned companies even though those Ministers are the directors and in full control of those companies. That position, Mr Speaker, is not acceptable to the Government and will not be proceeded with in that way.

Mr Speaker, I can inform the House that currently, or at least as at the 14th of May, 1996, the cash balances held in the Gibraltar Savings Bank by the companies that I have just named is a figure close to £11 million. The activities of these companies, as I have indicated Mr Speaker, is something of which there has been almost no public accountability. I can report to the House as a matter of

information that the Gibraltar Residential Property Company Limited owns, amongst other things, 35 flats at Merlot House, Phase III of Vineyards which it purchased at the cost of £3.2 million and it acquired this property because the Government at that time, and using the mechanism of the Gibraltar Residential Property Company Limited, financed by way of loan Benpar Properties Limited, the developers of Vineyards and of Phase III of Vineyards which is called Merlot House. The developers got into financial difficulties and were unable to service the loan that Government had made them and accordingly Government executed, or foreclosed on, the mortgage that it had over the real estate being built, namely Merlot House, and that is how £3.2 million of taxpayers' money ended up being invested in the acquisition of 35 flats in Merlot House.

The previous administration also, through the Gibraltar Residential Property Company Limited, acquired a number of properties in Portland House through the Public Auction that the developers of that property announced some time towards the end of last year. Through Gibraltar Residential Property Company Limited the previous administration invested £921,680 through the acquisition from the developers of Portland House of 11 units in that building. Directors of the Gibraltar Residential Property Company Limited were then the Chief Minister, the Hon Mr Bossano, then Minister for Trade and Industry, the Hon Michael Feetham, and then Minister for Buildings and Works the Hon J Baldachino.

Mr Speaker, the Gibraltar Information Bureau Limited is a company wholly-owned by the Government of Gibraltar indirectly. Its functions are now to operate the new small business Bureau, it operates the clamping service, Gibraltar Security Services, it operates the Citizens' Advice Bureau, it operates as people know, the Government's collection of PAYE and some other arrears. It deals with the payment and engagement of all marketing and travelling expenses and of course it funds the Gibraltar Office in London. The Directors of the Gibraltar Information Bureau were the Hon Mr J Bossano and the Hon Mr J Pilcher. Mr J Pilcher in his capacity as Minister for Tourism and the Environment held formerly the position of Managing Director of this Company. The revenue of Gibraltar Information Bureau Limited consists of such things as contract fees for the provision of services to the Government of Gibraltar including airport departure taxes, port dues and market rents. The total revenue of Gibraltar Information Bureau Limited during the year ended 31st of December 1995 was £2,145,751 comprising, commission on the collection of tax arrears £152,382;

salaries recharged £385,163; royalties £45,032; marketing income £390,000; Government contract fees £363,972; airport departure tax £378,987; port dues £195,033; market rents £39,756; miscellaneous income £33,596; GSS, that is Gibraltar Security Services income £121,830; management fees £60,000. The expenditure of Gibraltar Information Bureau Limited during the same period was £1,753,576. The Government, as honourable Members I am certain will anticipate fully, intend to dismantle the structure of Gibraltar Information Bureau Limited and to transfer its functions, its revenue and its expenditure to appropriate Government departments and heads of Revenue and Expenditure under the Appropriation Bill mechanism.

Turning, Mr speaker, to the question of Special Funds, which is the other device to which the Government at the time had recourse in order to take revenue and expenditure out of the Appropriation mechanism of this House. Mr Speaker, I have already indicated that Revenue Expenditure will be returned to the Consolidated Fund and through the Consolidated Fund by operation of law to the Appropriation mechanism of the House. The number of special Funds, Mr Speaker, will be substantially reduced and to the minimum necessary to enable Government to continue to function during the restructuring process. I can inform the House, Mr Speaker, that as at the 14th of May 1996 current disposable cash balances, that is to say, money reasonably available to the Government to spend on things that the Government is entirely free to decide expenditure on, amounted to £10.5 million to £11 million. Mr Speaker, the initial estimation which is still being assessed in detail as to the current extent of Gibraltar Government revenues would therefore throw up equations of the following kind. In respect of disposable cash balances held in the Government-owned companies to which I have referred a figure of the order of £11 million. In Special Funds a figure of the order of £12 million and in the form of the reserves of the Gibraltar Savings Bank a figure of the order of £13 million, making in all a figure of between £37 million and £40 million of available Government reserves and by available Government reserves, I exclude things which have traditionally been regarded as ring-fenced funds. In other words, that excludes the transitional payment funds, the historical Pensions Fund, the Benefits Funds, the Note Currency Security Fund and things which were originally ring-fenced funds for particular and historically identified purposes. It is the intention of the Government to restructure Government finances in such a way that we end up with a single pot in which Government reserves are measured and contained so that

in future this House and the community as a whole will be in a position to know what the Government's financial disposition from time to time actually is.

Mr Speaker, it may interest the House to know that in accordance with the latest statistics that have been provided to me in my capacity as Chief Minister the number of insured persons, that is to say the number of persons lawfully in employment in Gibraltar in the sense that their employment is fully regularised, was, in respect of 1994, 11,972 and in respect of 1995, as at the end of December 1995, 11,698. This brings me, Mr Speaker, into the area of statistics generally. The capacity of the Government of Gibraltar to collect and to present and to digest and therefore use statistics, has been in recent years depleted by the reduction in personnel and resources in the Statistics Office. The Government intend, not just to enhance the ability of the administration, to collate useful statistics, but indeed it intends to make such statistics publicly available at the earliest possible opportunity. Honourable Members may have noticed that one of the items of assistance which the British Government have agreed to make available is assistance with the putting into place of systems for the identification of statistics which would be of assistance to the Government in formulating and implementing social and economic policies and also in putting into place systems apart from their collation, systems for their consideration, for their implementation and to extrapolate from the statistics maximum possible policy-making use.

Mr Speaker, one of the aspects of restructuring, and it does not arise from anything that the Members opposite did in order to make public finances less transparent, it is the natural consequence of the position as it has been in respect of Gibraltar pensions since the Social Insurance Fund was dissolved in 1992, something which the then Government did, withdraw the support in Gibraltar, and one of the consequences of the present position which is that the Social Assistance legislative structure, not the Social Assistance, the Pensions legislative structure is going to be restored in two forms. Firstly, in the form of a closed scheme to deal with the rights accrued up to the date of dissolution and an open scheme to deal with rights which accrued from the 1 January 1994 and onwards on a continuing basis into the future and as I said in the House last week, the British Government's pension agreement is that they will fund, in respect of a closed scheme, all the pensions obligations to the Spanish pensioners. But of course, one of the consequences of doing that, is that the Government



will have to take actuarial advice as to the funding of the closed scheme and indeed of the new open scheme because Government is determined that statutory pension fund liabilities under the new Social Insurance Ordinance should not be a budgetary item. In other words, it should not have to be met, as indeed it is in several other countries in Western Europe, but it should not become an item of expenditure which has to be met from recurrent revenue. It is the policy of the Government that in as far as possible, resources will have to be allocated to restore the capital value of the Pension Funds to ensure, as has more or less been the case historically in Gibraltar, that pension fund liabilities can be met from the designated income for that purpose, which would of course, has historically been the interest income, the investment income of the Pension Fund itself and the contributions in respect of employees to Social Insurance contributions. We will now engage in an actuarial process to establish the extent to which the Fund, which as honourable Members know, has depleted considerably over the years because it has not been topped up whereas transitional payments have come out of the old Social Insurance Fund. The revenue has not been accrued to it in the form of social insurance stamps, so that therefore, at the last reckoning and from memory I think that the current balance of the old Social Insurance Fund now of course known as the Transitional Interim Payments Fund presently contains a sum in the order of £17.5 million. Of course that Fund traditionally consisted of an amount much nearer the £50 million.

Mr Speaker, the finances of the John Mackintosh Homes is a matter of concern to the Government. Like the rest of Gibraltar, the Trustees appear to have misunderstood the philanthropic gesture of the then Chief Minister in the run up to or rather following the Christmas lottery draw last year. Honourable Members will recall the fanfare, not to say photographic opportunities, with which the then Chief Minister announced that he had decided to donate to the John Mackintosh Homes the £500,000 unclaimed first prize attaching to the 1995 Christmas lottery draw. It is I suppose reasonable that the people of Gibraltar, certainly it has happened with the Board of the John Mackintosh Homes, all of whom are sophisticated businessmen, that they took these assertions at their face value by which they understood, as I am sure did the rest of Gibraltar, that the Government would be actually making available £500,000 of new money in cash to the Board of the John Mackintosh Homes and indeed the Board of the John Mackintosh Homes proceeded with their expenditure and refurbishment plans on that, not illogical, assumption. It is therefore with consternation I

have to report to the House that the Board has discovered that the Government's generosity was actually not actually measurable in money in the same way as it was measurable in valuable publicity minutes on GBC Television because this was not going to result in a cheque for £500,000 being sent to the Board of the John Mackintosh Homes for them to spend. What the Government actually did was to say to the Board subsequently "you owe the Government already in respect of 1992 and 1993 £600,000 or £700,000 I am going to make you this generous gift of £500,000" but then did not give it to them, it was simply a book entry. £500,000 of the historical debt of the Home was simply written off and that was the extent of the honourable the Chief Minister's generosity which is not totally ungenerous in the sense that having £500,000 written-off is not entirely insignificant but it is not what people were led to understand by the Government's presentation of this gesture, nor indeed is it what the Board of the Homes understood, because now, they find that they do not have the £500,000 of new money which they were counting on, for which they were thanked publicly and which it now falls on this Government to have to provide to them over and above the amount provided in the Estimates because the Board feel that there are essential structural refurbishment works that cannot wait much longer and that is what they were going to use what they thought was the additional Christmas present that had been then promised to them.

Mr Speaker.....

HON J BOSSANO:

Mr Speaker, would the honourable Member give way. Can I just say, I am only interrupting him at this point because when I rise to reply I will be dealing with many other points and I do not want this to be lost. Let me say that he has been totally misinformed and that the commitment that was given was that the £500,000 of the first prize was a one-off windfall which they had available for use for the refurbishment of their property. That was a clear commitment that I gave to the Trustees of the Mackintosh Homes and in fact the overspending of previous years which had been met by loans was to be reduced by them being given annual grants in excess of their recurrent requirements which would produce a book entry removing part of the accrued debt to the Social Assistance Fund. I want to say that quite categorically and whoever has given that information, probably in good faith, to the Chief Minister is wrong because the commitment that I gave is there and ought to be honoured because it was a clear commitment.

HON CHIEF MINISTER:

Mr Speaker, the papers that I have seen as opposed to the statement that I now hear from the Leader of the Opposition do not reflect the position that he has just described as neither do the draft Estimates that his Government had prepared of either the Consolidated Fund Revenue and Expenditure, nor indeed of any Special Fund that I have seen, write-in an expenditure even on a one-off basis of £500,000 for this year for the Homes over and above the traditional amount which has historically been increased I think by about 15 per cent in a year. Certainly none of the papers that I have seen either of his Government's making or of other people's making reflect the position that he has just described.

Mr Speaker, the Government also intend to restore to the public administration within the restraint and the constraint of the financial resources that are reasonably available, intend to restore to the politically accountable public service a degree or a greater degree or for that degree of capacity to serve the Government of the day in the full range of public affairs that the previous Government systematically dismantled. In that respect we are formulating plans which will very likely lead to new Government Departments or units within existing Departments that will centralise the arrears or the collection of all arrears of public revenue including, needless to say, arrears of revenue of PAYE. We will restructure around the person of the Minister for Tourism a Department of Tourism. We will establish around the person of the Minister for Employment and Training a Department for Employment and Training and we will establish around the person of the Minister for Social Affairs a Department of Social Affairs. In addition, there will be a legislation and support unit which will amalgamate not just the present facilities for transposition of EU Directives provided by the European Community Law Unit but indeed a capability not concentrated as has been in the past in one person for legislative drafting capacity in respect of Government-owned domestic legislation and indeed also the management and upkeep of the laws of Gibraltar to ensure that never again will they fall into the state of disuse in the sense of unuseability that they had become during the last eight years.

Mr Speaker, Government intend to centralise in respect of the whole Government the machinery for procurement of goods and services and we propose to create a Department that will amalgamate such things as the present Passport and

Nationality Office, those parts of the Immigration Department which remain in an administrative capacity in the hands of the base at New Mole House with the Police and the Registries of Births, Deaths and Marriages which presently live under the auspices of the Registrar of the Supreme Court. In other words, one Department dealing with nationality status and civilian registration of all sorts.

Mr Speaker, Government will be engaging in a process of manning level reviews and resources audit as promised in our manifesto to ensure that the system that we establish is not only the most efficient system possible but indeed that it is within the level of financial resources that Government can reasonably make available to the public administration machinery and indeed to ensure that morale, confidence, career opportunities and, indeed, capacity to conduct the affairs of Gibraltar is restored to the civil service. This will be done, needless to say Mr Speaker, through a process of consultation with the respective staff associations and unions.

Mr Speaker, Members opposite know that one of the issues of unnecessary expenditure to which this Government now has to dedicate very substantial resources when, if things had been done better, not to say properly the first time round, that money would have been available for other much needed spending objectives, is the situation relating to Harbour Views Estate. Honourable Members know that there are a number, not just of fire safety related issues but indeed a number of serious structural defects which not only put in question the safety of the building but indeed the integrity and durability of the structure for its envisaged life span. Although we have not yet received the Government's professional advisers final report on the necessary remedial works and the various options available have not been costed, although it is clear that all the options involve the expenditure of capital amounts of money, the taxpayer of Gibraltar will be fortunate if this problem can be remedied for a figure which will not give much change from £7 million.

One of the practices, Mr Speaker, that the new Government have already dealt with in the sense of causing the necessary instructions to be issued and pursuant to the commitment of the Government to total transparency in the matter of public finances and contracting, is what is known in jargon as nettings, that is to say, when Government contracturises the collection of, for example, rates or house rents or income tax arrears or anything of that kind, in other words when the Government contracts out the

responsibility to collect matters which are really public funds and public revenues, there is of course a cost of doing that. There is either a fee to be paid to the company in whose favour this has been privatised or contractarised or there is commission to be paid as in the case of the commission paid to Gibraltar Information Bureau for the collection of PAYE arrears and until now, the figures that have been appearing in the Budget here, when they appear at all that is, is the net figure. That is to say, if £100 is collected in rates and of that £5 has to be paid to the collection agent, the figure stated here of rates collection is £95 and we think that that is wrong and it should not happen in future. In future the figures of Government revenues that will be exposed in the budget will be the gross figure and then we will show separately the cost figure in whatever form it takes, whether it is commission or whether it is management fee or whether it is a contractual fee but let the gross revenue and, perhaps more importantly, the net expenditure which nets that gross revenue be transparently visible.

In keeping with statements Mr Speaker made not just during our election campaign and in our Manifesto but indeed when I was sitting on the other side of the House, it is the Government's intention at the next meeting of the House and I do propose to engage in a process of consultation with the honourable the Leader of the Opposition beforehand and that is, the question of establishing in this House a Public Accounts Committee and the way in which it should.... the parameters within which it should work and the rules which will guide it. Needless to say, Mr Speaker, a Public Accounts Committee in a House configured as this House is configured, is primarily for the benefit of the Opposition pursuant to their monitoring role because we do not need a Public Accounts Committee of the House to out question civil servants about how this money has been spent or whether that money has been correctly spent in accordance with, firstly the Appropriation mechanism of the House and, secondly, on a value-for-money basis. The Public Accounts Committee is therefore intended to enable the Opposition to have greater access to the machinery responsible for the collection and expenditure of public monies so that throughout the year and not just at Budget time the Opposition has a proper opportunity to monitor the performance of the Government machinery in the expenditure of public monies not just as against what the House has authorised to the appropriation mechanism but indeed to ensure that Government is delivering to the taxpayer as much value for money as it can. Mr Speaker, the large volume of contracts signed by the previous Government with various entities in the form of

contractorisation private or in pursuance to contractorisation and privatisation of functions that were previously within the public sector, all that large body of contracts is presently being studied and perused and that will in some cases lead to a review of those contractual positions.

Mr Speaker, I would like to end on the subject of income tax. In compliance with an electoral commitment so to do the Minister for Education has already announced that as of the beginning of the next academic year, in September, private nursery fees would be the subject of tax deduction as a partial compensation to parents who send their children to private nurseries. As partial compensation for the fact that some parents in Gibraltar are lucky enough to be able to place their children free of charge in Government-owned nurseries. The House will already be aware that one of our first decisions, already announced by my colleague the Minister for Education, is the enlargement of the number of nursery places by sixty, by the provision of 60 new nursery places at Notre Dame. The second part of the equation therefore is that the fees paid by parents for sending their children to non-Government nurseries will be the subject of a £500 per annum per child flat allowance. This will apply only in respect of the children that would have been entitled or that are entitled for consideration of placement in Government nurseries, in effect, three to four year olds. The cost of this tax give-away is estimated to be in the order of £60,000. Government will shortly be taking the necessary steps to make available a £500 per annum per child allowance to any parent that satisfies the Department of Education and the Income Tax Commissioner that their children have been placed in a private nursery continuously during an academic year, with the exception obviously of normal absenteeism of a normal kind.

Mr speaker, it is also a manifesto commitment of the Government to neutralise, to eliminate, the tax increases which taxpayers in Gibraltar have suffered during the last eight years as a result of the previous Government's failure to increase personal tax allowances by at least the rate of inflation, which would not have amounted to a tax cut but simply to ensuring that inflation does not operate, and the value of personal allowances in a way to which in practice amounts to an increase in taxation. That is a commitment that we have as a four-year commitment, that the Government intend this year to cover 35 per cent of the ground lost between 1988 and 1996. That will involve the increase with effect from the beginning of this tax year, which was three days ago, of single persons allowance by £200, from £1,450

to £1,650. The married persons allowance by £400, from £2,800 to £3,200. The Elderly Persons Single Allowance by £40, from £320 to £360 and the Elderly Persons Married Allowance from £450 to £510, that is £60. The Government fully intend to honour our commitment during the next years, but certainly during this first term of office, to eliminate the remainder of the 65 per cent of the ground lost between 1988 and 1996 and indeed to ensure that the situation keeps apace with inflation. In other words, we have not only to give back the eight years that have been lost but we have got to factor in the inflation that operates between 1996 and the year 2000. Mr Speaker, the cost of the tax give-away in respect of personal allowances which I have just announced is estimated by the Income Tax Department as somewhere in the region of £2 million per annum, somewhere between £1.8 million and £2 million per annum.

It is, as Members opposite know, the policy and aspiration of the Government to progressively lower the incidence of taxation in Gibraltar on the back of expanding and successful and prospering, broadening, of the economic activity base. We believe that it is possible to enable such things as the Finance Centre to deliver greater value to ordinary citizens, not themselves directly employed in the Finance Centre, that the whole community should derive the advantages of Gibraltar being a Finance Centre as indeed they do in Jersey, for example, by enabling increased tax revenue and the finance Centre to fund tax cuts in respect of ordinary taxpayers. That is the middle to long-term economic fiscal aspiration of this Government to convert the economy of Gibraltar generally into a low tax area and of course that can only be done at a pace consistent with preserving the revenue income, the revenue flow to Government, that it needs to fund the public services which are presently Government's responsibility. Mr Speaker, I commend the Bill to the House.

HON J BOSSANO:

Mr Speaker, it is of course correct of the Government to state that these Estimates were not prepared for them. They were prepared for the previous administration and they therefore reflect the policy decisions of the previous administration as indeed happened when we were elected for the first time in 1988 and the 1988/89 Appropriation Bill and the attached Estimates of Revenue and Expenditure reflected a continuation of what existed in 1987/88. Therefore what is clear from the contribution of the Member opposite is that what we can expect is to go back to 1987/88 and that if we are going to discuss the policy and the

management of the resources and the assets of Gibraltar today we could not do it by reference to the figures that are in front of us but by reference to the methodology that was operational prior to 1988 and which they intend to put back. I have to say to the Member opposite that he will eventually find out how much putting that back will cost and how much less he will be able to do and it will take him time to find that out and I have no doubt that even when he finds out he will not be willing to admit it because he would find it politically inconvenient to do so.

The Member has talked about the degree of information and transparency that there is. The truth is, that since 1992 the information on the revenue streams dedicated primarily to two Special Funds were provided for him at the same time as the Estimates in answer to his questions. Whether they are attached to the Estimates or incorporated in the Estimates, the net result is that the process of the movement of expenditure and income from year to year is something that can be tracked with the level of information that is available already. There are, of course, as I have said, principally two Special Funds and the indications are that those two Special Funds are going to be discontinued. One is the General Sinking Fund and the other one is the Social Assistance Fund. Let me say, that throughout the last four years, when they were on this side of the House, they always took the position that they were not questioning the Social Assistance Fund because of the fact that it had been brought into existence as a consequence of the problems that we had faced since 1985 in relation to statutory provision for benefits and the consequences of having statutory provision for benefits in respect of the people who may, under the provisions of European Community law, claim such benefits. There is no doubt that the provision of benefits in a certain shape according to the advice that was there even before 1988, I remember clearly that the first legislation that had to be repealed was the legislation that provided for a non-contributory statutory Elderly Persons Pension because on the advice of the United Kingdom, if that was done as a result of legislation and as a result of an appropriation in the Appropriation Bill it was challengeable in Community law if the money was concentrated on Gibraltarian beneficiaries and not beneficiaries of other nationalities. He may well find that the more he goes in that direction the more people he will finish up paying. I certainly advise him to carefully think of that dimension when he starts pursuing the kind of route that he has mapped out today which of course we will reserve our final judgement on when we actually see what transpires. The General Sinking Fund was a commitment of the GSLP in the

1992 General Election and we will not criticise the Members opposite for doing what they said they would do because that is what they have been elected to do. Certainly, they seemed to think, when they were on this side, that we should not do the things we had been elected to do and we had put in the Manifesto because they did not agree with them. They will not find that approach from us. Obviously, we will try and persuade them whatever they may want to do themselves, to do other things which they may not have decided upon but which we think are desirable and therefore that is a role which we feel is appropriate to us in terms of attempting to persuade to influence the policy of the Government of the day.

The General Sinking Fund was a commitment on the basis of an approach to the management of the financial stability of this territory which, of course, constitutionally is ultimately the responsibility of the United Kingdom Government but in practice that responsibility has never been reflected in the British Government being willing to underwrite even the public debt of Gibraltar. The provision of that Sinking Fund gives a vehicle which would allow the Government to finance capital investment and at the same time to proceed with the gradual reduction of the public debt of Gibraltar which we would urge the Government to do which is a commitment that we had that was not mentioned by them. In our view the financial strength of the Government which is clearly not as weak as we were being told in this side of the House 12 months ago, when the House was being told by Members in a Motion that the state of Government finances was such that we might not be able to meet wages by the end of the year or that the state of the economy was the worse in our history and that we were at the time being told that we had a level of public debt which was a millstone round our necks, none of that was an accurate assessment of the situation then, and it is certainly not an accurate assessment of the situation now. The truth of it is that the finances of Gibraltar are in a very sound shape and that they need to be and therefore in the knowledge that the view that we have taken as a Government over the last eight years has been to consolidate the financial position of Gibraltar and to build up reserves we believe that that must be the line that we continue to urge on the Government. The analysis that we made from the beginning in 1988 was that there was an inevitable direction in which our economy was going. It was a direction which had been there since the Defence white Paper of 1981. But that direction was unstoppable and the only thing that was unknown was the speed at which we would move in that direction and that direction was the gradual, sometimes not too gradual for our

liking, rundown of the British military presence in Gibraltar and of course, the British military expenditure in Gibraltar which provided predominantly through employment levels but also through procurement in the local economy a virtually captive market for the sale of Gibraltar services, for the output of Gibraltar's workforce which was virtually guaranteed from one year to the next and in a situation where that is the dominant factor in the economy the revenues of the Government and the level of economic activity were not exposed to market forces. The economy of Gibraltar today is not the economy of 10 or 15 years ago and the more it is dependent on Gibraltar's competitiveness the more it is exposed to a situation where the kind of business that we get in Gibraltar can switch to a competing jurisdiction with little warning, this is not a negotiable thing, if the MOD say that they are going to cut X number of jobs the Government of the day can make representations for that to be slowed down for compensating factors to be looked at but if banks decided that they can make more profit by being in Luxembourg than by being in Gibraltar, there is absolutely nothing the Government can do to keep them here, they will go, and therefore we believe that a prudential fiscal policy requires, and we have always defended it, that the fallback position of the Government should be one of financial strength. We have maintained indeed that that is an essential element of the Government being able to have its own voice in anything because they can only have their own voice when you are paying your way and it is an essential element in the drive to finally put an end to colonialism and to achieve self determination. The strength of the finances of the Government and the strength of the level of economic activity are not divorced from the political determination to emerge from a colonial relationship into a new relationship with the United Kingdom which will reflect our position in the European Union and indeed which will reflect what has been happening in the rest of the world in the last 50 years where we have been stuck in 1969. It is clear that everything that the Government is proposing to do at this stage is designed to spend money. There has been no indication of Finance Bill being brought to the House to raise money and obviously they are only in a position to spend money because the money was there on the 16th of May to spend. It is not that they are printing money. It is of course their prerogative to spend the money in the exercise of their judgement because that is what the people of Gibraltar have decided, that they should have the responsibility of judging how that money should be spent, how much of it should be spent and whether it should be spent.

In looking at the structure of the companies mentioned by the Member opposite in his opening statement, I do not know whether it is that even now he has not become fully conversant because he did not seem to be fully conversant before but of course it is not true that in every case the companies concerned are drawing their income directly by charging for services because one particular company for example.....

HON CHIEF MINISTER:

Mr Speaker, if the honourable Member will give way, and in any case as a point of order, to suggest that something that I have said is not true requires his analysis of what I said to be accurate. I have not referred to the sources of revenue of these companies. I have limited myself to saying what the current cash balances held by those companies are. Certainly he can give whatever explanation he wishes but not to prefix it with the suggestion that the honourable Member does not know what he is talking about and that the honourable Member is not telling the truth. The people of Gibraltar have been hearing those two prefixes for the last four years. It did not service the honourable Member opposite in good stead in May 1996 and it is no more impressive now.

HON J BOSSANO:

I do not expect to impress the Chief Minister any more than he impresses me and he may even impress me less than I impress him and I am of course making myself entirely responsible for the accuracy of what I said and I propose to demonstrate it by reference to the Estimates of Expenditure we have in front of us. Mr Speaker, the Member opposite has said and we may need to go back and check Hansard if he does not believe that he has said what he has. In listing the number of companies he has said that these companies are spending money which do not appear in the Appropriation Bill and that there is going to be a reversion to reflect that in the Estimates of Expenditure, and I am about to demonstrate that this is not true in every case, and that it may well be that he has not checked every case Mr Speaker. After all, the Member opposite will have his final say and I am willing to give way if it is not the case that that is the point that I am making because that is the point that I started making when he interrupted me.

I was saying, if we take one particular company, for example, it is an example that I have given to him before in this House. Gibraltar Industrial Cleaners is responsible

for the collection of refuse in Gibraltar, and the cost of collecting that refuse is the charge made by Gibraltar Industrial Cleaners to the Government of Gibraltar and the payment of that fee to that company is shown in the Appropriation Ordinance as the money that is devoted to collecting refuse in Head 4, Subhead 9, Collection of Refuse £1,000,000. If tomorrow the company is discontinued and the refuse collectors revert to Government, the item will still be Collection of Refuse £1,000,000 except that it might cost more than one £1,000,000 if it reverts to Government. I am giving this as one particular example, where here, we have one situation where the actual collection of refuse that is contracted out is contracted out to the people who were doing it for reasons that were explained when that happened and for reasons which were designed by the Government in consultation with the people involved in carrying out the task by mutual agreement on a voluntary basis and after an assessment of the cost effectiveness of doing it that way. Certain improvements in the collection cost would not have been possible within the Government structure because it would not have been possible to contain any agreement to that particular area, there would have had to be agreement across the board affecting many thousands of other employees who were not in a position to deliver in exchange improvements in productivity and organisation that this particular group was able to do. There we have, clearly, a rationale for doing this which has nothing to do with being less or more open or anything else. It has to do with the efficiency in terms of value for money of a particular service. It is clear that when the Member opposite looks into more of these contracts he may well find that there is wisdom in keeping what works, but of course he has the right not to keep it if he does not want to. Eventually, the bill for doing things in different ways will appear in future Appropriation Bills and in future Estimates of Expenditure. Let me say that the point made by the Member opposite of letting in terms of removing the collection costs of particular charges for particular services is something that has been part of the Laws of Gibraltar since the 1969 Constitution came in and it is something that was there even before the 1969 Constitution came in, in terms of the Public Health Ordinance and it is something that is to be found in Treasury instructions in the United Kingdom and it is something that has got a logic to it and the logic to it is, that it is in fact a misconception to say we are going to vote in this House how much money we spend and to include as pending a payment which is a commission based on performance because we do not control the performance in this House of the activity. So, if you have got a situation where you have got somebody that

you engage to collect arrears, as a collection agent, the payment that he gets depends on how successful he is. It is a nonsense to say we are going to vote other than simply for the sake of showing the amount but in terms of the real decision-making process of voting expenditure this is not expenditure determined by the House. This is expenditure determined by the person conducting the activity. What is decided in the first instance by the Government in the process of negotiation with the collector of that debt is how much the proportion of the debt that he collects may be or how much the proportion of the fees for departure taxes may be and it is, of course, one thing to say we expect so many passengers to arrive in Gibraltar in the current financial year....and, of course, we do not debate revenue in the Estimates, we debate expenditure and you can put then a tentative figure on the yield of departure tax and that tentative figure is no more than a guesstimate based on a judgement as to whether the number of people that arrive and depart from the airport is going to go up or come down or stay the same.

All the revenue estimates are estimates of that nature. They are all estimates which presume that something is going to happen or not going to happen in relation to what has happened in the previous financial year. But, of course, if what you have is a proportion of the departure tax being retained for the running of the terminal and you put as an expenditure item here, in this House, that you are going to vote to give money to the operator of the terminal, independent of the numbers of passengers, then that money has to be paid even if the passengers are not there because it is money that has been appropriated from the Consolidated Fund and has nothing to do with the departure tax itself. So there is a logic to the situation. There is an incentive built in. It cannot be done the way the Member opposite does, certainly with anything that exists at the moment in terms of the finance provisions of appropriating expenditure from the Consolidated Fund, because it is not possible to do. The Member opposite may want to show it as an annex at the end of the Estimates and obviously he would provide the information if asked like we used to, but that is not money voted by the House. It is not money appropriated by the House but of course if he puts the gross figure.... if the Members assume that there are going to be 70,000 people departing from the airport and that each is going to pay a £5 departure tax and that that produces £350,000 and he puts the gross figure of £350,000 on the revenue side of this Bill and on the assumption that there are 70,000 departures, he appropriates from the expenditure side of the Bill £50,000 for the sake of example to the operator of the

Terminal, that £50,000 voted by the House has to be paid irrespective of whether the 70,000 people come because....

HON CHIEF MINISTER:

Would the honourable Member give way. Surely, his understanding of the appropriation mechanisms of this House, after having been in it since 1972, must exceed the remark that he has just made. These are Estimates of Revenue and Expenditure. We do not have to spend any of it. The fact that this House authorises the Government to spend £73 million, except the items which are a legal charge in the Consolidated Fund like public debt, the £55 million that this House is now giving the Government permission to spend, we do not have to spend a penny of it. The statement that because it is approved by the House, we have to spend it and have to pay to the contractors is perverse in the context of the knowledge that he must by now have acquired of how this House works.

HON J BOSSANO:

No, Mr Speaker, it is not perverse. I am simply demonstrating that what the Member is talking about in his opening remarks, after all, Mr Speaker, I am trying to exercise my right as Opposition in responding to the announcement that he has made. That does not make me perverse. It does not mean I do not know how the Estimates work, of course, but by the logic of that argument it is totally irrelevant whether we debate anything in these Estimates because he can say these Estimates approve £70 million of expenditure and when we change everything he is going to approve £100 million of expenditure but in any case it does not matter whether we approve £70 million or £100 million because we do not have to spend any of it. That is a nonsense because the Member opposite is signifying the intention to Parliament of spending that money and the money may not be spent for a variety of extraneous circumstances but if the House is asked to vote for £50,000 to be given to the contractor that operates the Terminal, irrespective of the numbers of passengers, then there is a different situation and it is a level of expenditure where a policy decision is being taken as to whether to spend the money or not and the point I am trying to make to the Member opposite is, that there is, as far as we are concerned, philosophically, ideologically, a qualitative difference between the two things. There is a qualitative difference between having somebody on a contract paid by result, where we in this House are not responsible for those results, and another thing is, where we actually approve the spending of

money which is based on a decision to carry out a certain amount of work or carry out a certain amount of purchasing of materials and the bulk of the appropriation ordinance is about spending money and about estimating the income that will flow to the Government from that expenditure and I am pointing out, that what he has indicated that his Government proposes to do, is something which can be debated and questioned. That does not mean that because he has decided to do it none of us understands how the system works. I am pointing out to the Member that how the system works has changed by us in the knowledge that it was a perfectly logical thing to do, that it reflected better the position of the money available. It is a more accurate reflection of the money available to the Government for other things, if you net the revenue of the Government in a position where that is a reasonable thing which is capable of being done, if you net it to show the collection costs. If the Government of Gibraltar, for example Mr Speaker, has £22 million from import duty as an estimate, which is the figure that the Member opposite gave at question time, and that money is going to the Social Assistance Fund, then there is in this case a book entry transaction which nets the collection cost of the revenue. However, the collection cost of the revenue because they are talking about a Government Department and people on established fixed salaries is not determined by the result. So you can say, if £22 million of import duty is collected it will cost £2.4 million to collect it and if it was £24 million it would still cost £2.4 million. In this case the meeting is a book-keeping entry between the Special Fund and the Consolidated Fund and the Consolidated Fund recharges the Special Fund the collection costs but of course the money that is available for the purposes of the Social Assistance Fund is not the £22 million it is the £22 million netted by the cost of collection. That is not giving less information, in the areas where the amount is done on a contractual basis and the balance of the putting into operation of that contractual relationship is what goes into the Consolidated Fund as it does in these Estimates and as they propose to change, it gives a more accurate reflection of what is available to use for other things unconnected with that function. So the situation is, that if at the moment the income from departure tax is netted that is because the netted amount, the balance, is what the Government can use for other things. The gross amount, in our judgement, does not provide a more accurate picture, it provides in fact a distorted picture because it gives the impression that you can collect £350,000 from departure tax which goes into the Consolidated Fund and is available in a single pool of revenue, when in fact it is not available and

in a single pool of revenue because there is a contractual arrangement that determines, that if three fifty is collected, fifty shall be paid and the decision-making process of the House is not in fact technically capable of changing that contractual relationship. So, if we have an item of appropriation that says the contractor is paid fifty thousand, not only is it the case that it may or may not happen as is the case with every other Estimate of Expenditure but that in fact if the amount was more, the House has no right to stop it happening. We could not decide, in theory, because I am sure Mr speaker you will agree that the whole concept of this House determining expenditure or affecting the level of revenue is in fact not possible since any amendments that result in a charge of public funds or which result in changes in revenue can only be moved by the Government. The nature of the Constitution prevents this side of the House from actually altering the income and the expenditure and therefore although we can debate till the cows come.... No, no, no, it is not just the fact that we are a minority, it is a fact that under the colonial relationship it has to be with the necessary approval signified through the Financial and Development Secretary, that any item affecting the revenue can actually be introduced in this House, and I think, if the Member cares to check, it is either in the Public Finance (Control and Audit) Ordinance or it may be even in the Constitution itself. That is the nature of the constitutional relationship. So, if we were able to persuade the Government to make any alterations, the actual alteration would have to come from them and not from us under the provisions of the Public Finance (Control and Audit) Ordinance.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If the honourable Member will give way. I think it is when one is increasing revenue, it is necessary to go through the procedures of the House as the honourable Member has described, Mr Speaker. Although I seem to recall that when the honourable Leader of the Opposition was Chief Minister, not so very long ago, during the eight year period, he did introduce an amendment whereby certain increases in fees can be done without returning to the House, or maybe that was the negative resolution proceedings. He probably knows more about it than myself.

HON J BOSSANO:

Yes, Mr Speaker, I accept that that can be done without recourse to the House. I am saying what comes to the House



cannot be altered in any other way. What does not come to the House certainly is not caught by that particular proviso because in fact it is by reference to the right of appropriation and the right of raising money that the provisions exist, but clearly in a situation where by notice in the Gazette a fee can be altered, at the end of the day there is no question that the notice in the Gazette is going to be put by the Opposition, so the issue does not arise. It is where, in theory, we are here. I can tell you Mr Speaker, from recollection of previous meetings of the House, going back some time, that when an attempt has been made as a sign of protest to have a token amendment removing one pound from somebody's salary, Mr Speaker ruled it out of order because the Opposition could not move amendments to the Appropriation Bill. So in putting in these Estimates amounts for appropriating to pay something that is currently netted and therefore is currently revenue-driven, not driven by policies here, we would not be exercising a real level of control. The Member opposite may be right in saying we would be providing information which is not currently available but in practice, in the judgement of the GSLP the presentation of that information would not present to the average man a clearer picture but if anything a more confusing one. Therefore, we do not support the removal of netting. We think it is a good and an efficient mechanism and therefore we think it is totally consistent with the position that existed in the laws of Gibraltar. In the Public Health Ordinance there is a specific mention of the income collected under the Public Health Ordinance being capable of being netted by the retention to the commitment in their manifesto to set up a Public Accounts Committee. I will give him the opportunity that he has indicated, that he wants to take up, of trying to persuade me that we should support it. If the Member is going to consult me, presumably the only thing that he can consult me on is how would we like it to be in order to participate and that has to be on the premise that we are willing to participate and he first needs to convince us of that. The Public Accounts Committee, Mr speaker, existed prior to 1984, twelve years' ago. It was discontinued at the time of the 1984 Election when we were in the Opposition by the then AACR Administration. Before 1984 when I was the only Member of the GSLP in this House, the GSLP did not form part of the Public Accounts Committee and kept its distance from it and certainly the way it worked during that very short period when it existed was that it became a forum like the star chamber to which civil servants were summoned and grilled. We do not believe that that is the function of the Opposition. We believe that the function of the Opposition is, that as the member opposite has said, they do not need

it themselves to keep check on public spending and although in last year's Estimates, for example Mr Speaker, when the Member opposite spoke, he concentrated not on the Estimates of Revenue and Expenditure that were then before the House but on the comments of the Principal Auditor, on previous years' expenditure and that was the bulk of his contribution to that particular debate in 1995, although it was pointed out to him that the controlling officers are civil servants, but that of course, the political responsibility lies with the elected members. We would look to questioning the elected members of the Government for areas of public spending which we feel need to be questioned and not the civil servants who are employed to do the job. We do not think it is our function. We never thought it was our function in 1984 and we are still of the same view in 1996. Therefore, I can tell him that we are unlikely to support the setting up of a Public Accounts Committee and unlikely to be persuaded that we should form a part of it, but I will wait until the consultation takes place to see if they can produce an argument that I have not heard before to enable us to review our policy of this matter.

Mr Speaker, the House has had an indication from the Government of the changes that they foresee taking place either during the course of this year or in the Estimates of Revenue and Expenditure that are to be presented next year which are really arguments about the compilation and the presentation of that information, and when that happens, we will express a view on the wisdom of what is happening. Clearly, it is not a difficult exercise to put everything back as it was in 1987. These things can be done relatively simply, so it is not something that needs to wait that long, if that is what they want to do, and it is not something that we will support or recommend. We feel that if we work in giving the Government less flexibility in carrying out their policies which we feel they are entitled to have, like we felt we were entitled to have it before. So they will not find us complaining, because what we will look to, is not so much how they go about doing it, but at the end of the day what we are interested in is the results. If the result is that they do things quicker, that they do things more efficiently, that they produce spin-off effects by having less cumbersome and less bureaucratic procedures, we believe that is better and it produced better Government and more efficient Government rather than being hide bound by tradition that we have to do things in a certain way because that is the way it has always been done, and because that is the way it was introduced in the 1969 Constitution and before that in the 1964 Constitution and before that in the 1954 Constitution and it is the way.... this system is the

system that the UK invented and exported to all its colonies. There is nothing sacred or magic or special about it. There is no reason why things should not be done another way as long as the effect of doing them another way is that at the end of the day more things get done. At the moment, nothing that has been announced about changing the presentation will have any effect on the real world and on the real economy and on the number of jobs and on the rate of economic growth. It may well be, that when other Members of the Government speak, they may indicate other things that are going to be happening during the year, but certainly by changing the accounts from showing one figure to showing another figure nothing else is going to change. Therefore, on that basis, although we recognise that it is only fair to give the Government time to get on stream the things that it wants to do and that it would be wrong in fact of us to seek to hold them to account at this early stage in their life we are therefore keeping an open mind on any policies that they introduce and making a judgement on that basis of results as to whether those policies are good for Gibraltar or not good for Gibraltar or something else should have been done. That will be the tone which we adopt in this House. It is the tone that we adopted before. It has been absent from the Opposition benches, I regret to say, since we have been in Government and we are restoring a style of opposition which I think is more civilised than anything we have seen for quite a number of years. It is a matter of judgement whether it is necessary, because Mr speaker, the Member has jumped up twice to interrupt me and felt the need to use language which I have not been using in my contribution, so it may be that temperamentally, since now he has to bite his tongue when talking to our colonial protectors in London, he feels he needs to loosen his tongue with me as a compensating factor.

MR SPEAKER:

That is a good note for a recess of 15 minutes.

The House recessed at 12.05 pm.

The House resumed at 12.20 pm.

HON K AZZOPARDI:

Mr Speaker, I was not sure whether the honourable the Leader of the Opposition had finished his contribution to the House? Mr Speaker, as the honourable the Chief Minister indicated, much of what we are going to say is going to be a broad thrash of the policy that we intend to implement in

our specific areas. Indeed, it is certainly true to say that we will now, that we are delving into our own specific Departments, will be giving more of a specific indication of what we are going to do, things that are going to change which will affect the real world, to coin the use of the phrase by the honourable the Leader of the Opposition. Certainly, though I give a broad thrash, I will give a more specific outline of measures that we intend to take if and when legislation is necessary and certainly when presenting it to the House.

I intend firstly to deal with the issue of health. This is one thing that has been present for many, many years in the Health Authority, in the health service. One thing that has constantly been a fundamental pillar of support to the health service is the quality and efficiency of the staff, which has never been put into question by the Members on this side of the House, and the efficiency and medical services available to the public have always relied upon, not to say, that those particular members of staff have not operated under easy conditions. Indeed, they have not. We all know that the public have voiced many, many concerns concerning the issues of medical services that patients have. One of the criticisms I think over the last few years and perhaps it is a historic criticism that the patient makes, as to waiting lists. The effects perhaps of private practice on those waiting lists, the lack of communication between members of staff, between management and members of staff, the lack of communication between the staff member and patients, for which the staff member is not at fault. It is just that perhaps the procedures are not outlined clearly enough for the patient to make use of them and also problems and problematic areas when it comes to the engagement of key personnel and whether, there is a need to engage further key personnel in medical matters. These are all concerns that are outlined by patients and the consumer. Indeed, as my counterpart the honourable Member opposite has indicated several times before in this House, the Gibraltar Health Authority created by Ordinance met infrequently, indeed, I understand annually. My impression is, and the view expressed to me by some people is, that the Management Board also created by that Ordinance, was undermined and its function broken down to a very large extent. I do not see the role of Minister responsible for health as chairman of the Gibraltar Health Authority as providing any opportunity for me or indeed that the role implies any sort of political control or political interference in medical matters. I think that the role as chairman of the GHA will be to set and channel Government policy through that body. It will then be implemented by a management board and indeed the

managers and employees of the Gibraltar Health Authority. One of the final concerns I want to highlight which is always also expressed by the consumer, is the fact of the administration resources. That is a matter that we intend to look at. Indeed, a lot of money is spent on the health authority and perhaps the resources need to be better administered and that is a question, once the Government has had an opportunity to examine the budget together with the management, to give a statement of policy in certain areas and then the management will indeed implement decisions of policy as I indicated.

We have mentioned throughout the election campaign and certainly through several months that there was a need to review many issues in the Gibraltar Health Authority. I set against that background the fact, which is well known, that there have been old reports, several reports prepared over the last few years, over the last ten years indeed, into aspects of the health services. In 1986 there was the well known commissioned Hill Report into Nursing Services used by the Members opposite while in Opposition against the AACR. In 1989 the Rocca Report was accepted by the Party opposite once in Government, also into nursing services and of course we also have the report in 1987 the lengthy creation of the Gibraltar Health Authority by Ordinance. That set up a relatively new structure, that report examined the aims, workings of that structure. It sought to implement a more efficient system. We are nearly now ten years down the line. It is clear that many criticisms still exist of that by many patients and many users of the service and it is therefore the Government's policy, as indicated during the election campaign and indeed in the manifesto, to conduct a review and a reappraisal of what was created to see whether it is working, to what extent it is working and if it is not working, what we can do to better it. I have had several meetings, various meetings with members of the staff to touch upon these issues of concern throughout the last two months. It is two months that we have been in office now, next week, and I am happy to say and I take this opportunity in the House to announce the fact that this very week the review boards were appointed by Government. There will be two reviews, a review into medical matters and structure, what I call the medical/structure review. That review will look at the efficiency and the workings of the GHA. It will look at waiting lists. It will look at medical manning levels. It will also look at private practice, and when looking at that particular issue, I really only need to refer to a comment made by my counterpart the honourable Member opposite in 1988 in her first budget speech as a Member of the Government, when she said, and I quote her,

"the relationship between public and private practice has not been established and therefore there is little or no control over private practice and a lot of work needs to be done in this area." Unfortunately, for eight years subsequent to that statement the Government then proceeded to ignore the fact that private practice was occurring side by side with the public service in St Bernard's Hospital. That is a matter that will be looked at by the review and recommendations will be made in that connection. The second review board that I want to highlight is one into nursing issues, manning levels and training, selection and recruitment procedures, those review boards have been tasked to report back to the Members of the Government in a few months' time. That will give sufficient time for us to consider those recommendations by the next financial year and then we will be in a position to discuss specific measures emanating from those recommendations. But certainly I do take the opportunity of saying publicly and to this House first, that the Government's manifesto commitment in this respect has already been put in place and the review boards will be up and running and will be ready to report in a few months' time. There are, course, other areas that we need to discuss, fundamentally, as I do not need to talk about specific issues, very very specific net issues in the health authority but there are other issues that we mentioned in our manifesto that are central to the health policy of this Government. We intend to set up a patients charter of rights. We said so in the manifesto. The work towards that will begin soon. Indeed, once the Gibraltar Health Authority, which I intend to use as a more regular vehicle for meetings is running and meeting, then one of the issues that will be discussed by the GHA is the patients charter rights which I see as a document that will embody the right of the patient to information and treatment. It will review the complaints procedure and indeed it will review the need for legislation, because let us not forget, that whilst there was no legislation implemented by the last Government in relation to complaints procedures, there was a reference made in the Ordinance to it, but there was no specific legislation. In England, of course, there is a substantial body of specific legislation, the Health Complaints Procedure Act 1985 and then most recently one that extends Complaints Procedures to Clinical Complaints, only about a couple of years ago. All those matters need to be looked at and the work will be channelled through the Gibraltar Health Authority. The third fundamental area that I want to touch upon, which I think is also essential to the progress of the health of the community, is the concept of health education. I think it is crucial that when we try to fulfil the statutory duty

placed upon the Gibraltar Health Authority of providing a comprehensive diagnostic and preventive service in Gibraltar, I think it is crucial that we set a health education and promotion fund because it is an unrecognised, underdeveloped area where we could do much towards preventative care, towards primary care and I certainly intend to exploit this area. The health education item in the budget certainly in so far as 1995/96 budget of the Health Authority is under-used, though I think an item of £4,000, specifically for the assignment of particular matters of health education and only a few hundred pounds was of that sum used. Certainly it is an area I intend to look at. I think we need a vigorous policy of health education to assist the community in dealing with preventative measures that need to be put in place by the family unit. People need to know how they have to react to the situation. People have to have more access to information about prevention in health matters. People need to have more access to first aid lectures and information generally about how they can prevent the most damning illnesses of the twentieth century, coronary diseases and other diseases such as that.

Passing on to environment if I can now, I have to say personally that.....

HON J BOSSANO:

Would the honourable Member give way? Can I ask him two things? One is, am I right in saying that one of the things that is not under consideration is the possible reintegration of the medical services into the Appropriation Bill as such as it was in 1987, that is, in the things that are under review, that is not one of them? The Health Authority, is it intended to continue as a separate body? And the other thing is, can he say who has been appointed to conduct the two reviews that he has mentioned?

HON CHIEF MINISTER:

If I could just deal with the first question which relates to the restructure of Government finances, he should not assume that the restructuring of Government finances will not result in more information about how the GHA subvention will be spent than is presently contained in the Estimates. The delivery of the resources will still take the form of a subvention by the Government of the charge on the Consolidated Fund to the Gibraltar Health Authority but that does not mean, that the Government will not give

departmental-type information in the Budget, in the Estimates of Revenue and Expenditure.

HON K AZZOPARDI:

As the honourable Member opposite is aware, in the ordinance there is a reference to the accounts of the Health Authority that are audited and then later laid retrospectively before the House, I will just add that by way of information to what the honourable the Chief Minister has said in that respect. In relation to the other matter that the honourable the Leader of the Opposition mentioned, certainly that information is available. A circular was sent to the staff, it should have gone out yesterday evening, perhaps it went out this morning, stating that information. The administrative and medical matters review will include a local GP, a local consultant and an external person with experience in administration. Those particular members are Roger Stokoe, Sam Benady and Patrick Nerney. Roger Stokoe of course has substantial experience in Gibraltar to the extent that he was a member of the old review board. Sam Benady is the most senior consultant at the hospital who is permanent and pensionable and the same can be said of Patrick Nerney. The other members of the nursing review are the Director of Nursing Services, the Deputy Director Mr Catania, the Nursing School Tutor Mrs Land and then two representatives of the Union that represents most of the nursing staff. I asked them for a couple of nominations and they sent me the nominations of Mr William Marsh and Mr Michael Netto. That review will also include Mr Albert Finlayson of Personnel. The reasons for that composition is obvious. The reason for that is to provide a balance between staff members, between nursing management and between Personnel and I think that information should be of some use to the Members opposite.

Passing on to environment as I prefaced just before, I have to say on a personal note, that I am glad that environment has been tagged together with health. I think there is an inextricable link to the health services with environment. Indeed, I say that, because there is much public health monitoring that is done. It is enforced through the Environmental Health Agency now privatised by courtesy of the Members opposite. There is much Public Health Ordinance duties that must be performed. There is also a link with tourism and the provision of finances to the Government revenue in that respect. If the heritage aspects of the environment policy of the Government are indeed expanded,

there is much touristic value in doing that. Let me say just before I go on to deal with other matters of environment that certainly it is Government policy to have an overall continuation of services that are already conducted through the Environment Department and I say that in relation to Litter Control, though we must look at the issue of enforcement because I understand that the Police Department have removed, due to some manning level concerns, much of their unit that dealt specifically with litter enforcement. We certainly intend to pursue the cleaning services, the collection of refuse, all of that. Overall control, the Public Health duties performed all of those duties as part of the overall continuation of services that the Government are going to perform. But, of course, then there are other issues that have been highlighted in the Manifesto on which we were elected, which we intend to enact by legislation some of it and that will have an effect on the performance of the Environment Department.

Planning is one of those areas, we are very much in favour of an open planning process. This certainly will require legislation, I believe. We need to strike a balance between the rights of the public to a fair hearing between the developers' interests, the developer who wishes to develop that particular project. We also need to strike a balance between adjoining persons interest, adjoining to the specific project that is proposed and the general economic interest of Gibraltar. Perhaps there has been much confusion and misunderstanding in the past precisely because there is not an open planning process. We certainly intend to address that by legislation if necessary to provide for an open planning process.

Another area of concern, on a more day to day concern, is of course this issue of noise pollution. Many members of the community mention to me that there is too much noise in Gibraltar. Indeed, there was a reference to it in the QE2 tourism survey conducted by the last administration. People coming to Gibraltar seem to mention that as one of their heavy concerns in Gibraltar. We intend to address that issue. The legislation that exists does not adequately cater for system, for a mechanism that can address concerns of noise pollution and we intend to look at that.

Passing on to the east side reclamation, what I call the purposeless, unnecessary dumping and the systematic erosion of the natural coastline on the east side, that I think has been the ruination of much of the natural coastline in that area. We certainly intend to stop the dumping, the unnecessary dumping and beautify that area especially in the

Catalan Bay area and that hideous amount of erosion of the coastline that has been conducted down at that side of Gibraltar.

We also of course have to deal with the inheritance of a transposition of much new legislation without a provision for a structure for enforcement. I was given a long list of EU Directives that have been transposed into local regulations and in many of them, and I mention that I have a list of twelve or thirteen, in many of them either no competent authority has been appointed to endorse those regulations or indeed no resources have been provided to the particular competent authority that has been appointed to deal with the enforcement of that. There has been much nominal enforcement and that is a matter that we really must review because we have inherited a European legislative burden from the previous administration in that regard.

I wanted to leave the issue of heritage for last when I considered the issue of environment. It is because I believe it to be possibly one of the most important areas of the environment policy of the Government. I think it is a cornerstone of environmental policy purely because it can be a mechanism that we can use to generate much employment and much income for Government coffers which then, we can redeploy in a climate of more economic prosperity into other areas of Government. It is clear to us, and we said so during the last few months, that there is a need to set up a Heritage Commission. The Heritage Commission that previously had been attempted by the last Government collapsed. Certainly we intend to create a statutory Heritage Commission. It will have an advisory role. The overall responsibility for preservation and promotion of heritage projects will still be with the Government but we certainly intend to enact legislation to set up a Heritage Commission which will allow us to be advised by the experts in the field and allow us to channel a proper programme of heritage projects. With that in mind, once the commission is set up, that commission will be allowed to discuss with Government the development of an overall strategy. I think it is important that we do so because if we only consider specific projects, then we are moving on a day-to-day, hand-to-mouth basis. I think we need to have at least a four-year plan over the first term of office of what we intend to have as a strategy for heritage matters. The existing legislation survey needs amending. The Gibraltar Heritage Trust has no teeth, it is well known that that is a criticism that they have voiced over the last few years. They need to have their powers enhanced. Many of the sections are obsolete because it refers for example to

references to the Gibraltar Tourism Agency, which is now defunct, and indeed makes references to the appointment of Museum Curator that is not conducted by them, or indeed makes references to other issues which relate, for example, to the collection of revenue from the Nature Reserve, again which is not done through them. So there is much in the Ordinance that needs to be addressed. Much of the sections are obsolete, the whole structure needs to be reorganised and the Heritage Trust needs to be given teeth. There also needs to be fresh legislation in the Government's view, towards the protection of buildings and the natural assets of Gibraltar. Many people say Gibraltar has nothing to envy any other part in the world. We are sitting on a natural oil field, if I can put it that way, of resources and we are doing nothing about this, or very little about it. In the Ordinance, apart from the fortifications and the other monuments that were protected, only seven particular buildings were protected under the Gibraltar Heritage Trust Ordinance. The SAVE Report, conducted many years ago, recommended that at least four hundred and eleven buildings be listed. Certainly the discrepancy between the two figures and just a walk around town will lead any Gibraltarian to the conclusion, that more than seven buildings would need to be listed to be protected and certainly we need to look at that and we will look at that and pass legislation towards the protection of a great number of buildings. All of that I use to preface my final comment on heritage and I say that I reiterate that I think it is extremely important that we use the natural resources that we have to generate employment and revenue for the Government coffers. We have, according to the statistics, five million people crossing the frontier, the land frontier, in the last known statistics but I understand that only twenty thousand people have visited the museum last year. We are wasting our assets. That statistic is symptomatic of the staggering misuse of the heritage industry that we need to exploit and we certainly shall. All cities around the world are exploiting their heritage and we intend to implement a more vigorous policy to generate employment, revenue and indeed to beautify Gibraltar.

On a final unrelated note, Mr Speaker, I hope you do not think me out of order when I say, that this being my maiden speech, I am glad that I have not followed the precedent in other Houses of Parliament where other more illustrious people than me have led to a more unsuccessful conclusion. Indeed, I recall the words of Benjamin Disraeli in the House of Commons in 1837 when he said those unforgettable words, after being heckled constantly that he sat down now but one

day he would be heard. I certainly thank the House for the courtesy that has been shown in my maiden speech.

HON J J HOLLIDAY:

Mr Speaker, as Minister for Tourism, Commercial Affairs and the Port, I would like to outline Government policy on my areas of responsibility. I shall start with Tourism, which Government believe can be developed into a major concern of our economy to ensure growth and create employment opportunities. The Government have the commitment and determination to develop Gibraltar as a quality tourist destination. Unfortunately, due to the lack of an adequate tourism policy by the previous administration, I believe we have lost valuable years in the development of the industry. We must look forward with confidence. Government policy includes the improvement of the product and a comprehensive carefully targeted adequately-resourced marketing strategy. Government plans the creation of a total Gibraltar experience based on a sensitive exploitation of our heritage and historical sites. We have exciting plans for Casemates which have already been aired in the House at the last sitting, which will be converted into the focal point for tourism. We also have a programme of urban renewal to restore our old town and plan to redefine various other areas. The Main Street beautification scheme is already becoming a good example of a project that will enhance our environment both for visitors and residents alike. We plan to beautify our points of entry into Gibraltar. the frontier, the port, including the Waterport area and Sir Winston Churchill Avenue. We also wish to improve Europa Point and the east coast which was destroyed during the last eight years. Additionally, the beaches will require major works in order to bring them to acceptable standards in terms of preservation and facilities offered.

I am delighted to report that the Cruise Liner Terminal should be completed by November 1996. The ferry terminal and coach park project have now been initiated but these have been long overdue for upgrading. These two schemes are vital to our tourist industry. Gibraltar has suffered problems of access by air, land and sea. This has been detrimental to the industry for many years. The Government has a commitment and indeed the determination to improve air access to Gibraltar and are actively encouraging increased scheduled and charter flights. I believe that this will improve our hotel occupancy and enable us to promote overnight stay tourists. I am confident that major

developments in this area will become a reality in the very near future. Recently-published research shows that the fastest growing holiday market is the cruise sector and predicts that more than 350,000 British citizens during the period 1996/97 will take to the waters of the Mediterranean and the Caribbean. This figure is expected to double by the year 2000. Gibraltar, has immense potential as a port of call for cruise liners and we intend to develop this sector of the industry. As I announced in the House in the last sitting, a Conference for Cruise Liner Companies is planned for August 1996 where all major operators have been invited. I am confident that we will succeed in increasing the number of cruise liners calling at Gibraltar. The main objective of this Conference will be to increase cruise liners calling at Gibraltar but at the same time promote our port as one where cruises can start and finish their programme. This would automatically increase our overnight stay in hotels. Additionally, I would like to see cruise liners arriving in Gibraltar in the afternoons and staying in Gibraltar until the next day. This would mean that we would have to offer adequate night entertainment and late night shopping and our restaurant trade would benefit from this as well.

Hotels have been under severe pressure in order to maintain standards of service. Government recognise that it must work with this sector of the industry and therefore I intend to open discussions with the Gibraltar Hotel Association to consider options to improve the current situation as soon as possible. However, the main objective will be to improve standards of facilities and the quality of service. Advertising and marketing is important in the development of any product and this is not different in tourism. Our marketing aims and targets will include increasing the number of overnight visitors, positioning Gibraltar effectively amongst this target market, creating for it a strong image and identity for the destination, and motivating Gibraltarians to sell their resort, fostering within our own community a sense of local pride of what we have to offer our visitors. We plan to work more closely with the private sector to improve our marketing and improve accessibility and the price proposition by adding value to the destination. Over the years the composition of Gibraltar's tourism market has been changing. The decline in the package tour market from the UK, competitively priced cruise packages and an increased influx of excursionists from Spain, mean that we have to upgrade our offer and marketing efforts. Our research points to a more targeted approach in term of types of holidays available. Consequently, our plan is to move away from the generic marketing of the destination and adopt a more segment

orientated approach. We will be undertaking in-depth consumer research on specific target markets and plan to focus our activities on five main general interest groups: the short break market, conference and incentive travel, cruising and yachting, the excursionists and dual centre holidays. This will be coupled with specialist activity directed at specific market segments which will offer history, heritage, culture, wildlife and leisure. Gibraltar has no defined resort image and identity in comparison with other destinations which is a motivating factor for prospective visitors. Differing message, logos and literature exists which may, as solus items, be strong but collectively, are confused and often conflicting. As a consequence, our positioning is unclear and consumers suffer from not understanding what we are offering. Our strategy is to introduce a strong, consistent identity for Gibraltar with a recognisable graphic style that will feature on all our promotional literature. The marketing budget, previously overstretched and insufficient to achieve any real impact on chosen markets or counter adverse media comments which, has been increased to £600,000. In fact, this means that this budget has been doubled when compared with the funds allocated by the previous administration. This will allow us to be more pro-active to the trade within our major source market mainly being UK, Spain and Morocco. The daily ferry service will commence between Tangier and Gibraltar later this month. We will also be exhibiting at the main travel fairs such as the World Travel Market and specialist exhibitions like Sea Trade for cruising and the London Boat Show for Yachting. In addition, our promotional strategy for this year will include a comprehensive, international advertising programme. Space will be taken in the UK national and regional media, specialist press and trade travel media to promote winter sun holidays, early bird bookings for 1997, holidays supplements and we will be supporting our participation in exhibitions. In Spain, we will be undertaking media advertising in key titles and we will also be placing poster signs in key cities in Andalucia and along the Costa del Sol to promote Gibraltar during the summer holiday period in conjunction with the Chamber of Commerce. This is due to start next week. Our strategy for added value packaging of the destination will feature comprehensive events calendars. Investment in the development of a high profile calendar of events will increase the potential of Gibraltar. Events will stimulate interest and encourage repeat visits in addition to providing a range of recreation activities for visitors, potential to create packages around an event and the opportunity to convert day trippers into an overnight stay. This is a brief overview but highlights how we will be

moving forward and what our vision is for the future of tourism.

HON J BOSSANO:

If the honourable Member will give way. Can he clarify for us whether he is saying the additional marketing budget is out of the £800,000 provided in Head 13, Subhead 14? Or that in fact it is intended to make supplementary provision to increase that amount?

HON CHIEF MINISTER:

Mr Speaker, it is intended to make supplementary provision so that that is the amount spent on tourism as opposed to the other things that are presently met out of that Head, widely described as it presently is.

HON J BOSSANO:

So are we being told that it is intended to increase that figure to £1.1 million?

HON CHIEF MINISTER:

Mr Speaker it will be necessary to increase that figure to the figure necessary to deliver £600,000 for tourism promotion alone.

HON J BOSSANO:

Yes, Mr Speaker and.....

HON CHIEF MINISTER:

.....presently spent on tourism.

HON J BOSSANO:

I accept that but the Member has said that they are going to spend £600,000 and that that means doubling the existing provision, I must presume that out of the £800,000 they think there is £300,000 and if they are going to double from £300,000 to £600,000 and that is going to be new money, am I right in deducing from those statements that it is the intention to increase from the £800,000 to £1.1 million because if not, the statements that are being made are not accurate.

HON CHIEF MINISTER:

Mr Speaker, it is much more likely to be nearer the £1.1 million. In other words, when we have analysed exactly how that figure is arrived at and what expenditure is charged to that figure which is not pure tourism promotion, that aspect of it will be increased to £600,000 and the honourable Member's calculations would sound right, it probably will go up to a figure of about £1.1 million.

HON J BOSSANO:

But in fact then, am I right in thinking that if the figure of £800,000 already contains more than £300,000 dedicated for tourism, then it is not intended to double, it is only intended to double if only £300,000 is for tourism?

HON CHIEF MINISTER:

Indeed, what the government wishes to spend on tourism in this financial year is £600,000 but of course, our definition of tourism is much narrower than it has been in the past for the purposes of targeting expenditure.

HON J J HOLLIDAY:

Mr Speaker, dealing with the second area of responsibility, commercial affairs, today the role of the private sector in the economy is of major importance. The reduction in expenditure by the Ministry of Defence will continue to have detrimental impact on our economy. Government look to growth in the private sector to ensure economic prosperity. The Chamber of Commerce, trading conditions survey during 1995, showed deteriorating trading conditions. Government are now determined to create a cost effective environment to ensure real growth and increase job opportunities. We will be tackling areas like import duties to create a more favourable business condition.

My third area of responsibility is the port. Government are committed to exploiting the enormous potential of the port as a major asset in the development of our economy, bearing in mind the needs of trade, leisure and touristic activities. In all these respects, Government plan to have a well-resourced and motivated Port Department workforce



within the public sector, which we believe to be essential. Government will be providing investment to ensure that the installations and facilities at the Port are up to the required standards. Working closely with the shipping industry, our aim is to ensure that Gibraltar prospers and grows as a price competitive port in services such as bunkering, water, chandlery and agency work generally. Government seek to establish Gibraltar as a centre of shipping related finance and insurance businesses as well as for international ship management companies. A well regulated and adequately marketed ship and yacht registry is a vital aspect of this promotion. There is much interest in exploiting Gibraltar's special geographical location to establish cargo and container transshipment and bulk cargo break-up and distribution operations. We are currently considering various proposals in this field. We believe these port developments to have great potential for the establishment of industrial jobs. Mr Speaker, Government are committed to promoting such schemes.

The House recessed at 1.00 pm.

The House resumed at 2.30 pm.

HON MISS M I MONTEGRIFFO:

Mr Speaker, it is the usual practice of most Parliaments to congratulate Members on their maiden speeches. We have already heard two, Mr Speaker, that of the honourable Mr Azzopardi and that of the honourable Mr Holliday. Therefore, I wish to extend to them my congratulations.

I have listened very carefully, Mr Speaker, to what the Minister for Health and the Environment has had to say about the Gibraltar Health Authority. Now, of course Mr Speaker, being in Opposition and being a constructive one, we need to await the results of his reviews and changes to the structure and we will then be in a position, Mr Speaker, to monitor the situation to see whether he will be able to deliver everything he has stated. But of course, Mr Speaker, I wish to place on record a very brief expose of what the GSLP inherited in 1988 and what the GSD Administration have inherited eight years later. My description of the health services then Mr Speaker is a far cry to what the Minister has described today. Then, Mr Speaker, the whole of the health services were in an appalling condition. There was even Mr Speaker, a lack of basic medical equipment. Today the reality is, that I have handed over to the Minister two completely transformed hospitals including the Health Centre, which have been

refurbished to very high standards and all are provided with modern equipment. When you take into account, Mr Speaker, the fact that it takes about nine months to fully refurbish a ward to the standards we set, it is unquestionable that during our two terms in office we have done a lot for medical services. Before we left office, there was only the kitchen left to refurbish and Lewis Stagnetto Ward, which is presently housed in the Private Corridor. Since last year, we have also started, in conjunction with the DTI, looking at the possibility of building on the top floor in order to provide larger areas for a number of departments. We were also looking at the possibility of building a second theatre on top of the new wing and we had started discussions with the medical practitioners to employ more doctors. These discussions, Mr Speaker, were conducted by my colleague the honourable Mr Perez whom I understand gave a commitment given the explanations they put forward to agree to their request. I trust, Mr Speaker, that the Minister will continue with the standards we set and maintain the levels of progress we initiated. Of course, Mr Speaker, there is a limit on how much can be done in two terms we were in office. What is unquestionable is the level of spending we have allowed to increase which stood at £8 million in 1988 and £21.4 million in 1995.

Moving now to sport, Mr Speaker, I can only go by what the Minister the honourable Mr Britto has said during Question Time, and I am glad that he has just arrived. I would like to say, Mr Speaker, at this point in time, that when we constituted the Gibraltar Sports Advisory Body the members therein were elected to advise the GSLP administration on any matters related to sport. I also gave details in this House, not only of their terms of reference but also of how the money for financial assistance was being allocated. I look forward Mr Speaker to knowing the composition of the members of the new Government intended Sports Council, how they are elected or appointed, details on its function and who is going to chair it, Mr Speaker, if anyone. Here, Mr Speaker, as in all other areas we need to see what the Minister does in relation to sports generally. When we were elected, Mr Speaker, much required to be done and we moved at a very fast pace. We quickly upgraded facilities at the Victoria Stadium, Hargrave's Court and the John Mackintosh Gymnasium. We also introduced community use at all the schools' sporting facilities. This, together with the realisation of the new indoor and outdoor facilities at the Stadium, meant that the GSLP administration increased allocatable hours by an extra 350 per week, Mr Speaker. If it had not been due to all of our efforts, Gibraltar would not have been host to so many international events held at

the Stadium, and of course, the new resources we provided have helped enormously to the development and improvement of many sports. We have also kept to our commitment of encouraging sporting entities to run their own facilities and we provided sites to a large number who today can boast of having very good facilities. These associations, Mr Speaker, are Rifle Shooting, Pistol Shooting, Squash and Swimming, and the new excellent Calpe and Med Rowing Clubs, have also seen an improvement, with their new clubs and this again has been at the initiative of the GSLP administration. And, of course, Mr Speaker, what many people were predicting would be a failure was a tremendous success and that was an event, that took place nearly a year ago, and which the whole of Gibraltar will remember. I am referring, Mr Speaker, to the Island Games. I have always described them, Mr Speaker, in this House and publicly, as a concerted effort between the community and the GSLP administration. As soon as Gibraltar's bid was accepted to hold the Games in 1993, I gave a commitment, that facilities required for the eight course sports would be in place in time for the Games to be held, both to the International Committee of the Island Games, who came to Gibraltar to meet me, and to this House. The support and financial assistance that we provided exceeded the expectation even of the Gibraltar Island Games organising committee. The GSLP administration, Mr speaker, then had only one commitment left and that was the provision of premises to sporting associations. Here, we performed a huge exercise in identifying areas to house all the sporting entities, plus cultural and charitable organisations. As and when we started off in premises, Mr Speaker, more entities started to apply but we were able to offer the staggering amount of 76 premises. The reason, Mr Speaker, why the Minister said, that a number of organisations had received no offers, is either because they had applied at a later stage, or because the elections had caught up with us. We started off, Mr Speaker, with Jumper's and then moved on to Town Range and then we started offering other areas in town and in the south district. The GSLP, Mr Speaker, when in office, did give a commitment to the Gibraltar Rifle Association, that we would provide financial assistance for the building of an indoor rifle range. The Minister has said, during Question Time, that the matter is waiting a policy decision and I trust that he honours that commitment, Mr Speaker. I now wish, Mr Speaker, to clarify the question of the roof at the Victoria Stadium. I have checked with my records Mr Speaker and works were indeed carried out in 1991. Further works were carried out well over a year ago and a survey was also carried out and we were then told, that the roof would require replacing in about three to four years time.

Unfortunately, Mr Speaker, last year we had torrential rains which affected the whole of Gibraltar and then we were advised that the roof would need to be replaced. I can assure the honourable Members, Mr Speaker, that we had every intention to place the roof. Of course the works could only proceed during the summer. The fact, Mr Speaker, that the Minister said during question time that no provision was made in these Estimates, does not mean, that the Government are unable to carry out the works. The Minister is able to use the money out of the vote from the Refurbishment of Government Buildings. We also, Mr Speaker, intended to replace the floodlighting of the Stadium's outdoor main pitch. The Minister again has stated, that his Government is actively considering this matter and is considering also the matter of the floodlighting of the second pitch. I was advised, when I was in office, Mr Speaker, by the person in Government Department, that this was possible and had received CAA approval. I trust, that it now receives also, the approval of the Government, Mr Speaker.

Finally, Mr Speaker, I cannot end my contribution in Opposition without thanking all those Government employees who helped me in my difficult task throughout the years that I was in office. Thank you, Mr Speaker.

HON H CORBY:

Mr Speaker, my contribution in this our first budget speech as a Government Minister, will base itself on the commitments to the people of Gibraltar, as identified in our 1996 Manifesto. We have said publicly that we will honour all existing 50/50 schemes entered into by the previous administration, and encourage further developments of this nature if necessary, for those who have the financial ability and resources to buy their own homes. However, we are also committed to the provision of low cost housing for rental, for those people in our community who, for whatever reasons, are unable to finance home ownership. With this in mind, we will utilise family units handed over by the Ministry of Defence, to boost our housing stock. These flats, will be allocated to Gibraltarians on the housing waiting list, who will in turn, release vacant flats for further allocation. Residents of Government dilapidated Estates, will be glad to hear, that we will embark on a programme of external beautification and a more efficient way of carrying out internal repairs and maintenance. Residents, will be encouraged to form Tenants Associations, whereby, through the creation of a centralised unit for complaints, they will be able to voice their opinions as to

the quality and service and maintenance provided by the relative departments.

On the question of drugs, Mr Speaker, this Government is 100 per cent committed to the fight against drugs, as was the previous Government, when in office, and will pass whatever legislation and take whatever steps are necessary to eradicate this activity from our society. It is also our view to end all fast launch activities which relate to organised contraband. This practice, is very harmful to Gibraltar's image abroad, and poses serious obstacles to the establishment of Gibraltar as a leading and reputable finance centre. But perhaps, the most damaging result of this activity, Mr speaker, is its effect on our youth and to our community, and how support for this activity, led to the riots of July 1995 where Gibraltar was held to ransom by a few and where lawlessness was the order of the day. In order to avoid a reoccurrence of this sorry state of affairs, we will increase police resources for fighting all drug pushing and importations by further strengthening the court's power in establishing, tough minimum sentences for drug offences. However, for those who fall victim of drugs, this Government will establish a well resourced rehabilitation centre in Gibraltar to provide rehabilitation and counselling, not only to those who fall victim of drug abuse, but also, to their families who have also been affected by the drugs problem entering their home environment. I have also talked with my friend, the Minister for Education, and we will pursue a sustained educational campaign based on school lectures, pamphletting and advertising, which will give us a firm basis of knowledge and understanding for children who, when confronted with this dilemma, will say no to drugs.

On the question of the prison, we have undertaken some works which was promised by the previous administration. We have upgraded the water supply to the prison and we are also looking into the electricity side of this, because the electricity side forms part and parcel of all the systems, that are geared to monitor prisoners etc. We are looking at that, and also on a paging system, which I know, the Member opposite obviously was also looking into.

Finally, Mr Speaker, the Government will remain fully committed to the financial and social well being of Gibraltarian elderly citizens. The technical issues and challenges that this Government faces, are the same ones, faced by the previous Government. Our commitment remains the same.

Thank you, Mr Speaker.

HON R MOR:

Mr Speaker, it would appear that I did not do my job very badly, since it does not appear, much of what I had done or was going to do, is being taken up by this Government. Talking on the general principles of the Bill, Mr Speaker, what I am proposing to do, is go into some background, historical background, so that the policies, which were taken at the time as a result of the situation then and which is what is currently being reflected in despatches, so that it is more understandable. It would appear, Mr Speaker, that on that side of the House there are some fans of George Orwell. At least there is one particular Member there and it is said, about George Orwell, that he would not blow his nose, without moralising in conditions in the handkerchief industry. It appears, that that is catching, because an honourable Member on that side of the House, would not open a nursery without moralising on conditions of the nappy industry, or talk about the disabled, without moralising on the disabilities of everyone. The reason, Mr speaker, why I am referring to George Orwell, is because, he wrote the book "1984", and that was being used, to draw a parallel, with what we were trying to do in setting up area committees under the chairmanship of the Mayor of Gibraltar. If I remember rightly, what the honourable Member was saying, that the book is about a society which is entirely controlled by an administration, I think he used the phrase "Big Brother is Watching You" or something to that effect, but what I have to say, Mr Speaker, "1984" was in fact, a very important year for Gibraltar, because it was the year when the GSLP came into politics. If we consider, that as the honourable Member was saying, that "big brother is watching you", I think he watched over us extremely well. He provided housing for our people, he provided investment for Gibraltar, he has done a tremendous lot and achieved a tremendous lot for Gibraltar and not only that, but he has left you with over £130 million of reserves.

Mr Speaker, if I can go now into some of the problems we found in 1988, and there is one particular problem which is still with us today, or it has not been entirely settled yet, and that was the problem of Spanish pensions. The situation we found, when we came in was, that since 1986, the Spaniards were being paid revalued pensions, and the story behind that problem is, that between 1955 when the scheme started and 1969 when the frontier was closed and the Spaniards were forced to leave their work here, they had contributed a total of £37.45 each during those 14 years,

towards their pension rights. That entitled them, for a married couple, to about a £1 a week, a pension worth about a £1 a week. In 1986 when they were paid revalued pensions, a married couple came to collect around £70 per week. That increased the bill, the Pensions bill, to what was estimated then to about £7 million a year more and the situation we found was, that the British Government had provided £16.5 million worth of aid which, together with the £4.5 million, which was the accumulated Spanish sub fund, they had a total of £21 million which covered during the years 86, 87 and 88. The problem we found was, that before the end of 1988, the money was running out, and we had to start negotiations with the British Government, because our commitment was, that we would not pay a single penny towards the cost of Spanish pensions. But before that, we did take an urgent measure because as the law stood at the time, the Social Insurance Fund, if the Social Insurance Fund became short of money, there was a connection with the Consolidated Fund and then the Consolidated Fund would have to crop up whatever money was needed to pay pensions. So immediately we came into office we actually isolated the Social Insurance Fund from the Consolidated Fund by amending the law. There then followed a long process of negotiations with the United Kingdom, which eventually resulted in our reaching agreement, that the United Kingdom Government would continue to provide funding to pay the Spanish pensions until the end of 1993 and, that then, the Pensions Fund would need to be wound-up. There were other things, Mr Speaker, which we also introduced very early on during our term in office. That was the problem with those men, who retired at the age of 60 but only had to rely on an occupational pension if they had one, or and until, they reached the age of 65, where they could then get a pension. They did not have any income whatsoever and it was therefore, our policy, that we would introduce a scheme which would provide some income during the ages of between 60 and 65 for those unemployed, and we also provided, that they would get social insurance credits for as long as they were registered unemployed.

We also introduced a training levy, which was at the time, and I think it is still, £2 per week for each employee, and that also enabled us to start a lot of our youth training schemes. Originally it was started for school leavers under 18 years and then extended to those under 25. In December 1990 we were also successful in getting European aid, for the first time ever in Gibraltar, although we had been led to believe that that was an impossibility by the previous administration. We managed to get those training funds, which were then extended to other areas, and today as we

know, we are getting a considerable amount of money from the European Union. We also introduced a minimum wage, which does exist in Gibraltar, and there was also a need to repeal the Family allowance, which stood at the time, and that was mainly for the reason that a person, once a person worked here and claimed Family allowance, if he became unemployed it did not necessarily follow that he would lose that. As long as they kept registering, they would keep on receiving the Allowance, and we could foresee, that a huge problem would be caused if we had, with a turnover of outside labour that we had, we would have a tremendous problem, so we therefore also took action in safeguarding that area.

We also introduced something, which had been pending since 1973, and that was, the sex discrimination legislation in Gibraltar, it has been introduced during our term of office. It is interesting to note, Mr Speaker, that when I looked at the records of persons who had contributed to our Social Insurance Fund, since it started in 1955, I found that there were around 100,000 contributors. When I looked at the records, there was a big massive room there all full of records and paper files, and so, we decided to microfilm the records, and that is something, which is already available and it has proved that it is much easier now to follow up records with the microfilm equipment that you have at The Haven.

We also had a problem, Mr Speaker, which had been a long standing problem with the previous administration, and that was, those male persons born before the year 1910. That was because in 1975 they would have been 65 and when they opened the Social Insurance Scheme to everyone, they were then too old to apply and to get in, and that was a long standing claim. So I took that up and we managed to introduce a retirement allowance which catered for the needs of that particular group. Mr Speaker, we have also done a lot of work and made considerable investments as regards the mentally and physically disabled, and that can be seen in the Dr Giraldi Centre, which I think is an excellent facility for the disabled and which has shown the commitment that the GSLP have always had towards the care of the mentally and physically disabled. We have also taken the necessary measures to also provide some interim care, in cases where parents needed to have a break or to be away, so that they could place those persons under care in the Centre. Mr Speaker, I think that very briefly covers a lot of the things that we have been doing and which has led to the Budget, which is presently before the House, and which reflects a lot of the policies that we had taken.

HON DR B A LINARES:

Mr Speaker, we are fortunate that our educational system is marked by very high standards in every respect. For this, credit is due to successive generations of teachers and educators, especially since the World War II, when the state education system was put into place and modelled on the British educational system. This has been complemented over the years by the valuable contribution made in a spirit of collaboration by the private schools, particularly the Christian Brothers and the Loreto Nuns, who have won the love and the gratitude of our community. We are indeed proud of the success being achieved today by our present educational institutions at all levels. Government believes that any investment in education, is an investment in our future as a civilised, worthy and prosperous community. Our commitment in this respect, Mr Speaker, has been already demonstrated in a very tangible manner only a few weeks after our coming into Government. We have already increased the complement of qualified teachers, which had been static for the last eight years, by five more teachers. This has not only enabled us to offer employment to all qualified teachers returning to Gibraltar this year after graduation in UK, but we are now able to attend to children with special needs in a more effective manner as I will explain later.

For the first time in the last eight years, we have also been able to offer places in Government nurseries to all children from the ages of three to four whose parents have actually applied to us for pre-school education, and this has been done, as announced earlier by the honourable the Chief Minister, by creating a new nursery unit in the north end of town for sixty children. Thirty in the morning and thirty in the afternoon, and offering jobs to a qualified school-teacher to be in charge of this nursery, together with a nursery trained nurse and a classroom aide. But because we value the contribution made over the years to pre-school education, and today as well, by excellent nursery schools in the private sector, we will also offer incentives in the form of tax allowances to parents who opt to send their children to fee-paying nurseries. These measures, have been explained already by the honourable the Chief Minister and we will soon give public notice of practical arrangements to be made to process applications to this effect.

No educational system is worthy of their civilised and caring community if it does not attend to the special needs of the academically weak and the physically handicapped. We

have in our electoral manifesto a firm commitment to look after the interests of these children and we have again demonstrated the genuineness of our commitment by already establishing a new special unit at Westside School to cater for the needs of secondary school children with special needs. This has been done by selecting and appointing a specially qualified teacher over and above the existing complement and an additional classroom aide. At this point, Mr Speaker, I would like to explain to the House a particular aspect of the staffing arrangements made this year to provide adequately for our schools in the next academic year. Three years' ago the GSLP Government agreed with the Gibraltar Teachers' Association to establish teacher/pupil ratios of one to twenty in first schools and one to twenty five in middle schools. This was a specious agreement, since these reduced groupings, were not matched by a corresponding increase in the teacher complement. Hence, the agreement has been sustained over the last three years only by encroaching, increasingly every year, into what is called the floating pool of teachers provided in every school mainly to support classroom teachers attending to children with special needs. This year crisis point was reached and I am pleased to state that it has been avoided through a heavy investment by this Government increasing the complement, as I announced earlier, by three more teachers, thereby as a side effect, as I explained, providing also extra jobs for our graduates returning from the UK.

Another crisis inherited by us, has been, the lack of planned schooling provision for the increase in population in the Westside area. The crisis has been avoided by moving Bishop Fitzgerald Middle School and the reception year of Governor's Meadow to the New Camp complex, until now occupied by the College of Further Education. The College will in turn be moved to Bishop Fitzgerald premises in South Bastion. It would have been impossible, in September, for St Anne's Middle School and St Paul's First to have accommodated all the children now living in this catchment area. These moves are being successfully managed by the Department of Education, thanks which I want to acknowledge, thanks to the co-operation at all times of the teachers and head teachers involved and indeed the children themselves, who have enthusiastically shared in the exciting experience of moving home, and the parents where in all our consultations with them have shown understanding and readiness to co-operate. I must also put on record the support given to us by the GTA, the Gibraltar Teachers' Association and the Transport and General Workers' Union with whom we have consulted constantly. Our technical officer and the contractors are currently engaged in

tireless efforts to ensure that all the premises will be adequately refurbished in preparation for the start of a new academic year in September.

It is right, that I should put on record, Mr Speaker, that our traditional examination results at GCSE and at 'A' levels, place our schools among the most successful schools in UK, and two points have to be made in this respect. One, we will maintain the scholarship system on the present mandatory basis, funding students who obtain places in UK colleges and universities, and two, we will review the present procedures for assessing parental contributions which at present are quite inequitable. We also have to take note that there are many children in the post-14 year groups who are not suited to academic studies at this level. We will support and resource the efforts currently being made in our schools and the College of Further Education, to make more adequate curricular provision for these students in job-related and vocationally-oriented courses. We will also support, wholeheartedly, the magnificent work being done by the Youth Office and their dedicated team of voluntary leaders, youth leaders, and I am happy to announce that we will soon start work on the construction of a new Youth Club at the Adventure Playground in Laguna Estate. Something that was long overdue.

As regards consumer affairs, Mr Speaker, another area of my responsibility within my ministry. Citizens advice and consumer protection will of course continue to be an objective, a serious objective of this Government. The operational structure of the present unit will be reviewed within the general review of the Gibraltar Information Bureau, which the honourable Chief Minister announced earlier, and indeed, in the context of European Directives which I am currently studying.

Finally, Mr Speaker, as Minister responsible for the disabled, I have pledged the Government's full support for the magnificent work being currently done with care and professionalism by St Bernadette's School, the Dr Giraldi Home and, indeed, the Society for Handicapped Children, with all of whom I have held discussions and obtained briefs. Mr Speaker, it is in this area that we have the weakest of our brethren who merit our very special attention. It is an honour for me to hold ministerial responsibility for their interests, their aspirations and their welfare.

May I thank you, Mr Speaker, and the House, for the courtesy of your attention.

HON J GABAY:

Mr Speaker, first of all I would like to make some comments on the question of Heritage, with reference to the remarks made by the honourable Minister for the Environment and Health. Needless to say, I share his sentiments with regard to the conservation of our heritage. I have in the past been chairman of the Gibraltar Heritage Trust, for three years, and I am aware of the difficulties of conservation. This is why I start by saying that I share these sentiments, but I would like to comment on the difficulties as well. It is absolutely vital to steer a middle course between two extremes. On the one hand, you have the absolutists that want everything preserved, everything paralysed and when you touch anything which is old, hands are raised in horror. And at the other extreme you have a different mentality. Those who, in the concern for development, can degrade themselves into some form of vandalism. Returning to the sentiments that you heard expressed, all I can say is, that we would all like to see these ideas put into practice. Nevertheless, they are costly and difficult to institute and because of my special interest in the subject I will monitor the developments as closely as I can. The second point of reference is, when you actually mentioned the word "maiden" speech, I thought you were going to treat us to some witticism or the pun about the more felicitous maiden occasion that I believe you are entering into tomorrow, and therefore, if it is in order, I would like to congratulate you and to wish you all the very best, after all, the cliché says that a man is incomplete until he is married and then he is finished.

Turning to the field of education, it is true that we have had a fine system generally going back to the days of the Loreto Nuns and the Christian Brothers, to whom we owe an enormous debt, but coming closer to the present, I think it needs to be said, that when the GSLP Government came in in 1988 the scenario, in comparison to what we have today, was rather bleak. There was definitely a deteriorating infrastructure. There were limited opportunities and there were also insufficient resources. Today, the fact that perhaps the education field is the least controversial in the political arena is a tribute, in fact, to what has been achieved and praised by the honourable Minister in some other capacity constantly, and I think, with justification. We have a system and a standard at the moment, of which we can feel truly proud. Needless to say we must not become complacent. We need to study, as we mentioned in Question Time, the ongoing debate in the United Kingdom, but to remain selective as to what is important within our context.

One cannot deny, that physically, we have witnessed new schools at South Barracks, and particularly, the South Barrack schools, represent a marvellous project of conservation. We have seen the thorough refurbishment of the Minister's former school at Bayside, and the realisation of a project of works and extensions, that have enhanced the global pattern of our schools. In the pursuit of educational progress, the College of Further Education was reorientated to meet the changing needs of our community in the economic field. There is now a stress on the information technology, business and finance, accompanied by computerisation of the learning process. A very important and indicative fact is, the number of scholarships awarded. What a far cry from the days, when perhaps the hon Minister and myself were at school, when there were only two scholarships a year - one given by Government and one given by the Mackintosh Trust. In any case, in 1989 thirty scholarships were awarded and last year over 200 were awarded, and this reflects, a concern for education and the political will to spend wisely and generously in this field.

The Estimates for Expenditure introduced for 1996/97 is £11,692,900, and, if we are to compare this Estimate, with expenditure in the past, we shall see that it is typical of an increase of expenditure, in this very important field. I remind you again, that with regard to what happens in the UK, important as it is, and subject to a large extent as we are, because we are geared to the same examination system, that we have the privilege and right of course to depart from decisions which may not be in our better interest. I think that there are some interesting examples. Whilst in the UK the Government has embarked on student loans and kept grants, we in Gibraltar, have increased student grants annually, and again, whilst in the UK, housing benefits for students were abolished, we have introduced access funds, to help those who are most in need. I think, that it is not presumptuous on our part to take some credit for what has been achieved, which will make possible, for the Government of the day, to proceed to an enhanced system that is firmly established. This may well account, for the fact, that the section on education in the electoral manifesto, was rather thin, because it must have been rather difficult to single out matters of importance, since they were being suitably covered. Therefore, we in the Opposition, will be on our guard against financial curtailment that might check the progress made. After all, it would appear, when we contrast the statements during the election and the reality of our financial position, that the coffers after all, are not as empty as was imagined or propagated by some.

Let me end by saying, that it may be a maiden speech but what with the heat, and so on, the briefer the better. Thank you, Mr Speaker.

HON J J NETTO:

Mr Speaker, after seven weeks of a GSD Government, I would like to make a statement, so as to describe the state of our Buildings and Works and the Employment and Training Board, as it is today. Following from there, I will be outlining the Government policies for the future, in that particular order. As soon as I walked into my new office, I asked my administration, in Buildings and Works, for various analysis and reports in the functions of the Department, and these are currently being compiled and considered. In general terms, the Government's view is, that the customers of the public sector are entitled to value for money and efficient services. Employees are also entitled to proper conditions of work, that will allow them to deliver the high standards of services the community deserves to receive from its public servants. The Purchasing and Monitoring Section was created as a result of the audit review of 1993. However, I am far from satisfied as to the terms of reference being given to scrutinise all purchasing and monitoring functions. The irony of the case is, that we now have materials and various other items which are going out to tender for all Government Departments, except our own department in Buildings and Works, even though the purchasing section is within my department. We have a situation where a few managers of Buildings and works can actually purchase items themselves through the Local Purchase Order books and for which in most cases, we already have such items in consigned tenders at a lower price. In a recent report prepared for me by the Purchasing Section, from the Local Purchase Order books which are carried out by the Operational Management, has shown an over-expenditure of £74,501, divided into different categories, although part of these items are held in stock and while some good reasons can be attributed for the over-expenditure I, as Minister responsible for the public purse am happy about this arrangement, which will be reviewed. In any case, it is the policy of the Government to centralise procurement by all Government Departments, Buildings and Works will not be an exception.

Mr Speaker, I spoke earlier about the need for the public sector to deliver efficient services. It appears to be the case, that little was done, by the former administration in this area. The basic philosophical approach of the

Department, in the area of maintenance of housing estates, is that tenants should have a say in the on-going beautification and maintenance of their estates. Judging from the many letters received from tenants, there is great frustration on their part for the delays incurred with the repairs, while some of the reasons for this is to do with the undermanning of the complement which I will refer later, we have at the moment a Warden Section in Town Range, where reports from tenants arrive. However, we have no way of monitoring details of man hours and materials per job entered in the job requisition paper work back to the administration computer system. Additionally, we also do not have as a Department the views of tenants in relation to the job done. This is something I am committed to reviewing in order to create a partnership between the service user and the staff.

Soon, the Union will be approaching Government with a view to discussing manning levels and whilst I do recognise that there are at present imbalances among the trade groups, to provide a better service, we are conscious of the fact that the resources of the Government are not infinite, therefore a balance will have to be struck between the two above mentioned issues. Mr Speaker, it is our aspiration to deliver success in the partnership between the Government and its employees by giving them security in employment in return for providing quality services for the user and value for money to the taxpayer. In a phrase, it is a strategy for survival and success.

Mr Speaker, the Employment and Training Board, ETB, is a unit established from within the Gibraltar Development Corporation. Members of the Gibraltar Development Corporation Board are appointed by the Governor and there is an empowering Ordinance stating that, the purpose is to regenerate the economic base of Gibraltar government and Ministers sit in the Board. The Employment and Training Unit committee consists of three members. Since the ETB inception, those appointed have been on a partisan approach. It is clear that this committee has not fulfilled any purpose whatsoever. We intend in line with the relevant International Labour Organisations to invite representatives from both employers and unions in such committees. The GSD subscribes to the European philosophy of consultation and participation at the place of work with genuine independent and professional organisations. The ETB appoints staff who make up the Employment and Training Unit. Most of these staff are seconded from the GIB office and some in turn previously seconded from the defunct GSL. There are 21 staff in all in the Employment and Training Unit who carry

out a range of segmented duties in separate offices, at the non-purpose built, Duke of Kent House. The Director of the Employment and Training Board is given considerable powers which cannot be appealed against in court. Yet, there is no organisational chart of the ETB or ETU which shows an appointed director. In fact, there is no organisational chart or job profile for any of the 21 staff at the Employment and Training Board. Indeed, the more one looks into the legislative and functional role of the ETB, the more one is astonished, that it could have continued to grow. The ETB does not produce an annual report and employment statistics are only published in short details to answer House of Assembly questions. Running employment totals, vacancy numbers, placement records etc., are not in the public domain. The Gibraltar Development Corporation accounts are professionally audited, but the last seen to date, are the ones of the 31st of March 1994. Large sums are paid in admin charges to pay up to 500 vocational cadets by sub-contracted work. It is the intention of the Government to carry out a major review of the functions and purpose of the ETB. It is essential that an accountable system be created and continuously developed which shows a. efficiency, b. equity, c. effectiveness, d. empowerment, and e. ethical conduct. The ETB will have its own budget with a controlling officer and will allocate costs to all segmented functions.

Mr Speaker, throughout the election campaign and in our election manifesto we have committed ourselves to the removing of the 1st of July law and that every Gibraltarian under 21 to have an apprenticeship or other training opportunities. We believe that the 1st of July law discriminated against British subjects in Gibraltar by giving them less rights here than all other EU nationals. Therefore, this law will be repealed before the end of August of this year. The delay in repealing the law is the need to review and restructure the workings of the ETB. Over the next three years Gibraltar will go through important changes in its labour market. On the one hand, we have the MOD redundancies to cope with, and on the other, the Government policies to boost the economy and create the right conditions for business to prosper. No doubt the new reformed ETB will play a vital part in the channelling of human resources to meet the new demands of the future.

Thank you very much.



HON J L BALDACHINO:

Mr Speaker, before I go into the responsibilities I have in this House as the Opposition spokesman on housing and employment and training, I would like to clarify a few points which have been made by other Members in their contribution. One of them I am referring to is, Mr Speaker, the contribution that was made by the honourable Mr Holliday, who is the Minister for Tourism, when he stated, and I heard him on radio today, when he was asked about the ferry that will be operating from Gibraltar to Morocco, I want to clarify that this is not something that has come about because of the new measures that he has recently announced. This was something that was there prior to the 16th of May and I know that this is so because the manager of the company came to see me precisely to see which jobs could be taken up by local employees. I hope this is not something of the new measures that he has just announced and the new measures that he has announced will have to be valuated at the end of the period. I wanted to clarify that point.

The other point I want clarification on, and which was not very clear, was the announcement made by the honourable Chief Minister on the allowances for people who have their children in nurseries. The question is, as I understand it, and maybe some of the honourable members can clarify the point, is that the age group of three to four is only based, I suppose because there is the same age group which applies to Government nurseries, and that the allowance, will be given to people or to families who cannot find a placement in Government nurseries, which has conditions attached and therefore, will have to seek that service elsewhere, because there is no facility there and therefore, the £500 allowance will be given to those people, immaterial of their income.

HON P C MONTEGRIFFO:

I can confirm that the £500 allowance will be available to every parent, in respect of every child that is seeking placement in nurseries outside Government nurseries, that because as a result of the Government nurseries being full, vacancies cannot be taken up.

HON J L BALDACHINO:

Three to four, I think I have clarified that three to four is because it is the same age group that Government nurseries have.

HON DR B A LINARES:

That is true, if you will allow me Mr speaker, but also because, strictly speaking, pre-school education as such, in the educational concept, is the three to four age group. Two to three, is really more of a stay and play, more of a playgroup type of attendance. In terms of pre-school education, where diagnosis and all that can take place, is really the three to four age group, that is also a consideration.

HON J L BALDACHINO:

So it brings me to the point, Mr Speaker, that being an allowance, and after hearing the honourable Member's explanation, is something to do with part of education and also part to help families to put children in our nurseries, having given it as an allowance, and due to our income tax structure, it means that people who are better off will get more back in allowance than people who are worse off. Therefore, if somebody is for example in a 50% bracket he will get £250 allowance for each child that he has in the nursery, while if somebody is in the bracket of 20% he will only get £150, even though both are paying the same. So I think it is a measure really that benefits more the persons who are in a higher income bracket than those who are in a lower income bracket. I do not know if that is something that the honourable members are taking into consideration but I think it is something that should be taken into consideration if the whole idea is to help apart from education to help those who pay to put people in nurseries.

HON CHIEF MINISTER:

If the honourable Member will give way, I can put his mind at rest, at least in so far as it relates to the nursery allowance. The fact of the matter is, that the cost of the give-away is such that the administrative cost of a means test, not that in any case we have any ideological fixation with the points that the honourable Member has just made, but in any case, the cost of operating a means test would simply not be worth the amount that might be saved by denying the benefit to some people in what he calls the better off category of our community. In this particular case that is the reason why in any case it would not make financial sense to subject the Income Tax Department to the administrative burden and cost of saving £10,000 or £15,000 by simply choosing people from whom to deny what is not a particularly expensive give-away.

HON J L BALDACHINO:

I understand that the Government members after the explanation of the honourable Chief Minister, did give consideration to the fact that this could be happening.

Mr Speaker, moving now to housing, I welcome the announcement of the Minister for Housing, because I have my reservations that during their election campaign he was giving the impression that he was against home ownership. I welcome that he will be keeping the 50/50 which is a commitment that he gave for the two projects, being Montagu Crescent and West Side Park. What he has not made very clear whether this will also be considered and extended to other projects in the future. He says that they will provide housing for those who cannot afford to buy. I suppose that the formula that they will use, if somebody can afford to buy or not, will be the base on the leading institution if they will give a mortgage to a person or not. That is the safest, I personally think that you can use, because lending institutions, especially building societies are regulated by an Act of Parliament in the United Kingdom and therefore they are limited to whom they can lend or to whom they cannot lend. Nevertheless, having said that, I suppose that the Housing Waiting List will not be changed in any way or form and therefore, that people, even though they can afford to buy will still be able to get rented accommodation if they so choose, even though it is subsidised. There is a contradiction between what the honourable Member for Trade and Industry gave me in an answer to question and to what the honourable the Housing Minister has announced today and what is clearly in their manifesto. I am referring to the answer I got when I asked whether Prince George's Block had been returned to the Government and if it had been returned to the Government what use it could have been made of. The answer I got by the honourable Member was, that Prince George's Block had not been returned to the Government but in the supplementary, in the last supplementary I made was, if he could confirm that my assumption that when it was returned, it would not be used for residential purposes and for Government rental, and he said, that my assumption was correct. That is not clear, there is a contradiction in what he has said and what the honourable Minister for Housing has said and it is a matter of fact under housing, housing for rent in what he stated in the manifesto in paragraph D. Housing for Rental, which it clearly states that every flat that comes back to the Government from the MOD including Edinburgh House and Chilton Court as part and

I will read it Mr Speaker for the benefit of the House, "used flats handed over by the MOD including Edinburgh House and Chilton Court as part of Government rental stock" and it is clear, more clear it cannot be. So I would like confirmation from that side of the House, who is right? The honourable Minister for Housing and their Manifesto or the Minister for Trade and Industry.

HON CHIEF MINISTER:

Mr Speaker, the position of the Government is clear. It is our policy to use the properties transferred over by the MOD for rental purposes for those on lower incomes. That is not to say that there may not be exceptions to the rule. It depends very much on the characteristics and the nature of the property, whether they can be put into rentable use and for what amount of money. Whether, perhaps the whole building may need to be demolished and redeveloped. I do not have a list of all the properties in front of me but the honourable Member can be sure that the policy commitment is in so far as it is possible and practicable to use single unit dwellings, apartments, transferred by the MOD for use for the Government rental stock. That is the generality, and anything else, of which there may be examples, would certainly be the exception and whenever there is an exception, I am certainly willing to stand up in this House and justify and explain why a particular property is being made an exception to the general rule.

HON J L BALDACHINO:

Mr Speaker, but I hope that the honourable Member understands that I needed clarification on that point because there was a contradiction in what is in their manifesto, in what the Housing Minister has said and what actually the Minister for Trade and Industry actually answered in one of my questions. Nevertheless, Mr Speaker, in housing, actually the honourable Member is in a better position than what I was in 1988. In 1988 when we came into office there were 2126 applicants for housing whilst he has now got 265.

HON H A CORBY:

If the honourable Member will give way. There are at the moment not 200 and something but 459.

HON J L BALDACHINO:

That is not the information that I have, that I actually got from the honourable Member opposite. 400 and odd from 2126 is still a great difference. In medical cases he has only got 13, I am correct in that one I suppose?

HON H A CORBY:

He knows better than I do that the question that he asked in the House was for applicants and not for people who are in the medical category on an A, B or C which are currently well housed but are still on the medical side of it.

HON J L BALDACHINO:

I am correct that he only has 13 because once he provides adequate housing according to the medical history of the person that is waiting for an exchange, he will still get a flat back. So I am right in that he has only got 13. 13 to find houses for, the others already are well housed, all there needs to be a change so he will get a house back if he is on the waiting list, so there is no loss in the waiting list, that is what I am referring to even though I understand that the problem of finding alternative accommodation is greater, I accept that, but nevertheless there is no loss to the housing stock as such.

I hope that the honourable Member will also take into consideration when we were in office we were the first ones actually to build for people who were disabled. I suppose that if ever he finds that he has to build houses he will take that into consideration. I also would like the honourable Member to take into consideration that the houses in Scud Hill, some of them were actually built for that consideration, to be taken into account.

HON H A CORBY:

All the houses that are geared to disabled persons will be actually allocated to disabled people.

HON J L BALDACHINO:

He also has to understand that he has inherited from us, or what he has not inherited from us, is that there is no longer North Gorge and no longer White Rock Camp which was also there in 1988 and that even though the pre-fabs which I think there are only about 11 families which have been given offers by the previous administration, by us, the only thing

is that they did not want to move because they wanted to negotiate to go to a different location or a different area when they were offered those allocations. I suppose the honourable Minister for Trade and Industry will be very pleased to see that the pre-fabs only has 11 families and that soon it will be able to be demolished, which was something that he was saying here in the 1989 and 1990.

Obviously the Minister for Employment and Training has said that he will be providing job opportunities and to get his statistics, which he reckons are not sufficient to what he already has in the ETB. So therefore, even though he has not spelt it out clearly, what are those measures that he intends to introduce. One is in a very difficult position to judge how effective those could be. Nevertheless, I suppose once he has made up his mind what measures he intends to introduce then we will be in a better position to judge the effectiveness of what he intends to introduce. Obviously, what he cannot do is link the revision of the 1st July law with the restructure of the ETB. He must know that to repeal the 1st July law all he needs is a stroke of a pen and to gazette it, and therefore, he does not need any restructure unless what he intends to do is replace it with something else. And if he replaces it with something else and the 1st July law only restricts new British entrants who come to look for work, then obviously if the intention is to introduce new measures in that area it must be that there must be a certain restriction in that area as well, because otherwise, he should repeal it and that is it, and he has not said that. He tried to get away with it by saying that the restructure of the ETB had got something to do with the first of July law, and I was waiting patiently because when I asked him the question and I did it as a matter of fact, even though the honourable Chief Minister took it differently, when I asked the question of the job vacancies that had been registered with the ETB and what nationality had been employed, I was trying to impress that the past administration, and I am sure this administration is, that the ETB as an institution does not send other people like other nationalities across the border to vacancies that have been opened there, that if anybody is employed there then it is because the employers have chosen to employ somebody and not because somebody has been sent there. That was the gist of my question at the time and I suppose that is what still is in the ETB, that was the reason why I was asking because sometimes people do criticise the ETB because they think that any nationals other than Gibraltarians who is employed is that they have been sent by the ETB, which is totally incorrect and I suppose it was totally incorrect then and is

totally incorrect now and I hope that he still maintains that policy.

When the honourable Member says there will be a budget, there will be a budget for the Employment and Training Board and the honourable the Chief Minister said in his remarks or in his contribution this morning, that his colleague the honourable Minister for Employment and Training, will have his own department, I am not too sure if it is going to be brought back as a Government Department or will it remain as it is. But there will be a budget and something showing the expenditure just to show, well, I would like clarification on that, because it was not very clear.

The honourable Member has not mentioned training, even though he did mention training in passing and he said it was over 420. I recall that when I was there, there were 420 trainees, I think he mentioned the figure of 500, it might be that 80 more have been given jobs training with employers. Let me say that he has not mentioned where he will make changes to the agreement that I did with the Chamber of Commerce, as a matter of fact, with the agreement that I did with the man that now sits on his right hand side, which I think was beneficial both for employers and for trainees because the trainees were being trained to NVQ levels. He has not mentioned the Employment and Training Board that was set up. The intention of the previous administration was to extend training to other craft grades, I do not know if that is still the intention, like electricians. We also had offers, as a matter of fact I had negotiations or discussions with the MOD, they were also prepared to provide training in the mechanical trades. I do not know if the honourable Member is going to carry on with that. I think it is advantageous that people.....

HON J J NETTO:

If the honourable Member will give way, I can confirm that tomorrow there will be an advert in the Chronicle in which we commit ourselves to a further intake in the Training Centre in Harbour Views which is of 56 new trainees in various disciplines and as well as the honourable Member opposite was saying the six trainees that the previous administration was committed with the MOD itself, so yes, I can confirm that that will go ahead.

HON J L BALDACHINO:

Let me get it right, he mentioned that in the Business Centre, there will be an extension to the Training Board

which is situated at the Business Centre. I suppose that what the honourable the Minister for Education mentioned of the youngsters that are 14 years but are not academically orientated, which was something that I also discussed with the headmaster of Bayside but I did not want to commit the new administration, to look at the possibility of those youngsters which today are placed with employers and then they go to school for two days because the law provides that they have to be in full time education. I do not know if by what the honourable Member implied is that some of those youngsters will be placed in the Training Centre or whether those youngsters will be made provision for in the College of Further Education to carry on from there because if some of them may not be very academically orientated and therefore you place them in the College of Further Education probably they will not be able to, how can I put it, better themselves academically. Anyway I think it would be better if they would be put together in the Training Centre. I do not know if the honourable Member is going that way or going to the College of Further Education, for them to be provided education in that area, or whether it is a mixture of both.

HON DR B A LINARES:

When we speak of job orientated vocational courses or the 14 plus year group, we mean something wider. Definitely some, within that age group would be of themselves geared to apprenticeships when they come to school-leaving age, some, a very small minority, will be entered as traditionally for a one-year course waiting, marking time for the fifteen year birthday when they will then either go into employment or perhaps into training. But job orientated vocational courses as envisaged in the Dearing Report in UK, and a lot of work has been done by educators, is something wider than that. It is really courses which are educational full-time courses in the school for these children but which are not so academically weighted as the GCSEs and the A level courses, they are much more related, as defined job-orientated vocationally orientated courses but still within the school curriculum.

HON J L BALDACHINO:

So probably more on the GNVQ qualifications in that area? Therefore, Mr Speaker, I suppose that if the honourable Minister for Employment and Training has not criticised in any way the training schemes that have been put in place, I suppose he will be carrying on in the same lines, even though he might have other ideas in different areas.

HON J J NETTO:

If the honourable Member will give way, no, he should not presume that, that is to say that we will, in conjunction with all the functions and duties within the ETB, actually review the training of all different aspects.

HON J L BALDACHINO:

And what I am saying to him is, whether he will keep it on as an employer-based thing, or whether the Government will be putting training centres to cater for all trainees that is required in the economy and if he is not doing that, then obviously it follows that he will carry on the policy that we had.

HON J J NETTO:

It does not necessarily follow that, as he is well aware there are various training programmes in place which we have inherited. We are looking at each and one of them and we will keep obviously what is useful for the Government economy and what is not obviously it will have to be either amended or something else in place.

HON J L BALDACHINO:

And I accept that, and I accept that he might change some of the training in areas where he thinks that there should be no training but nevertheless he will still keep to the principle of work placement with private employers rather than put a big system or a big system where the training is given by the Government, that is what I am saying.

HON CHIEF MINISTER:

It will be a mixture of both. The honourable Member knows, if he has read our manifesto that there is indeed a commitment to enhance the apprenticeship training opportunities within the public sector as well, so the answer is that whilst we will certainly keep as the mainstay of our training initiative, partnerships between the private sector and public sector funding, there will also be a degree of training opportunities within the public sector itself.

HON J L BALDACHINO:

I accept that Mr Speaker, but I hope the honourable Member takes into consideration what I am about to say, and I say it not as a criticism but as advice, what I am referring to is, if you have a training centre which caters for craft training and if you put a parallel system within the public sector on apprenticeships, obviously you are saying the whole idea of having the training centre, as it is, was to provide craft-trained persons to the public sector as well as the private sector, because if you have two, then you are condemning the people who are today in the construction centre not being able to have an opportunity.

HON CHIEF MINISTER:

What I am saying is that there will be apprenticeship and training opportunities within the public sector, that does not refer to where the training is delivered, it means for whose benefit the training is taking place. In other words, if the private sector will sponsor certain amount of apprenticeships with a view to engaging a trained apprentice eventually within the public sector.

HON J L BALDACHINO:

Fair enough Mr Speaker, I will leave it at that. I will keep a watchful eye on the measures that have been announced by the Government and how effective they are. Therefore I would like to end my contribution Mr Speaker by thanking, during my eight years in office, I need to thank the persons that were, the staff that was with me in the Housing Department, the persons that were with me in the Buildings and Works and obviously, even though I was only a year in the Employment and Training Board, I also would like to thank my staff there which is now their staff, which have been loyal, for their efficient advice that they have given me and I am sure that the same advice and the same loyalty that I received, will be given to honourable Members opposite. Thank you very much.

HON LT-COL E M BRITTO:

Mr Speaker, as Minister for Government Services and Sport my responsibilities cover a wide area. I have five Government Departments that answer directly to me plus a number of subsidiary areas, so I hope the House will bear with me if I make what will in effect be five different contributions rather than one coherent speech as others have done.

To deal first with the Electricity Department, this department is charged principally, but not solely, with the provision of electricity supplies to the civilian population. It specifies, procures, operates, maintains, repairs and installs almost all items of plant, equipment and cables used for the generation and distribution of supplies of electricity. The Distribution Section of the Department is additionally charged with the design, installation, maintenance and repair of street lighting and traffic light signals. Following a decision of the previous administration there has been no further expansion of the Waterport Power Station. King's Bastion has been phased out and the power purchasing agreement was entered into with the Omrod Electricity Supply Company in August 1989. The Electricity Department staff currently operates from three locations - from King's Bastion Power Station, from Waterport Power Station and from the Orange Bastion Depot. King's Bastion provides accommodation for the Consumer Services Station, the Meter Testing Sections, some facilities of the Electrical Technical Section and workshops for the blacksmith and carpenter facilities. The conditions of the premises are very poor, being prone to damp and to the ingress of water. Waterport Power Station houses the three generating sets and the control room and is where the administrative section and the offices of the senior staff are located. Orange Bastion Depot is the location from which the Distribution Section operates. It is notorious for inaccessibility, being situated at the northern end of Irish Town, and its proneness for floodings whenever it rains heavily. The Depot itself is ancient, some of the facilities are home-made and rudimentary and the access to the site is so restricted that a change of location is warranted. The site of the ex-Public Works Department Central Stores in Rosia Road has been identified as a possible new site to accommodate the services being provided from King's Bastion and Orange Bastion Depots and this is being actively considered by Government.

There has been a reduction in the numbers employed in the Department over recent years. This trend began during the term of office of the previous administration and was influenced by their decision to close down King's Bastion Power Station but it was also affected by the early retirement of the Moroccan labour force. The money in certain sections has been reduced to a greater extent than in others and has given rise to some concern in regard to inability to expeditiously meet all requirements and commitments. Thought and planning now needs to be given to the future beyond the year 2000, as an appreciable number of the present labour force will be much closer to retirement.

The current complement of the labour force is 80 non-industrial and 39 industrial personnel. In looking ahead to the future the Electricity Department will need to make a reappraisal of the needs of the electricity supply in relation to the full development of the reclaimed land and also to any needs which are identified in future to supply to land and property at present occupied by MOD. Current development plans mainly involve the high voltage distribution network and has two specific aims. Firstly to be able to import power from the OESCO Station in line with their planned programme and secondly to re-arrange our distribution so that increased demand from both new buildings and existing supplies is met as economically as possible. To achieve this, a new Distribution Centre is currently under construction at the site of the old sewage plant at Orange Bastion and this will be linked to the Distribution Centre in the old Dockyard area at Jumper's Bastion, and also to the main switchboard at Waterport Power Station. This will allow all high voltage equipment at King's Bastion to be withdrawn from service. This withdrawal, and the relocation of facilities previously mentioned, will release King's Bastion complex for development and other use. The procurement of the remote control system using the latest electronic technology which will enable all main circuit breakers at Jumper's Bastion and Orange Bastion Distribution Centres to be monitored and operated from Waterport Power Station, is currently under investigation. Such a remote control system will serve to improve the supply of electricity in terms of enabling quicker diagnosis and restoration of supply after a fault. For example, after the recent power cuts it was found necessary for personnel from Waterport to deploy to various locations in Gibraltar to be able to do this. With this new remote control system this will not be necessary.

I now turn to the City Fire Brigade. The obligations and responsibilities of the Brigade under the Fire Services Ordinance are as follows:

1. To ensure the safety of the people of Gibraltar by providing an efficient and effective emergency service capable of responding and dealing with all kinds of emergencies. This facility also extends beyond the shoreline to ships that may request our assistance.
2. In addition there is a requirement to provide advice, both formal and informal, on fire precaution and preventions; and

3. The Department is also responsible for emergency planning, civil protection and defence at national level.

During 1995 the Brigade attended a total of 1,196 calls of which 248 were actual fires and 354 emergencies for special services. About half of these fires were in vegetation and refuse but 31 were in kitchens and 29 in motor vehicles. About half of the special services provided were lift rescues and attending requests for entry into locked premises. During the course of the year no injuries were sustained by any member of the Brigade in execution of their duties. The City Fire Brigade is an efficient unit, which is well led, well equipped and well trained. It has proved this in its record of performance. Looking into the future, the Brigade is currently engaged with extra commitments arising out of the problems being experienced on the Harbour Views Estate. It is seeking to improve and develop its marine fire fighting plans and also it is planning to deal with emergencies arising on the Spanish hinterland. Plans are also in hand to develop and improve the command and control room of the City Fire Brigade.

Coming now to our Postal Services. The Gibraltar Postal Service is an independent postal authority governed by the provisions of the Postal Service Ordinance and the convention of the Universal Postal Union. All accounting for the exchange of mail is carried out direct with the countries involved. The main Post Office in Main Street houses the administration, the Savings Bank, PO Boxes, the Letter Sorting Office, Postmen's' Room, the Wireless Section and the main counter, and there are sub offices in the north and south districts. A Philatelic Sales counter is located at the main Post Office and is operated by the Philatelic Bureau which also caters to the needs of about 6,000 overseas philatelic subscribers. The actual production of stamps is undertaken by the Philatelic Bureau which was privatised on the 1st April 1994. The Post Office also operates the Savings Banks in which there are currently 6,420 ordinary accounts. The Wireless Station is responsible for the issue and renewal of transceiver licences and the issue of ship wireless licences. Looking into the future, the general Post Office building in Main Street is badly in need of repairs, although the Sorting Office and the main lobby have been refurbished in recent years, major works are required to the roof and all public and working areas from the first to the top floor. There has been a lack of refurbishment and repair to this building in recent years and there are substantial problems of water penetration and deterioration. In order to comply with our international commitments and in line with the decisions

taken at the Seoul Congress in 1994, which laid down maximum and minimum guidelines, our postal rates need to be increased. In particular there is a need to bring them in line presently in force in the United Kingdom and thus do away with existing anomalies. Whilst every effort is being made to delay such increases, there will be a need to bring them into force some time in 1997. The previous administration had made a commitment to the Unions to install letter boxes in all Government-owned dwellings. The majority of these were provided during the term of office of the previous administration but at present there are some 200 such dwellings without letter boxes. Following representations from the Union the Government is currently taking steps to provide these dwellings with letter boxes. Current legislation requires that all new buildings and housing projects should have letter boxes installed at the entrances at ground level. The Personnel Department of Government has been approached by the postal workers asking that Government request landlords of all private dwellings to install letter boxes at the entrances to private dwellings in Gibraltar. Just as the previous administration could not accede to a similar request in 1994 the Government has advised that they are unable to meet such a request now. There are also European Union Directives which will effect the future of the postal services in Gibraltar and their effects are being currently studied.

Turning now to the Support Services Department of Government, which is not really a department in the accepted sense of the word, because it does not have its own complete structure of administrative command and control. It is made up essentially of six sections and each section has direct access to myself as the Minister. The Senior SPTO in the Department is the Controlling Officer but was not made a head of Department under the previous administration and therefore does not have such duties in an official capacity. The present situation is unsatisfactory from a number of points of view and a study needs to be made with a view to restructuring to obtain a most satisfactory situation. I will deal, very briefly with the main problems facing each Section. Firstly, the Highways and Sewers, which I am combining into one, the labour force of this Section was considerably reduced under the previous administration mainly due to the repatriation of the Moroccan labour force. This has led to contractors having to be engaged for certain types of work other than that work for which specialist contractors would have had to be engaged anyway. It has also led to the workforce having to work extra long hours. In short, the workload requirements of these Sections are in excess of the resources that they have to carry them out. I

will digress briefly, to mention the works that these sections are currently carrying out in Main Street, in the area of the Convent where, as Members no doubt know, a number of holes have appeared in the road and also to a similar situation in the reclamation area. Firstly to say that the two incidents are separate and distinct, that the reclamation area incident is apparently a subsidence of sand which has been dealt with and the road has now been re-surfaced but the problem in the area of the Convent is of a different nature. There are, as I speak even now, investigations being carried out but it seems that the old sewers in that area along Main Street, there has been a problem and that the roof of those sewers has collapsed in more than one place. Investigations are being carried out at the moment, these are very old sewers, as Members know, over a hundred years old, investigations are being carried out to establish the extent of the damage and work is already in place to repair the damage that has been located and identified. But we are not sure whether there are other collapses in other areas that have not actually shown up on the road itself. But we have technical equipment inside the sewers carrying out the investigation.

The Garage and Mechanical Section, once again has suffered in manpower losses under the previous administration and once again this is mainly due to the repatriation of the Moroccan labour force but also to transfers of personnel to other Departments and to commercial companies. With the exception of the Police Department and the Fire Brigade this Section provides maintenance, breakdown and repair service for all Government vehicles. In order to carry out the same service as before but with fewer resources the workforce has been required to work extra long hours. The Electrical Section of Support Services has also suffered manpower losses again mainly due to transfers to other Government Departments and once again extra long hours have been worked by the reduced workforce to maintain the same level of service with reduced resources. This Section carries out all electrical repair work in Government-owned buildings, including lifts.

The Licensing Section is the only remaining Government unit still housed in the old Treasury Building. Within the overall study of resiting of Departments currently being considered by Government this Section is one that is expected to move into premises more suitable to the requirements of staff, to improve security and to provide a better service to the general public in improved surroundings. Consideration is also being given to ways to improve the Section's capabilities to store and manage its

driver records. Finally, the Vehicle Testing Centre is situated at Devil's Tower Road and is responsible for all vehicle testing and examination of drivers before the issuing of driving licences. The main problem facing this section is dealing with the requirements of EEC Directive 77/143 relating to road worthiness tests for motor vehicles and trailers which have to be implemented by the 1st of January 1988. Formal proposals have been made by the staff side for the privatisation of the Motor Vehicle Testing Centre and these will be considered by Government.

I now turn to the fifth and last Department under me which is Sports and to reiterate Government's belief that investment in sport and leisure lies at the root of providing facilities to enhance the quality of life in Gibraltar. We have therefore accepted in principle the commitment made by the previous Government to provide sports and cultural associations with premises suitable for their needs. The allocations and works being carried out on such premises were temporarily stopped by the Government shortly after coming into office to allow it to make an assessment of the situation. The committee allocating such premises has now met once again and work that was already on-going has been resumed on most of the premises which had already been allocated. The Government will continue the process of allocation and refurbishment of such premises following consideration of the recommendations made by the Premises Committee of each individual case in turn. It is the intention of the Government to replace the current Sports Advisory body by a democratically elected Sports Council. For the benefit of the Opposition Member who asked a number of questions earlier on, I will just briefly say that the main differences are intended to be, that the new Council will be elected, democratically elected, by the sports associations themselves and not as was the previous case appointed directly by the government and the second difference will be that such re-election, such election, will be subject to periodic re-election probably at yearly intervals.

HON MISS M I MONTEGRIFFO:

Mr Speaker, I would just like to clarify a point on what the member has just said. The Members of the Sport Advisory Body that were constituted by the GSLP administration were not elected by the Government, they were elected by the associations themselves.



HON LT-COL E M BRITTO:

It goes too far back for my memory, if that is what the honourable Member says I accept it, but I think the basic principle that I am trying to make is that the present body has been there, given or take, some members changing, in essence the same people have been there for eight years. I am trying to introduce a system where there will be a changeover at shorter intervals and they will be democratically elected by the associations themselves choosing their own representative from within themselves but I will give the Members more details at a later date. In fact, this will happen once suitable consultation has been carried out with all the sports associations and is expected to take place some time in the autumn of this year. The new Sports Council will have responsibility for advising the Government on capital expenditure priorities and allocation of grants.

A matter of considerable concern is the state of the Victoria Stadium Sports Hall roof. This started to deteriorate some six years ago, during the tenure of office of the previous administration and although some remedial work was carried out, deterioration has continued and has reached its present unacceptable state. The situation is such that the future sports programme for the coming season cannot be guaranteed without interruption due to water ingress and possible injury to persons using the Hall and damage to property. Although the previous administration had indicated intentions to carry out repairs no actual provisions have been made in the Estimates of Expenditure for this or for the improvement to sporting facilities. The Government is now committed to carry out a replacement of the Victoria Stadium roof and work is expected to start before the end of the year. In order to maintain standards a programme of minor works and repairs is being identified and when agreed the necessary supplementary funding will be approved.

In conclusion, Mr Speaker, my portfolio is, as I said at the beginning, a wide one and it also includes responsibility for a number of other areas which I do not intend to cover in any detail but merely to mention. I have also responsibility for the supply of potable and salt water and as such I am Chairman of Lyonnaise des Eaux Limited, which is a Government joint venture company. In respect of my responsibilities for communications and telephone services I am chairman both of Gibraltar Telecommunications Limited and Gibraltar Nynex Communications Limited, once again, both joint ventures of the Government. My remaining

responsibilities include the Gibraltar Government Lottery, Traffic and Broadcasting.

Thank you, Mr Speaker.

HON J C PEREZ:

Mr Speaker, I shall be as brief as possible but I would like to just mention or point out, that I am glad to see that the honourable Member has taken a leaf of the previous administration and may I say more than one leaf, and it is now not objectionable to be a director and chairman of joint venture companies whereas six or eight weeks ago it was a very objectionable thing for all Members of the Government to do in the election campaign. But these things happen and I agree that more of these things will have to happen. Indeed, if one looks at the contribution fully of the honourable Member one will see that in all the Departments and all the things that he has mentioned are things which were already there and which the Heads of Department have informed him of what works were being carried out, what was under review and he has come here and spelt out policies which were already there. I am glad to see that the commitment to move King's Bastion and Orange Bastion is today greater than it was at the time of question time when I asked Members to give a categorical commitment that they would keep to the commitment given by the Personnel manager to the workforce when we were in office and by myself to the workforce directly. They said that they could not give a categorical commitment because they did not know whether the stores area was to be used for another development or for another use. But I see that the honourable Member is now inclined towards actually using the stores area to move the personnel of King's Bastion and Orange Bastion which is a commitment that the previous administration gave.

Before I go into the general aspects of the thing, I would like to congratulate the honourable the Minister for Education for how rapidly he has moved, correct him as well and say that he did not find, when he came into power, a crisis on the movement of schools, but all the plans for the moves had already been arranged between me and Mr Lester and agreed with the former Chief Minister and that we were only waiting for matters, for the election to pass, so that in the event as it happened that we were not elected, the honourable Member had the freedom to take the decisions himself, but that the physical moves did not have to take until the end of the summer season and that therefore the plans and part of the consultations had already taken place and that there was a plan and that there was not a vacuum

there without nothing prepared for the honourable Member to take over when he came into office.

HON DR B A LINARES:

If the honourable Member will give way. The plans were there but there were plans to meet a critical situation. A critical situation could only have been avoided by planning well ahead when the developments in the Westside area were taking place to foresee the development, the increase of population there and then plan as from then but not planning just at the last minute. That is what I mean by a critical situation.

HON J C PEREZ:

The honourable Member is not very long in this House and if he had been perhaps he knows that questions had been asked on the subject and that the Government then did not know the composition of the people that were moving in the housing estates and we had to wait for the moves to take place in order to know what the compositions, the family compositions of people and the age groups of the children moving in this area before we took over the decisions for the schooling and those decisions surfaced during 1995 and were ready to be implemented prior to the honourable Member coming into office. But be that as it may, Mr Speaker, we have heard, as the honourable the Leader of the Opposition said, that the honourable Members are reviewing the studying and forming committees to review several aspects of the administration and several aspects of their Departments. Mr Netto wants to see structures and hierarchical charts, so that it is clear in his mind who is who and what is what and the Government have committed themselves to study a wide range of things and we shall have to wait for those studies and those reviews to take place in order to judge whether they are going to do something about it or whether they intend to just form committees to look at things which is one of the things that often happens in reviews and then nothing gets done about it. My contributions during the Budget session, when I have been Minister for Government Services in the past have been one where I have myself pointed out to the prudence of the then Government on public expenditure which is one thing which all Governments in western Europe are cautious about and where we succeeded in being able to contain public expenditure whilst at the same time maintain a high level of services to the public.

Mr Speaker, when we came into office Gibraltar was ripe for osmosis. When we came into office in 1988 you had to wait

half an hour for a dialling tone on the telephone. The first thing we had to do in the first month in office was to order a tanker of 600,000 tons of water because there was insufficient water to meet the demands of that year and the generating station in King's Bastion was in a shambles and we had the three engines in Waterport as our only source of capacity of electricity which was around 17 megawatts all in all and King's Bastion was dangerously being kept open to meet the demands then available.

The incinerator was usually working out of service more than in operation. Refuse was being dumped in the sea and that is what we inherited in 1988. The massive investment in infrastructure that we needed in order to provide the great expectations that we had given the people of the provision of housing and on other matters that we had committed ourselves meant that we could ill afford to ourselves invest money in these very much needed areas. Had we not been innovative, had we not taken, like the French say, the bull by the horns, Mr Speaker, and gone out and contracted OESCO to provide the electricity needs for Gibraltar and gone out and done the joint venture with Lyonnaise and gone out and accepted with difficulty a scheme for the incineration which would provide water, today we would be vulnerable to the exigencies of our nasty neighbours who in the same way as they provide filters in the frontier could well have been providing filters for our water supply and our electricity supply and even the burning of our refuse. Mr Speaker, the achievement of the previous administration in that field is second to none. We were able to provide, Mr Speaker, sufficient capacity for electricity to the year 2010 and there is a contract in force that if the Government of the day needs to expand its electricity needs which it does not in the foreseeable future, it has OESCO there with a commitment to provide it at a fixed sum of money which is the cheapest source of electricity that we have today. It is cheaper than what it costs us directly to provide. Mr Speaker, on the water front it is a source of pride for Gibraltar that when the crisis of water in the south of Spain last year hit every single port in the Mediterranean and in the Atlantic coast in Portugal, we were the only port before Barcelona being able to supply water to shipping as a result of the foresight of the previous Government in providing infrastructural support. Mr Speaker, we were able to provide without having to invest directly an incinerator which burns refuse with the complications that it has today and in this context perhaps I wonder, once the Minister for Tourism who is now leaving, and the Minister for the Environment get together and eliminate the eyesore of the dump in the east coast I wonder where it is that

construction rubble and the ash of the incinerator is going to be dumped in the future. I hope they do not intend to throw it in the sea, but certainly somewhere is needed to mix it with rubble and to create the landmark that is being created at the moment as a result of the need that there is for having a site for dumping. We did not create that site, it was previously in the area of the Marina Bay, when we came into office it had already moved to the site of the old distiller and the reason there is a mass of rubble and ash in the area which is now mixed is because during our term in office there was a lot of development and a lot of construction and there was a mass of rubble to be rid of and that was were that landmark and that mix took place. It is not that we decided to open it there has always been a site where people have been able and the Government itself has been able to dispose of rubble and to dispose of ash from the incinerator. Certainly the ash from the incinerator, of the old incinerator, was so raw that it used to be thrown into the sea at the chute rather than mixed with rubble because that was what the previous administration, prior to the GSLP, used to do.

Mr Speaker, it is a reflection of the political propriety of the last Government to be able to come today to this House and say "you have money to spend because we left it there" and we did not use that money politically and we did not give out goodies to people to win an election. It was the right thing for Gibraltar that that money should be there to secure the long term viability of the economy of Gibraltar and the self-sufficiency of Gibraltar, because that was the first step to a mature road towards a decolonisation of Gibraltar which is something that Members on that side and Members on this side and the general public at large will have to face sooner or later, because whoever professes and makes believe to people that it is possible to continue being a British colony for evermore, is doing a disservice to the people of Gibraltar and to themselves. Mr Speaker, it is with pride that I say that if the honourable Members there have a spending programme it is because the finances of the Government were in a very strong position and because the economic activity of the Government was one where already there is recurrent income to the Government as a result of the success of the running of the economy. I am glad to see that honourable Members are continuing with projects that we started, particularly in my field the one which is telecommunications where I can see the development of the telecommunications as an industry apart from the fact that it is a very important aspect of the backbone of the economy as a service, because what was coal to the

industrial revolution, telecommunications and technology today is to an expanding, developing modern economy.

Had we been on that side of the House during the next four years, Mr Speaker, we would have continued to invest on infrastructure because the more you continue to invest on infrastructure the better and the stronger your base to attract new businesses to Gibraltar and to create new jobs in the private sector, where they ought to be created, and not give a false sense of security to people by opening up jobs in the public sector for the sake of doing away with unemployment. I take the point that it is a matter of judgement whether honourable Members think that departments are in need of more manpower and whether they need to employ more people and more experts. We think that what we need in Gibraltar and we are thinking today in the same way as we thought it when we were on that side, is an efficient, modern, well-equipped, well-trained administration able to respond to a private sector environment which moves very quickly for a red tape civil service to be able to respond to it. Therefore, the honourable Members have their own policies, have their own manifesto and are committed to increasing in certain areas, although one wonders whether it is civil servants or not, because the honourable the Chief Minister was not too clear whether this Director of Tourism was going to be recruited into the civil service or whether it was from the civil service ranks or from elsewhere, so we wonder whether all these studies and all these reviews will come up with the commitments that the honourable Members have given or with other answers to problems which some of their followers might not be very pleased about and let us leave these committees and these reviews to go on and we will judge them by their results later on.

Mr Speaker, in the next four years we would have invested very much in roads, because touristically that is important for the tourist product and certainly one we have to keep is the day tripper and the liner terminal one and the coaches and everything else, and we would have invested in roads and I urge Members, when they review the study of the Upper Rock, that it is of fundamental importance to try and divert traffic, touristic traffic, from the Upper Rock away from the centre of town. That the tunnel project is one which has to be given a lot of attention because it is one which is of fundamental importance for the tourist programme and it is of fundamental importance for the traffic flow in Gibraltar as well. We would have invested as a Government in telecommunications, per se, over and above any investment that Nynex or Gibtel might have for their business projects. Connection of a fibre optic submarine link with Morocco is

of fundamental importance for the performance of Telefonica and other companies in Spain in how they look and how they service Gibraltar and it is of fundamental importance for the attraction of new telecommunications business to the Rock. The restoration and the confidence that that gives people coming to Gibraltar is one which is valuable in itself. I know that honourable Members will look at it in the context of the Apscon project and in the context possibly even of Flag being able to do some restoration here. That is something that was on the cards all the time but a connection per se and a relationship with the Moroccan administration is a matter which is fundamental to the future of telecommunications post-1998 when liberalisation comes in. That is something we would have invested in, it is something we would have looked at.

HON LT-COL E M BRITTO:

Would the honourable Member give way. Mr Speaker, perhaps the honourable Member would clarify whether he is giving a personal opinion or whether he is basing himself on a technical advice other than from Nynex or Gibtel, both of whom have the advice that I have from them is not in line with what the honourable Member has just said.

HON J C PEREZ:

Mr Speaker, I not only took advice from people. I took my own decisions and I not always took the advice of my managers and I sometimes gave my board of directors guidance and leadership. When the honourable Member has been there sufficient time, he will be able to perhaps himself give the kind of leadership that I used to give to the joint venture companies, particularly in telecommunications. At the moment I can understand he is a new boy in the matter. In the telecommunications field, Mr Speaker, is something which has been discussed with Nynex and where Nynex US were prepared to bring in some very sophisticated new products to be looked at in Gibraltar, but it needs an investment or a part investment directly of the Government which is what I mentioned during question time, of wiring up every single household with fibre optics in order to be one step ahead of the rest of the world in telecommunications. In the telecommunications and technological revolution that is going to come, which is going to change and is going to affect our society generally and because Gibraltar is so small it is relatively cheap to be able to be pioneers in fields where as a result we shall attract people who will be able to come to Gibraltar to test their own products and we would be able to attract a lot of businesses to Gibraltar,

business as the honourable Member said at question time which is not dependent on a flow through the frontier and which Spain would no doubt try and attempt to stop, and it attempted to do in Geneva when we had a representative that was sharp enough to be able to see that the two words that the Spanish representative wanted to change actually got Gibraltar excluded from the ITU and was able to take the matter up quickly and correct it. We have to be all the time at every level aware that the Spaniards will not stop at anything to harm our economy and that they are at every level briefed to do these things with Gibraltar. But, Mr Speaker, the investment in telecommunications, investment in roads, the investment in new facilities for reservoirs, projects that had been submitted so that we have sufficient capacity of reserve of water, which today I think, I am not quite sure but I think is two weeks or four weeks and we wanted to be able to have reserves of water for at least two to three months in order to be able to have a contingency in case of problems. These are a lot of things that needed to take place and things which generally the general public do not see but it is investment in things which are needed in order for Gibraltar to continue to strive and to make good in the international world. Mr Speaker, honourable Members will no doubt have their own views, that we will believe in having a modern, a well-equipped, an efficient trim administration relative to the size of Gibraltar, a modern, a well-equipped, an efficient and a trim police force relative to the size of Gibraltar and one which is not out of proportion to the size of Gibraltar or of the role that each of these have to give to Gibraltar. Honourable Members should not fall into providing services which are not defined domestic matters and paying for them and which are ultimately the responsibility of the United Kingdom which has international responsibility for Gibraltar and where they need to provide facilities and they need to provide finances in areas where they have to provide services. We have to cater for what is our defined responsibility and we continue to believe that that is done more efficiently in the way we used to do it. There were, let me say, very advanced talks with the Police Association, at the time when we were in office, and where they to be able to count with the number of policemen that there were in the complement fully at all times that they would all be operational, it would have been a very big step forward, something which was being looked at. We believe in having that, it is a reflection of the size of Gibraltar and of the role that each have to perform for the community in Gibraltar, the administration and I think that honourable Members like the honourable the Leader of the Opposition said this morning, might regret some of the decisions that they are taking but

they have been elected to do that and we shall be here to judge them. We are telling them that in the same way that we were prudent when we were in Government on public finance, we continue to be prudent today from the Opposition benches. We urge them to be prudent today because we love Gibraltar and we want Gibraltar to succeed and because regardless of the fact that we have gone back eight years in our development towards decolonisation, we want to be able to be returned into office and continue the role of decolonising Gibraltar whenever they feel that they have to leave office or when their term finishes. Thank you, Mr Speaker.

The House recessed at 5.00 pm.

The House resumed at 5.15 pm.

HON P C MONTEGRIFFO:

Mr Speaker, I regard my task in this Government to really being involved in spearheading the economic development that Gibraltar requires to bring about in order indeed to ensure our viability in both commercial and political terms. That role is one which, together with my colleague the Minister for Tourism, will involve a strategy for the development of the private sector in particular because I think all Members recognise and indeed the Trade Unions and the Chamber of Commerce and all representative bodies, that it is the private sector rather than anything else that is going to lift Gibraltar out of the economic difficulty in which we believe it currently lies. The present situation, Mr Speaker, as far as Government is concerned, is that there is difficulty in the development of the private sector. Costs are high, trade in some areas is weak, I accept the point made by honourable Members on the opposite side, that trade is obviously always more inclined to complain rather than to celebrate publicly that they are doing well, but nonetheless I do believe there is a genuine need for further investment in Gibraltar, for further training of our people and that many local businessmen have not perhaps invested as much in Gibraltar as we would have liked over the last few years. There have been exceptions to that, but by and large, the position in the private sector is that we believe it needs encouragement, we believe it needs assistance at political and other levels in order to ensure its growth.

At the very root of the difficulty that we believe Gibraltar has suffered are two issues. Firstly, the issue of

competitiveness and, secondly, the issue of confidence. On the question of competitiveness honourable Members will know that it is Government policy to review the degree to which there is scope for ameliorating the cost of business being transacted in Gibraltar. Rates, import duties, are the sort of areas that have been focused upon as areas where through adjustment we might be able to increase the attractiveness of Gibraltar and thereby the viability of certain parts of trade. Competitiveness, of course is not just about costs, it is also about performance, and as a Government and certainly I as the Minister for Trade and Industry believe, that the efforts that we make in improvement in the productivity of individual employees in every sector in the community, the improvement of productivity in the private sector, is a development that has to continue. I recognise that this is something we have not discovered, something that is a recognised necessity and which we will be keen to try to make people understand is a necessary ingredient of Gibraltar really being able to retain business which is being attracted by other centres, by other locations, as vigorously as us. With regard to confidence, we strongly believe that there has been a dented confidence in Gibraltar. I am not going to go into all the reasons why that might have occurred, those have been recorded, if nothing else, during the last election campaign, and I know there is a degree of disagreement between Members in this House as to the effect which some of those issues have or have not had on the issue of confidence but nonetheless whatever the historical analysis, it seems clear, certainly it is clear to me that there is a need to regenerate confidence internationally and locally. Locally, for example, banks have effectively dried up finance for Gibraltar projects, it is very difficult to seek finance from local banks. Internationally, the position of Gibraltar, largely as a result of unjustified propaganda, one must be fair there, has been dented and there is much work to be done, Mr Speaker, in re-establishing Gibraltar's credentials as a place where it is safe to invest and where there is a prospect of good return and in this respect, taking the point that the honourable Mr Perez was making about infrastructure, I think we recognise the contribution that has been made by the previous administration in the development of the infrastructure of Gibraltar in certain key areas; telecommunications is a good example, but we do believe, Mr Speaker, that the present priority is not frankly more roads and more infrastructure of that type, important as though an element of that will still be in certain areas. Where Gibraltar has frankly not got it right has been in attracting those customers which that infrastructure has now been able to serve for some time. It

has now been some time since we have had the office accommodation, the telecommunications set up, indeed the electricity capacity and all these other things, it has now been some time since that has been in place but for a whole variety of reasons Gibraltar has not had significant success in attracting the sort of sustainable investor interest in Gibraltar to provide long term jobs.

Mr Speaker, I also believe that it is indeed the MOD run-down that is the single biggest challenge in economic terms that Gibraltar is facing in the next four years and, frankly, and I tell you honestly I think it is a daunting task, I think that what we are being asked to absorb is an extraordinary pill for Gibraltar to swallow. In sheer number terms, I do not have to repeat this, the figures are well known to members of the community, but figures like 700 jobs which will be lost entirely, another figure of about 500 jobs of uniformed personnel, Service personnel that will not be replaced, will have an enormous impact inevitably in the purchasing power of the community as a whole and even indeed in revenues which will be available to the Government. There will be a major impact. We are confident, of course, that we will be able to create activity to offset that degree of loss but it is undoubtedly the major economic challenge facing this community. As Members opposite know the Deloitte Report was commissioned before they left office, when I got into office I requested that the Report, in whatever state it was, should be made available to us as a preliminary document and I can inform this House that that is a document in our hands now. It is not even a draft document in a formal sense, Mr Speaker, in as much as I said it was purely what was available at that stage, the Government takes the view that we want to have an input into the information that will be considered by the consultants, just like the previous administration no doubt would have had, so that when the Report is finalised it will take on board the Government's current thinking.

As has been our policy in explaining our electoral position, we look forward to consultation with the Trade Unions and with all interested parties in the question of the MOD rundown and the impact on the economy generally. We have already, as Members know, had initial consultation with the TGWU, that will be on an on-going basis and will be accelerated once the Deloitte Report is finalised. We do not want to delay that process, it is important, bearing in mind the time scale to which the MOD and the British Government seems bent on maintaining, it is important that we should not delay the process of getting round the table and discussing the way ahead with those who are affected.

To this end, Mr Speaker, we therefore intend to reactivate the joint economic forum as that report is ready, there is little point frankly in doing so until then and that forum, as the Chief Minister, at question time, last week indicated, will be a forum which we see will be primarily responsible for looking at the MOD rundown and tackling that issue rather than the broader economic issues and the development of Gibraltar's commercial development. We think that is a matter that really falls outside the competence of the JEF. The rundown of the MOD in Gibraltar as Members also know, will also involve significant hand overs of property. There is still, as Members may also know, some degree of uncertainty as to the timing and indeed precise details of the property. That is not helpful and we will be doing our best to extract as much detailed information in advance as is possible. To this end, Mr Speaker, we intend to establish a committee chaired, which will be Gibraltar Government/MOD as an interface to ensure a good flow of information. It seems to be the case that recently that degree of communication with the MOD on some of these issues have become, ad hoc, rather than formally structured.

In the context of consultation, and as I have indicated, the JEF will not be dealing with economic matters generally, we shall shortly be proceeding to establish the Economic Advisory Council which is another election manifesto that is contained in our plans and that will have representation from employers and trade unions and it will be that body that the Government will consult for the general process of dialogue on economic matters and matters affecting jobs and the commercial viability of this community. In general terms, Mr Speaker, the strategy that we are going to adopt, and I do not think it takes a great degree of insight to come to this conclusion is a combination of two main factors - one, of enhancing Gibraltar's existing economic activities, spending money, money that needs to be spent and improving the legislative and other framework, to enhance those things Gibraltar already does. In those areas, of course, we have primarily tourism, the finance centre and the port. There is a great deal to be done, Mr Speaker, in enhancing those aspects of Gibraltar's economic activity and this Government is committed to investing time, energy and money in that venture.

The second aspect, Mr Speaker, is the question of diversification. This economy has to diversify, this economy, in our view, cannot just grow with the existing economic dealers, it has to find other things to do and in that respect I see as part of my particular responsibility to continue the efforts which I think up to now have not

been terribly successful, not for want of effort but for want of other matters and to continue the effort to diversify the sort of activity that is undertaken from Gibraltar. To this end we therefore see a three-targeted approach - firstly, the general reduction of costs, this is something which we will look at the benefits of commerce in general, rates, import duties and that sort of area which we have highlighted in the past. Also there is a need to remove impediments to business in Gibraltar. The ETB is a good example, whilst on the one hand we are keen to ensure the efficacy of the ETB we are also very keen not to ensure that it becomes an impediment to speedy business development and we have certainly the impression, it is more than an impression, it is information from those that use the ETB, that unfortunately in the past it has become an unnecessary obstacle in effective, in either protecting labour and in encouraging economic development. The first strand of the strategy will be simply to try and make Gibraltar an easier place to do business in, both from a cost-effective point of view and from the point of view of being able to get things done with greater speed. Secondly, the whole question of small and medium-sized enterprises, in looking in particular at the MOD rundown and the extent to which people will be looking perhaps for private sector commercial opportunities, there is a need to encourage small and medium businesses. This is specially so in the context of the forthcoming EU Objective II programme, the European Union is very much focused on the question of encouraging small and medium businesses and we look towards using some of the funds recently announced in the context of EU objective programmes 1997/99 in encouragement of diversifying small and medium business enterprises.

Thirdly, is the whole question of inward investment. The need to better co-ordinate a coherent policy for people wanting to come into Gibraltar to manufacture and to do other sorts of activities of that type. The current incentives are not insignificant, Mr Speaker, there is a structure which if properly utilised should give rise to significant advantages which should have attracted business to Gibraltar. I think, however, that effort is not co-ordinated. I think there is a lack of proper focus in selling the package of measures that Gibraltar can put together. I do not think frankly they are often understood by investors when they come in. Our view is that we have to co-ordinate those different incentives. We are to improve on them, we have views in terms of training subsidies, that sort of incentive which will make more easy the initial attraction of such business to Gibraltar and it has to be done in a better co-ordinated and has to be marketed in a

better way than we believe has been the case in the past. The financing of these measures will be a mixture of EU funds, as I have said before, and Government of Gibraltar funds. EU funds by definition are matching funds, they are required to be matched, so to the extent that that is the case, obviously Gibraltar Government funds will be made available but in addition to that, the Government has an obligation to assist Gibraltar materially in the diversification of its economy, just like the previous administration identified infrastructure deficiency as one barrier towards inward investment we believe that this economy is in such a need of stimulus that we would like to target assistance for projects that would diversify our commercial base and which would provide employment. The overriding concern of the Government, Mr Speaker, needless to say, is the creation of sustainable employment, the creation of a situation where we can match as much as possible those skills that are becoming redundant in the MOD and other sectors with new businesses coming in. That may not be easy, indeed if the experience of other equivalent territories is to be considered, there will be a mismatch, it is inevitable that there will be a mismatch and we will have to invest in training even if it means mid-life training for those who are willing to move from what was one career, one job, into another.

My colleague the Minister for Tourism has highlighted some of the areas in which investment can be undertaken in really infrastructural terms in the context of things like tourism, beautification of certain parts of Gibraltar, an urban renewal programme, the east side area. It is our view, Mr Speaker, that in areas such as tourism there is a need to invest in that infrastructure, in the tourism infrastructure, not just the roads, but in our heritage, in our old town and that that will make Gibraltar a significantly more attractive place to visit not just for the tourist but for those coming here to do their business, business of any type is not just driven by incentives of a tax or other nature, it is also driven by when the people are comfortable and happy where they spend time and the better that Gibraltar can accommodate people, the better welcome we can give them in terms of the facilities, the more likely people will be happy to establish their businesses here and make a commitment to this place. It is human beings, Mr Speaker, that make commercial decisions and human beings want to enjoy themselves after they finish their board meetings at six o'clock.

In the context of urban renewal, as we speak there are representatives of the DTI and the Town Planning Department,

the Town Planner, in Oporto at the invitation of the Oporto authorities, Oporto is one particular city which has benefited from an EU urban renewal programme. The Government was invited by the Oporto authorities to attend a conference on their experience. It is the sort of parallel situation, Mr Speaker, from which we think we can learn and from which Gibraltar can also seek to draw parallels in the exploitation of the advantages of heritage.

We attach great importance Mr Speaker in the development of our economy, in everything I have said, to the question of access to Gibraltar. We attach as much importance to that question as we do to other questions of trying to build up an economy which is not entirely dependent of course on access. Telecommunications in the finance centre, are examples of areas where there is either no or less vulnerability on the question of access, but it would be foolish, Mr Speaker, not to highlight the vital importance of securing access to Gibraltar at the frontier, and this House knows, this Government's view on seeking expanded use of the airport. It would be foolish not to highlight those issues as ones that are pivotal to the degree to which we can be successful. These are views we have made well known to the British Government, we regard it unacceptable that Gibraltar should be asked to stand on its own two feet without ensuring this basic requirement of people being allowed to get in and get out because without that the task that we will face will be greatly more difficult.

I was talking before in the area of funding of these projects of the European Union contribution that Gibraltar receives. This House will know that there is a current programme, the Objective II 94/96 programme still in place. We are conducting also a review on the various projects that have been initially or had been earmarked from unspent funds and whether they will proceed these projects, Mr Speaker, require to be decided by the end of the year, the Government requires to take decisions by the end of 1996 as to which projects it will pursue in the context of Objective 94/96 and all monies will have to be expended by 98. One project that will proceed, Mr Speaker, is the widening of Sir Herbert Miles Road. Part of our plans for the east side envisage as my colleagues have indicated the containment of the east side project such as it is at present. We will complete the bund in the reclamation, we will surface and landscape that area, this is the area between Eastern Beach and Catalan Bay, and we will at the same time as we widen Sir Herbert Miles Road make secure the area and beautify what is a walkway which should be attractive to visitors and tourists alike.

Objective II project, the 97/99 project, the main focus there should be job creation and job creation of a more sustainable type than is often the case with money spent on infrastructural works. This is one of the areas, Mr Speaker, where the assistance I was referring to, to small and medium sized businesses, we think money can be targeted to offer help. As this House knows the amount of money allocated is £5.5 million. Reservations have been expressed from Members opposite as to whether this and other measures are generous enough. Well, I have not shied away from agreeing that the prospect facing Gibraltar is daunting but nonetheless we are confident, Mr Speaker, we are confident that given a fair opportunity Gibraltar will have the capacity to generate economic activity to take the impact of these MOD reductions and the EU grant is an important contribution that will help in that respect. We are keen, Mr Speaker, in the context of EU funds to invite private sector participation. The experience in the past has really been that the EU funds have only been matched by Government funds. There is nothing to stop such funds also being matched by private investor funds or indeed a combination of them. There is no reason why we cannot have a three way relationship, a three way equation where Government, private sector and EU come together to invest in job creating opportunities. It will be our priority to try to commit the private sector to investment, to try and interest it in investment, to try and stimulate employment opportunities by joining them in funding operations of the type that I have described. We also have, Mr Speaker, the Conver II funds, which as Members will recall are funds specifically dedicated to the diversification of the economy in the context of the defence run down, of the rundown of military sites in particular and we think that fund which is in fact at present completely unspent, there is unallocated funds, there are a number of projects that have been considered but there is no committed funds, we think that that has a role to play in the context in particular of course to the MOD rundown. There is also, finally, in the context of EU funding inter-rate funds which are currently envisaged for investment with regard to projects involving Morocco. We believe, Mr Speaker, that with the sort of project interest which we believe we can generate and with the level playing field that reference has been made to in the past so that Gibraltar can access markets and can be accessed to, that Gibraltar has a very good opportunity to absorb the economic impact of the MOD rundown and indeed provide a secure private sector dominated economy for the year 2000 and onwards.



Turning now to the finance centre, Mr Speaker, our strategy in the finance centre is to effectively bring it to its fruition, to really make it operate in the way that seems to have evaded our efforts in the past. Although we will be giving priority to the implementation of EU Directives, and this House knows that the Insurance Directives were passed shortly after we took office, we will not forget the work which has nothing to do with the European Union, work which is aimed at markets outside the European Union and where Gibraltar has fallen behind most other equivalent centres. As is known the Insurance Supervisor will shortly be appointed and come to Gibraltar. A Controlled Activity Supervisor is also being sought and we believe that there is now a need to look for an Investment Services Supervisor to complement the full workings of the Commission. The Finance Centre, it must be said, will require initially in our view, the importation of an element of outside expertise. The Government believes that nonetheless we will create significant job opportunities for graduates, secretarial services and others and that the spin-offs of an improved Finance Centre will bring very real commercial benefits to the hotel industry, to the transport industry and to every other sector of this economy which depends on people coming in and coming out. In the question of the finance centre we are very keen to re-establish that confidence which I was talking about. We believe we have got off to a good start in that respect. The press that Gibraltar has been able to generate as a result of the intervention of the Chief Minister and various other Ministers, in the context of the change of Government we think has been positive, we think there is a recognition that Gibraltar wants to get this right and we very much look forward to working with the United Kingdom to make sure that the delays that we have suffered do not go on for much longer. The problem that might have existed in the past, Mr Speaker, with regard to the resourcing of the Commission is a problem that we are determined should not become an obstacle to the Finance Centre's development. That will require the Government forming a judgement as to the degree to which Government funding in terms of subsidy for the Commission is appropriate at any particular stage. It was the view of the previous administration I believe that further funding for the Commission in terms of subsidy to it was conditional upon the Commission obtaining the passporting of a particular service or a particular product into the European Union and I suppose it would be correct to say that the position was born out of a certain frustration at the perceived lack of progress in achieving passporting over a number of years. This administration, Mr Speaker, will not take that same view. We are not going to take a sort of a

make or break approach but that does not mean that we are not looking towards a performance time-table which will justify the degree of energy and money which we are led to believe, indeed which I recognise, it is not as though I need convincing of this, that that commitment will have to be measured by the tangible results and the tangible time-table of performance which we are going to hopefully be able to work out so that it is not money that is being spent in an open ended project without clear guidelines of when and how we are going to achieve the goals we set ourselves out for.

Mr Speaker, in conclusion, the message that I would like to transmit with regard to those people that may have an interest in what I have to say, which I will expect to be private investors and even employees in Gibraltar that are conscious and worried about long term employment prospects is, that we have to create in Gibraltar, Mr Speaker, the politics of economic success, what I would call the politics of economic success. There is a need to focus on economic success as the primary objective of the next four years. The honourable Leader of the Opposition in his contribution, talks about the importance of paying your way, making your way, paying your way, well, nobody will disagree with that, Mr Speaker, but in paying your way what is important is not just that the Government should pay its way, but that Gibraltar, the private sector which we recognise is the sector that will be the engine for future prosperity should also pay its way and it can only pay its way if there is a commitment from all sectors of the community to ensure that we behave in the way we resolve disputes, in the way we interact with each other in a fashion that does not prejudice our economic viability. I give an example of the ORIANA incident the other day, not in any way to enter into the merits of the position with regard to either the shipping agents or the taxi drivers, indeed there are long historical issues there that it will be quite out of place to try and analyse today, but as an example, Mr Speaker, of how a community cannot afford, to turn itself if we are at all serious about being competitive and about really winning a future for ourselves in industries which nobody has any special need for in Gibraltar. Gibraltar is not a unique product. There are many other places that can compete with Gibraltar and nobody is going to put up with that sort of situation and I urge that there is introduced into our community at all levels that attitude to service, that attitude to productivity, that attitude towards realisation, that we just have to put our economy and our commercial viability above squabbles of the type that do not resolve issues but simply make headlines in Newswatch that evening.

In conclusion, therefore, Mr Speaker, we as a Government believe that given the chance we are going to be successful in making our Finance Centre work, in promoting tourism and in diversifying our economy through the introduction of new businesses and projects. We look towards a partnership with all those involved. We went to an election seeking partnership with the private sector and with employees. We call for it again today. We need that partnership if we are going to weather this storm successfully. Thank you.

HON A ISOLA:

Mr Speaker, from this side of the House we wonder if it is the same people across the floor today who have been opposing for the last four years with venom and more often than not misrepresenting facts for political purposes. That is the one item in fact that the Learned and honourable Member the Minister for Trade and Industry omitted to mention when discussing the various ingredients of the need for political and economic success.

Mr Speaker, in dealing with financial services first, I agree with obviously the aims of marketing and bringing people in. It is a vital part of the sector. However, as we have believed for a very long period of time the importance of a level playing field, the importance of fair opportunity is, in our view, the major factor in allowing the finance sector to explode and bloom as we all expected and we all hope it will in the future. We certainly hope that the Government will grip with enthusiasm the need for that level playing field, the need for the Directives and for the passporting into the European markets to take place. It is an area, Mr Speaker, where more and more Gibraltarians have sought and obtained employment and we would certainly hope that this is an area in which that can also continue. The only word of caution I would urge on the question of Directives and financial services, Mr Speaker, is on the question of the Fourth Directive. The honourable Member knows my own views and I hope that he will consult widely with the sectors involved and take their views on board before coming to a final decision on how the Fourth Directive is to be implemented.

Turning, Mr Speaker, to tourism, having heard the honourable Minister for Tourism, I am tempted to think that it is a bit like a holiday, I am not punning on the word 'holiday', a holiday brochure with lots of pretty pictures and promises which do not materialise when we actually get there. We certainly hope, that the initiative which he has taken in

the last few days when announcing the programme is successful. We do hope that he does manage to increase the one sector particularly where we recognised and dealt with in our manifesto, the question of overnight stays for the hotel industry which has had a rather rough time. In terms of the day market and the cruise liner market, Mr Speaker, the figures which my Learned friend gave me in a question just last week show that indeed the previous administration had been very successful in terms of cruise liner, ships and passengers on cruise liners coming in, it was the highest since 1969. In terms of passengers coming through the frontier that too has been the highest since records started. A total of 5.5 million people, 138 cruise liners and over 10,200 coaches came in in the year 1995. We certainly hope that the Minister will be able to come back to this House in a year's time and tell this House that the increases from 1996 over 95 have been in the regions that we were able to achieve from 1995 over 1994. Access has been identified, Mr Speaker, as the main problem, the access of people coming into Gibraltar either by air, by sea or by the land frontier. At the land frontier the queues and the problems that can come there are beyond our control. By air, there is a sole operator and as we indicated in our manifesto we gave a commitment to give financial and political support to ensure the opening of new links. We hope that this Government will carry on the initiative that we had in attracting or attempting to attract new services, scheduled and chartered, to Gibraltar. By sea, the cruise liner terminal, another initiative of the previous administration, Mr Speaker, is a welcome boost to an industry that is taking more and more of the brunt of bringing tourism of a good quality into Gibraltar.

Mr Speaker, insofar as the honourable Minister for Trade and Industry referred to the need for investment, clearly there is a need for investment and clearly there is a need to attract investment and in that regard, Mr Speaker, the record of the previous Government I should say, will be a difficult act to follow. The programmes that are in place at the moment and which I am pleased to hear will be continuing, particularly the Haven Shipyard, the Powder Drinks factory, the initiatives of my colleague on telecommunications, the Gun Wharf Superport, are all programmes that will give sustainable employment, which are the words that my honourable friend used carefully. The Opposition welcome, Mr Speaker, the willingness of the present Government to continue those initiatives and we wish them certainly well in that.

Mr Speaker, in tourism the items which my honourable friend the Minister for Tourism has mentioned are very much more of the same and we welcome the initiative, but we welcome it with slight hesitation in the sense that we have been criticised for not providing for the overnight market, by doing exactly what he intends to do. The conferences, the short breaks, two centre holidays, are all initiatives that we have taken in the past with degrees of success. The Main Street beautification Mr Speaker, we also welcome the continuation of that project, obviously it is in hand and we await to see whether in fact the benefits for shop keepers and property owners on Main Street, who were going to get a tax relief if they provided to refurbish those properties will proceed. We will wait and see what happens there. Mr Speaker, as the honourable Leader of the Opposition said this morning, they have been there on the other side for two months and it is short we will have to wait and see this time next year what progress has been made and how many of the promises that have been given and detailed during the course of today have been accomplished. Until then and perhaps, my colleague has reminded me, we will see by the next budget the arrival of what was claimed as Donald Duck in relation to the theme park and the Gibraltar Experience by a member in a debate on television, arrives by that time, if not, I am sure we will be up to criticise.

I end with a final observation, Mr Speaker, that before the last election we kept hearing the words "heavyweights" when talking of the line up of the GSD. The only thing I have seen to date is that the heavyweights have had to pull up another chair on the Government benches to enable them to sit more comfortably and I hope they are comfortable for the next four years. Thank you, Mr Speaker.

HON CHIEF MINISTER:

Mr Speaker, may I start by reciprocating the kind sentiment of the honourable the Opposition spokesman for health services, Marie Montegriffo, who reminded the House of its tradition in congratulating the makes of maiden speeches. On behalf of myself and the Government I would like to congratulate all the ones that have not yet been congratulated. I think it augurs well for the quality of debate in this House, the performance that we have seen so far during this first meeting of the House from its new Members.

Mr Speaker, in reply I wish to be brief and I wish to deal with certain of the observations made by the honourable the Leader of the Opposition in his intervention. He noted that

I would discover, when I implemented my financial restructuring plan, that there will be much less that I can do and he speculated, wrongly, that I would not want subsequently to admit it. Mr Speaker, it really does underscore the difference in political philosophy between the Members opposite and the Members who now form the Government in this House, can really not be summarised any more succinctly than by that observation made by the Leader of the Opposition. His political philosophy is that the end justifies the means, that because this is a system that he had established gave him, to quote his words "flexibility", that he was not interested in methods but in results and that way more gets done. Well, Mr Speaker, I have no doubt that, that way more gets done. I have no doubt that more might even get done quicker and even more cheaply but we subscribe to the view, Mr Speaker, that democracy comes with a price tag and one of the prices that we pay for wishing to live in a democracy is that it is not just the means that matter, or rather, it is not just the ends that matter it is indeed the means and of course in dictatorships things can get done more quickly and more cheaply because they have to account to nobody, there is no rule book and they can do things as they please, when they please, to whomever they please, without accounting. Well, I would rather preserve the democratic transparent traditions of our system of Government even if it means that the taxpayer has to pay a bit more for it. I can think of no better investment to make on behalf of the people of Gibraltar than to protect the quality of its democracy even at some expense to the taxpayer so there is no question of my not wanting to admit it. I will readily admit it to him now, or does he not think that when I restructure public finances to put a 100 per cent in front of him and to come to this House with the need to ask the House's permission to spend a 100 per cent of Government revenue and not just to 65 per cent that he presently asks permission to spend. Does he not think that I do not understand that I am curtailing my powers in relation to the ones that he has been exercising for the last eight years? That will not stop me from doing it. He said, that the present financial disposition of the Government can, with the information available, be tracked. Mr Speaker, in a democracy it should not be necessary to engage in a process of tracking in order to see what the Government finances are. It should not be necessary to have a degree in advanced arithmetic or economics and certainly it should not be necessary to have access to the private and secret records of the Gibraltar Savings Bank to know what the account balances are of particular Government owned companies and Government owned special funds position know, which you would need to know, what the reserve position of the

Government is. Certainly, in respect of special funds eventually, in respect of some of the special funds, we eventually through the accounts that are filed in respect of all Special Funds in the Public Accounts of Gibraltar we get a picture of sorts and as a sum because in some cases you get a statement of the actual liquid resources position of the Special Fund, in other, for example, such as the Gibraltar Investment Fund all you will get is a statement of the share holdings and their value in each of the companies and an exposure to the financial position of the companies owned by the Gibraltar Investment Fund. Therefore, Mr Speaker, I do not accept the observation of the Leader of the Opposition that it is possible even with the information that eventually becomes available because the Public Accounts of Gibraltar come two years' later, but even then it is not possible to track the financial position of the Government. It will be possible for him to track the financial position of the Government in future.

Mr Speaker, the honourable Member I think makes mischief when he suggests, that notwithstanding that we had always supported in Opposition the Social Assistance Fund concept and the need for secrecy, a secrecy let me say that the honourable Opposition Member Mr Mor with responsibility for social affairs on that side has not respected here today, but what the honourable the Chief Minister was saying, that notwithstanding that we had always supported the concept of social assistance in the past that now the restructuring that I was signalling meant that I would find out that I would have to pay more in benefits to people to whom, we are not presently having to pay. That is absolute nonsense. The fact that we alter the process of accountability, the fact that we alter the information and we give it earlier than it would otherwise have had to be given does not determine who is entitled to receive the benefits, so that for example, the fact that this House votes because the money will be in the Consolidated Fund as opposed to in the Social Assistance Fund, therefore the fact that this House votes in the Appropriation Bill, for example, to make a grant to the Community Care Trust or to make a grant to the John Mackintosh Home Trust or to make a grant to the Doctor Giraldi Home Trust, that is not going to determine who has statutory entitlement to anything. All I am saying is that the entitlement to receive which is not an entitlement, it is a decision made by the Government, but the delivery of the assistance is not going to be changed by virtue of the financial restructuring that the Government proposes to do and certainly it would be absurd for the honourable Member to think, as indeed he has assumed, it is inherent and implicit in his statement, that because we are going to

change the financial structures, that there is going to be a departure from the system of non-statutory discretionary benefits back in favour of a system of statutory benefits of the sort that would be entitled, or rather in a way, that would entitle persons who are not presently entitled. It is absurd for the honourable Member opposite to infer all of that from the fact that instead of accounting for some of this expenditure to a Social Assistance Fund, for example to a Special Fund, that from now on to be accounted for to the Consolidated Fund which simply means that I have got to come and ask the permission of the House to make that grant. It is just a matter of mechanics and transparency and it has nothing to do with who would be entitled to benefit ultimately from those funds.

Mr Speaker, the honourable Member opposite, as is not unusual, tries to obfuscate the points that I was making on the question of the assets and the income streams of the various Government-owned companies. It is not an issue in which I feel any great necessity to debate with him at this moment in time because when we put the accounts of these companies in the public domain, people will be able to judge for themselves what the income and activities of these companies were. It is as simple as that, let the documents speak for themselves. The issue is not rationality of his system of finances, as he says. The issue is transparency and I am not willing to purchase rationality at the expense of transparency because if you take that principle to its logical conclusion, well there is much more that could be done in the name of rationality than has already been done if transparency is not a concept in which we are going to attach any inherent value. He spoke about nettings and again I have to disagree with everything that he says. It is not logical that nettings is, I think the words that he used were, that it was a distorted picture. I think that the kernel of what he was saying was that because the costs of collections were not fixed you could give an estimate of the cost of collecting income tax because the wage structure of the Income Tax Department is fixed and therefore you can give an estimate of it, but that you cannot give an estimate of the cost of collection, for example, of rates or of income PAYE arrears because the cost of that is not fixed in the sense that it is a percentage of the amount collected in favour of the contractee. Well, Mr Speaker, that is not logical. It does not prevent the fact that none of these costs in these Estimates are fixed. The fact of the matter is that many of these estimated expenditures are not actually turn out in an out turn sense eventually turn out to have been either over estimates or under estimates. The fact that a cost cannot be fixed at the beginning of the

financial year does not mean that we cannot estimate what it is going to be just as we estimate what the Government is going to collect in income tax at the beginning of the year, we have no way of knowing whether that is what the Government is going to collect, so the fact that an item is not fixed is not a reason for not estimating it. I accept that the less that an element of cost can be established by reference to fixed factors, the less likely the estimate is likely to prove accurate at the end of the year. It is easier for me to estimate the cost of collecting income tax because I know how much the personnel in the Income Tax Office is going to earn during the year, than it is for me to calculate how much I am going to have to pay in commission to the Gibraltar Information Bureau for collecting PAYE arrears because I do not know how much they are going to collect. That does not prevent me from making an estimate of revenue and an estimate of the expenditure which may turn out to be an over estimation an under-estimation and if it is an under-estimation I will have to come back to this House with a Supplementary Appropriation Bill in order to have the leave of this House to exceed that estimated expenditure. I do not regard that as an obstacle to putting the information in the public domain. Mr Speaker, of course, he fails to draw the distinction in terms even of the principles of transparency. He fails to draw a distinction between two different kinds of netting. There is the netting which is recovered in the sense of information. For example, the netting of the cost of import duty collection, which as he quite rightly says, is accounted for through the Consolidated Fund as a collection charge and the information is in the public domain, so that it simply becomes a matter of accounting mechanics as to where the entries are made. That does not raise issues of transparency and accountability, because I could stand up when I was in Opposition last year, I could stand up and say, why is it costing so much to collect import duty, because I could see what the figure for the collection of import duty cost would be, but that is very different to the nettings which are not recoverable, which are paid to a private contractor and which are not reflected in the public accounts of Gibraltar and which are not reflected in the Estimates because of the devise of netting. Why does he think it is important to put in the public domain how much the Consolidated Fund recovers from the Social Assistance Fund in terms of the cost of collecting import duties and why does he not think it equally important that to put in the public domain how much is paid to the various contractors, contracted to collect such things as rates and housing rents? It is just a question of concealment of information. I believe that if the Government engages a

contractor to collect housing rents, why should it not be put in the public domain how much that contractor is receiving? I think it is a matter of importance in relation to the administration of public affairs. Certainly there are those two different kinds of nettings which is answered if not adequately distinguished between. In so far as the Public Accounts Committee is concerned, Mr Speaker, it indeed was discontinued between 1984 and 1988 when he was in Opposition but it was discontinued whilst he was in Opposition, and let us be clear, this was not something that the Government of the day imposed on him. He was not the victim of a decision by the Government of the day. The Government of the day discontinued the Public Accounts Committee between 1984 and 1988 because he as Leader of the Opposition signalled that he did not want it and I can only assume that he did not want it because he anticipated that he would win the next election, and having taken the moral of high ground by having asked for it to be removed from Opposition, I can see how morally it strengthens his hand not to introduce it either when he is in Government. So, let us be clear, the honourable Member has certainly been consistent in his view since it was removed that he did not think a Public Accounts Committee was a good idea but it was originally removed at his request, whilst he was in Opposition and it was not a decision that was imposed on him by the Government of the day.

Mr Speaker, the honourable Member says that the style of Opposition that they are going to deploy is going to be very different to the style of Opposition over the last four years and they say, in effect implying that civilised Opposition had been lost. Well, Mr Speaker, the form of Opposition that they got was the form of Opposition that was required for the first time in Gibraltar's political history arising from the fact that they tried to reinvent the wheel of transparency because certainly prior to 1988 it was not necessary for Oppositions to have recourse to the debates that we had to have recourse to because no previous Government tried to remove 35 or 40 per cent of the public finances from the scrutinising domain of this House. It was in response to that and in response to their erection of sophisticated and extensive company networks and structures that it became necessary for the Opposition, in the discharge of its responsibility, to ensure the democratic process in Gibraltar, to make a political issue of the honourable Member's proclivity for lack of transparency and propensity for lack of transparency and, frankly, we consider, that we did a considerable service to the democratic process in Gibraltar by so doing and by so doing

it persistently and consistently and without fear of the consequences.

Mr Speaker, I hope that the honourable Mr Mor's knowledge of the state of Government finances, after eight years in office, is not limited to what he reads in weekly newspapers. His statement that the Government Reserves amount to a £130 million is as foolish in fact as it is irresponsible politically because the only way that the Reserves of the Government of Gibraltar could conceivably approach the figure of a £130 million, which in any case they would not, but the only way of even bridging the gap between the reality of the actual Reserves and the nonsense of the suggestion that the Reserves are £130 million would be, if the £60 million which are in the Community Care structure were Government reserves. He must understand, having implored from the Opposition benches constraint in this area during the last four years, he must be aware of just how damaging and indeed how irresponsible such an assertion is to the interests of Gibraltar. If it were true that the £60 million form part of the Government reserves, which of course we all know is not true, then we must forgive the honourable Member opposite for making that statement in ignorance. Mr Speaker, the honourable the Opposition spokesman for Government Services speaks of the fact that the current Minister for Government Services is the Chairman of the Utilities Joint Ventures. At all times, Mr Speaker, whilst in Opposition we were careful to put the three Joint Venture Companies, the utility joint venture companies, in a very different category. Certainly the honourable Member opposite must know that it would not serve the interests of Gibraltar well for the influence of the Government in those particular joint venture companies to be diminished and he cannot take cover in respect of the wholly-owned Government companies by virtue of what we do in respect of the utility joint ventures. What we have been criticising, Mr Speaker, over the last four years is the fact that in respect of companies which were 100 per cent Government owned by boards of directors comprising Ministers of the Government, that the affairs of those companies should not be transparent and that those Ministers who controlled those wholly-owned Government companies as their sole board of directors should refuse to answer in this House for their conduct as such directors and for the affairs of those companies. That could not be further from the situation that prevails in respect of the three utilities joint ventures. Mr Speaker, the Government certainly will not be irresponsible with the question of public expenditure. It is not that we intend to go out and raid the piggy bank and put Gibraltar in a position where we

would be reserveless and therefore defenceless. What we are saying is, that the combination of the reserves that exist and the budgetary position in terms of the surplus income over recurrent expenditure which, if it can be maintained and we hope to improve that ratio, gives a degree of scope for Government whilst preserving prudence in matters of expansion of public expenditure whilst preserving prudence in the preservation of a safe and adequate level of reserves still creates the opportunity for Government to invest in some of the objectives that the honourable the Minister for Trade and Industry has highlighted. He can rest assured that I am not proposing to sell the family silver and we are not proposing to go mad with the expenditure of the much smaller sum of £130 million that they left in the kitty when they were removed from office. I commend the Bill to the House, Mr Speaker.

Question put. Agreed to.

#### COMMITTEE STAGE

Clauses 1 to 4, the Schedule and the Long Title were agreed to and stood part of the Bill.

#### THIRD READING

HON ATTORNEY-GENERAL:

Mr Speaker, I have the honour to report that the Appropriation 1996/97 Bill, 1996, has been considered in Committee and agreed to without amendment and I now move that it be read a third time and passed.

Question put.

The Appropriation (1996/97) Bill 1996 was agreed to and passed.

#### PRIVATE MEMBER'S MOTIONS

HON J J BOSSANO:

Mr Speaker, I would like to place on record that in moving the motions separately I have done so after you expressed the view that it would be better to have two separate motions but that in fact the original notice consisted of one motion covering the two individuals in question. The reason for that was that in moving this motion we are concentrating, as far as we are concerned, not on any particular element of public service but on the contribution

to the process of decolonisation and the process of self-determination which started a very long time ago and in which in fact of the four options, three as it was four at the time, four as we all know now, of the four options that were available we have two particular figures, one of whom was spearheading the suggestion of self-determination being exercised by free association with the United Kingdom and the other one was spearheading the concept that self-determination should be exercised by integration with the United Kingdom.

There can be no doubt that it was the AACR that started Gibraltar on the road of self-determination after the war and that that road leading to decolonisation was, if not actively being encouraged by the British Government, at least was not being discouraged. I have no doubt that when the matter was raised in the United Nations Committee of 24 in 1963 and 1964, virtually at the very start of the work of the decolonisation committee of the United Nations, the statement that was made by the elected members of the Legislative Council prior to the 1964 Constitution and reaffirmed by the Members elected on the 10 September 1964, Gibraltar's National Day, as I hope it will continue to be called, represented a drive for decolonisation expected to be completed by 1969 and led by Sir Joshua Hassan and the AACR. There can also be no doubt, we are very clear that this is the case, that the arguments and proposals put to the UN in 1964 were supported by the United Kingdom who told the Committee of 24 that they rejected the Spanish view that there was a conflict between the Treaty of Utrecht and the right to self-determination, and that this is no longer the position that is being taken. That is the route on which Gibraltar and the predecessor of the House of Assembly, the Legislative Council, embarked upon unanimously and if post-1969 there were divisions, the divisions were between those that considered the AACR to be leading Gibraltar towards semi-independence and those that wanted to bind Gibraltar to the United Kingdom primarily with the argument that that was the one option that the United Kingdom could not reject under the Treaty of Utrecht. In looking at this point in our history we feel very strongly, in the GSLP, that after having resumed the drive for decolonisation that should be given continuous impetus over the next four years and that in recognising the contribution that Sir Joshua Hassan has made I am repeating the exact words of the Motion originally given notice of in this House.....

MR SPEAKER:

No, no, the Motion before this House, which you have not read, according to the rules you have got to read the Motion and then speak, would you read it now and then you can refer to the original one.

HON J J BOSSANO:

"That the honorary Freedom of the City of Gibraltar be conferred upon Sir Joshua Hassan in recognition of the outstanding part he played in obtaining self-government for Gibraltar."

MR SPEAKER:

That is the Motion before the House.

HON J J BOSSANO:

That is the motion before the House. That is a motion which is the exact repetition of the motion that was moved, or rather notice of which was given by a previous Member of this House last year and then, before the motion was actually proposed he removed it from the agenda which, of course, under the Standing Orders he could do without requiring leave of the House. Had he not done it like that, from our point of view, he would have got leave of the House because we would have voted against the motion being removed at that time and we would have proceeded with it. The contribution is linked to the part that he played in obtaining self-government for Gibraltar. There can be no doubt that the level of self-government in Gibraltar today, on paper, is no more than what was achieved in 1964. The 1969 Constitution makes clear that it is giving effect to what was already there in 1964 and spelling it out. In 1996 we have got a Constitution which bears no resemblance to the reality of the responsibilities of the Government of Gibraltar, and therefore the further measure that was anticipated in 1964 and which was expected to lead to the completion of that process of self-government which was then seen under the leadership provided by Sir Joshua Hassan and the AACR as putting us on the threshold of full self-government, never materialised. The expectation as I said in 1964 was that this would be done by 1969. The Referendum that was held in 1967 led to constitutional proposals being formulated in 1968 to decolonise Gibraltar. The only element of those proposals, which were decolonisation proposals, to which the United Kingdom Government paid lip service was that instead of Gibraltar being known as the

Colony of Gibraltar it should be known as the City of Gibraltar, but of course that proposal was made on the basis that it would cease to be a colony and therefore it would not be known as the Colony of Gibraltar any more. They just changed the label but left the status. In analysing how it can be that we have got stuck for so long in that position, we think that the history of the intervening period, the very hostile reaction of the Spanish Government to the 1967 Referendum and indeed to the limited constitutional progress that was achieved in the 1969 Constitution as a result of the Constitutional talks of 1969 which was to impose a blockade by land, sea and air on Gibraltar, that was Spain's response to the decision of the Referendum, a Referendum which in turn was in the United Nations opposed even before it was held. The United Nations passed a Resolution telling the United Kingdom not to go ahead with the Referendum and another Resolution telling the United Kingdom that, having held the Referendum, the Referendum was in breach of UN Resolutions. The Spanish position, which is still being defended and maintained today in the different fora of the United Nations, is an exact repetition of the arguments that were used then. The United Kingdom Government is not actively refuting those arguments. The sequence of events and the reason why today we are no further in completing that process of self-determination and self-government than we were when we were taken to that point by Sir Joshua Hassan and the AACR is clear in the contacts that shortly after the 1969 Constitution, shortly after the imposition of the blockade, started the feelers that started being put out between the Foreign Office and the Spanish Government even at the time when there was a fascist dictatorship in Spain. It was in 1973, not so long after the Referendum and not so long after the Constitution came in and not so long after, there was still a drive for further constitutional development. There was a Constitutional Committee that was set up here because in fact the attempt by the AACR Government continued after the 1969 Constitution in trying to press for further constitutional change. Yet at that time the process of trying to produce resolutions in the United Nations which were not resolutions promoted by Spain but resolutions drafted by consensus between the two sides were going on. Much of this without the knowledge of the Government of Gibraltar. The Government of Gibraltar only being informed when things surfaced, and therefore, that development of self-government was always placed in front of this House, in front of the Government of the day, as something that was round the corner. It was something that in principle the United Kingdom Government was prepared to discuss and to consider that they would listen to any proposals, that they would study the matter, but that the

timing was not right. Well, Mr Speaker, Members opposite were using the argument about the right timing in the elections of the 16th May, the timing will never be right, the timing will never be right if we do not place the reality of the situation, that having been taken to a particular point by the AACR with the drive for self-government and self-determination under Sir Joshua Hassan we have, de facto, been switched off in a situation where the British Government has consistently put to us and indeed to Sir Joshua Hassan and his Government at different periods in time, that it would rock the boat, it would not be the appropriate time to do it, that we had to await. We had of course the infamous Hattersley Memorandum of 1976 where after three years of a constitutional conference, or rather of a constitutional committee of this House chaired by Sir Joshua Hassan, formal constitutional proposals were put to the United Kingdom which was the result of a compromise of the views of the AACR and the Integration Party in Opposition. The response of that proposal was to come back and tell us that there was no way that the United Kingdom would agree to integration, even though integration had not been asked for in those proposals, and that there was no way of us being given the option of seeking independence even though nobody has suggested that we should seek independence at that particular point in time. I think my hon Friend Dr Linares at one stage belonged to the limited group of people who thought that at the end of the day, and there was a certain logic in that I think, Edwin Yeats was the one that used to argue most coherently that at the end of the day the only thing that the United Nations would accept as real decolonisation and real self-determination was full blooded independence and anything short of that they would reject as not being the real McCoy and that it would continue to be seen as little more than a smoke screen for continued colonialism and I think that was probably true in the 1960s. Certainly, I can tell the House that it is only very recently that the Committee of 24 has come to terms with the reality that if the United Nations, Resolution 1541, provides for a number of options to achieve self-government, then it is a matter for the colonial people without external interference either from the colonial power or from an aggressive neighbour or for that matter from the Committee of 24 itself, because it is as much an interference with the will of the people if the Committee of 24 is going to dictate to the colony that either they have independence or they cannot be decolonised, otherwise the United Nations should have said so in its Resolution.



HON DR B A LINARES:

Would the honourable Member please give way. There has been a direct allusion to me in his speech and I would like to say that that is based on a purely subjective interpretation of historical events going back a number of years. The attempt to identify me with a constitutional position that he has referred and identified with certain people, is based on no evidence of any statements or activities on my part except my friendship and relationship with those people. It is therefore a valued judgement which I have to reject categorically.

HON J J BOSSANO:

Let me say, Mr Speaker, that I have a very clear recollection of the Minister's views before he got to the position that he is now, and let me also say that I do not think there is anything to be ashamed of in wanting or thinking that independence is the solution. It is a perfectly honourable position to take and Sir Joshua Hassan whom we are mentioning in this resolution and honouring with the Freedom of the City, has defended that in this House. He has defended in this House of Assembly that as far as he was concerned, he had always argued that the people might not want to opt for independence but that the option of independence itself was an option that had to be available, people had a right to consider it and that in fact was the view of Sir Joshua Hassan. Let me say that, a study done in the 1960's by a UK professor of International Law commissioned by the AACR Government, came to the conclusion that in fact the Treaty of Utrecht did not deprive people of being willing to advocate the independence option. There is no doubt that today we are not in a situation, realistically, to consider that any more for the very simple reason that it is clear from our membership of the European Union that we can only achieve self-government and remain in the Union if we do not opt for independence. Opting for independence might give us full self-government in the fullest and widest sense of the word but it would remove us from the European Union membership and therefore, it is not really, irrespective of all the other constitutional and moral and political arguments that can be put in favour of it, it is not an option open to us. So self-government today really is constrained in practical terms by either free association or a variant of free association which might be what has been called the fourth option by us and now by the governing party but which in fact since it has never been made use of, we are not very clear what it would.

MR SPEAKER:

I do not want to stop you, but I think we have come to praise Sir Joshua Hassan, not to attack the Foreign Office or anything else. Carry on in your line of thought but.....

HON CHIEF MINISTER:

Mr Speaker, on a point of order, I was certainly about to rise to make the point but of course just as there is a rule about anticipation there is a rule about relevance and that you may only speak to the motion on matters that are relevant.

MR SPEAKER:

Thank you.

HON CHIEF MINISTER:

To convert a motion to grant the Freedom of the City on Sir Joshua Hassan on a dissertation which we only recently heard from him not more than three months ago in this House into a thesis on the various options for self-determination is in my opinion straining the rule of relevance.

HON J BOSSANO:

Let me say, Mr Speaker, that if you care to read the Hansards of the last four years you will find that I will have to go a very long way before I come anywhere near imitating the degrees to which the Members that were then on this side of the House strain the rules of relevance. But of course the motion that I am moving, and it is certainly not criticising Sir Joshua Hassan because it is in recognition of the outstanding part he played in obtaining self-government for Gibraltar, and what I am saying is the only level of self-government in Gibraltar that we enjoy is the one that he obtained. Regrettable as it may be that he was not able, although he tried on a number of subsequent occasions, to take us further down the route of decolonisation and those of us that have tried it since have not been successful in taking us down that road, and therefore there is no doubt this is why, as I mentioned in my opening remarks, in looking at the other Motion on the Order Paper it was really in the context of recognising that the two persons that have been most intimately involved in Gibraltar's constitutional process, and certainly Sir Joshua Hassan to a greater degree in terms of success rate than

Colonel Peliza, have been the people that we think are worthy of being honoured precisely for that. If we were here to criticise Sir Joshua Hassan then we would need to be saying we did not agree with his fight against parity, we did not agree with the Brussels Process, but this is not what we are saying, what we are saying is we see that we have got an obligation to bring to fruition what was started, undoubtedly, by the post-war creation of the AACR. It was without a doubt that period which caused, it was a period that covered the whole process of decolonisation everywhere else in the Empire, and that should not.... it would be in our judgement far greater a memento to the work that Sir Joshua did in taking Gibraltar forward constitutionally and in a decolonisation process, far greater a memento to his work to actually achieve it than to give him the Freedom of the City. Because at the end of the day, the Freedom of the City for having taken us so far is an important recognition that so little has happened since but if we really want to see that work completed then we need to understand what were the obstacles in his way subsequently to the 1969 Constitution and clearly the obstacles in his way were, the fact that the British Government, having first encouraged, or at least not actively discouraged, the path Gibraltar had undertaken under his leadership, then got cold feet. The attempts, as I have said, were made before the constitution that created this House, the proposals were then consistent with the statement made in 1964, but the UK would not wear it. In 1976 when the second attempt was made and that was the point that I was making before, Mr Speaker, the constitutional proposals were constitutional proposals in terms of producing further levels of self-government but not the final stage of decolonisation proposals and even that was rejected lock, stock and barrel by the United Kingdom where we had a situation where the House set up a Select Committee because the United Kingdom view was to say to this House "look, if you want to have more self-government than you have today...." and that is no different twenty three years later from what they are saying now "if you want more self-government than what we have got already then you just come to us and say 'we want self-government', you have got to sort out amongst yourselves what it is that you want and then come back when you have achieved it". Well, the constitutional proposals that Sir Joshua Hassan, as Chairman of the Committee, a Committee which consisted of Sir Joshua Hassan, of the honourable A P Montegriffo, of the honourable A J Canepa, of Maurice Xiberras and Peter Isola, produced a report which had the support of both parties and which was put to the United Kingdom, and the United Kingdom turned round through its Minister of State for Gibraltar, Roy

Hattersley, in what one might have expected to be a Labour Government not committed to decolonisation and said "you have to await developments in Spain". That was in 1976, we are now 20 years later and in obtaining the self-government that he did in that original constitution in 20 years we have not moved one inch. In practice we may have been given greater responsibility simply because of the United Kingdom's lesser involvement in its facilities in Gibraltar and in its contribution to the economy of Gibraltar and therefore the responsibilities of the Ministers in terms of self-government has grown de facto between 1976 and 1988 when we were elected and we have continued with that same de facto process. But I believe that the AACR would have pressed ahead with pushing for greater self-government than was already there in the actual written constitution and indeed the honourable Mr Montegriffo was the mover of the 1986 Conference asking for this to be included in the 1988 manifesto of the AACR and it was included in a watered down form saying all the implications of it should be studied. There can be no doubt that the concept of the right to our land is a concept that was born in the AACR and defended by Sir Joshua Hassan as the natural aspiration of the Gibraltarian people. The slogan of the AACR defended by Sir Joshua Hassan was that we wanted to be with Britain and not under Britain and there were some misguided people who thought that that made him anti-British, which is not the case, of course, in his case or in anybody else's case. But that concept of pushing forward along a route, is something that we owe it to him for the contribution that he made to make sure that it is maintained alive with the original spirit that led to the feeling of being a Gibraltarian. The sense of identity of our people, which we in the GSLP believe needs to be constantly added to and strengthened, was what created the AACR when the repatriation of our people after the evacuation was one of the major issues where Sir Joshua was one of the major figures and you yourself, Mr Speaker, were closely involved in those battles and indeed the fact that our people were dispersed, and if they had not been a real people, as the Spaniards have tried to make out, if we were simply British expatriates stuck out in a military base in the Mediterranean and not a real people with our own real identity, that would have been reflected in people settling wherever they had been dispersed to, but in fact there was a drive and that was one of the elements that led to the political development of Gibraltar in a way which was very significant. The history, of course, of obtaining transfers of power to Gibraltarian-elected leaders goes back to the City Council days and indeed the level of self-government in some respects prior to the 1969 Constitution which was achieved, we are talking

about something that was achieved 32 years ago, was in some respects greater than it was as a result of the 1969 Constitution. The 1969 Constitution, which was intended to take us forward, actually by merging the City Council, gave the elected representatives in a big area of public expenditure, less control from the paper controls of the colonial power than were produced as a result of the merger. We have to recognise that those solid foundations that were created in the 1960s and the difficulties that have been put in the way of successive governments in taking the matter to completion means that there can be no doubt that without that original contribution and without the role played by Sir Joshua Hassan in pushing us to the limit of constitutional development in terms of local self-government we would now be fighting an almost impossible task. Without that having been done at that time and if more had been achieved at that time I am sure that we would not now be needing to do it ourselves with the difficulties we have now. In those years the vision and the clarity of where Gibraltar needed to finish got a much more sympathetic hearing, I think partly because of the unacceptability of course of the regime that ruled next door and partly because we were part of a movement that was really a movement taking place in many other colonies. It was the thinking, the terminology, the idea and the vision that we had here was the counterpart of what other colonial leaders were doing elsewhere and Sir Joshua belongs in that era, in that period, with those colonial leaders, leading us in a direction which many of us since have tried to pursue and follow and develop and bring to where we would have been but for the obstacles that were put in the place of the Government of Gibraltar which were not put in the place of other colonies. Other Colonies did not face the difficulties we had, a problem of obtaining self-government in the fullest sense of the word in Gibraltar which no other colony has met because in other colonies it was imply the resistance of the colonial administration which was worn down and the progress that Gibraltar obtained under Sir Joshua Hassan was precisely a process of wearing down that resistance and getting transfers of power from a colonial administrator to an elected leader but it was subsequently that we faced a totally new situation and had that not happened I am sure that we would today have been decolonised and that indeed we would have been decolonised whilst Sir Joshua Hassan was still the Chief Minister of Gibraltar because that was the target that he set for the AACR and for the philosophy and the direction in which we had to go as a colonial people in obtaining self-government for our country.

Let me say, Mr Speaker, that we would have supported the Motion when it was brought at the time had it been moved and that in moving it at this time we are doing it in the context of the emphasis that we are placing because we particularly see this as an important juncture in our history as to the emphasis that we put on self-determination, on self-government, on decolonisation as opposed to any other year in recent history. I have been asked by the media how come we did not move this Motion before? The reason that we have given for moving it now are related precisely to the importance we attach to self-government and self-determination and decolonisation and to the key role that Sir Joshua played in that which we consider to be of paramount importance at this particular point in the history of Gibraltar. Obviously, at any time after Sir Joshua retired in 1987, it would have been open to anybody else and not just to the GSLP to bring a Motion to this House. The AACR could have brought it in 1988 or 89, the honourable Mr Caruana could have brought it when he won the bye-election in 1991, the GSD Opposition could have brought it any time after 1992 and it was not until Mr Cumming brought it in 1995 that anybody thought of doing it. We are bringing it at this time because we are linking it to the crucial period in the term of this House with the target date of the United Nations Resolutions for the eradication of colonialism by the year 2000, and to achieve self-government for Gibraltar and to properly recognise the outstanding contribution that Sir Joshua made in obtaining the self-government we now enjoy. It seems to us no better timing than in the House that will see a period of time where the UN is saying, by the end of the century colonialism should not exist anywhere anymore, and our commitment to try and be consistent with that UN Resolution to participate in the action plan, to show our determination, must reflect in our judgement the determination that Sir Joshua and the AACR showed in getting us, so long ago, as long ago as 1964, to the point of self-government that we have today and to make up for lost time by marking his contribution first by giving him the Freedom of the City and, second, by achieving what he would have wanted to achieve 32 years ago. I commend the Motion to the House.

Question proposed.

HON CHIEF MINISTER:

Mr Speaker, when we received notice of this motion we formed the view that this was an act of political engineering on the part of the mover. Frankly, having heard him during the

last hour I have to congratulate myself on the astuteness of the analysis that I made on simply receiving the notice of the motion. It really beggars belief that a Chief Minister of Gibraltar during the last eight years who has not had the political generosity to recognise the outstanding achievements of his predecessor whilst he was in a position to give it to him from the Government benches, should now be able to speak for an hour on a motion to grant Sir Joshua Hassan the Freedom of the City and have spent 55 minutes repeating the same point about the methods of decolonisation and made one, for example, one passing reference which took no more than 15 seconds to the main role in the repatriation of the Gibraltar evacuees. That does not seem to me like the motion brought by a man that genuinely wants to recognise Sir Joshua Hassan's contribution to this community. How can he speak for more than an hour about Sir Joshua Hassan's contribution to this community and not have mentioned that he has been Chief Minister or otherwise political leader of this community for 40 years? As if these were inconsequential punctuation marks in the man's political curriculum vitae and all the lecturing that he has given us on his views and not Sir Joshua's views on the direction for Gibraltar constitute the citation for Sir Joshua's entitlement to the honour of the City. Frankly, what it proves is the political manipulation to which he believes this House is going to allow itself to be subjected and it is not. He brings this motion not because he thinks Sir Joshua Hassan deserves it but by his own admission because it is an important juncture in Gibraltar's quest for decolonisation. In other words, he brings it as a matter of timing, not related to Sir Joshua's rights which is self-evident from the fact that he has not brought it during the last eight years, but because for some extraneous reason, namely, Gibraltar's self-determination agenda, and that he brings the motion not in recognition of all the number of things that Sir Joshua has done, and I have never been a member of his Party or any Party of which he has been the leader or even a member, but as a citizen of Gibraltar. To suggest that Sir Joshua Hassan's entitlement to receive the Freedom of this City answers to the fact that he took us so far on self-determination is frankly a distortion, and if there had been a stranger, a visitor to Gibraltar, I urge the House to subject the honourable the Leader of the Opposition's performance by this yardstick, if there had been a visitor to Gibraltar, a stranger, sitting in the Public Gallery here would he have gone away with the notion on the basis of what he has heard so far, that this was Gibraltar's parliament debating the bestowment of the Freedom of the City on Sir Joshua Hassan in recognition of everything that he has done for Gibraltar? The answer to

that question must be no, and I do not know what makes the honourable Members think that this Government is not committed to the principles of decolonisation. It is the approach to achieving decolonisation that has been endorsed by Sir Joshua and now here he is trying to bestow the Freedom of the City on Sir Joshua, hijacking the man's views as if to suggest that they coincide more with his than with the Government's. He must know that that is not the case and the reason why I have not brought this motion at some time during the last five years is because Sir Joshua Hassan always asked me not to do so because either he wanted it from the Government of the day in recognition of his services in a non-partisan political fashion or he did not want it at all. As the honourable the Leader of the Opposition studiously and premeditatedly declined that act of generosity to a man who has done more for Gibraltar than he has so far been able to achieve himself, it is for that reason that I respected Sir Joshua's wish not to bring the motion because he wanted it from you, moved by you and supported by the whole House.

Mr Speaker, this Motion, even compared to the other one of which Notice has been given, is at the very least mealy-mouthed in its recognition of Sir Joshua Hassan's contribution and, frankly, this Government is not willing to support a motion granting the Freedom of the City to Sir Joshua in terms which suggests that all that he has done is played an outstanding part in obtaining self-government for Gibraltar as if he had done nothing else for which he might deserve the Freedom of the City. Mr Speaker, it is for those reasons that I give notice, that I move an amendment to the motion presently before the House. Mr Speaker, the amendment is that all the words after the words "That" be deleted from the motion as it presently stands and replaced by all the words appearing in the notice of motion that I myself have given and which I now read so that the motion as amended would read:

"That this House:

1. Acknowledges the long and distinguished political career of Sir Joshua Hassan;
2. Applauds his outstanding international representation of Gibraltar and his tireless promotion of the rights of the Gibraltarians;
3. Recognises the extraordinary contribution made by him in the achievement of self-government, the progress in

constitutional advancement and in the shaping of the modern day identity of our people;

4. Pays tribute on behalf of all Gibraltarians to his life time dedication and commitment to the interests of Gibraltar;

5. And in recognition thereof resolves to bestow on him the highest honour that this House can bestow on a citizen of Gibraltar, namely the honorary Freedom of the City of Gibraltar."

Mr Speaker, a motion and I presume that I am now speaking to the amendment.

MR SPEAKER:

You are speaking to the amendment.

HON CHIEF MINISTER:

Mr Speaker, a motion in these terms is in our view long, long, overdue. Gibraltarians of all political persuasions have long expected that this, who is recognised in Gibraltar's Constitutional List of Precedence as a leading and distinguished citizen ought to have that status bestowed on him and recognised by this the Parliament which he was instrumental in creating, in which he served both here and in its predecessor's representative assembly. As I have said, Mr Speaker, Sir Joshua has occupied the position which I now occupy and which the honourable the Leader of the Opposition has occupied before me, in its current form or in its previous form, almost continuously for 40 years. He spearheaded the Constitutional development from which this very House came into existence. A far cry from the colonial situation which he and other pioneering citizens had to contend with when he started his political career during the war years. Internationally, Sir Joshua Hassan is regarded as the father of the Gibraltarian identity and this I do not think is an exaggerated statement. The motion, Mr Speaker, as amended, opens by acknowledging his long and distinguished career. A career dedicated to the service of the people of Gibraltar in all respects and not just in relation to our aspirations to self-determination. A career which started when the young, Salvador Hassan volunteered to help the evacuation authorities during the war years, compiling lists of families involved, assessing their needs and their means. It was in this way that he met a large

cross-section of the population and more importantly from his point of view they got to know him. In fact, his first major contribution came in this connection when he helped in drafting the rules and constitution of the Party that was later to become synonymous with himself, the Association for the Advancement of Civil Rights which was born within the Trade Union movement, conceived by prominent workers' leaders at the time, such as Albert Risso and Emilio Alvarez. This was initially formed as a protest group concerned about the plight of the Gibraltarian evacuees in London, Jamaica and Madeira and I think that the recognition that Sir Joshua played in that process deserves to be recognised in slightly more expanded and expansive terms than the honourable the Leader of the Opposition alluded to in his own address on his own motion. Mr Speaker, having ensured the return of Gibraltar's evacuees, the next phase in Sir Joshua Hassan's political career took the form of the constitutional development period, a process which lasted in effect 26 years and was crowned with the successful enactment of the 1969 Constitution giving the Rock almost complete internal self-government, an achievement which Sir Joshua regards as one of the most important in his political life. The second phase to which the honourable Member opposite, the Leader of the Opposition, has not even alluded in passing is Sir Joshua Hassan's participation in the United Nations initiatives between 1963 and 1969. Mr Speaker, it is not also appropriate to ignore the role played by Sir Joshua Hassan and his political colleagues in the domestic and internal government of Gibraltar during the closed frontier years, during the fifteenth siege of Gibraltar. Mr Speaker, Sir Joshua Hassan has throughout his career received, apart from the accolade of being continuously and continually re-elected by the people of Gibraltar as their democratically-elected political leader, he has received other accolades during this time. He has received the Knight Grand Cross of the British Empire, the Knight of St Michael and St George, the Knight Bachelor, he is a Lieutenant of the Victorian Order, he is professionally of course a Queen's Counsel, and a Justice of the Peace. Mr Speaker, as from today's date he will no doubt be proud of perhaps the next most worthy recognition, after the accolade of repeated election by the people of Gibraltar, namely the granting of the Freedom of his City, the City that he has been so very instrumental in creating in all its facets. Mr Speaker, in commending the motion, as amended to this House, I know that it will be warmly welcomed not just by the Members of this House but by the people of Gibraltar as a whole as a more comprehensive balance and fair recognition of what has been Sir Joshua Hassan's outstanding contribution to all the affairs and interests of Gibraltar

since the war years and the people of all political persuasions, even those who were not political supporters of Sir Joshua, whilst he was politically active, will recognise that this is an accolade to which, if he is not entitled in these generous terms, then it is difficult to conceive who else might be.

I commend my amendment to the House.

Question proposed.

HON J BOSSANO:

I will certainly need to speak, Mr Speaker, in response to the introduction that was made to the amendment. The hon the Chief Minister, since he arrived here, has converted almost every occasion into a censure on the GSLP Government and clearly intends to continue with that methodology now that he is in Government and we are in Opposition. Let me say that the only time we have had a similar situation was in 1987 when just before the General Election, the AACR moved a censure motion against us which we thought was a complete inversion of the roles of this House. Mr Speaker, when I was originally moving my motion, the hon the Chief Minister, at one stage interrupted to say that I was departing from the text and that I had to be relevant. He now moves an amendment because he argues that by limiting myself to obtaining self-government I have not mentioned the things other than self-government that Sir Joshua Hassan did throughout his long and distinguished political career. But of course that is because the motion that I was moving was only looking at that one aspect and it was the same motion that was brought to the House by Mr Peter Cumming who often claimed in this House to have regular meetings with Sir Joshua and look him straight in the eye. I am sure the Member will remember that. So I do not know whether it was, that Mr Cumming did not seek to discuss the text of the motion that he brought in 1995 to this House with Sir Joshua, and that the Member opposite has in fact consulted him on the drafting of this and maybe even on the drafting of his defence of the amendment. Who knows? All I can say is that we have revived a motion that was brought here originally by somebody who claimed to be a fervent admirer to Sir Joshua and who could not be possibly considered to have been doing him a disservice in the way the motion was drafted. We have a typical situation here of the double standards of the Government that when Mr Cumming brought the same motion with the same wording nobody started imputing sinister motives to him. I come along three months' later and do exactly the same thing and the Chief Minister

immediately says that the moment he saw the motion he came to the conclusion that there was some ulterior motive behind it. Why did he not come to that conclusion when Mr Cumming gave notice of his motion in the first instance which is word for word? In fact, I asked for the motion that he had produced to make sure that I was not deviating one iota from it, and since we owed Mr Cumming's presence in this House in the previous legislature to the fact that he was sponsored by the Member opposite as one of his candidates in 1992, then presumably he must know him well enough and know his thinking well enough and know of his admiration for the long and distinguished political career of Sir Joshua Hassan to know that in moving the motion without mentioning all those other things, Mr Cumming could not possibly have been wanting to do anything to hurt Sir Joshua's feelings. Of course, nobody in this House in the time that Sir Joshua has been here has ever questioned the tireless promotion of the rights of the Gibraltarian and his outstanding international representation but he did stop going to the United Nations a very long time ago and I do not know whether he stopped going to the United Nations, Mr Speaker, and stopped his outstanding international representation of Gibraltar after 1967 because he felt that there was no mileage in going there or because he was discouraged from going there by the British Government as indeed they tried so forcibly to discourage me in 1992 from taking over from where Sir Joshua had left off in 1967. But given that the representation that he made of our interests and the defence of self-determination that he made, which the second point in the amendment of the Chief Minister presumably refers to, the outstanding international representation of Gibraltar I imagine refers to, primarily, the hon the Chief Minister has not pointed out whether this is in fact in reference to the promotion of the right of Gibraltarians which presumably means the right to our land and the representation and the defence of the right of self-determination before the UN, before the Committee of 24, before the Fourth Committee. Obviously the representation of Gibraltar within the negotiating process that was started with Spain is not something that could have been all that effective, because the hon the Chief Minister, in his recent participation in Papua New Guinea described us as being a mere interested onlooker. He said that is what it was, that the structure made him a mere interested onlooker. I do not think we are going to jump for joy because we have got the Chief Minister of Gibraltar as a mere interested onlooker, so that cannot be the international representation of Gibraltar that we are talking about, and certainly, we tried to persuade Sir Joshua in 1984 and failed, let me say, but we did try to persuade him in this House, not to endorse the Brussels

negotiating process. That did not mean that we thought in accepting it he was doing anything other than doing what in his judgement was in the best interests of the people of Gibraltar. We thought that he was making an error of judgement which we can all make and we tried to persuade him to act differently and therefore I have to say to the Chief Minister that I certainly was not aware that Sir Joshua Hassan felt that if he was going to be given the Freedom of the City it ought to have been moved by the GSLP Government and not by anybody else in this House. If that is what he wanted, then obviously it may well be that it had something to do with Mr Cumming withdrawing the motion the last time round before moving it, because he did not want Mr Cumming to be the mover, he wanted it to be me, last year. Had I known that we would have taken steps to re-introduce it at a subsequent meeting of the House. Recognising the extraordinary contribution made by him in the achievement of self-government is in fact a repetition of what is in my original motion and I think the achievement of self-government is not complete but that what we have is what he achieved. That is precisely the main thrust of the point that we have been making in moving the Chief Minister, in the third point of his amendment, in talking about the progress in constitutional advancement and in the shaping of the modern day identity of our people, well, I have no doubt that the modern day identity of our people that Sir Joshua Hassan was shaping was the identity of people coming out in the national colours on National Day, that is the kind of modern day identity that the AACR stood for and that Sir Joshua stood for and not one where people started writing letters to the paper saying why are we not on National Day waving the Union Jack. Well, the Scots do not do it on their national day and the Welsh do not do it on their national day. But certainly the modern day identity of our people that Sir Joshua is to be congratulated for and the contribution that he made in that was the contribution of the sentiment of the right of our land as Gibraltarians, not as anything else. We honestly believe that we have been promoting that in clearer and stronger terms than anybody else since the original drive when it was a very clear position which subsequently I think became less clear with this problem of the timing. In talking about the progress in constitutional advance which is point number three of the Chief Minister's amendment, I have already made a passing reference to the constitutional proposals which led to the creation of this House. The Chief Minister has said, that Sir Joshua was the man that produced this House of Assembly, in his remarks in support of his amendment. On the 9 March 1968 in fact a press release was issued from the Chief Minister's office, in those days people did not think that

if a press release came out from the Chief Minister's Office it meant that you could sue the Chief Minister personally, Mr Speaker, this is a more recent development. But in 1968 the press release came from the Chief Minister's office as every other press release has come since and will continue to come in future and that made public the analysis and the conclusions of the Committee that had been set up from the elected Members of the Legislative Council on the 5th October 1965. When we are looking at the contribution that he made in the achievement of self-government and the progress in the constitutional; advancement, which is point three of the amendment, we have to look at the document to which I have referred which contained the views of the elected Members of the House of Assembly elected on the 10th September 1964. This is the blueprint of the constitutional advance that Sir Joshua was involved in and that was reflected in this Legislative Council setting up a Committee with the hon Peter Isola as Chairman, the hon Mrs Chiappe and the hon Louis Triay as Members. It was that Committee that presented the basis of the constitutional proposals that led to the negotiations in 1968 with the United Kingdom Government and led to the Constitution of 1969 which brought into being the House of Assembly. In that document the Committee starts off by making reference to the Referendum held in September 1967 and indeed to the fact that Gibraltar was being discussed and had been placed on the agenda of the Committee of 24 and that the petitioners, that is the hon Sir Joshua Hassan and the hon Peter Isola had argued the case for constitutional advance in the United Nations. The Committee came to the conclusion that independence had effectively been ruled out by the Referendum results where the people said they wanted to stay linked with the United Kingdom in the vote that they took. Therefore, they considered free association which was being advocated by Sir Joshua Hassan and integration with the United Kingdom which was being promoted by the Integration with Britain Party that made representations to this Committee. The Committee decided that in putting forward the proposals for the constitutional advance which then the Government under Sir Joshua Hassan took forward with the United Kingdom and which led to the visit here of Lord Shepherd who discussed proposals with different sectors of opinion, they came to the conclusion, even then, that free association was the most likely formula but that it still was imperfect to meet our needs. Of course, at the time when the constitutional committee and when Sir Joshua was taking that position in the achievement of self-government and in the progress in the constitutional advancement of our country, the UN limited decolonisation to three options and therefore although the committee recommended that Gibraltar should

cease to be known as a Colony and that it should become known as the City of Gibraltar, and that is why we are able to confer the Freedom of the City to anybody, because if we were not a City we would not be doing it, we might be conferring the Freedom of the Colony I suppose, but that is the closest they came then to actually talking about the decolonisation. That negotiating process produced the constitutional advance of the 1969 Constitution. If we now move to point number four of the amendment of the Chief Minister, I do not think anybody can possibly doubt the lifetime dedication and commitment to the interests of Gibraltar. I think throughout the history of this House and indeed of the Legislative Council, before this House, there has never been any question that the people that have dedicated themselves to defending the rights of the Gibraltarians have been totally committed and we have no hesitation in recognising the commitment and the dedication, even though that commitment and that dedication in much of the history was reflected in policies which we equally committed and equally dedicated, disagreed with. I think one needs to draw a distinction between the two. The Government Members may be very committed, they may be as committed as we are or more or less but it is quite obvious that we do not see things the same way on a whole range of issues which are ideological and philosophical and certainly the policy of slowing down the pace to coincide with the tempo, that suited the Foreign Office, was not one with which we were then or are now in agreement but we recognise that it is a perfectly legitimate and defensible view to say, as some people do, as some Government members do, that we had to go slowly and we had to await for the timing, and that is no reflection on the committee. Clearly, Mr Speaker, the conferment of the Freedom of the City on Sir Joshua or on anybody else is the only thing that this House can do to pay tribute to somebody for the length of time that he has been in the public service and the length of time that he has served in the political life of Gibraltar. Her Majesty's Government has recognised that on a number of occasions with a number of honours. We do not have the ability to bestow such honours, so as point five says, it is not a question of it being the highest honour, it is the only honour that we can give somebody and in giving it, we certainly believe that it is most appropriate to give it for what is most fundamental. Certainly we could not have been in agreement, that notwithstanding the commitment and notwithstanding the dedication and notwithstanding the desire to promote the welfare of the people of Gibraltar, we could not say we need to congratulate him for having resisted parity for four years but obviously he was resisting it, because at the time, in the judgement of the

Government in the United Kingdom and in the judgement of the Government of Gibraltar, it was a bad thing. The Government of the United Kingdom changed its mind in 1976/77 and the Government of Gibraltar followed suit. But in judging what is best for Gibraltar there is no question about the nature of that commitment but there is one where there has never been any division, the one thing on which with various degrees of forcefulness we have consistently agreed has been on the principle of self-determination. Notwithstanding whatever things he may have done other than that, some of which some people may agree with and some of which people may not agree with, if the contribution that he has made has been, to put us on that road, then I submit to the House that my original wording is not an insult to Sir Joshua but to recognise that on the most important and the most fundamental thing it is there that he provided the leadership in Gibraltar which has influenced all those that followed. And if the Chief Minister tells me that Sir Joshua is recognised as the father of Gibraltar and the father of this House internationally it can only be about that. When people look to other colonial territories then they look at Mintoff as the father of Malta because of his drive for decolonisation not necessarily because they agreed with his domestic policies. If they look at Zambia and at Kenneth Kaunda, they see Kaunda as the father of Zambia because of his fight for decolonisation and for self-determination. And it is against the background of colonialism and it is in the period of colonialism that I think Sir Joshua was seen in Gibraltar clearly in an international context as playing the same role here, perhaps with the constraints of having an enemy on the doorstep which did not give us much breathing space and therefore with less militancy that might have been possible in other circumstances in other areas, but that was true also of Belize with Guatemala. The people in Belize that led the right for decolonisation always had to have constantly at the back of their minds that as long as Guatemala was breathing down their necks they could not afford the luxury and therefore, I do not think that one needs to bring a motion to this House in which one lists items of this nature, as the Chief Minister has done, in order to bestow the Freedom of the City of Gibraltar on one of our distinguished citizens, because in fact in support of that, one can say as many things as one wants. I imagine that just like there are four points which the Chief Minister says in his motion justify the bestowing on him, one could sit down and given the length of years that he spent in public office, one could produce a list with 20 points. There is nothing of particular significance as far as we are concerned in the fact that the Chief Minister gives four



reasons for granting the freedom of the city and I give one which means that he gives three more than me. As far as I am concerned that does not mean that he wants to give him four Freedoms and I want to give him one, Mr Speaker. Therefore, we have no problem in altering the motion the way that the Chief Minister wishes to alter because we would not wish to vote against this and give the impression that because the original wording has been altered we are opposing the granting of the Freedom of the City. But let me say that I consider the amendment unnecessary, superfluous, and if you like, Mr Speaker, actually diluting the uniqueness of the contribution in respect of self-determination and self-government which is the one that we think requires highlighting.

HON P C MONTEGRIFFO:

Mr Speaker, I would like to make a short tribute to Sir Joshua not because he is deserving of anything other than an extensive tribute but because the Chief Minister has elaborated on his contribution to Gibraltar and the amendment the Chief Minister has moved reflects the affection and recognition that this House, on behalf of the people of Gibraltar, wishes to bestow on Sir Joshua. Let me say before going into that, Mr Speaker, that we have witnessed today a mockery, a cynical mockery of everything that this process of the granting of the Freedom of the City to Sir Joshua was supposed to be. The honourable Leader of the Opposition has done not just a disservice to Sir Joshua but a disservice to himself. That a man with his parliamentary record should have abused this House in the way that he has is shameful, Mr Speaker, and a complete disservice to this community, to Sir Joshua, and as I say, to himself. There is no heart in the Leader of the Opposition's tribute to Sir Joshua. There is no warmth of affection. There is no real attempt to bestow recognition because it is felt, and because in many respects Sir Joshua is the antithesis of Joe Bossano. Far from Joe Bossano painting himself as somebody following in the footsteps of Sir Joshua he is the antithesis of the whole approach of Sir Joshua Hassan, a man that looked for dialogue, a man that sought not to work with confrontation, a man whose reputation today I believe the Leader of the Opposition has sought to rape for purely political manipulation. I personally first had extended contact with Sir Joshua, Mr Speaker, back in 1981 when I remember Lord Douro came to Gibraltar to take part in a television debate on self-determination and on the future of Gibraltar and I participated as a student in that debate and well remember, even then, Sir Joshua's words of advice to me how we enjoyed

talking with each other and indeed, my very first papers on issues like free association and the United Nations came from Sir Joshua who was eager to transmit with enthusiasm those ideas and that commitment to a young person who he thought also shared his interest in this area. We have talked about everything that he has contributed to Gibraltar but there is one aspect of Sir Joshua which I simply want to highlight which has not been talked about and which I think was his most special feature, Mr Speaker, and that was his ability to have the common touch, his ability always to relate to people, the ability he had to speak to everyone, never to insulate himself in the bunker of Convent Place, always to be receptive to the needs of the individual in the street, and the legacy he leaves as a result is of a man who knows the people of Gibraltar. I can think of no one else who knows the people of Gibraltar like Sir Joshua, a man who knew the pains each family had gone through, the difficulties relatives were suffering, the housing conditions they were going through, the sort of problems a particular son had. Sir Joshua's contribution quite apart from the matters of state which have rightly been focused on, was also a true Gibraltarian and a politician of the people. I perhaps represent the link between the AACR and the GSD and for that I owe a personal debt to Sir Joshua for having interested me in politics and for the extent to which the GSD as a party believes in dialogue, believes in participation, believes in openness and I would like to regard it in that sense at least that the GSD is the legacy of Sir Joshua, that Sir Joshua's philosophy will continue to be promoted by this party and by those perhaps that have supported it.

Thank you.

HON J GABAY:

Mr Speaker, I too have known Sir Joshua for many, many years and have a very high regard for him. Referring to the contribution of the hon Chief Minister, I feel that it was his contribution in fact that has abused the privilege of the honour that we are about to confer on Sir Joshua Hassan. It is with his usual arrogance that he started his preliminaries by accusing the presenter of the motion with all sorts of motives and playing the role of an inverted Mark Anthony as he increasingly fell in love with his own verbosity and rhetoric before he actually sinks as usual into his armchair. The fact remains that he reduced this to an accusation. If the hon Chief Minister's feelings for Sir Joshua are as noble as he claims, he would have overlooked this because the motion as it stands is global and many of

his biographical details that he bored us with are well known to everyone but since he feels entitled to question the motives of other people then I feel that we can question his motives as well. The fact that the central issue that was singled out, that is self-determination and decolonisation, I do not think that I do the hon the Chief Minister an injustice by saying that these in his record, when you analyse it, are not the points that would come more easily to him.

Thank you, Mr Speaker.

HON J C PEREZ:

On the amendment, Mr Speaker, I think that the Government are the ones with the confrontationalist attitude that are turning this into a censure motion on the Leader of the Opposition for the only good reason that he has taken the initiative before them of bringing the motion to the House and with the highest respect that I have for Sir Joshua and his long career, and it is something that I say sincerely because we have had lots of differences, but at a personal level the relationship and the mutual respect exists, I think honourable Members should not try and possibly out of spite or because we have come and moved the motion try and make out that there is an ulterior motive other than the very sincere one that the Leader of the Opposition has expressed in moving the motion and rather than accuse us of all sorts of things from political manipulation, because it might not suit honourable Members, what we should do here is, once we are united, being this the first meeting agree to the motion Mr Speaker and it is incredible the confrontationalist manner that honourable Members come with that on a motion that we are going to be united they come and they stand up and attack the Leader of the Opposition. The Election is over. You have made your campaign against the person of Joe Bossano, the election campaign is over, it is incredible that we come with a real, sincere motion moved by the honourable the Leader of the Opposition and there are aspersions of political manipulation, of having ulterior motives in moving the motion, all because honourable Members might want to have booked themselves for whatever ulterior motive that might be because they moved heaven and earth to try and bring the motion themselves. It does not service at all to the spirit in which the motion was moved and to the spirit in which the motion ought to be debated and respect in this Chamber, Mr Speaker.

Question proposed.

HON CHIEF MINISTER:

Mr Speaker, I do not wish to reply at all. I do not think anything he has said that warrants or even needs a reply.

HON J BOSSANO:

Let me see if I understand correctly. We are now voting on whether my motion should be amended or not?

MR SPEAKER:

Indeed, that is what we are doing ..... in the terms of the amendment.

HON J BOSSANO:

.....in accordance with the proposed amendment which is a deletion.....

MR SPEAKER:

That is right.

HON CHIEF MINISTER:

I do not think the honourable the Leader of the Opposition can speak in reply on the amendment. He can speak after.....

HON J BOSSANO:

No, no, Mr Speaker, I am not speaking on the amendment, I am trying to establish that what we are doing now is taking a vote whether the motion as originally moved by me should be amended or not, am I correct?

MR SPEAKER:

Yes, should be amended in these terms.

HON J BOSSANO:

.....in order to replace it with the words.....

MR SPEAKER:

When you vote you are already accepting the wording.

HON J BOSSANO:

But the amendment is the deletion of what and the replacement by what, Mr Speaker, if I can ask?

MR SPEAKER:

The hon the Chief Minister gave it.

HON J BOSSANO:

The deletion of all the words?

MR SPEAKER:

Yes, except "That".

HON CHIEF MINISTER:

The Leader of the Opposition is well acquainted with this since he invented it.

HON J BOSSANO:

So what we are saying is we are leaving the word "that".....

MR SPEAKER:

Yes.

Question put on the amendment to the motion. The House voted.

For the Ayes:

The Hon K Azzopardi  
The Hon J Baldachino  
The Hon J Bossano  
The Hon Lt Col E M Britto  
The Hon P R Caruana  
The Hon H Corby  
The Hon J Gabay  
The Hon J J Holliday  
The Hon A Isola

The Hon Dr B A Linares  
The Hon Miss M I Montegriffo  
The Hon P C Montegriffo  
The Hon J J Netto  
The Hon R Mor  
The Hon J C Perez  
The Hon Miss K Dawson  
The Hon B Traynor

The motion, as amended, was carried. The original motion was defeated.

MR SPEAKER:

The amendment is now carried but we have still got to vote, if you want it, on the original motion as amended. The father of the House can claim the last word and he can have it.

HON CHIEF MINISTER:

Mr Speaker, on a point of order, I think once the motion has been amended the original one no longer stands, I think that is the practice of this House. Mr Speaker, the honourable Member knows that what I am saying is the case and it is no use trying to.....

HON J C PEREZ:

I am sorry Mr Speaker, he always thinks that there are ulterior motives for everything. What the honourable Member has moved is an amendment to a motion. The vote that has been taken is whether that motion should be amended or not. Now on the Order Table in my view, Mr Speaker, what there is is an amended motion for which we have to vote again. This is what we have always done here whether the honourable Member thinks it or not.

HON CHIEF MINISTER:

We have never done that here. Votes to see on whether we amend and then on the wording of the amendment.

HON J C PEREZ:

You check with Hansard.

HON J BOSSANO:

Of the original motion that I moved, the only word that remains is "that" so we now have my motion as amended by the proposed amendment on the table, it still happens to be my motion that I originally moved and which has been amended by the Government.

MR SPEAKER:

I am prepared to go that way, it is a question of voting again, and I do not think you need a division now, do you?

HON J BOSSANO:

I would think not, I think we are all very clear that we are unanimously supporting the conferment of the Freedom of the City on Sir Joshua Hassan. As far as we are concerned, primarily and predominantly for the role that he has played in constitutional development and as far as the Government Members are concerned in addition to that.....

HON CHIEF MINISTER:

As a matter of order. This is an abomination, we can no longer vote on his original motion, it is no longer before the House. It has been amended, with his consent, the wording that he put on the table is no longer on the table and cannot be voted on.

MR SPEAKER:

I am going to recess for 10 minutes to have a word with the Clerk. I think that is the way to do it.

The House recessed at 7.00 pm.

The House resumed at 7.15 pm.

MR SPEAKER:

(Inaudible)

HON J BOSSANO:

Thank you, Mr Speaker, that is what I was in the process of doing in fact and I was saying that the motion, as amended, reflects the recognition of the whole House where in fact it is only a question of the emphasis that we would be giving

which is in fact reflected in the motion, as amended, in one of the paragraphs, that has introduced an element of disagreement in terms of what is the most relevant part of the political career of Sir Joshua Hassan. There is no doubt that in the contributions that he has made in Gibraltar there are many things that he has been a major mover on, certainly one could think in domestic matters, of the early horrendous housing problem that Gibraltar faces in its early years and how the initiative for housing people came at that stage in most of the public housing estates of Gibraltar. We sincerely believe that when the chapter is finally closed on the road to decolonisation he will be remembered, without a doubt, as the man that put us on that path and therefore it is very welcome that that should be included in the motion, as amended.

MR SPEAKER:

(Inaudible)

HON J BOSSANO:

Mr Speaker, I beg to move the motion of which I have given notice:- "That the Honorary Freedom of the City of Gibraltar be conferred upon Colonel Robert Peliza for his lifelong commitment as Chief Minister, as Leader of the Opposition, as Speaker of this House, in promoting and strengthening the links between Gibraltar and the United Kingdom." As in the previous motion which we have just debated, one could consider that this motion is deficient by simply referring to one particular aspect of the contribution that has been made by Bob Peliza but we have limited ourselves to that because, again, it is in this area of the inalienable right of the Gibraltarians to determine the future of our country, that we think that the lifelong commitment of Bob Peliza can stand out because of course in the history of the political life of Gibraltar, whether it is the House of Assembly, which Bob Peliza initiated as Chief Minister in 1969 and where the Government that he led was in office between 1969 and 1972 or in the administrations, in the Legislative Council, there were and there have been many individuals who perhaps have not served as long but whose commitment and dedication to many aspects of the development of Gibraltar has not been any less simply for being shorter. But, just like in the case of Sir Joshua, the fundamental issue which was the cornerstone of the political philosophy of Bob Peliza, was a particular emphasis on the element that was most important in the decolonisation process. The link with the United Kingdom was a fundamental part of the electoral platform of the Integration Party in the 1969 Constitution.

It was, as I have already said by reference to the constitutional proposals that led to the 1969 Constitution, which were put there by the Integration Party before the Constitutional Committee, the one element on which the thinking of Bob Peliza politically was reflected and as was mentioned in the Official Opening of the House by the Chief Minister, in that Constitutional Conference the most adamant lobbying on the need for the Preamble to the Constitution was being made at the time by Bob Peliza even before he had been elected to this House. At one stage, of course, Bob Peliza was a member of the AACR before that, but today we still see that Preamble to the Constitution being constantly referred to as the cornerstone of the British Government's policy in respect of Gibraltar's decolonisation. A policy which now we feel does not go far enough but of course we feel it does not go far enough because it is already there and because it has been there for a very long time. In the visit we had from Madam Speaker from the House of Commons we had that exchange which reflected the commitment in the Preamble to the Constitution and the link with the United Kingdom. That was an initiative of Bob Peliza. In the establishment of the Gibraltar Branch of the British European Movement, Bob Peliza was the main mover. Clearly, if there had been unanimity in support of integration with the United Kingdom in those days, the result might have been different. One never knows, although, frankly, I myself was closely involved with Bob Peliza in those days and indeed I remember that even before the establishment of the Integration with Britain Party the original lobby of the pro-integration movement was within the AACR. It was an attempt to persuade the AACR to move from the philosophy of free association to the philosophy of integration, and it was subsequent to that, that the integrationist wing of the AACR took a different path. That link between Gibraltar and the United Kingdom which has been a lifelong commitment of Bob Peliza is, of course, something that we all continue to subscribe to as an element that should continue in existence in a different form from the form it takes today subsequent to Gibraltar's decolonisation. We included in the recent General Election constitutional proposals which contain the element of Gibraltar coming under the Home Office in a decolonised relationship and that was not a new idea, it was something that has been there as well from the constitutional conference of 1968. In the report produced by the Committee of the Legislative Council, to which I have referred in the previous motion, there was included a proposal for the UK's consideration that Gibraltar should come under the Home Office just like the Channel Islands and the Isle of Man that enjoy internal self-government and that are not included by the United Nations because they were

never so included by the United Kingdom, let me say. The United Kingdom decided that when it submitted the list of non-self-governing territories that would require to be decolonised, Gibraltar should be placed on that list and the Isle of Man and the Channel Islands should not. It was one of the original arguments that the Spanish representatives used to throw back at the United Kingdom representative in the United Nations, that it was not Spain that had put us down on the list of territories requiring decolonisation, that it was the United Kingdom and the fact is, that the territories that were there when the original list was drawn up and when a reporting requirement was demanded of the United Kingdom as the administering power under Article 73(e) of the Charter of the United Nations, that list in the case of the United Kingdom and indeed in the case of every other colonial power was actually left to the colonial power and because the United Kingdom did not treat the Isle of Man as a colony, the Isle of Man, notwithstanding the fact that the United Kingdom has responsibility for its foreign affairs and for its defence, was never seen as a territory that required decolonisation. Spain did not include, when it joined the United Nations in the 1950's, Ceuta or Melilla as places that required decolonisation, and even though the Kingdom of Morocco tried to argue that they should so be included the position was that it was a matter for the colonial power, for the administering power to put it there and therefore even before the present Constitution was agreed, that was seen by the Committee of the Legislative Council and accepted with everybody's support, as a way of retaining that link that Bob Peliza defended throughout his involvement in Gibraltar's public life in a way that was consistent with the constitutional relationships that the United Kingdom had with those small territories off its shores that were not totally self-governing but were, on the other hand, not colonial territories and did not become dependent territories when the terminology was amended. Promoting and strengthening the link between Gibraltar and the United Kingdom has always been a difficult exercise in Gibraltar when the philosophy of the direction in which we wanted to go and the direction in which the United Kingdom, in its global policies on foreign affairs, prefer that we should go and the reflection today of the unanimity that there is in ensuring that a decolonised Gibraltar maintains a relationship with the United Kingdom which will basically ensure that the UK acts as the agent of Gibraltar in discharging its responsibilities for our external affairs is something that was identified in the exercise that was carried out in 1986 in the decolonisation proposals on free association. So, although there was a clear division in the political life of Gibraltar in respect of whether the

preferred option for exercising self-determination should be free association or should be integration, the truth is that the free association proposals that have been recognised and accepted by the United Nations, and there are three of them, two with New Zealand and one with the United States, all produce a link but a link which is non-colonial because it is not a link of superiority. It is a link of equality, it is a link under which the strength of that link is one where the sovereign state cannot and must not exercise its responsibilities for the territory that is linked to it by way what is in the best interest of the sovereign state and what is in the best interest of the territory that is linked to it. Promoting and strengthening the link other than through a process of complete integration which ceased to be a tenable option in 1976 and which as recently as a couple of years ago was once again ruled out by the Minister of State David Heathcoat-Amory in an interview where he volunteered that the United Kingdom would not be willing to consider proposals for integration just like Roy Hattersley had done in 1976 even though on neither of the two occasions anybody had asked the question. The information was volunteered to pre-empt the thought crossing anybody's mind. Other than that, where the essence of such a link is that the self-government is achieved because the link converts into a relationship where there may be a level of local autonomy but the sovereign of the territory rests fully with the parliament of the sovereign state, and the people in the territory are represented in the parliament of the sovereign state and participate in electing it. In our Constitution the link in the Preamble states that the territory cannot pass under the sovereignty of another state without an Act of Parliament and there is a commitment that we, the people, will not pass against our wishes under the sovereignty of a foreign power and the reality of that is that that means that neither the territory nor the people can be handed over against our wishes although in the actual wording there is an apparent distinction and that apparent distinction is of course because of the sovereignty of parliament in disposing of Crown properties. Developing and strengthening the link in the way that Bob Peliza saw it was something that was resisted by the United Kingdom Government and many of us felt that in some respects apart from the difficulty of convincing the United Nations that this was a legitimate exercise of self-determination which was certainly in the environment of the 1960's have been extremely difficult given that the whole thrust of the decolonisation process then was one of hostility towards the administering powers in the different colonial territories, apart from that difficulty many of us felt that part of the problem lay in the finality of that development. Developing that link and

strengthening it to the degree of decolonising by integration created an irreversible process because of course any change after that would have been, in constitutional terms, breaking up the territorial integrity of the sovereign state. Not an impossible situation as we have seen in some parts of Europe and indeed as we are seeing in the case of Northern Ireland, by definition the process that has been started does not discard the possibility of Northern Ireland, at some future date, leaving the United Kingdom. The United Kingdom Government has said it will never be done against the wishes of the people in Northern Ireland but we are seeing that breaking up a state that is integrated is today not considered as impossible as it was in those days. So, to the extent that the ultimate strengthening of the link with UK meant integration, the resistance of the UK Government as I have said, Mr Speaker, was seen by many in Gibraltar as reflecting a view that was being put and that continues to be put and that has been a feature of the colonial relationship for the last thirty years that the people of Gibraltar would never be handed over to a foreign power against their wishes but that the UK would not stand in the way of such a transfer if that was what the people wished, and in promoting and strengthening the link between the United Kingdom and Gibraltar, of course, Bob Peliza, and many others close to him, were advocating the development of a constitutional relationship which would make, if not an impossibility, as near an impossibility as it was possible to achieve politically. The idea that the door should always be open to an option of unlinking with the United Kingdom, was the very anti-thesis of the philosophy of Bob Peliza, and not because there is not an argument which was used by other people, those who were critical of his views argued at the time that one never knew what future generations of Gibraltarians might decide. If in a hundred years' time future generations of Gibraltarians have a different view, then irrespective of the decisions that we take in this House today or of the position that Bob Peliza took politically throughout his different roles in public life in Gibraltar, nothing could prevent that happening, but certainly saying we must not try and make that difficult was not a necessary logical consequence and therefore what Bob Peliza tried to do throughout this contribution and as I have said we are concentrating just on his contribution to the decolonisation of Gibraltar, just like in the other motion we felt that that was the important element, we do so as well in respect of Bob Peliza. His view was that those of us who did not want it to happen could not be neutral on this. We had to promote the route and try and put in the safeguards and try and tie things up. We in this House have

in the last legislature in fact wanted to go further than the Preamble of the Constitution, particularly by reference to the nature of the commitment that is included in the Constitution of the Falkland Islands where, not as a preamble, but as the opening paragraph of the constitution there is an unambiguous clear commitment to the right of self-determination of the Falkland Islanders. We have got a motion that was carried unanimously in this House which the United Kingdom Government did not reject out of hand, they said they were prepared to look at and again I think that in the case of Bob Peliza in recognising his contribution to securing Gibraltar's future in a way that confirms to what the vast majority of Gibraltarians want, we would be honouring him more by pursuing that indeed than we could by granting him the Freedom of the City. The Freedom of the City is simply a practical way of reflecting a recognition of the importance of these issues but we need to continue to work to achieve the commitment. We feel that it is appropriate at this stage, immediately after an election covering this four-year crucial period again in the context of the eradication of colonialism by the year 2000, that we should at the same time give recognition to the other political figure that has been most closely involved in some respects in the process of decolonisation that appeared at some stage at the height of the time, when these views were being put forward appeared to be one the antithesis of the other but which we feel in fact are reconcilable, can be reconciled and lead to the same end. Therefore it is on that basis that we have moved that the time is now right to honour Colonel Bob Peliza, particularly and especially, for this particular element of his contribution to public life.

Question proposed.

HON CHIEF MINISTER:

Mr Speaker, the essence of uncontroversial procedures lies in consultation and consensus. It is not appropriate for Opposition Members to constantly regret that we make things that are supposed to be uncontroversial controversial when they depart from the traditions which are that there is consultation between both sides of the House before motions are brought bestowing the Freedom of the City, not a tradition to which the Leader of the Opposition subscribes because of course, Mr Speaker, he did not do it in relation to the last motion that he brought granting the Freedom of the City to the Royal Marines. If these uncontroversial things such as motions granting the Freedom of the City become controversial they make them controversial by studiously avoiding the process of consultation which would

have permitted them to remain within the realms of the uncontroversial. The honourable Leader of the Opposition, in moving both motions that we have debated today, has attached great importance to the question of timing and indeed the Government on this occasion considers that one of the issues which this motion raises is indeed the question of timing. The House will know that I have never been shy to heap praise on Bob Peliza for his political attainments, although it was not the first time that I had done so, the most recent was during the ceremonial opening of this House. I have on various occasions recognised his achievements in relation to the Preamble, his achievements in relation to obtaining the right of Gibraltarians to register as British citizens under the British Nationality Act, and the British Government wanted to exclude Gibraltar from that, and indeed there are others, but it is odd, Mr Speaker, that in justifying the previous motion the honourable Leader of the Opposition should say that he should only concentrate on the one thing. That is why the previous motion, in his opinion, was correctly formulated by simple reference to the fact that Sir Joshua Hassan played in obtaining self-government for Gibraltar, yet on this motion there is a litany, because what he asks us to do is to grant the Freedom of the City to Major Peliza not just because of the role that he has played in strengthening the links between Gibraltar and the United Kingdom, which would have been the equivalent of the outstanding part he played in obtaining self-government for Gibraltar, on this occasion he prefixes it by his lifelong commitment as Chief Minister, Leader of the Opposition and Speaker of this House. So, where are we now in terms of the fact that there is only the need to highlight the one important fact or has Sir Joshua Hassan not been the Chief Minister and the Leader of the Opposition, and a lifelong commitment in addition to the one issue which he said was the important one and therefore the only reason why he says he wants to limit the motion to that. There is just lack of consistency in the argument and it is precisely that lack of consistency in the wording which caused us to view his motivation with suspicion because there is a simple difference of approach to the wording of these motions which reveals the spirit with which he intended them.

Mr Speaker, the question of timing is of the essence. We believe it would be incongruous for this House to have taken more than eight years, now nearly nine years, in recognising Sir Joshua Hassan's considerable achievements by bestowing the Freedom of the City on him and consider at the same time that the timing now is also right to at the same time bestow the Freedom of the City on Bob Peliza who, in our opinion, is deserving of the Freedom of the City. But as the

honourable Leader of the Opposition has himself identified timing as a crucial factor in the bringing of these motions, then I feel entirely justified to rely on it myself in relation to this motion too.

Mr Speaker, it is the opinion of the Government that having waited for more than eight years, to confer the Freedom of the City on Sir Joshua Hassan for his considerable achievements on behalf of Gibraltar, it is appropriate that this should be his day and only his day. It is for that reason that we propose an amendment to the motion placed before the House by the honourable the Leader of the Opposition, the honourable Members of the Opposition have the wording of it, I do not know if the Chair does. Mr speaker, it has been pointed out to me that the grammar is wrong. The words "at an appropriate occasion" should be at the end rather than where they appear in my manuscript. Mr Speaker, just after the words "at an appropriate occasion" if they could just be placed after the word "Gibraltar" on the last line and then add to them the words "in the future" so that the sentence would end "at an appropriate occasion in the future". I will now, Mr Speaker, read the amendment as I am proposing it and this is, that we delete all the words after the word "that" and replace them with the words "This House recognises the enormous contribution made by Robert Peliza to the political affairs of Gibraltar and in consequence thereof records its intention to further acknowledge his contribution by conferring upon him the honorary Freedom of the City of Gibraltar at an appropriate occasion in the future".

Mr speaker, I hesitated when I came to the word "Colonel" because I am advised that the rank that is personal to him is Major and that he occupied the office of Honorary Colonel but that is not a rank that attaches personally to him. It would not be a point to which I personally would attach the most remote significance, I had no objection to leaving the phrase "Colonel" subject to the question of accuracy of fact. That is all.

HON E M BRITTO:

On a point of order and if I may with the greatest respect. The post of Honorary Colonel is an appointment which is temporary and has nothing to do with the rank of the person who holds it. The person can be a Major, as in this case, or could be a General but during the time in which he holds the appointment he is referred to as the Honorary Colonel but it is an appointment and not a rank. The rank of the person remains what it was, whether it be Major or

Lieutenant General and when the appointment is over, he goes back.

HON CHIEF MINISTER:

For those of us, Mr Speaker, who are less concerned by such matters I think the point is that he is not a Colonel, he is the Honorary Colonel. But, Mr Speaker, I am quite happy to attach no importance to that aspect of the matter, I am very happy to leave "Colonel" which is what I call Him when I see him at a cocktail.

Mr Speaker, in moving this amendment it is perfectly clear from its wording and from what I have already said that there is no doubt whatsoever being placed on Bob Peliza's entitlement by his historical contribution to politics in Gibraltar to enjoy this accolade. The amendment recognises that and recognises also that if it is correct for this House to have taken eight years to recognise the achievements of Sir Joshua Hassan, it cannot be right to also recognise those of Bob Peliza eight weeks after he has left his latest office. Therefore, Mr Speaker, the amendment is intended to recognise what is worthy and deserving of recognition at his point in time and as a matter of timing the Government would prefer to defer the bestowment of the Freedom to a later occasion in order to keep it chronological in relation to the award in favour of the previous recipient of a few moments ago Sir Joshua Hassan.

I commend the amendment to the House.

HON J BOSSANO:

We are opposing this amendment and I would like to be clear on the procedure that is, we will vote against the amendment and then presumably I will be able to speak on the motion after the amendment has been passed against our votes, am I correct?

HON CHIEF MINISTER:

Mr Speaker, there is no Parliamentary authority for it because one of the advantages of the majority of the House being able to amend the motion is precisely that it then does not have to vote on the original one. That is why amendments exist, otherwise we could simply vote against the motion and not bother with amendments. It is depriving the majority of that traditional and obvious and intended device and it is a device to which the honourable Leader of the



Opposition constantly had recourse and the device to which he now seeks to have recourse, has no precedent in this House nor indeed in his own recent practice in it and frankly, it is not a tradition which the Government Members welcome.

HON J BOSSANO:

Mr Speaker, the Chief Minister is wrong and Hansard shows that he is wrong. When he was on this side of the House he brought innumerable motions here and when they were amended at the end of the amended motion it was still the motion that had been moved and Hansard shows the motion of the honourable so and so as amended was passed.

Let me say Mr Speaker that the arguments that are being put in this House by the Chief Minister shows the hypocrisy with which the Government are conducting themselves in this matter. I do not recall ever, and I have been here since 1972, I do not recall ever having been consulted by anybody before they gave notice of a motion on the granting of the Freedom of the City or on anything else, ever, since 1972, and I do not recall anybody ever since 1972 using that as justification for adopting the position that is being adopted. Certainly the Chief Minister, when the motion to which he has such great objections and which he amended in respect of Sir Joshua Hassan was brought here by Peter Cumming, he did not make a fuss about the fact that presumably Peter Cumming had not consulted him or perhaps he had, he certainly had not consulted us, I do not know who else he had consulted or not consulted but the truth is that that motion with that wording is not my copyright and therefore to suggest that because we reproduce the motion that had previously been circulated there is again some sinister motive behind it in order to downgrade Sir Joshua Hassan and upgrade Robert Peliza, is a reflection of the sickness of the Chief Minister that sees a Machiavellian plot in every single thing. The motion that we are moving does not list all the achievements and says we propose the Freedom of the City because he was Chief Minister and because he was Leader of the Opposition and because he was Speaker. We are not saying that, we are saying because of his commitment in promoting and strengthening the links. One thing. The fact that he happens to be a Colonel or a Major or a Chief Minister or a Leader of the Opposition or a Speaker is incidental. That describes the different functions that he has had, during which he had many commitments. He had a commitment to parity which Sir Joshua Hassan opposed and which I supported and which some Government Members supported and some opposed and therefore,

if we were to say "we give the Freedom of the City to Bob Peliza for supporting parity" we would have to say "and we deny it to Sir Joshua for opposing it" but we have not done it. We have concentrated on one element in both cases and have been at pains in moving the motion to demonstrate why we were focusing on the one thing that is common to both. It is not a question of whether this is Hassan's day or anybody else's day, unless the Chief Minister believes and has reason to believe that Sir Joshua Hassan is not a man of such great stature that he can contemplate something being bestowed on somebody that was a political adversary at the same time as it is bestowed on him. I cannot imagine that someone that we have recognised for his outstanding contribution as an international figure, for his commitment, can possibly lose sleep over that and I hope that there is no reason for that to be the case or for that or have motivated the amendment of the Chief Minister. It certainly is not true, Mr Speaker, that he decided after hearing me speak that the motion should be amended to defer the conferment of the honorary Freedom of the City on Bob Peliza because he circulated the amendment before I had moved the motion, so that statement which he has just made where he says after hearing me produce my arguments in support of the motion on the Order Paper he has decided that there was a need to defer it because I had made timing an issue. I had made timing an issue after I had seen his amendment on the timing. If anything, I thought it was important to raise the question of timing precisely because he circulated a copy of this. On the first motion, Mr Speaker, I have given a lengthy explanation and the Chief Minister has said that (Interruption) I think the Chief Minister must have decided that this was what he was going to do when he discovered that he could not block the motions by suspending or seeking to suspend Standing Order 47 and, of course, the Chief Minister that made such a big song and dance about the process of the importance of this House debating issues has attempted to bring in and would have done it, had it not been for the 24 hour rule, would have suspended Standing Order 47 in a way which no Government has ever done since the 1969 Constitution was brought in.....

HON CHIEF MINISTER:

Would the honourable Member give way on a point of order? If my attempt to suspend Standing Order 47 had prospered, we would have debated the Freedom of the City to Sir Joshua Hassan and your motion in respect of Bob Peliza would still have been on the Order Paper. So I do not see how you have got the effrontery to stand there and suggest that the application this morning to suspending Standing Order 47 was

an attempt to gag you in relation to this motion. It has got nothing to do with this motion. This motion was not the object of my application this morning.

HON J J BOSSANO:

Mr Speaker, presumably since he was intending to move Standing Order 47 be suspended in order to bring in a Government motion and make it impossible for the Opposition to put its arguments in respect of a motion of which proper notice had been given, but if he could do it about that one, presumably he could equally have done it about this one, and could do it over any future motions that he chose. The fact is that the Government, with its majority can change it, but by seeking to abuse the provision of Standing Order 47, since there is another Standing Order which says that once a matter has been debated it cannot be debated again, it would have meant that the ruling of the Chair would have been under Standing Order 45, that it would be out of order to attempt to revive in any debate a matter upon which the Assembly has come to a conclusion.

HON CHIEF MINISTER:

We would have debated both Freedoms, so there is no gagging, whether we debate it in relation to my wording or yours is not a gagging and it cannot be so abusive of the procedure of the House if I cannot do it unless I give 24 hours notice but can do it on Monday morning or on Tuesday morning, so the rules obviously do not think it is that outrageous, if all they require is for me to give 24 hours notice.

HON J J BOSSANO:

The use of that rule has never been made use of before by any Government in order to prevent the Opposition from moving a motion, because let us ask ourselves, what is the strategy? If we were to put ourselves in the framework of the sick mind of the Chief Minister and look for sinister motives, what is the sinister motive? Why should they want to move the motion previously as a Government motion? Because in the Order Paper it comes first, and they could achieve exactly the same results as they have done now with the amendment. They are going to be able to use the Government majority to deny the granting of the Freedom of the City to Bob Peliza now because, although they think it is sacrilege that in the case of Sir Joshua Hassan it is eight years after he retired from politics, once we have committed sacrilege in the case of one person we must enshrine it as a tradition of the House and presumably we

will look at the year 2004 for Bob Peliza to be granted the Freedom of the City.

Mr Speaker, the right of any Member of this House to bring a motion by following the Standing Orders and giving the proper notice is not something that can be used by the newly elected Government as an excuse for an attack because it was not done before by a previous Government. They have brought motions here from the Opposition benches and on many of them we have finished up with amendments which they accepted and which were carried unanimously and in some others it has not been the case. It is no more a sacrilege in the case of any other issue than it is in this one because the only explanation that he could give as to why he had not brought it earlier was because he claims that Sir Joshua Hassan wanted it from me as Chief Minister and did not presumably want it from me as Leader of the Opposition. Hence all this subterfuge about bringing in a new motion, trying to put it in the Order Paper as Government business, seeking to suspend Standing Orders, presumably because Sir Joshua prefers to have had me moving this motion when we were the Government and does not like that I should be moving it now that we are Opposition, but Bob Peliza does not suffer from that problem. He is not inhibited by the fact that the initiative has come from the Opposition, and therefore, the Chief Minister does not need to worry about the sensibility of Bob Peliza, or that Bob Peliza may want at a future date for the motion to be moved by the Chief Minister instead of being moved by me. I certainly do not accept that the motion that we have moved requires amendment by contrasting it with the previous one as the Chief Minister has done, because the previous one was not drafted by us and we simply maintained what was there on the premise that if that was acceptable last year to the mover and to those that had been close to him, presumably it will continue to be acceptable to all the parties concerned. We do not accept that there is a correct interpretation that we are listing in this, facets of the contribution to the political life of Gibraltar of Bob Peliza other than in respect of the link. The language of the motion is very clear. We certainly do not accept that we are diluting the previous motion by using the occasion to give it to Bob Peliza. Indeed, since we wanted to have one motion doing both things, what we were saying was in fact that on something like the conferment of the Freedom of the City what better than to honour the two political rivals that have been most closely involved in a debate that has gone on for 30 years on this particular issue. Because there were many issues other than this one where the positions sometimes were totally different. Sometimes they were in agreement, sometimes they were in

disagreement but on this one; there is a very clear relationship between the two, as the two leaders proposing two routes to self-government and therefore that is the logic and the essence of what we did and that is the explanation that we have given and to now come along and say "because it is only eight weeks since he ceased to be the Speaker of the House it is too soon....". This has nothing to do with timing, the timing is there because it is a timing that as far as we are concerned we consider to be appropriate, for both of them, and because we were ready to support the previous motion when it had originally been proposed and therefore at that time when Bob Peliza was still Speaker of the House we would not have ourselves suggested that it should happen, because of course, we thought then that it would not be appropriate to move a motion granting the Freedom of the City to somebody that was still sitting in that Chair, Mr Speaker. That is the only reason why this has come now and did not come before. Had in fact Mr Cumming not decided not to proceed with the motion, the motion would have been carried last year and it would not have been on the same day. I have to say that it is quite obvious that as was the case before, where on the least offensive or trivial or inconsequential issue or answer given in this House, the Members of the GSD in Opposition used to burst into all sorts of conclusions which were totally unjustified as we have seen in the contribution during the debate on the Appropriation Bill, we have had reactions looking for the nigger in the woodpile, what is this all about? I can only say that the reaction of the Chief Minister in trying to find ulterior motives every time can only be evidence of one thing, that that is how his mind works and he presumes that so does everybody else's and therefore he is doing a great disservice to the contribution made by Bob Peliza. There is absolutely no justification for this amendment and it is nonsense to suggest that the honour conferred on Sir Joshua would be diminished because it coincided with the decision of the House extending the same recognition to Bob Peliza and we will vote against the amendment.

MR SPEAKER:

(Inaudible)

HON CHIEF MINISTER:

I waive my right of reply Mr Speaker as there are no new arguments to address.

HON J J BOSSANO:

I have a more persistent streak in my character than the Chief Minister, Mr Speaker, and therefore before a division is taken and before the final vote is taken I have to say that in this first meeting of the House that these motions should have finished up as a matter of controversy is something that does not augur well for the way in which we from the Opposition wish to see the conduct of our debates here. The Chief Minister previously in the Appropriation Bill justified the way they conducted themselves from the Opposition benches where half the time there were innuendoes left, right and centre, on the basis that because we governed using a certain methodology of which they disapproved, that justified the nature of their conduct and I have to say that the nature of their conduct in these motions, more than justifies us going down the route that they went. We will try and resist the temptation but I cannot guarantee the result.

Question put on the amendment to the motion. The House divided.

For the Ayes:

The Hon K Azzopardi  
The Hon Lt Col E M Britto  
The Hon P R Caruana  
The Hon H A Corby  
The Hon J J Holliday  
The Hon Dr B A Linares  
The Hon P C Montegriffo  
The Hon J J Netto  
The Hon Miss K Dawson

For the Noes:

The Hon J L Baldachino  
The Hon J J Bossano  
The Hon J Gabay  
The Hon A Isola  
The Hon Miss M I Montegriffo  
The Hon R Mor  
The Hon J C Perez

Absent:

The Hon B Traynor

The amendment was carried and the original motion defeated.

ADJOURNMENT

HON CHIEF MINISTER:

Mr Speaker, I have the honour to move that this House do now adjourn sine die.

Question put. Agreed to.

The adjournment of the House was taken at 10.25 pm. on Friday 5th July 1996.

