

**RECORD OF THE MEETING OF
LEGISLATIVE COUNCIL
HELD IN STANLEY
ON
1st-5th JUNE 1992**

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PRESIDENT

His Excellency the Governor
(Mr W H Fullerton CMG)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr R Sampson)

The Honourable the Financial Secretary
(Mr D F Howatt)

Elected

The Honourable R E Binnie
(Elected Member for Camp Constituency)

The Honourable T J Peck MBE CPM
(Elected Member for Stanley Constituency)

The Honourable G M Robson
(Elected Member for Stanley Constituency)

The Honourable Mrs Norma Edwards
(Elected Member for Camp Constituency)

The Honourable K S Kilmartin
(Elected Member for Camp Constituency)

The Honourable W R Luxton
(Elected Member for Camp Constituency)

The Honourable H T Rowlands CBE
(Elected Member for Stanley Constituency)

The Honourable G P Short
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr D G Lang QC)

CLERK: Mr Anton Livermore CPM

PRAYERS Reverend Canon Palmer LVO

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ADDRESS BY HIS EXCELLENCY THE GOVERNOR
TO THE LEGISLATIVE COUNCIL ON 1st JUNE 1992

Honourable Members, ladies and gentlemen.

This is my fourth Budget Legco address. Sadly for me it will, as you know, be my last. My wife and I have found it difficult to leave nearly all our postings abroad when the time has come. This one, unique in so many ways, will be harder than any. We have found it a great pleasure and privilege to spend three and three quarter years in these captivating Islands, especially in the roles we have occupied. We have been enabled to join in all aspects of life here and have enjoyed it all immensely. The Islands and Islanders will always retain a very special place in our hearts and our support for their cause will be guaranteed wherever we are.

We have seen many changes and much has been achieved during the past three and a half years. I arrived when the Seamount affair was hanging over the Islands and one of my first tasks was to commission the Boyd Report on it. At the same time we engaged in the difficult process of winding up the whole of Stanley Fisheries Limited, a sad affair but one from which we learned a lot. We have managed with some difficulty to unload a number of ships, how long ago the Indiana and Southern Star now seem; we have replaced the Dornier with Islanders successfully but against the previously received wisdom; we now have a slimmer and rational FIDC; we have achieved the FOCZ and do all we can to safeguard the fishery; we have used our revenue to build our infrastructure and provide housing - I still regret the passing of the RT and two-metre, but we have to go forward; we have built tracks and paved roads. Stanley has changed dramatically for the better. We have acquired the FIC farmland and the rest of the FIC is currently up for sale.

My view has always been that Islanders should run this country as much as possible, while the valuable contribution of expatriates is recognised. I hope we have a better atmosphere in all that than we once had. Councillors now play a prominent role in committees of all sorts and this has meant much greater involvement by them in the Administration and in daily life, which I think has been an advantage to all. I hope the days of having to exhort Councillors and Administrators to pick up the telephone or call on each other before resorting to battle have long gone.

We have found strong support from HMG over the period on issues of major importance to us, though there have been some frustrations. Councillors have very good access to Ministers in London and Ministers are very willing for these Islands to run themselves to the maximum extent possible Constitutionally.

We have had a number of very distinguished visitors, headed by the Duke of Edinburgh.

The renewal of diplomatic relations between Britain and Argentina has brought considerable benefit to us and should continue to do so as long as sovereignty stays firmly under that umbrella. We do now have satisfactory sea and air links with Chile.

Each year here seems to have been as significant as the last or more so. This year is no exception, and being Heritage Year it is, of course, by that fact alone, memorable. We have received the first ever visit of our Bishop, the Archbishop of Canterbury, for the 100th anniversary of the consecration of the Cathedral, a most enjoyable and rewarding occasion; we have the 10th anniversary of the liberation, the 100th anniversary of the FIDF and the 400th anniversary of the first sighting of the Islands ahead.

We have proclaimed a Continental Shelf and enacted legislation for mineral surveying.

Once again the year has made heavy demands both in time and expertise on those who undertake the work of Government, on Councillors, especially the ExCo Councillors, and on the Administration, headed by the Chief Executive, Financial Secretary and the Attorney General. The load never grows less but the Government machine copes well and I pay tribute to it. It has been a pleasure to work with all members of it and I have been constantly impressed by its quality and ability. Honourable Members, as usual I shall now start my general review with the Treasury.

TREASURY: Mr Derek Howatt

The Financial Year 1991/92

The revised estimates of Government revenue for that period is £41.8 million. Which shows a drop of £1.5 million from the previous financial year. Contributing factors are a reduction in fishing licences revenue of approximately £2.1 million, and a decrease in investment income caused by lower interest rates. These decreases were partly offset by an increase in capital revenue from the sale of Government houses.

The revised estimate of Government expenditure for 91/92 is £36.5 million, a decrease of £4.6 million from 1991 mainly attributed to a reduction in capital expenditure over the previous year.

The estimated surplus for the 91/92 financial year is £5.2 million. The general reserves at 30 June 1992 are estimated to reach £44.2 million which represents 22 months of operating expenditure or 13 months of total expenditure estimated for 92/93.

1992/93 Financial Year

Projections for departmental revenue total £38.6 million. Operating expenditure is estimated at £23.7 million. Capital revenue and expenditure is estimated at £2.6 and £16.6 million respectively. The overview for 92/93 therefore shows a budget surplus of £900,000.

Treasury Department

A fairly uneventful year for the Treasury itself. Mr Richard Wagner, the Deputy Financial Secretary/Economic Adviser, has played a distinguished part, especially in economic and financial appraisal and planning.

An Actuarial Review of the Falkland Islands Old Age Pensions Ordinance has been completed for the period ending 30 June 1991; a policy review of the pensions system is taking place.

Income Tax

The Income Tax Office staff, recently increased by one to deal with the growing workload, have been consolidating the computer systems set up for the assessment and collection of tax. Lack of office space has proved a problem.

It is intended that the next phase of the Tax Review, the complete re-drafting of the Income Tax Ordinance, will take place during the 92/93 financial year.

Central Store

The Central Store has now added a purchase control system to its computerisation, enabling the store to handle more Government purchasing and to centralise aspects of other departments

purchasing requirements. The Central Store took control of the FIG construction stores at Megabid in November 91. Staff are engaged in cataloguing and reorganising these, which is expected to take 12 months. The Central Store will leave its present site in the coming year, after an occupation of over 100 years, and move to Gordon Lines.

FISHERIES DEPARTMENT: Mr John Barton

Another difficult year for conservation, particularly with regard to the mainstay of both the fishery and the FIG revenue, the Illex squid. The 92 Illex season has been unusual with the squid generally weighing less for a given length than in previous seasons. Current predictions are that the escapement of Illex in 1992 will be low. Measures to increase escapement are limited. The main problem is still high seas fishing, largely outside FIG's control.

Unlike 1991, the 92 season has seen relatively few attempts at poaching; patrol vessels and aircraft have maintained effective surveillance and control over the conservation zone. Successful prosecutions have been achieved, including one against a vessel fishing in the FOCZ, and one where a Taiwanese jigger began fishing before its licence was valid.

The South Atlantic Fisheries Commission has met twice a year; it involves Argentina and Britain with Island participation. This has resulted in some benefits for fisheries' management, including agreements on data exchange and measures to reduce illegal fishing.

The Department has attended and participated in international meetings, including conferences on squid in Madrid and hake in Bremerhaven. FIG attended the World Fishing Exhibition in Vigo.

Transshipping in Berkeley Sound has increased during the first season on 1992, and brought a welcome up-turn in harbour activity. In addition to monitoring this, the harbour control section has serviced all navigation aids and established one new beacon.

The management of FIPASS was transferred from SMS to FIC.

The Lord Shackleton II sank, fortunately without loss of life. This and other incidents are a reminder of the hazards involved in fishing. I commend 78 Squadron for their rescues of fishermen which are so much appreciated by all concerned.

CUSTOMS DEPARTMENT

Mr Les Halliday retired from the position of Collector of Customs at the end of December after sterling service and was succeeded by Mr Robert King. Mr Bernie Eccles transferred from the Police Department to become Customs Officer.

Mr Ken McLeod attended a customs training course of four weeks, held at the Crown Agents Management Training Centre in Sussex, followed by an attachment to HM Customs, Manchester. He was able to arrange for the production of badly-needed computer programmes for the collation of import statistics.

During the last 10 months, 1,196 vessels were recorded as entering Falkland waters, principally for transshipment, an increase of 60 vessel movements over the period last year.

Revenue collected for the period 1 July 1991 to 30 April 1992 was:

Import duty: £365,398

Customs services and harbour dues: £441,260

Both a substantial increase over last year.

IMMIGRATION DEPARTMENT: Miss Jenny Smith

The Department dealt with 3,952 people arriving in the Islands by air and 468 arriving by sea of 47 different nationalities. We have accepted 20 applications from new immigrants (including four children).

Twenty-two persons were refused entry to the Islands.

The Department has also dealt with 4,151 tourists travelling on 24 cruise vessels.

DEPARTMENT OF AGRICULTURE: Mr Owen Summers

The arrival of the National Stud Flock of 500 ewes and 25 rams has been the highlight of the development programme.

Councillors did not support the concept of a Government Farm but agreed that Sea Lion Island be rented from FIDC and to place the flock under a management contract with Falkland Landholdings. FIDC financed the transportation costs of the flock which were over fifty per cent of the whole.

The Stud Flock had some problems, shortly before departure a number of animals contracted "Orf", or "scabby mouth", and shortly after their arrival on Sea Lion several ewes showed signs of "Pink Eye" which can cause an animal to be blind for several days. Although both diseases already exist in the Islands, it was not considered wise to distribute the privately purchased animals (91 ewes and 34 rams) until these diseases had been brought to a non-clinical state.

The question of how widespread the "Orf" problem throughout the Islands might be, has been resolved by collecting blood samples from various farms during the routine Brucellosis campaign. This suggested that of the sheep tested 58 per cent showed "Orf" antibody.

The extension section has been committed to a review of the Agricultural Grant Scheme in all its implications, especially the impact of the current drop in wool prices.

Agricultural Training has again featured as a prominent function, adult courses were provided in Sheepskin Curing, Computer Keyboard Skills, Welding, Shearing and Wool Classing, carried out at 17 different venues with 70 persons taking part. Wool Classing advisory visits were made to a further 19 farmers.

Department staff have been teaching part of the GCSE Agricultural Course to students in Stanley Senior School, mainly in the specialised areas where the school does not have appropriate staff itself.

Research work continues to consider the best uses of local resources. The white grass trial at Fox Bay provides useful information, and with work carried out by Queen's University should make possible a comprehensive management package for white grass. Work in the tussac programme has progressed. Further investigation is needed if large-scale planting is to be considered on areas not "originally" of tussac habitat.

The Brucellosis campaign has gone well. This year we had our first all-clear test which now

leaves the possibility of spot checks only. This will be a topic for Farmers' Week.

Much time is also taken with routine duties, such as animal clinical work, animal imports, vegetable and fruit imports, and of course the advisory work associated with the agricultural assistance programme.

FALKLAND ISLANDS DEVELOPMENT CORPORATION: Mr Mike Summers

The FIDC (Amendment) Ordinance 1991 came into effect on 1 January 92. This required the re-writing of the FIDC Policy and Procedures Manual, in particular to describe the report line from the FIDC Executive Board to Executive Council as FIG take over Corporation funding. The Manual sets out Corporation policy, and provides information on Corporation activities and types of financial assistance, and procedures to be followed in project appraisal. A copy has been lodged in the Public Library.

Having survived an unusually harsh winter and produced 36 kids, the goats imported last year have now been moved to Pebble Island with the exception of 15 does which will remain at Goose Green until the current grazing trial finishes. Early indications show that although there may be some competition with sheep in grazing, foraging habits do differ. Fibre production has been disappointing although the original animals have still not adapted to the change in hemispheres; it will probably be the young stock who will show the true result this coming spring. The first fibre samples from locally-born progeny will go then to the United Kingdom for evaluation by commercial users.

Falkland Mill has achieved growth in the local market through commercial knitters and retail outlets following the introduction of a new range of colours during 1991. Although priority is given to supplying yarn to local manufacturers, it is hoped that further growth can be obtained through exports to the United Kingdom and the rest of Europe. The support of Executive Council has enabled the Mill to promote its knitting yarn through editorials in various women's magazines with encouraging early results.

Work on the development of Lookout Camp has continued with preparatory landscaping. Twenty-one of a possible 50 sites have been rented or sold to local businesses. Seven will be used for retail or office purposes, 14 for light industry or storage. One plot has been designated a container park where privately-owned containers can be stored for a modest rental. Several businesses now operate from the site; the installation of services is expected to be completed by December 92.

During the year, FIDC proposed the formation of an Energy Advisory Committee with representatives from FIDC, FIG, the business and farming communities. The importation of petroleum products to the Falklands has increased by an average of 1,000 tonnes per annum and a primary objective of the Committee is to reduce reliance on this. More efficient use of energy and the increased use of alternative, and environmentally acceptable, forms of energy are key objectives.

Several local businesses have benefited from the new Business Legal Aid Scheme in effect from the beginning of the current financial year. Under the scheme locally incorporated businesses can receive assistance towards legal practitioners' fees for such matters as company formation, purchase or sale of commercial property, the preparation of commercial leases or rental agreements. In an increasingly more complex legal environment, businesses and individuals need sound, independent professional advice.

Tourism has recovered from the down-turn in demand suffered last year from the recession and the Gulf war. Overseas visitor numbers have reached 1989/90 levels and Camp lodges

and hotels can again anticipate profitable operation. Growth in visitor numbers from North America via Aerovias DAP has been encouraging; the possibility of double-destination holidays, with the Falklands offered in conjunction with Chile, is attractive to North American and European operators. This was a boom year for cruise vessels, with 26 visits, more than double any previous year. The financial contribution from these is still limited, but opportunity exists for traders and entrepreneurs to benefit from over 4,000 visitors per year.

EDUCATION DEPARTMENT: Mrs Phyllis Rendell

The period has seen a consolidation of the administration of the Department under the Education Ordinance with the Board of Education and the School Manager Committees establishing a working pattern. In the latter half of the year the Department created an Industrial Training Committee replacing the former Apprenticeship Board. There is much to be done in the area of trade training.

The Falkland Islands Community School

The completion date is early August. It is hoped that the facilities will be open shortly afterwards. The Head Teacher will take overall responsibility for the school, joint library and sports areas; it is envisaged that a wider programme of academic and leisure courses will be available for the general public.

Stanley Schools have functioned well under the leadership of Mrs Jean Smith and Dr David Burgess. Doctor Burgess leaves the Islands in December after four and a half valuable years; he will see the move to the senior school. Staffing on the whole has been consistent resulting in a high standard.

The 1991 GCSE results were satisfactory; five young people will go on to study A levels at Peter Symonds' College in September. The junior school reading tests again reflect a wide ability range from the very able to those needing extra help.

The schools have produced a number of music and drama entertainments and several exhibitions which have been enjoyed by the community.

Camp Education has offered a good standard of primary education to children under Mr Richard Fogerty. The Department has had to tackle the growing problem of a smaller rural population spread over many more locations. The well motivated teaching staff have organised numerous group educational meetings with young children to enrich their learning experience.

Stanley School Hostel had a good year. Boarders have enjoyed camping trips and outings organised by staff and with help from the general public. The number of boarders has fallen further and a long term strategy will need to be considered, however figures indicate that the existing provision will be required for the next few years.

Further Education

Overseas training became the financial responsibility of the Falkland Islands Government by March of this year with the Scholarships and Training Awards Committee making recommendations for training. Nine students are at Peter Symonds' Sixth Form College with 23 Islanders attending courses either of in-service training or as students of higher education. In some careers, students will require additional experience before or after returning to the Islands.

The swimming pool continued to give the Stanley population much pleasure and was well run by Pool Superintendent, Mr Jim Fairfield, and his staff.

POST OFFICE: Mr J Stephenson

Minor renovations to the Post Office this year have resulted in a new look. A new coat of paint to the ground floor plus the installation of 200 new boxes, although depleting the amount of floor space, have brightened up the area. Further changes can be expected next year.

The installation of collecting boxes at points round the town has only been partly successful. Seven new boxes were installed, only three or four are used regularly and even these in limited fashion. Perhaps the sites where the boxes are situated are not the best; the Post Office will welcome any reasonable suggestions for re-siting.

Another difficult year with continuing worldwide recession in stamp sales has affected the Philatelic Department. Although a number of very attractive sets have already been issued during the period, sales are so far running at much the same level as in recent poor years.

The Crown Agents have, however, several promising promotions in hand, notably the newspaper promotion of the "Accession" issue, and the forthcoming "Liberation" issue. The "Square Riggers" issue when the "Columbus" exhibitions take place throughout the summer in Europe should prove popular.

Mrs Diane McGill has taken over from Mrs Phyllis Stewart as Chief Clerk.

TELECOMMUNICATIONS

The opening of the new telephone system has meant a noticeable decline in special two-metre and "ham" radio licences being taken out. Subject to satisfactory results from a questionnaire now going round Camp, and given that our Consultant is satisfied, the telephone system could be accepted later this year.

A review of telecommunications and particularly licensing policy is to take place soon.

FALKLAND ISLANDS BROADCASTING STATION: Mr P Watts

Refurbishment of FIBS was completed at the beginning of May, following a two-phase operation which began with an extension to the original building in 1990 and the installation of two new fully equipped studios.

The considerable saving on Phase One, resulting from the buying and installation of the new equipment by SSVC, made possible the immediate continuation of the refurbishment plan. FIBS now has a newsroom, record library, reception area, Manager's office and other essential facilities. Phase Two of the work was carried out by the PWD under Mr Mike Green. By using PWD there has been a saving of £18,000 on the original estimate.

The new studios at FIBS are now operational and this has given all the staff added interest and satisfaction. The new equipment is comparable with that of many radio stations world-wide.

The winter phone-in programmes proved a popular addition to the schedules. The opportunity of conducting interviews, using the new Telephone Balancing Unit, not only around the Islands but overseas, is a much valued addition to programming.

The excellent relationship between FIBS and BFBS continued with the two organisations working well together in supplying 24-hour coverage. FIBS has relied on the BFBS engineers to assist with technical difficulties on many occasions during the year and thanks must go to Mr Roger Woods, the Station Manager, and the two current technicians, Mr Nigel Worrall and Mr Peter Chamberlin, for their support. The imminent agreement between the FIG/SSVC to ensure that FIBS has technical cover on a daily basis will be welcome.

FIBS programming has been enhanced by freelance staff. This has resulted in a much appreciated educational programme for children, "Out and About", in which children ask the questions. Several new presenters have been recruited, and FIBS now offers a wider variety of music than before.

CIVIL AVIATION: Mr Gerald Cheek

The fire appliance garage and workshop at Stanley Airport adjoining the terminal is under construction, the runway lighting was commissioned in September, and the navigational beacon is being installed at Christina Bay. The cross runway was covered with a layer of dense bitumen macadam during the summer, it is a most useful asset in cross winds.

The most significant change to aircraft movements in the period was the increase in the Punta Arenas service by Aerovias DAP. Their aircraft visited 50 times as opposed to 11 in the previous year. Passengers increased by some 280% to 768 (347 inbound and 421 outbound) from 198 (77 in and 121 out) before.

From May 1991 until April 1992 inclusive, the airport catered for 6,061 passengers embarking and disembarking from FIGAS aircraft, an increase of only seven passengers from the previous 12 months.

In total, the airport handled 3,637 aircraft movements and 6,827 passengers.

Of the Camp airstrips Port Howard continues to be the most visited settlement by FIGAS, with 480 landings, followed by Pebble Island with 280, Fox Bay East 253 and Sea Lion Island 228. During the annual fire appliance training visits to all current airstrips, it was encouraging to see in most cases the maximum turn-out by farm residents.

The clay airstrip at Saunders Island, opened in March 1991, has proved successful even throughout the winter; consideration is being given to the construction of similar airstrips at other settlements having suitable subsoil.

The Civil Aviation Authority visit in March: Mr Cook from the UK Civil Aviation Authority inspected FIGAS Flight Operations. His report described a well-managed operation and the Authority have suggested that in future the Director of Civil Aviation should decide when FIGAS ought to be inspected and by which organisation.

FALKLAND ISLANDS GOVERNMENT AIR SERVICE: Mr Vernon Steen

A growth in traffic over previous years, but not as significant as anticipated, primarily because of a shortage of qualified pilots. There was also the accident to Bravo Delta at New Island in January.

Aerial surveillance aircraft flew 1,546 hours for the Fisheries Department. Aircraft use is now 55 hours a week. This level will be maintained until the end of the High Season.

FIGAS moved to Stanley Airport in September 1991, centralising the operation. This was received with mixed feelings by the public, particularly over the freight service, but the difficulty was resolved with help from the Post Office. Air freight during the year is estimated at 65,000 kilograms.

The UK Civil Aviation Authority twice inspected the aircraft and engineering section. An Operations Inspector carried out an in-depth inspection in March.

FALKLAND ISLANDS GOVERNMENT OFFICE: Miss Sukey Cameron

The workload increased substantially because of Heritage Year.

There have been a number of staff changes: Barbara Steen, PA to the Representative, returned to the Islands in October; Tracey Chamberlain transferred to the PA post from Receptionist in March, and Gail Spooner was recruited to fill that post. Lee Chandler, from Peter Symonds College, assisted in the office for a week during the Easter holidays. FIGO will hope to continue to provide work experience for Falkland Islands' students.

The Parliamentary contact programme was greatly enhanced by displays at the Labour and Conservative Party Conferences in November and the presence of Councillors Gerard Robson and Norma Edwards. The Governments of Hong Kong and Gibraltar are now following our lead and taking stands next year.

The visit to the Islands of five Members of Parliament in December was successful; all were impressed - I am pleased to say that all five kept their seats in the General Election! A further visit in February could not take place because of that election, but plans are in hand to organise another visit towards the end of 1992. Profile Political Relations canvassed all prospective Parliamentary candidates to gauge the level of knowledge about the Islands in the new Parliament and what the target areas should be. The contact programme began with a lunch at Falkland House in May for some of the new members to meet the FIG delegation who visited the EC.

On the recruitment side, FIGO has recruited for 22 posts for this year which has resulted in 549 applications and information packs being dispatched; 252 applications being received and 59 candidates being interviewed at Falkland House.

The Travel Coordinator, Carol Stewart, has been kept busy with the ever-increasing passenger numbers to the Islands. In the course of the year approximately 2,500 flights have been booked through FIGO.

The Representative has attended various special events during the year, including the decommissioning of HMS Endurance and the commissioning of HMS Polar Circle; the opening of the Falklands Exhibition at the Imperial War Museum; the Annual General Meeting of the Falkland Families Association at which HRH The Duke of York was present, and a special memorial service for those who died on HMS Sheffield. Arrangements for both the Memorial Service at St Paul's Cathedral and the Annual Reception at Lincoln's Inn are underway.

PUBLIC WORKS DEPARTMENT: Mr Brian Hill

This department's job is to maintain the public services and Government assets in as efficient and cost-effective manner as possible. It seeks to improve these services and assets as directed

by Government.

The department's annual turnover is over £20 million; there are 8 contract staff, 36 permanent and pensionable staff and 120 hourly paid.

Over the past year there have only been a few senior staff movements. Mr Willie Bowles will replace Mr Mike Green who leaves in July.

On the production side, the quarry produced 180 thousand tons of crushed rock, the Power Station generated 7 million units of electricity and the Filtration Plant pumped out 37 million gallons of treated water complying with World Health, EC and UK standards.

Using its own resources, PWD have progressed a further 10 kilometres towards Teal Inlet, finished off FIBS new studios, completed six units of single bedroom accommodation at an average cost of around £37,000 a unit, helped restore Whale Bone Arch, restored the boat house and slipway in the dockyard, landscaped the now disused quarry at Estancia, laid tarmac on nearly nine kilometres of the MPA road, and relit Ross Road in a manner sympathetic to the character of Stanley.

The landscaping project at Estancia won an award in the Beautiful Falklands competition which confirms that the North Camp Road construction gang really do care for the environment.

Of the contracts controlled by PWD, St Mary's Walk and Reservoir Road were rebuilt; Davis Street, Dairy Paddock Road and Jeremy Moore Avenue are under reconstruction to be completed by the end of June (given fine weather); blocks A and B of Jersey Apartments were completed and Block C is scheduled for August; the new senior school will complete on time at the beginning of that month. There is also the successful joint venture contract with Mr Richard Cockwell's BT Construction Ltd where, under the Camp Link Tracks Assistance Scheme, the track linking Fox Bay East to Fox Bay West is being upgraded.

All has not gone well on the road being constructed by PSA International between MPA and Newhaven. Instead of construction work taking the planned 14 months, the latest programme indicates 22 months. Fortunately this long over-run will be at no additional cost to FIG.

PLANNING DEPARTMENT: Mr A Norrell

Following the enactment of The Planning Ordinance on 1st March 1991 planning control over new development has been introduced. A Planning and Building Committee chaired by Councillor Peck meets every month to consider planning applications and related matters. The work of the Committee is extensive but nearly all applications are concerned with development in Stanley itself, as most development in Camp does not require planning consent. One hundred and thirty-four planning applications have been submitted nearly all of which were approved. Only six were for Camp.

The Committee aims to prevent new development having a detrimental impact on the environment, traffic safety or neighbours. It encourages improved standards for new buildings. The public have the opportunity to send-in written comments on any planning application; the new system allows everyone to be involved in the development of Stanley.

Sites and Building Working Group

Here a more comprehensive examination of the future use of Government owned sites and buildings allowed a range of options to be explored, with public comments invited.

The preparation of a Town Plan for Stanley is a major task. The Plan will assess the need for new housing, business premises, community and other land uses, and propose the most appropriate sites. It will be prepared in a draft form by the Planning and Building Committee for public consultation.

Housing and East Stanley Development

Housing will be one of the most important subjects in the Town Plan. The East Stanley Development will go a long way towards meeting the demand for new housing in the foreseeable future. The planning stages have been completed; work on services and roads will start later in the year. Demand for new housing plots, smaller rented units, accommodation for the elderly and other types of housing will be assessed. A better understanding of housing needs will help Government to manage the allocation and development of plots.

There are other projects the Government wishes to pursue over the next year or two. They include housing improvement for Eliza Crescent; a survey of the potential of surplus Crown land; the designation of Buildings of Architectural or Historic Interest; the preparation of development schemes for the dockyard area, Hillside Camp, Stanley House and Hostels, the secondary school site, the Government buildings to the east of the Public Jetty, the Gordon Lines Industrial Estate; and a Traffic Management Scheme for Stanley.

FIRE AND RESCUE SERVICE: Mr Marvin Clarke

This service has continued with its training programme. It is also attempting to make the public aware of the need for Fire Prevention and Fire Safety in the home and at work.

It has dealt with or assisted over the following:

- Chimney fires
- Property fires
- Road traffic accidents
- Grass fires
- Fire alarms
- Fuel spills
- Helicopter fire cover during casevac operations
- Fire cover at Stanley Airport during international flights

and numerous other minor incidents.

The Service received 170 calls in 1991.

The Fire and Rescue Service relies on its volunteers who give generously of their time and effort to attend the weekly training sessions. Without them there would be no Fire and Rescue Service.

ROYAL FALKLAND ISLANDS POLICE: Superintendent K Greenland

During the year The Queen honoured the Falkland Islands Police with the "Royal" prefix in recognition of 146 years of loyal service to the Crown and of the professional standards achieved since the almost total destruction of the service in 1982. The honour was timed to coincide with Heritage Year; the title was assumed on 1 January.

Despite some shortcomings resulting from over-stretch, the past year has been essentially one of stability. Although there are more constables in the service than before the war, the supervisory establishment is the same as it was 20 years ago. But members of the service are well-motivated, morale is high and we get good value from them. As a result of the short-fall and the increased work-load, some standards are being eroded, and some skills, particularly those required in connection with contingency plans to deal with major crimes or emergencies, remain untaught.

During the last year, the police carried out 249 enquiries relating to 286 separate offences. This is a reduction of over 100 cases on the previous year's figures, and yet there were only three fewer cases of the sort generally regarded as "crime". The balance of the reduced figures relates to those offences normally detected by effective patrolling, such as public order and safety offences. The detection rate for pure crime was 48 per cent, the lowest since 1984. As a result of police enquiries, 237 offenders were reported. Only 164 of these were prosecuted. The remainder received formal cautions or, for various reasons, there were no proceedings. Many more petty offenders were simply given an oral warning or, in the case of motorists, complied with directions given under the vehicle rectification scheme. It would be wrong, however, to see the police as just a law enforcement agency. In 1991, officers dealt with 427 incidents involving assistance to the public. These ranged from domestic disputes and injured animals to missing persons, illness in the street and motorists in distress. The police handled 10 maritime distress calls, 301 999 calls and 169 other alarms of various sorts.

FALKLAND ISLANDS DEFENCE FORCE: Major Brian Summers

In 1991 17 recruits enrolled in the FIDF, including six young ladies; 14 completed the intensive winter training programme beginning, with trained ranks of the Force, at a week's camp at Shag Cove by courtesy of the authorities at MPA. At the passing-out parade, the 14 recruits who had earned their berets included the six ladies. This year nine recruits have joined-up, still a high percentage of those eligible, which is encouraging.

Following intensive trials, the SA80 and Steyr 5.56 rifles seemed the best weapons for replacing the aging 7.62. The Steyr, manufactured in Austria, was finally chosen. A quantity of Steyr's are now on order; Mr Mike Hanlon and Mr Derek Clarke left the Islands in May to carry out an armourers course on the new rifle at the manufacturers.

On 13 June, as part of the 10th anniversary celebrations, the new Colours will be presented to the Force, the former Colours having gone missing during the occupation. They will then be paraded through the town; in July the centenary of the founding of the Force will be celebrated.

MEDICAL DEPARTMENT: Dr R Diggle

During the year 5,864 people passed through the Out-Patient Department, 6.3 per cent more than last year, which in itself was a seven per cent increase over the previous year. In the Out-Patient Department there is now a dedicated Asthma Clinic in addition to the Well Baby and Well Woman Service. It is hoped soon to start a Diabetic Clinic.

2,497 patients were seen in Casualty, many of whom were foreign nationals from the fishing fleets. There were 26 deliveries in the KEMH.

Dr Diggle took-up his appointment as Chief Medical Officer on 2 July last year. The Board of Health has been reconvened so that a check can be kept on the increasing numbers of food outlets in Stanley.

Dr Jones recently left after a one-year contract and has been replaced by Dr David Lindley, who has a two-year contract. With Dr McIlroy still in post, we do now have the continuity of doctors lacking in the past. We also welcome three Midwife/Sisters with extra experience in Intensive Care and Mr Stedman our new Hospital Engineer, on a two-year contract.

With the recent purchase of Operating Microscopes, the hospital can now offer operations which previously would have meant a visit to the United Kingdom. We continue to have regular specialist visits from there. In the coming year it is hoped to increase these to include a Rheumatologist, Psychiatrist and an Ophthalmic Surgeon, who would be able to do such things as cataract surgery and squint operations on children.

Funds have been requested in the budget for an ultra-sound machine to provide this non-invasive investigation.

Dental Clinics continue to expand to fill the needs of the community; we now also have a Locum Dentist in the Islands, Mrs Trepess. It is proposed to continue to have a Locum Dentist for six months of the year to coincide with the fishing season. We also welcome Miss Waring, the Dental Hygienist, who will remove many of the routine tasks from the Dentists, enabling them to carry out more important work.

LEGISLATURE DEPARTMENT: Mr Anton Livermore

The Councillors moved from the portakabin units on Ross Road to Gilbert House on a temporary basis. Miss Jenny Luxton has now taken over the post of Research Assistant.

The number of LegCo meetings since last budget meeting was two; in 1991 there were four.

31 Bills were passed in 1991, including The Fisheries Outer Zone Ordinance and The Continental Shelf Ordinance.

A record of 319 separate memoranda were considered by Executive Council in 1991 compared with 302 in 1990.

There have been seven Executive Council meetings since last budget meeting, in 1991 there were 15.

Councillors have undertaken 10 visits abroad. Several are envisaged for the year ahead.

The Secretary General (Hon David Tonkin), CPA, and the Editor (Mr Imlach) of the Parliamentarian are due to visit in August, possibly accompanied by the Speaker of the House of Commons, as guests of the Heritage Committee.

A United Kingdom Branch CPA delegation hopes to visit the Falklands in November as guests of the Falklands Branch.

ATTORNEY GENERAL'S CHAMBERS: Mr David Lang

Mrs Rosemary McIlroy resigned as Senior Magistrate at the beginning of August 1991 and the vacancy existed until Mr James Wood arrived in mid-January 1992. During the intervening period, the Justices of the Peace, to whom I express my thanks, dealt with all criminal cases, while the Attorney General dealt with the Coroner's duties. A backlog of civil cases inevitably arose which has now been dealt with by Mr Wood. The public are accustomed to hearing about criminal cases on FIBS and in the Penguin News, but are perhaps not aware of the

growing amount of civil litigation. The Chief Justice paid a short visit in April and is expected to return in November for Supreme Court cases.

The Registrar General's office is under increasing pressure of work in relation to the registration of births, marriages and deaths, companies land transactions and trade marks. The office also prepares the electoral register annually.

In the Attorney General's Chambers much day-to-day work on contracts, advice to the Government and the public goes on behind the scenes as well as the preparation of legislation. The Attorney General was heavily involved in the preparation and publication of the Census Report, and both he and the Senior Crown Counsel have been involved in the Company secretarial side of Falkland Landholdings Limited. There is little of importance to the business of the Government which does not bring legal work of one kind or another.

MUSEUM AND ARCHIVES: Mr John Smith

Visitor numbers increased, as have the requests for research on many Falkland-related subjects.

Two notable achievements have been the restoration of the Whale Bone Arch, beautifully carried-out by Tim and Pauline Carr of the yacht Curlew, in shorter time and at lower cost than previously estimated. The result is a credit to them, and the town. The other achievement is the refurbishment and mounting of two six-inch gun barrels from HMS Canopus, landed here in 1914. Our thanks to the PWD and the military for constructing the strong foundations needed for these 7-ton barrels.

In conjunction with the Alistair Cameron Memorial Trust, work continues on Cape Pembroke Lighthouse. I confess a strong personal interest here from the moment I saw the site in 1988 with the derelict prefabricated accommodation around it and mess everywhere. I managed soon to get PWD into action, at a time when the then Financial Secretary was out of the Islands, to spend a day removing and burying most of the dereliction, and appointed Miss Jane Cameron as Lighthouse Officer. We acquired funds from various sources, including the FCO and the Trust already mentioned, built the stone seats, removed the lantern glass and carried out other odd repair jobs with the help of Mr Steve Beldham. Recently the Royal Engineers did invaluable work in restoration in and around the tower. Plaques are being prepared by the Engineers to be placed in front of the seats so that all visitors can know what scenery they are looking at to the west, and just how far it is to the west coast of Chile, and other places if they look out to sea. The new lantern glass is here and I hope we are but a step from restoring the light to the tower, using solar-power as at present. We do not have funding for this last stage. If our attempts to acquire it fail, I do hope Councillors will agree to provide the fairly modest sum so that Cape Pembroke may not only be a very attractive site with a very historic lighthouse in good condition, but also a normal working light as it once was.

I digress. Important work outside Stanley has been the surveying of the old settlement of Fort George, Port Egmont, on Saunders, achieved with the co-operation of the National Museum and Galleries on Merseyside who provided two Field Officers on site in January for the initial mapping. Falklands Conservation helped with funding. Much work has been undertaken on the Falklands' unique collection of wrecks and hulks. A record has been established and efforts made to slow-down the inevitable collapse of these examples of Falkland and world maritime history.

It is pleasing to see records of outside houses, corrals and cemeteries nearing completion. With the creation of the Falkland Islands Museum and National Trust, I hope we can expect a greater awareness and protection of, our richly varied past.

Thoughts are being directed to the eventual move of the Museum to the Central Store building in the dockyard. This is one of the original buildings in the Falklands and would have many advantages, both in its own quality and in location and space. Other buildings in the dockyard area such as the Smithy are also note-worthy. The boathouse and slip have been restored, from funds from the FCO, and much of the area has already received a facelift. We shall hope to secure the archives within that complex. I think we should all be somewhat nervous until these are in a safe place. Miss Cameron has done invaluable work in the bringing of them into good order.

Honourable Members, that concludes my review of Government Departments. I should like to pay tribute, on behalf of all of us in the Islanders, to the Commander, British Forces, and all members of the Garrison, and indeed all those in the United Kingdom who support the Garrison. Not only do we depend ultimately on the Armed Forces for our security and peace of mind, but they also do so much to enrich our lives here in many ways. I never fail to be amazed particularly at the extent of their generosity when funds for charity are sought. It is encouraging that many more military personnel are now taking more opportunity to travel round the Islands. I know that we all hope that a tour of duty here will be professionally rewarding, but also that it will be as enjoyable as possible.

Last year at this time I commented that there would have to be a General Election in the United Kingdom in the year ahead. There was some anxiety among us that a different government might view differently, in some measure at least, the question of the sovereignty of these Islands. In the event, a Conservative Government was returned and we are well aware of the oft-stated and reassuring policy HMG adopt on that issue. We must still, however, keep up our efforts constantly to inform the British public, and indeed the public elsewhere, as widely as we can of the economic and political realities of these Islands, and correct misunderstandings and errors of fact. I never cease to be amazed at the ignorance found even in the United Kingdom about the Falklands. All that said, we have had a good year with the media on the whole, with wide coverage in the UK, Europe and South America, most of it favourable. In fact, articles in the South American press, and features on television there, have often been more favourable than some in the United Kingdom.

Honourable Members, the search for oil will begin before too long. There have already been talks between HMG and the Argentine Government, attended by Mrs Rendell, to discuss possible cooperation in surveying. If oil is there in exploitable quantities, it will not, I suppose, begin to flow in my successor's term of office, but sometime after that. Its management, if the Islands are to retain their magic qualities, their sense of space, their pure environment and measured pace of life, will require a good sense of balance between all of that and the enjoyment of the things which money can buy. There will always be some risk that the Islands will get carried along in a momentum over which they do not have too much control.

Honourable Members, I wish you well in your forthcoming deliberations and thank you for your patience in listening to a long address. Thank you.

MOTION OF THANKS TO HIS EXCELLENCY ON HIS ADDRESS TO COUNCIL

The Honourable R E Binnie:

Your Excellency, Honourable Members. It is hard to believe that it is some four years since the plug was pulled on the Seamount affair. Like the Seamount affair the winding up of Stanley Fisheries Limited has been a long and expensive affair; there is no doubt in my mind that it is over long and over expensive; and it is still not completed. Councillors were given assurances that the wind up would be completed by early 1991, here we are now in June 92,

and only a few weeks ago we were asked to write-off the sum in excess of £1 million. We must have a time limit put on the completion on this unsavoury affair.

You refer Sir, to the "Indiana" and the "Southern Star" as a burden; I agree. But it would appear that some people have not learnt very much from that experience of owning and then endeavouring to dispose of those vessels. We are at this very moment negotiating to purchase a ship to take over the role within the coastal shipping around the Falkland Islands; the need for a vessel is unquestionable, but do we need to own it? All past experiences of shipping has been a disastrous affair. The building of roads and tracks, the pattern of transport in the Islands are forever changing. You could very well find a ship purchased today unsuited to our requirements in the very near future. Surely the sensible way would be to charter a ship to meet our needs; by chartering, it would be much more easier to replace it as and when changes dictates it.

Sir, I too applaud the advances made by the Administration and Councillors, for the closer working relationship, jointly involved and committed to the future prosperity of these Islands. However, we have not overcome all the obstacles. There is a considerable amount of information, from time to time, which is held back or delayed and on these occasions Councillors are informed by third parties; this kind of action can only lead to mistrust and bitterness.

Communication with the South Atlantic Department and the Minister, Garel-Jones, has been excellent over the past two years, and this must be attributed to Mr Baker-Bates; he has been very open on several occasions when Councillors have had meetings with him and also when Councillors have had to phone him in London for information. But beware, the South Atlantic Department and Garel-Jones are not the Foreign Office. There is no doubt in my mind that the Foreign Office are engaged in manoeuvring us closer to Argentina. The pressure will be applied from all quarters, the Foreign Office, United Nations, the media and businessmen; we must be very vigilant especially during discussion on the South Atlantic Fisheries and oil explorations. We must ensure that we are represented by someone of our own choosing.

There are British businessmen clambering over each other to invest money in Argentina; nothing must stand in their way, they have either forgotten or could not care less about the British dead of 1982. It disgusts me when I read some of the names associated with the so called British businessmen. However, they have money and they do have access to Members of Parliament. We have used those facilities in the past to our benefit and we must continue to do so and I commend the work carried out on our behalf by the Falkland Islands Association and I call upon all Islanders to support the fund raising campaign which is being organised by the local committee.

Turning now to the local scene, which will be very short. In the past the PWD has been singled out and blasted out for all their faults; today there are still faults and areas where money is being wasted or not properly managed. Those faults apply to some other departments as well; and I consider that there are some departments, not all, which are over staffed and under utilised. As you have mentioned Sir, the PWD can be proud of their achievements, with the Camp tracks, Stanley and MPA roads, single unit accommodation, the landscaping and the general tidying up of Stanley along with all the other services provided and of course expected by the public, Sir. I support the Motion.

The Honourable T J Peck MBE CPM:

Your Excellency, Honourable Members, in rising to support the Motion of Thanks, I would like to mention a few areas which involve us, very much so, in the very near future.

The events to commemorate our Heritage Year are well under way. Our first was the 100th

anniversary of the consecration of Christ Church Cathedral. For the first time we had the Archbishop of Canterbury and Mrs Carey to visit our Islands and preside over this occasion; it was a most memorable one and marked a particularly important date in our history. I know the Archbishop and Mrs Carey will remember their visit and the particular occasion with great fondness. The letter to me from the Archbishop on his return to the United Kingdom spoke of the generosity and kindness and the Christian attitudes to our future endeavours. I would like to pay a special thanks to Canon and Mrs Palmer and others who helped to organise the programme.

A second commemorative occasion is the 10th Anniversary of our Liberation from the Argentine occupation of our country in 1982; few of us need reminding of those black days. None of us will forget the gratitude we owe to those who liberated us. Not all could be physically involved but nevertheless there were those who planned and coordinated the successful outcome; we shall remember them along with those who fought and died in the name of freedom.

In less than two weeks time we shall be receiving the many invited guests and dignitaries; it will be a most auspicious occasion and one which we shall always remember. Everyone played a most important role in one way or another in us regaining our freedom and retaining it in subsequent years following the surrender on the 14th June 1982. We have endeavoured to include everyone in our Heritage Year celebrations. The programme surrounding the visit from the 12th to the 17th June has been an extremely difficult one, for many reasons; one obvious reason being we cannot dictate what the weather may hold for us, hopefully it will be pleasant, being mid-winter I could be wrong.

The Camp community has always been included in our programmes. To enable most of our guests to meet with the Camp community with the courtesy of MPA, helicopters will provide transport to Blue Beach, Port Howard, Fox Bay East and Goose Green; FIGAS will also provide a backup. The logistics of this operation alone are tremendous, both costwise and manpower. A tremendous amount of thought and consideration has been given to the guests attending the formal dinner on Saturday 13th June; a limitation on numbers had to be accepted. To enable others to attend and meet our guests other venues have been arranged for lunches during this visit.

Towards the end of this week journalists and TV crews will start arriving, we anticipate many more leading up to the Anniversary. we shall once again be the focus of world attention. It is a most golden opportunity for us to portray to the world how we have succeeded in rebuilding our country, its economy and the future development of our country. Our success has been the efforts of many, today most of it, as a result of resolute people, belongs to ourselves.

I turn to a recent visit by delegations of the Falkland Islands to the European Community. The recent visit to the Community by the Chief Executive, Mr Sampson, the General Manager of FIDC, Mr Mike Summers, myself and our Government Representative, Sukey Cameron, was as a result of a visit by myself last year and Mr Mike Summers who also visited independent of me. Many months of planning this visit were made by Officers and careful thought and consideration given to the particular issues affecting our country through EC ruling and possible future regulations. Funding was approved by Council for the delegation to make the visit. Under the Treaty of Rome, the Falkland Islands are a part of the European Community and subject to certain rules and regulations; some are effective now and others will be in the future.

We had been aware for several months that the Argentine Government had forwarded a proposal to the EC for trade links with them; fisheries was high on their agenda. They apparently waited until our delegation had arrived in Brussels; their meeting was held during our first three days in Brussels. The discussions with the EC and the Argentine officials were

held with a Member from the UK Commission, he discussed fisheries with them, but he was unable to make a meeting with the Falkland Islands delegation.

Within the last few days we have been informed of a trade agreement being signed by Argentina and the European Community, we have requested the FCO for information about this. Personally I believe the FCO and the UK Permanent European Community Officials have set this deal up. FCO has for several months repeatedly kept us in the dark on the proposed Argentine venture. The Overseas Development Administration through the auspices of the FCO have fed the European Community with part truths about the Falkland Islands; they have told the EC that we are not eligible for aid for the next five years; we are a very rich country according to them. What they chose not to tell was that the Falkland Islands was having to finance their own infrastructure as a result of decades of neglect by UK Governments and having to replace inadequate and poorly constructed projects undertaken by the ODA during the past ten years. Money wasted and misspent by ODA; it is apparent these attitudes still prevail.

The visit was of great value, the presentation was made by the Members of the delegation to the many representatives of the various departments about our history in the Islands. More freedom of speech would have been forthcoming had not the FCO instructed their member of staff to be present throughout our meetings. He was excluded from two of our meetings I must add. I made my protest known to the South Atlantic and Antarctic Department and at the time of going to Brussels and on my return from Brussels.

Friday of last week saw two FIDF teams compete in the 1992 Yomp from Port San Carlos to Stanley. "Yomp" is not a common term to me, "Tab" stands for its real objective. I trust the organisers will reconsider the word "Yomp" for future marches as 3 Para and its support companies also "Tabbed" the same route in 1982, in fact we led all the way. On Saturday afternoon, late afternoon, Lieutenant Peter Biggs and Private Russell Smith arrived at the range and without a break and in almost darkness shot and took out all targets. One and a half hours later Corporal Goss, David Peck and Robert Hall arrived and did likewise; there can be no greater professionalism that what these soldiers displayed in achieving a truly remarkable feat of initiative, grit and determination. Corporal Andy Brownlee and Private Hugh Marsden were unable to complete the march, but nevertheless after medical treatment they were at the range to cheer and welcome their colleagues. We can all be proud to have men of this calibre serving with our own Defence Force.

On the 13th June the FIDF will commemorate the 100th anniversary of their formation, they will parade and their new colours will be presented. They may not have any battle honours but they do have 100 years of a very proud tradition to uphold. Many of their members gave their lives in 1914 and again in 1939-45, in the word of freedom. Your Excellency, I have many other matters which I would raise, but I will leave this to the adjournment later in the week. Thank you Your Excellency.

The Honourable G M Robson:

Your Excellency, Honourable Members, Sir I thank you for your comprehensive address this morning. Towards the beginning of it, you said that Islanders should run this country as much as possible. I think that most people know that my view goes a little further in that whilst I do not belittle the contribution of expatriates, a word that I don't particularly like, I still believe they should contribute on equal terms and I think that the inducements are all around us, and should not merely be seen in monetary terms. Its pleasing to note that the Education Department is going some way towards purely local terms and I would hope that more Departments will follow suit.

As we have consistently predicted, pressures from Argentina are becoming slowly but surely

applied to us and so far we have been resisting. However, we now need to make it plain that we are self-sufficient and should be allowed to govern the country in the way that we wish. Recent events in Europe perhaps show that most of the world believes that self-determination is not to be ignored, no matter how small in numbers the people seeking it.

On local matters, the year, I believe, has been one of quiet progress on many fronts. I think that most people see the Fisheries Department in terms of economics, however, I would like to point out that their expertise is used on many other fronts. In particular on the conservation front and praise should go to the Department for its prompt and expert handling of the Lord Shackleton II incident both initially and afterwards. A word of thanks here also for the military input into the incident and I for one hope that the spirit of cooperation between military and civilians will continue.

There has been an increase in revenue from shipping and perhaps the cost to fishermen using our waters is becoming attractive, I still believe that we should continue to make it more attractive for vessels to use Falkland Island facilities, in essence 50% of something is better than 100% of nothing.

The new senior school is well on the way to completion and I am convinced it will serve the community well and will produce savings in the long term.

FIGAS is reverting to a five day week and whilst this may be seen as a reduction in service I believe it will improve the efficiency of the service in terms of pilot hours and maintenance schedules.

Sir, I would briefly like to mention the Sites and Buildings Working Group. This Group was set up to look at Government buildings overall, it did not seek to cast in stone any points that came out of it, it was to be merely a starting point for a job that badly needs doing. I believe that it has worked almost too well in that it has sparked off an awful lot of public debate on a number of issues which is probably very useful.

On the question of oil, progress is being made steadily and I believe that we should continue to progress at a measured pace. There are some who would say that my responsibilities in both oil and conservation make strange bedfellows; but I think that it is possibly for the best in that with one hat, i.e. the conservation hat. I can be sure that any possible oil regime will be well investigated and I am sure the Conservation Committee will make certain of that. We have, the Committee that is, have recently arrived at broad agreement on most of their remit and a paper similar to the Sites and Buildings Working Group will be available fairly shortly and I hope it will also stimulate some debate.

The oil industry could well be a double edge sword and extreme care should be taken by the Falklands in order that we are not swamped by it. However, a survey is to be welcomed; the exploitation problems can then be tackled if there is anything to be exploited; but in this we must be very careful of any impingements to our sovereignty by any facets of the industry.

Sir, I am sure that other Honourable Members will by now looking at me somewhat askance as I perhaps steal another of their pet subjects. So I will conclude by wishing both yourself and the Air Vice Marshal well in your respective new postings and hope that you will be able to keep your respective areas at least partially aware of the hopes and aspirations of the Falkland Islanders. Thank you.

The Honourable Mrs Norma Edwards:

Your Excellency, Honourable Members, in rising to support the motion Sir, may I echo Councillor Robson's good wishes for the future to both you and Mrs Fullerton and the Air Vice Marshal, we shall be sorry to see you go. May I say a special thank you to you in

particular Sir, on behalf of the Historic Buildings Committee for all the work you have undertaken at the Lighthouse and the Boathouse in conjunction with Jane Cameron and the Alastair Cameron Trust and PWD and the Engineers, we are very grateful for all that work. Sir, you mentioned that our operating expenditure is estimated at £23.7 million this year, however, looking ahead we may find that our operating expenditure in following years may be greatly reduced. If the Illex squid escapement rate is not higher, when the squid themselves have not increased in weight by next season. Hopefully this won't be the case but we should keep this in mind and as Mr Barton says the main reason for low escapement is fishing on the high seas which is outside FIG's control. If it continues to deplete the Illex stock we may well have more difficulty in finding a balanced budget in years to come and in the not too distant future perhaps. With this in mind and with Councillor Peck's visit to the EC with his colleagues in mind to, I would suggest that we tread very carefully as far as the EC goes in encouraging fishing by the EC countries in our fisheries. We already have the rest of the world here and we may find that it is depleted even faster than we anticipated if we encourage EC involvement.

While touching on the EC, may I say that I don't share Mr Peck's personal opinion that it would be good idea to have a Falkland Island office in the EC. I think we would be well advised to stay in UK and treat the EC with caution and from my own point of view, as a necessary evil, that is my own personal point of view.

This year again we will, the farming community, will be requiring assistance from Government unfortunately, last year was an exceptionally bad year for farming. Not only did we have a dose of Chilean dust at lambing time which resulted in a loss of life to the lambs and some ewes, the wool prices were absolutely appalling as everybody knows, and although they have increased, in many cases they haven't; in most cases they haven't reached a break even situation whereby farming is viable. I know there is a school of thought "about the bazaars" which says that a lot of farmers are coining in on all this Government assistance, in some cases if it wasn't for the Government assistance there would be no farmers on the land because they just couldn't afford to stay there. However, I think and I am sure that Mr Wagner is well aware of this that there are some farms who can manage with less assistance than they have had in the past, and I think farms should be assessed on an individual basis this coming year.

I am pleased that the FIDC (Amendment) Ordinance now allows the Executive Board to report to Executive Council; this time last year I think I criticised FIDC for not being answerable to Government; I think this is an excellent move and as we are now funding it ourselves anyway, it is a necessary move. I welcome the new Policies and Procedures Manual, a lot of hard work and thought went into producing it and it is a very worthwhile and useful document and I congratulate Mr Summers for producing it.

The Education Department, both teachers and pupils, I think, are to be congratulated for the very good results in the GCSE exams and I hope the pupils going on to higher education enjoy their future studies and do well. I am very concerned about the cost of keeping boarders at the hostels; I understand it costs over £7000 a pupil at present and I think we have to look urgently at this. I know for the next couple of years the hostels will be necessary in the form that they are run today, but with a view to the future we really should be looking to some alternative arrangement or a smaller hostel of some kind because I think £7000 per boarder is rather over the top.

The telecommunications; we still have some problems, we are busy at the moment filling in our fault sheets, out in the Camp and I must say it is a whole lot better than it was last year, but still some of the outlining parts of the system experience bad reception and disconnection during conversations etc. etc... So some work still has to be done, I think, before we consider accepting the system as it is.

FIGAS: I think have shown that they are still a very good and reliable service but I must say I miss being able to nip freight into an office in town, I still would like to see a FIGAS office in town rather than right down at the airport.

PWD: I think somebody else mentioned PWD, I think they are to be congratulated greatly for all the good work they have done this last year. Single accommodation blocks, in particular, I would single out, at £37,000 per unit that is very good value; and considering the Jersey Estate flats cost us, I think, £60,000 per unit and are not sound proof, in fact I wouldn't like to live in one. You can sit in the bottom flat and hear telephone conversations above you and I think that is not acceptable. I hope the one that is being built at the moment is going to be of a higher standard than the last two that have been built. In fact I think we are going to have to think seriously of what we can do to the Jersey Apartments because to my mind they will only be soundproofed if they are made into semi-detached units of accommodation rather than four flats; then you could soundproof the dividing walls, but at the moment it is pretty awful if you are living there, I think.

FIGO office: I have always been helped a great deal in London by the girls at FIGO and I would like to commend them for their help in ensuring that we are going to have another HMS Endurance next year; that is good news and it is nice to know that Lord Shackleton's father will be honoured again in this way.

The Museum and Archives: it is absolutely lovely to see the Whale Bone Arch restored and Tim and Pauline Carr are to be greatly admired for all the help they have given with John Smith's assistance. I can remember when I was on Council last time trying to do something about the Whale Bone Arch, so it is gratifying to see it finally finished. I would also like to thank Jane Cameron who heavers away quietly in the background for the Museum and does a lot of work; of course, she is the Archivist, she has a great deal of work to deal with in that department and still finds time to collate the historic buildings that we asked her to do and so on, she does a lot of work outside of working hours.

Just to finish Sir, I don't share Councillor Peck's concern over whether the FIDF "Yomp" or "Tab"; in the past I have enjoyed a good "Yomp" myself, but they get from A to B and whether they "Yomp" or whether they "Tab" is entirely up to them. Sir, I support the Motion.

The Honourable K S Kilmartin:

Sir, I would like to start where you left off and talk about oil. We are at the beginning of the oil era in the Falkland Islands; after much persuasion Her Majesty's Government showed the political will and issued the Proclamation of the Continental Shelf. The Falkland Islands Government has voted through the Continental Shelf Ordinance and the Falkland Islands Government this spring will licence seismic survey work. The great attraction perhaps to this Council of an oil regime is the fragility of the Falklands economy. Wool is in a parlous state and as we have heard today there are still severe question marks over our ability to control fishing outside the zone, of the squid.

The cost of running this country increases every year. At the moment we spend £20,000 per man, woman and child to keep the system running, that is why I believe we are anxious to proceed with oil exploration. However, oil is going to bring a number of disadvantages, to name a few: environmental, social, the country will be driven by commercial pressures it has never experienced before and in the background there is political pressure and the problem of Argentina. These matters have not been discussed as fully and as openly as one would have hoped and I urge all those now who have an interest in the future of this country to speak about these matters.

Sir however, as things stand we are proceeding towards an oil regime; the geology looks good, there is a probability that we have good structures; there is a probability that there is oil and gas within these structures and there is a possibility that there will be oil in commercial quantity.

From the marketing point of view, by the year 2000 world oil reserves in the western world, in particular, will be depleting and there should be a ready market for Falklands oil. However, we must understand that we are competing in a world market, we are attempting to encourage investment by oil companies in the prospectivity of the Falklands. We are just one of a large number of frontier areas. As we foresee it, oil majors will be asked to put up substantial sums of money for pre-commitment to seismic work this coming spring; and yet this Government has not yet produced the regulations necessary under the seismic survey to give comfort to these oil majors and indeed to the seismic survey companies; and this Government still has not been able to disclose to oil majors and indeed seismic companies the financial package; the sensible, attractive, economic package that we can offer investors in the Falkland Islands to encourage them to come to this frontier area. We still have not been able to show an oil company a model agreement. Without these documents we are severely damaging the marketing of our prospect as a place for major investment by oil companies. So therefore I would urge both HMG and this Government to take urgent steps to progress this and I would also urge the community as a whole to debate the pros and cons of an oil era in the Falklands.

Sir, I would next like to comment on the words you said on the democratic process and the machinery of the Falkland Islands Government. There has been considerable expansion of the economy and there has been an even greater growth in the expectations of the community and I believe that this Government's system is severely stretched. There are obvious difficulties in policy making and with the prospect of oil, I believe the present system that we are operating will be unable to cope.

There has been talk within the community of modifications to the Constitution, these have been largely confined to reducing the number of Members for Camp and increasing the number of Members for Stanley. I don't believe that this is sufficient and that we should think further on the subject. Sir, we don't have to re-invent the wheel, we are firmly committed to the Westminster System and it is not too difficult to look at other countries in the world in similar positions. For example we could look at other dependent territories who have gone further down the track than we have; we could look at the Cayman Islands for example, or we could look at the smaller Islands around the coast of Britain and learn from them.

However, I wish to put forward a few proposals that should be considered in the next year. Firstly I believe that we should increase the number of Elected Members to at least twelve, there are a number of reasons for this and I think debate on this subject would open it up. Those twelve Elected Members should from amongst their number appoint a Leader, to be Leader of the Council.

The Council, thirdly, should also appoint a Speaker, this Speaker does not necessarily have to be from amongst their number but can be a member of the community with special skills.

The Leader of the Council and four others should form the Executive of the Falkland Islands Government, and those persons should have responsibility and be accountable for various departments, in fact we should be heading towards a more ministerial form of Government. Nextly the position of the Queen's Representative within the Falklands should be discussed.

Next in August David Tonkin of the Commonwealth Parliamentary Association will be here and there will be a subsequent visit by the Commonwealth Parliamentary Association later in

the year and I think it would be an ideal time to put forward proposals to them and accept ideas from them on Constitutional change in the Falklands, to cope with our expanding horizons.

Sir, of course people say that we don't need a Constitutional change; that in fact the Falklands are too small; that we just don't have enough people and we certainly don't have the skills needed. It is true, there are very few of us, we have very few people in the Falklands so that is why I believe we need to take a very rigorous approach and use the people we have got to the best advantage.

The civil service, for example, plays a dominant role in this community and the civil service therefore receive great encouragement, great training opportunities; but the community should demand a high standard of performance; the civil service should be assessed annually on that performance. The senior posts within the civil service should be on a quasi contract basis so that all post holders of G8 and above are not in position for life, but are there depending on performance. Like my Honourable friend for Stanley, Mr Robson, I do believe that inducement should be what it says, and that we should only pay inducement when we are inducing someone we need who does not wish to be here.

Finally, with so few people, we have to avoid the needless duplication of jobs which is a very real risk. Sir, a prime example of that might be FIDC. You spoke of a slimmer and rational FIDC. Sir, I believe that FIDC is still spending the same amount of money on its own administration as before, namely approximately £500,000 per year. It does not appear to be any slimmer, neither Sir does it appear to be rational. We are in a very small community and we only have one pocket for our money and we should prioritise and pay out of that pocket; to construct two pockets and have two priority lists for 2000 people is plainly irrational. But of course I have mentioned this many times before, and the last time I mentioned it the adverse criticisms came from the Stanley business community and no-one else, and the reality is the Stanley business community is still receiving a sum of money that is far less than the administrative cost of FIDC.

Obviously I don't want to go on too long on the subject, but if one was to take just one sector of FIDC and choose tourism; that is no slimmer, that is no more rational and I am not alone in thinking it is irrational. If I can just read to you Sir, the ODA report completed in February of this year and the conclusion on tourism reads, "the conclusion I reached as a result of my 1992 visit was that the main findings of the 1986 joint review confirmed by the ODA reviewers in 1988 remain valid. The financial impact of tourism is still negative and there is still no prospect of the costs of promotion of international tourism being recovered".

Sir, you also mentioned Stanley Fisheries and the Boyd report. I don't believe that we should be complacent; I don't believe that we have learnt all the lessons. This Government will always be involved in the mixing of public and private funds in commercial projects with all those attendant dangers. I also believe that we should not be complacent about being rigorous on the concepts of responsibility and accountability and that all projects with public funds should have constant reappraisal.

Sir, you also mentioned the sovereignty umbrella; after 1982 and before Madrid 2, the politics of the Falklands were comparatively simple, "no contact with Argentina". Since Madrid 2, Her Majesty's Government have been talking to Argentina about a whole range of subjects, we know about two; fish and oil because we send our representatives to those talks. We should continue to send representatives to those talks to inform ourselves and to protect our interests, but we are treading a difficult path in order to pursue this goal of economic self sufficiency. This community must identify its political and economic objectives and communicate those objectives to all those who are prepared to listen; to the House of Commons; to Her Majesty's Government; in particular, the Foreign Office; to the EC; to Britain as a whole, the rest of the

world perhaps through the United Nations and also very strongly to Argentina.

There must be no scope for misunderstanding why we are at the table discussing oil and fish with Argentina under the sovereignty umbrella and Sir, I agree with you that we must make strenuous efforts with the use of the Government Office in London and perhaps Consultants to take a pro-active stance to tell the world our position and not just react to what is said about us. We have to take the Falklands message abroad and certainly take it to Argentina.

Sir, finally I wasn't going to mention this, but it has just occurred to me that I think I am probably the only person in this room to have a VHF telephone, and quite often when the telephone system is discussed, most of the people or indeed all of the people doing the discussing have the good fortune to be on the Microwave. The VHF system is a second class system and I in common with the other persons on the VHF system do not like having a second class system and this Government should take notice of that. Sir, I support the Motion.

The Honourable W R Luxton:

Your Excellency, Honourable Members. The Honourable Mr Kilmartin and others haven't left me an awful lot to say, but I would like to take up the question raised by Councillor Binnie and Councillor Peck concerning the Foreign Office and our relations with them as regards Argentina and express my concern in some ways of the trend things are taking.

The one proposal that I would perhaps commend to Members and something that we could do is to have closer contacts with other South Atlantic Territories and Gibraltar whose interests must be in common with ours in many times and perhaps this is worth looking at in the future.

On the subject of coastal shipping, we have a question down later on, that is of great interest to my constituents and I too am a little apprehensive about buying another ship, but we are advised that this is the best economic deal, so we will keep a watch on that one.

We are of course in Heritage Year and I would like to congratulate all involved in the way this has gone ahead, particularly Councillor Peck for the immense amount of work he has put in and we look forward to seeing all our visitors in the not too distant future and I hope everything goes smoothly.

We also will be discussing the subject of the Tristar later on and I won't comment on that except to say that perhaps the Chief Executive may care to give us an update on the latest situation if he responds to this Motion.

On the matters which affect Camp people and my constituents in particular; I would agree with Councillor Edwards that we are going to need assistance in the farming community again this year. Wool prices are better but they are not greatly improved over last year and I do think it is important that this Government endeavours to retain a viable Camp community until things do improve.

The Camp telephone system has been mentioned the VHF is a second class system, I think it is likely soon to be accepted, even if it recognised as it is a second class system. If anyone still has problems with it then this may be their last chance to make those problems known.

One small matter, one of the things that does affect people in Camp is the very high rates of air freight. I have had a lot of representation on this. People on the West Falkland and the small Islands who have no other means of transport; if they want to get things like fresh fruit and so on, it is hideously expensive to do so; perhaps in Select Committee we can look at that small point.

I would also like to add my congratulations to the Public Works Department on the North Camp Road and the award in the Beautiful Falklands and I had the good fortune to see that yesterday on my way in and it really is quite a spectacular achievement that road going almost as far as the Malo, really quite remarkable. I am glad to know that the other road will be completed eventually at no extra cost to FIG, albeit nearly twelve months late.

Your Excellency, I do not have a great deal to add at this time, and we shall spend the next, the rest of this week in Select Committee and return to this House with a definitive and hopefully balanced budget. Your Excellency, I support the Motion.

The Honourable H T Rowlands CBE:

Your Excellency, as Councillor Luxton just mentioned, there is very little left, I think, to say, certainly the negative has been eliminated so I will try and accentuate the positive.

Firstly I would like to show my appreciation to the Director of Education, Mrs Rendell, and to the Director of Fisheries, Mr Barton for representing the Falkland Islands at the meetings held with the Argentines on seismic surveys and preservation of fish stocks. They both reported to us quickly and provided full details of the meetings, I trust that such reporting to us will be permitted to continue.

It is pleasing to note that Stanley roads have been resurfaced and that good progress has been achieved on the North Camp Road. I am also pleased to learn that the Falkland Islands Community School will soon be available and that a wider programme of academic courses is envisaged.

I look forward to receiving the recommendations from the recently formed Energy Advisory Committee in particular relating to the power from the wind. I join in on the appreciation expressed to the staff and volunteers who undertake duties in the Fire and Rescue Service and also to the officers and men of the Falkland Islands Defence Force.

I support your tribute to the military garrison for the defence of the Islands and in particular, wearing my medical hat, I would like to express my appreciation of the staff serving in the King Edward Memorial Hospital.

While I appreciate the additional workload in the Secretariat arising from Heritage Year preparations and matters relating to seismic surveys, I am disappointed that General Orders have still not been completed; I now request that the General Orders be given some priority immediately after Heritage Year ends.

You mentioned in your address that the search for oil will begin before too long. I share your concern that there will be a risk over the control if oil is discovered in exploitable quantities. Therefore it is essential that we prepare ourselves immediately to minimise that risk.

I support the Motion of Thanks and would like to record my thanks to you and Mrs Fullerton for your services to the community and wish you a successful and happy tour of duty in rebuilding Kuwait.

The Honourable G P Short:

Your Excellency, Honourable Members, in rising to support the Motion of Thanks, through necessity I will have to keep my comments very brief, there is hardly anything left. If I could just touch on a few points Sir, all of them local.

The Agricultural Department: whilst welcoming the work that they have been doing over the

past year, indeed I don't understand most of it but farmers do say that it is very necessary. I note that there is one omission and that is the pursuit of the eradication of the Hydatid disease. I hope the omission doesn't mean that we are slowing down our efforts to get rid of this disease, and perhaps, although I do realise that the percentage figures now are very low perhaps this is the time to up the profile of the campaign.

FIDC: although I must admit I was a very rapid critic of FIDC some years ago, under its present Director and staff it does seem to be a much saner organisation, and indeed is doing well for the community. However, there is one part of FIDC that I find myself becoming more and more concerned about Sir, and that is tourism. As the years go by I find that in tourism we are chucking more and more good money after bad, Sir. However, this is something that will come up in Select Committee and I still can be convinced perhaps, that we should still fund it for another year.

The Philatelic Bureau: I note the comments there that it has not been a good year for the Philatelic Bureau. We are I believe in the middle of a recession, also, with this year being Heritage Year, we have produced more issues than normal, which I am told Stamp Collectors don't like, and also most of the stamps we have produced are uniquely local which doesn't have an appeal overseas. However, we knew this at the beginning of the year and I still say we went into it with our eyes wide open and I support the track we have went down. This is our year and we should celebrate it how we wish.

PWD: I would like to associate myself with the comments that have been made about PWD. They are, or do seem to be going from strength to strength, and it is certainly a very welcome sign. However, I do have perhaps two concerns and they are really projects that PWD are managing, rather than building. One is the Jersey Apartments, of which I have a question later on. I really am rather concerned that for what we paid we do seem to have got a low quality job and I do feel heartily sorry for the people who have to live in those flats. They are certainly going to be an albatross around our necks for years to come. How we can cure it I am not quite sure, but we, I firmly believe we have to do something.

The other point that is causing my constituents a fair bit of concern is the Davis Street West extension. This seems to have been designed with no thought at all for the drainage of surface water, especially on the South side of the road, which is now, after the snow, backing up people's yards at quite an alarming rate. I do urge PWD, please, to do something about it as soon as they can.

Finally Sir, I wish to associate myself with all the comments made by one of my Honourable Members about the FIDF. We have in the FIDF now a far more professional force than the one that I was privileged to serve with and I do not mean any disrespect to people who were serving when I was in the force; but with the opportunities we've had since the British Forces have been here, we have went from strength to strength.

I am also happy that my colleagues in Exco let the FIDF choose the weapon that they wanted. I hope they never have to use it in anger, but if they do, then at least they will have the system that they want and are happy with.

And finally, Sir, before sitting down, I wish to support the good wishes that go out to you, your wife, and the Air Vice Marshal in your respective next postings, Sir I wish they go well. I wish to support the motion.

The Honourable the Financial Secretary:

Your Excellency, I note that you said you managed to get PWD into action to undertake work at the lighthouse when a former Financial Secretary was out of the Islands. Financial

Secretaries do need to take leave on occasions too, but as I won't be out of the Islands until after your departure any further works might well have to be arranged by your successor.

In response to one of Councillor Binnie's points I can report that the Stanley Fisheries Limited wind up is now planned for completion during 1992/93 and as a result £550,000 is inserted in the capital revenue estimates in respect of the transfer of the liquid SFL assets.

On the cost of accommodation at the Stanley School Hostel, I would just like to point out there that the Education Services for the whole Islands are now costing £2.1 million annually, of which £300,000 of that is on further education; there is another £180,000 provided in departmental estimates for overseas training, so we are spending almost ½ million pounds a year on overseas training, in total.

On the VHF system, if it is a second class system, it is probably because FIG could only afford a second class price at the time. A real improvement in that system might need to await oil revenues. On the subject of oil revenues which I welcome, it appears that they will be needed to fund the proposed enhanced legislature proposals that Councillor Kilmartin brought up.

I will reserve any other further comments on financial matters which I deal with in the budget and support the Motion of Thanks, Sir.

The Honourable the Chief Executive:

Your Excellency, thank you very much indeed for the generous comments on the departments you mentioned in your address. The Financial Secretary and I have been interested to note the interest that senior officers from Government have taken in this debate and that so many of them have taken a day's leave to come here and hear your address and report and the Financial Secretary will be writing to them and to those who work for organisations that are wholly funded by Government in due course, to thank them for their attention and to take a day off their leave entitlement.

Your Excellency, I will try only to address the matters that were raised in your address and those items that Honourable Members have raised that I think require some fairly prompt attendance.

It was interesting to hear the comments on the visit of the Archbishop. I personally believe that the visit of Archbishop Colin Bazley was equally significant and perhaps, in the long term, can have a much closer and enduring contact with the Islands. Certainly since he has returned to, what is rather horribly known as the Southern Cone, there have been various communications from him, that shows that his pastoral affection for the Falkland Islands was more than just words that were expressed at the time, and I would hope that we would see some further connection in due course.

I'm sad that the Honourable Member for Stanley has remembered the matter of General Orders. I had rather hoped he'd thought it had gone away and the officers who are not just dealing with the matters that he has raised but in interesting questions that are constantly posed by Members and other activities does take a great deal of their time, and I'm afraid General Orders has been constantly moving on the priority list. It is our intention to produce it as quickly as possible.

Concerning the wind-up of Stanley Fisheries, as Chairman of that company, no one is more anxious than I to see it out of the way. But as Honourable Members are probably aware, the answer doesn't actually lie with us. If we could just draw a line under it and say "go away" we would. One of the reasons for its continuance is that there are a number of law cases that

can only be heard if one or two of the companies are kept in being. Once those matters have been dealt with, there is no reason why the company cannot then be very quickly put into liquidation. Difficulties in reaching this stage has not been with our urgency or the urgency of the people who have worked with us, but on some of the companies that simply refuse to answer letters and faxes. There is one company in particular only responded after we had got around to sending them one fax every second hour during the day to promote a response from them. But, we are well on the way and I firmly believe that Stanley Fisheries should be put entirely behind us later this year.

On the question of ship ownership, again, my involvement in Stanley Fisheries has brought me very close to the two awful names, the "Southern Star" and the "Indiana". I have experienced the same feelings of wretchedness and frustration in trying to have them removed from our responsibility. And if we were to be finding ourselves going into a similar position, you would find no more positive opponent to such a scheme than myself. However, in the instance that we are discussing, that is, acquiring a vessel for a coastal shipping service, it is actually not going to cost us any more to buy than it would to charter. Our responsibilities as a charterer are equal to those if we own it. The result is that at the end of the period of charter, which has already been agreed, we will have a ship that must have some asset value. But, I understand clearly why there will be those in the communities who have the most severe reservations about going down this particular course. But it is one that we have taken considerable advice upon, and it has been agreed that initially acceptable course of action to take.

In case there is some misunderstanding about the gallant and Honourable Member for Stanley's advocacy of the expression, "Tab" as opposed to "Yomp", just so everyone is clear, this is the result of some inter service rivalry. That Member's connection with the parachute regiment is very well known. Whereas the Honourable lady from West Falkland has rather more naval attachments as she mentioned in her Yomping experience. Of course the important thing to remember is that "Tab" means "Tactical Advanced Battle" which is why as a remarkably undistinguished member of the parachute regiment, those words are imprinted very firmly upon my mind. Quite what "Yomp" means, I'm not quite certain, it could be, "You Occasionally Meander Pleasantly" but there may be some other reason for those phrases. It's a question of understanding what people are talking about.

We had a very spirited and provocative speech from the Honourable and learned Member from Camp. I think most people will have found what he had to say very interesting indeed. Until it is the policy of Government, there is nothing much that can be done about it. If the Honourable Member is able to secure the backing of other Members and it is debated and it is approved by Council, then it can go forward; and I am not saying that many of the proposals that he is making would be unwelcome, but they do require Constitutional change, and at the danger of my learned friend here on my left having a heart attack, I would say that Constitutional change is something that takes some little time. I understand that it is unusual for a constitution to be cracked open until it has been in operation for ten years. So the current one 1985, now would be the right sort of time to be thinking, if you wished to have such a change take place, but it is something that would need to be done with some considerable care, because changes can come from both sides and it needs to be given considerable thought and a lot of discussion and considerable consultation taken on it. But it is something that we would welcome, close discussions with Members if that is the corporate view of Council.

I'm grateful to a number of the comments that the gallant and Honourable Member for Stanley made concerning the visit to Europe. The highlighting of the responsibility that ODA has in limiting the amount of finance was very much drawn to our attention whilst we were in Europe. We were aware of it, of course, before we actually went there. I can say that since returning from Europe, the General Manager of FIDC has already had constructive talks with

ODA about the future. With whatever reluctance, we had a "minder" from the FCO with us on our talks there. I think his understanding of some of the difficulties that the Falkland Islands are presented with in Europe will have been transmitted very firmly by him to the Foreign Office, where I think some merit will have been gained through his presence.

Concerning European Community Fisheries, we share the concern that Members have expressed about the future of the European Community Fisheries. What we would like to know and what no-one could answer whilst we were in Europe is, what is the future? What plans do they have in mind? What is their common policy? It is a policy so common that it is uncommonly difficult to get hold of it. However, we think that through contacts we have made there that on the political side we are more likely to get information than we have been up to now on the official side, and various exercises in communication are now under way.

Several Honourable Members have mentioned the Development Corporation and I had thought that that particular debate had been undertaken and was clear. The need to prioritise the use of funds for that organisation and other departments is of course the whole essence of the exercise we will carry out this week, and so those who have concerns will have every opportunity to address these issues and the people involved.

In the lists of good news that we have gone through today no one has actually mentioned the company that few people like to talk about and that is Stanley Services Limited. Stanley Services Limited, remember, is 45% owned by Government. It is a highly profitable company. It makes its profits, not from the people of the Falkland Islands, it is limited to a 2.5% profit on domestic fuels, but it is profiting greatly from bunkering offshore. I think those who live in Stanley will be pleased to see the efforts that have been made to build the new fuel depot that the company is funding and that in itself will have a number of knock on attractions that will be very interesting indeed to the economy of the Falklands in the very near future.

Can I reassure the Honourable Member for Stanley that hydatid is still very much a matter for concern in the Agriculture Department and the Veterinary Office in particular, and that we appear to be in the very strong position of seeing the disease eradicated from the Islands. It is extraordinary that a disease that is endemic in North Wales and in the North of Scotland is probably unheard of in those areas by people, where here, where it is less than 1%, it is known by virtually every man, woman and child and I think that is one of the reasons that so much progress has been achieved in getting rid of this very, very terrible disease.

Concerning the Tristar, and the question that the Honourable Member for West Falkland put down, I would hate to think he wanted to have his cake and eat it and having withdrawn the question, he still requires me to answer it. But the rules governing the carriage of passengers on the Tristar are set out in a policy document which is renegotiated from time to time by the Ministry of Defence and the Foreign and Commonwealth Office. The document sets out the fare structures, air freight priorities, passenger priorities, and booking arrangements. Detailed negotiations have been carried out over the past several months by the Ministry of Defence and the Foreign and Commonwealth Office in consultation with the Secretariat and Government House with a view to drawing up a revised policy document. To date, a revised policy document has not been signed although the new fare structures already publicised have been agreed and are already in force. Your Excellency, I support the Motion.

The Commander British Forces:

Your Excellency, I will reserve my remarks until the adjournment later.

CONFIRMATION OF THE RECORD

The Record of the meeting held on 22nd November 1991 was confirmed without amendment.

PAPERS TO BE LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE:

Copies of Subsidiary Legislation made or approved by the Governor in Council since 22nd November 1991.

The Prohibition of Vehicles on Beaches Order 1991

The Stanley Nurseries and Garden Centre (Various Exemptions) Order 1991

The Post Office (Amendment) Order 1991

The Marmont Row Designation Order 1991

The Coins - (Their Highnesses The Prince and Princess of Wales 10th Wedding Anniversary) Order 1992

The Deductions (Employees) (Amendment) (No2) Regulations 1992

The Customs (Export) (Revocation) Regulations 1992

The Criminal Justice (Amendment) Ordinance 1991 (Commencement) Order 1991

The Prohibition of Vehicles on Beaches (Amendment) Order 1992

The BBC (Special Exemption) Order 1992

The Fishing Licences (Application and Fees) Regulations Order 1992

The Mental Health Ordinance 1987 (Commencement) Order 1992

The King Edward VII Memorial Hospital, Stanley (Approved Place; Designation) Order 1992

The Honourable the Chief Executive:

I beg to lay on the Table the papers named by the Clerk.

The Honourable K S Kilmartin:

Can the Honourable the Chief Executive explain why it is we have two Vehicles on Beaches Ordinance in such a short time?

The Attorney General:

Yes Sir, Your Excellency, the second Order amends the first. The first Order covered all beaches within the Pembroke Peninsula, the second Order limits that of the first Order's operation to Surf Bay and that was at the request of Councillors. The second Order amends the first.

The Honourable K S Kilmartin:

Sir, wouldn't this point out the danger of rushing too quickly into print before all aspects of a certain piece of legislation have been discussed?

The President:

I think Councillors had second thoughts about what they had decided upon; which is legitimate enough, so better to amend it than not to, but yes, in principle it would be simpler to have one Bill.

QUESTIONS FOR ORAL ANSWER

Question Number 1/92 by the Honourable Mrs Norma Edwards:

Sir can the Honourable the Chief Executive tell the Camp Community when it is planned to commence work on the installation of television to the Camp and when it is hoped that the project will be completed?

The Honourable the Chief Executive:

Your Excellency, in February 1992 an agreement was reached with SSVC for work in connection with the extension of television coverage to Camp to commence on the 1st March 1992. The SSVC provisional schedule of work provides for the commissioning of the system on or before the 1st March 1993. They are confident that they can meet this target and are hopeful of achieving an earlier opening and they have started work.

The Honourable Mrs Norma Edwards:

I thank the Chief Executive for his reply and I am sure my constituents in the Camp will be pleased to hear that work has already been done. Thank you.

The Honourable R E Binnie:

Can the Chief Executive say whether the new proposed working arrangements with the MOD will apply to this venture or will all costs and so forth be as was?

The Honourable the Chief Executive:

The agreement that has been drawn up, as part of the agreement, Government has agreed to provide a house to SSVC to enable an engineer accompanied by his family to be based in Stanley on a one year contract. SSVC will be responsible for the maintenance costs and heating. The basis of the agreement has been that the military presence continues as it is and that it continues to be supported by SSVC. I would imagine that only the withdrawal of SSVC would result in the contract that we have agreed with them being negated.

The Honourable K S Kilmartin:

Can the Honourable the Chief Executive identify at this time those in the Camp community who will get a second class service or no service under this new agreement?

The Honourable the Chief Executive:

Your Excellency, I am not sure that the Honourable Member actually expects a reply to that

observation?

The Honourable K S Kilmartin:

I was expecting a reply Sir. Have the farms that will not receive the service been identified and have they been informed.

The Honourable the Chief Executive:

I am not aware that there are to be any areas that won't be covered by the system.

Question Number 2/92 by the Honourable Mrs Norma Edwards:

Would the Honourable the Chief Executive assure us that any future plant sent to the West Falklands for the building of Camp link roads is not on its "last legs" when it arrives. At present the majority of plant which has been provided is old and unreliable and has to be constantly taken out of use for repairs. This is not cost effective to any link road construction.

The Honourable the Chief Executive:

Your Excellency, I can assure the Honourable Members that in the event of any future surplus plant being made available for link roads on West Falklands, that such plant will be in working order. Plant which is bought for PWD is fully committed to PWD work and is used to its fullest extent in order to get the maximum benefit. When plant is replaced because it is passed its optimum operating life it has been the practise to make the better items available to the Camp Link Roads and Tracks Scheme. No budget provision has been made for newer plant for such tasks. The success which has been achieved with the surplus plant on the West has been remarkable.

The Honourable Mrs Norma Edwards:

Thank you for your answer Chief Executive, it has been remarkable the work achieved with the plant which has arrived because the plant has been in a disgusting state and we were under the impression that maybe it was a part of the clear up Stanley campaign Sir, and we don't quite know what to do with it when it finally breathes its last. Thank you.

Question Number 3/92 by the Honourable G P Short:

Can the Administration please state what laws are in place covering health and safety at work, and when will work commence on phasing in a comprehensive Health and Safety at Work Act?

The Honourable the Chief Executive:

Your Excellency, I am indebted to the Attorney General for his assistance in preparing the reply to this question, it isn't quite as long as the one I was required to give on one occasion in this House.

On the 22nd May 1990, under The Interpretation and General Law Ordinance 1900, The Explosive Act 1875, and The Boiler Explosions Act of 1882 and the subsequent Boil Explosions Act of 1890 they were adopted as laws of the Falkland Islands; they talk of little else in the Globe. They, and the subsidiary legislation made under them or the modern legislation replacing them and the subsidiary legislation made under the modern replacements are still in force in the Falkland Islands. There are believed to be 37 sets of subsidiary legislation under the 1875 Act alone. There is more. By virtue of the provisions of the present Interpretation and General Clauses Ordinance, the Fireworks Act 1951, which

augmentations, of course, the 1875 Act, these are believed to be in force in the Falkland Islands. In 1966, the Employment of Children Ordinance was enacted and the following year the Employment of Women, Young Persons and Children Ordinance was also enacted. In 1987 the Dangerous Goods Ordinance was enacted.

Whilst this list might seem impressive, there are in fact large gaps in the law of the Falkland Islands in the health and safety at work area. We will have comprehensive legislation in relation to health and safety aboard ships registered here if Honourable Members pass the legislation before them at this meeting (The Merchant Shipping (Adoption of Legislation) Bill 1992). We already have comprehensive legislation as to the health and safety of air crew while operating aircraft. What we do not have, and other places do have, is any legislation at all relating to the health and safety at work of those who work in shops, offices, industrial premises, laboratories, butcheries, bakers, construction sites, quarries, hotels, catering establishments and farms. We are however bound by the provision of well over a hundred International Labour Organisation Conventions in the sense that Government is bound to ensure compliance with them, and many of the obligations under them are related to health and safety at work. The Government can, of course, in respect of its own employees premises and operations ensure compliance. Without appropriate legislation, it cannot enforce compliance by others.

The Attorney General, one of whose most time-consuming tasks and generally unknown to Honourable Members is the preparation of increasingly detailed reports to the ILO and the United Nations required in relations to treaty compliance, is of the impression that there are locally a number of breaches of health and safety at work obligations both in Government and in the private sector.

The question of legislation in the health and safety at work field has not yet been considered by Executive Council, but the view is that there should be consultation with the public, along similar lines to that currently taking place in relation to Building Regulations, before any legislation relating to the health and safety at work field is drafted. I do not believe that the complex, lengthy, tedious and expensive to administer legislation in force elsewhere could usefully form a model for use in the Falkland Islands.

The Honourable G P Short:

While thanking the Chief Executive for that marathon reply. Whilst I do agree with them that perhaps in verbatim UK Health and Safety Act isn't what we want down here. I know from experience over the last couple of years from my Union work, we have asked Government on repeated occasions to join in the dialogue with us to get something going, that is sensible and right for the Islands, and each time it has fell on (I don't know if on deaf ears) but there has been a conspiracy of silence, so I do urge someone somewhere to get this process going. We are now in 1992 and I do think we ought to have proper protection for our workmen. I thank the Chief Executive for his reply.

Question Number 4/92 by the Honourable G P Short:

Can the Administration please say to what standard the Jersey Estate Apartment Blocks are built to, in particular noise suppression? In view of what would seem to be an unacceptably high level of sound transference in the flats already constructed can the Administration please assure me that the Block presently under construction will be built to a higher specification?

The Honourable the Chief Executive:

Your Excellency, the Jersey Apartment Blocks A and B were built to the standards as laid down in the United Kingdom Building Regulations, and regarding resistance to the passage of

sound, meets the requirement of the Approved Document E of these Regulations.

Specifically, the Regulations require that dwellings shall be designed and built in such a way that noise from normal domestic activities in an adjoining dwelling or other building is kept down to a level that will not threaten the health of the occupants of the dwelling and will allow them to sleep, rest and engage in normal domestic activities in satisfactory conditions.

Problems arose due to bad advice which led to the incorrect construction of Blocks A and B. This has since been corrected and marginal improvements have been made to Block C so that it will be constructed to a higher standard. The initial soundproofing of the dwellings in buildings isn't the end of the story; it is necessary for people who live in the buildings to take action to improve sound conditioning, and I think you will find that the United Kingdom standards are based on the assumption that houses will be fully carpeted and carpeting and under-felt would greatly reduce the noise transducing that goes on within the buildings.

Question Number 5/92 by the Honourable G P Short:

Can the Administration please say when Stanley Harbour was last tested for pollution levels, what these levels were and when will the Harbour be tested again?

Can the Administration also please say it as an OCT of the EC do we have to comply with water pollution levels as laid down by the EC?

The Honourable the Chief Executive:

Your Excellency, in reply to the above question, I can say that samples of water were collected from Stanley Harbour on the 29th January 1992. These samples taken were filtered through a membrane and anything collecting on the membrane was then cultured. The European Community Regulations for bathing water give a guide for the number of coliforms (that is bacteria from sewage), per 100ml of water, as being 500; the maximum permitted level is 10,000.

Our laboratory was able to say that the coliform count per 100ml of water obtained from Felton's Stream was 94 and that obtained from FIPASS was 50, both well within European Community Guidelines. The samples taken from Moody Brook and from the PWD Dockyard Slipway gave readings of greater than 100 per 100ml of water. At the time of our testing the laboratory was unable to say, for technical reasons, exactly how much above 100 coliforms these samples actually contained. However, in view of the other readings it is likely that these samples were well within the optimum 500 coliforms and an exceeding distance from the maximum mandatory figure of 10,000 coliforms per 100ml.

Our laboratory is redesigning their testing procedures and it is hoped that in the next few weeks to retest the water from Stanley Harbour and to analyse it in such a way that we can give more precise readings. Should such readings give cause for concern, Honourable Members will be promptly advised.

I can confirm Sir, that the provisions of European Community Directives relating to water pollution levels do not apply in the Falkland Islands.

The Honourable G P Short:

I should like to thank the Honourable the Chief Executive.

Question Number 6/92 by the Honourable W R Luxton:

With the demise of Coastal Shipping Ltd imminent due to the withdrawal of the Government subsidy, can the Chief Executive please give Council, and the public in general, a confident assurance that the replacement service will be as good as or better than that proposed by Coastal Shipping Ltd and above all that the cost to the taxpayer and users will be no greater?

The Honourable the Chief Executive:

Your Excellency, first may I say the subsidy was not withdrawn from Coastal Shipping and the subsidy continues to be paid at the present time. Government's decision to request proposals for the provision of a coastal shipping service was to encourage the private sector to put forward ideas for improving the service and reducing costs. Coastal Shipping Ltd was encouraged to participate in this exercise. It was the decision of Coastal Shippings's Board of Directors not to submit a proposal and to cease operations at the end of their current fiscal year.

The primary provision of a coastal shipping service in the past was by the private sector and that will continue to be the case in the future with the replacement service. Government's involvement is indirect through the provision of a subsidy and the acquisition of a vessel by FIDC to lease to the new company. Without direct control of the provision of the future coastal service, Government is not able to provide the assurances requested with respect to the quality of service, which in any event is rather subjective.

On the positive side, the officers of Byron Marine Ltd have been working diligently during recent months to establish a coastal service whose objectives are consistent with those expressed by the Honourable Member in his question. The Managing Director has inspected potential vessels and negotiations are presently under way to purchase a suitable vessel and to make the necessary conversions to meet the requirements within the Falkland Islands and to be fully operational prior to the commencement of the next wool season. Other areas of its future activities are also under negotiation. Until those negotiations are finalised details are not for public record, although Councillors have been appraised of the general nature of those discussions. In an effort to determine users' specific requirements and to design an efficient operation to meet those needs, Byron Marine Ltd has recently distributed a circular and questionnaire to all farms and traders.

The final part of the Honourable Member's question concerns the cost to taxpayers and users of the service. Ultimately, the interests of these two groups are in opposition and a balance must be sought. It is certainly Government's objective to keep the subsidy and therefore the cost to taxpayers at a minimum whilst at the same time providing the necessary support to Byron Marine Ltd to provide the efficient and quality service required by the users. The tariffs however have been stable for many years during which costs have continued to escalate. Therefore it must be recognised that the tariffs must be kept under review and at some stage increased if the subsidy is to be kept to a minimum. It is acknowledged that increased at this time poor wool prices would create hardships for many users. Since the subsidy required to assure a viable service and the tariffs are interdependent, Executive Council will ultimately be requested to confirm any proposed changes.

Finally the Honourable Member can be assured that his concerns in raising the question are shared by Government and every effort will be made to assure an equitable balance amongst the various interests.

Question Number 7/92 by the Honourable R E Binnie:

Sir, will the Financial Secretary give details of payments made to date on the Darwin Road?

The Honourable the Financial Secretary:

Your Excellency, details of payments made to date on the Mount Pleasant to Newhaven Road totalling £923,489 are as follows:

Scott Wilson Kirkpatrick	£330,074
PSA International	£497,402
Other Expenses	£ 96,013

These payments have been spread over three financial years as follows:

1989/90	£125,013
1990/91	£277,199
1991/92	£521,277

The Honourable R E Binnie:

I thank the Financial Secretary for his reply, can he state whether any of those payments have been made for finished work.

The Honourable the Financial Secretary:

The payments made to date are progress payments and the work will not be completed, of course, until it reaches Newhaven, but as Honourable Members will be aware, the contract is well behind schedule and provision is made for a further expenditure of £228,723 up till the end of June 1992 and £1.9 million has been inserted in the 1992/93 estimates for the completion to Newhaven.

MOTIONS

Motion proposed by the Honourable W R Luxton
(presented under a Certificate of Urgency)

The Motion reads:

"That this House is gravely concerned by the limited civilian passengers seat allocation on the RAF Tristar.

The Tristar is, and will be for the foreseeable future, the only scheduled link with the rest of this world and the United Kingdom in particular.

This House requests Her Majesty's Government as a matter of urgency to ensure that sufficient civilian seats are available on each Tristar to continue the economic development of the Falkland Islands and to meet the needs of the community."

The Honourable W R Luxton:

Your Excellency, Honourable Members, I introduce this motion as a result of the serious concern felt by Councillors and many others in the civilian community at the present situation. I would like to stress at the outset that this is in no way directed at any operational problems that the Royal Air Force may have as a result of technical troubles or indeed the weather. We

are all familiar with the delays caused by the latter and Islanders accept them as a matter of course; safety, of course, is even more important.

Sir, our specific concern is the reduction in the number of allocated seats and the apparent strict interpretation of whatever agreement there is instead of a reasonably flexible attitude. I learnt something new from your answer to me earlier on, Mr Chief Executive, that the current agreement is not signed, I didn't know it was still under negotiation, so that is a new bit of information. So before this agreement is finalised I do hope that the views of this House will be taken into account.

Your Excellency, these Islands are developing fast and that pace as we heard earlier this morning may accelerate. We cannot depend on a service by any South American country as we will always be vulnerable to disruption by the Argentines. The older members of our community will clearly remember what it is like to have a foreign power controlling your air links and fuel supplies, never again.

In the course of this development we will have many business people coming and going, skilled contract personnel for specific projects, contract shearers on whom the wool industry depends completely, and of course there is tourism. Under the present regime next years overseas tourism is likely to be strangled at birth and Islanders go on overseas leave will have to make onward booking commitments.

You Sir, mentioned in your address that there were 2500 flights booked last year through FIGO alone, that works out at nearly 50 a week. I am told that the present allocation, or the proposed allocation, each flight is reduced to 10 from FIGO and 10 from FIC at this end. The best advice that I have is that we need about 50 seats each way, each flight to satisfy demand. There is of course further provision for additional seats available closer to the time of the flight, but that really isn't satisfactory from the point of view of people who wish to make long term bookings and tourist groups and so on.

Your Excellency, I do have the opportunity to address the subject in the winding up, so I will open the floor to other members, but I do feel that the present situation has to be addressed very soon.

The Honourable T J Peck MBE CPM:

Your Excellency, Honourable Members, in rising to second this Motion, I would endorse everything my Honourable colleague has said. What does concern me, and it goes back again to the Foreign and Commonwealth Office who do the negotiating on behalf of the Falkland Islands and the implications that some of those negotiations have on the community as a whole; this is another example of how insensitive, inconsiderate that office within the Foreign and Commonwealth Office's are with regards the Falkland Islands. One of my colleagues mentioned earlier about being pushed harder and harder, it is another clear example to me that they would dearly love to see us have our own and operate another, and preferably a South American air link, which I would oppose all the way as unreliable and our future does not lie with South America and never will as far as I am concerned.

The rules of the game appear to be changing week by week, month by month; interpretation of the rules are subject to individuals interpretations. We have lived and worked and co-operated as likewise side by side with the Mount Pleasant Garrison. I find it extremely sad that we have reached a stage where a Motion has had to be put to the House in relation to our only outside link with the United Kingdom. This has got to have an effect on moral and the excellent relationship we have had for these many, many years, I feel awfully sad that people should be trying to strain these relations and perhaps even break them.

I know other members wish to have a say in this but I will strongly support this motion and ask that something be done to remedy this situation; it will effect our whole economy and the people of these Islands future. Thank you Sir.

The President:

I would like to say straight away that it is absolute nonsense to say that the Foreign Office would dearly love to see the Islands operate a South American air link there has been no pressure whatsoever towards that. Equally the Foreign Office immediately puts out the terms offered by the MOD to FIGO, to Sukey Cameron, to the Secretariat here for views which are all passed back straight away. There is absolutely no policy objection from the part of the FCO to the airbridge going on as it is, and no pressure to put on any South American air link; if a viable South American air link with an acceptable country is around then it is fine that it should happen. But Islanders have not found one and if you can produce any evidence to show that you have been urged or forced or cajoled towards having such an airline, let me know. I don't know of it.

Any other speakers? Councillor Robson.

The Honourable G M Robson:

Sir, I have little to add on this issue save to point out that we are perhaps in something of a "Catch 22" situation. The Ministry of Defence, I have a feeling would dearly like to be in a position of not carrying civilians at all, and have a commercial carrier serving the Falkland Islands Community. However, in order to reach that position there is a need to promote the growth of the Falkland Islands economy and there is a need for the business sector and visitors to be able to plan their visits in advance, to and from the Islands. To be able to afford a commercial link we must have sustained growth and I would have thought that the Ministry of Defence could help to achieve both our and their aims by perhaps continuing to be as flexible as possible, thereby achieving both those aims.

The Honourable R E Binnie:

Your Excellency, I am a bit stunned actually. You say that the FCO consult FIGO and FIG about various matters with FIGO bookings, the number we have. I am sure that FIG and FIGO have put back to them what we want, yet we find ourselves in this position. I support this Motion Sir, and I think it is appalling that we find ourselves in this position. I would have thought a problem such as this could have been resolved sensibly, and negotiations with the FCO and MOD and FIG. But it would appear, after what you have said, Sir, the FCO are not taking any heed of the information going back from FIG or FIGO. I support the Motion, Sir.

The President:

I can assure you Councillor Binnie that the FCO take very great notice of what is passed back to them but they do not own or operate a fleet of Tristars. Any more speakers?

The Honourable H T Rowlands CBE:

Your Excellency, I am on record in this House of praising the Tristar service to the Islands and I cannot default them in that, but I just learned recently of the difficulties that have arisen and it is a very recent nature that there does not seem to be enough civilian seats on there so therefore I must support the Motion because it is important that there are sufficient civilian seats available on each Tristar to continue the economic development of the Falkland Islands, to meet the needs of the community. We were given an assurance by the then Prime Minister, that the service would be available to the local community.

On matters like this I am surprised that it has got so far as to become before this Council. I had reason to take this matter up with you, on a certain matter relating to this recently and in our conversation I mentioned that during the period when I was Financial Secretary here we had such an organisation as the joint liaison committee where normally such things could be thrashed out and I am very surprised to learn that the joint liaison committee has not met for a very long time. I really think that it would be a good idea to have that committee set into Motion again. I support the Motion, Sir.

The Honourable G P Short:

I just wish to say that I fully identify myself with all sentiments expressed by my Honourable colleagues and this Motion has my strongest support.

The Honourable K S Kilmartin:

I also support the Motion. First I would like to say that I have always been extremely happy to travel with the RAF and have never been stuck in Ascension at all unfortunately. My happiest flights have been on a Hercules and I would welcome the return of that service.

I had the misfortune to travel with British Airways the other day, where I was allocated a seat that didn't exist; this has not happened with the RAF. But on a more serious note, I was unaware till this morning that the agreement between the Foreign Office and the MOD had not yet been signed. I presume that this must mean that it is into its sixth or seventh draft. At around about the time when it was in its fourth draft I did suggest that as the Falkland Islands Government is so closely involved in this matter that the agreement should be between the Falkland Islands Government and the Ministry of Defence and perhaps the Foreign Office might like to allow us to negotiate ourselves with the Ministry of Defence or it could be, it could be a tripartite agreement, with FIG, FCO and MOD. However, MOD and FCO resisted this proposal and it certainly appears today in this House that had the Falkland Islands Government been more closely involved and perhaps had the Falkland Islands Government been a signatory to this agreement we wouldn't be in the position we are now. Thank you Sir.

The Honourable Mrs Norma Edwards:

Sir, I support the Motion along with my colleagues, but I am sad that it has had to come to this pass where we have to present a Motion to get some notice taken of the difficulty of obtaining seats. I would like to say too, that I have always in the past have had pretty pleasurable trips on the Tristar and this is no reflection upon the RAF, rather on MOD. I think. Thank you Sir, I support the Motion.

The Honourable the Chief Executive:

Thank you Sir, I am beginning to believe that the Tristar agreement is rather like the one on Schleswig-Holstein where there are only three people in the world who knew what it all was. one was dead and one was mad and I am certainly not one of them. What I do know is that we all owe a continuing debt to 216 squadron of the Royal Air Force who perform a remarkable service in flying something, I reckon, of over ½ million passenger miles each year with a safety record that any commercial air company in the world would be envious and proud to have. I was invited recently to go to the Ministry of Defence and was very pleased to hear there that a third C2 aircraft is to enter service, so the hiccup-cup we had a month or two ago, when the C2 passenger carrying aircraft had to be replaced with a tanker, the odds of that happening have been greatly reduced with the future introduction of this third aircraft.

Perhaps what Honourable Members, having been sheltered from the details of these negotiations, may not be aware is that the current agreement that is being considered is very

similar to the last one, that was agreed and signed some years ago. It was signed only for one year, but as my learned friend has advised me as no other has been introduced that one agreement pertains until it is changed.

The difference between now and the future is the interpretation and the application of the regulations within the agreement. So the agreement that was signed some years ago and which we are currently operating, offers us on a guaranteed basis, the same number of seats we will get if the current draft of the next agreement is agreed and that is 20. The thing that is in doubt are the 25 seats which provide a buffer for the Ministry of Defence. They say you can have 20 definite, but there is a buffer of 25 which they would like to keep. Now until recently there has been no difficulty in us bidding for those seats, ahead of the prescribed time that is in the current and indeed the future agreement and there has certainly been every evidence that the Ministry of Defence in London have been much more ready to allocate the seats to Carol Stewart who has played an outstanding role in her administration of the service.

We have always had a much easier relationship than our agents at this end have been able to establish with MPA; although only recently has it become as difficult as we are experiencing at the moment. So you must be aware that there are two agreements, one is not so very different from the other; it is how the regulations are being interpreted where it differs.

Now given that your involvement in seeking to draw to the FCO's attention your disquiet about the arrangement, lets assume that that doesn't work and the agreement goes through as it stands. What I see, is that the MOD will gain is those 25 buffer seats, which experience has shown they very rarely take up. That is not surprising because the military is a regulated organisation, they can more or less tell you on the 1st January how many military passengers they will carry before the 31st December that year, that is what you would expect, that is why it is planned. It is in the civilian side that you do not have that known capacity and that is why, I think, we have been fortunate to be able to take up the slack that has been more easily made available to us in the past.

What would MOD lose by the acceptance of the proposed agreement, which is very similar to the current agreement? The extra 15 passengers per flight, and we average 35 seats, it is rare that we would have more than 35 seats on each aircraft. The 15 extra above our 20 are usually people who are tourists, businessmen, they are fisheries folk; these are people who are paying the £2000 a head fare. If we were to lose those 15 seats for a 12 month period that would be a loss of over £1 million revenue to the Ministry of Defence. It would be, as has been shown by Members, an enormous loss of good will and understanding between the civilian community and MPA. There may be some loss to the indulgence capacity that the Tristar may have. What does the Falkland Islands lose if we do not have access to those 15 seats? For reasons other than this paper the General Manager, FIDC has produced for Honourable Members a paper on tourism. The whole rationale for overseas tourism coming to the Falklands is dependent on something like 15 seats per aircraft in the season being available to tourism; that wipes that out. That would have a dramatic effect on figures that I believe the General Manager has put at something like £¼ million would be lost to the Island economy through overseas tourism impact.

It would undoubtedly slow the impetus that has built up for business investment, training, fisheries, oil, financial interest all these things would become a nightmare of planning to try and fit that into the 21- or, as I have received recently, a 14-day option for the seats to be made available to Government. I think if the Council has any influence at all and that it can return to a position that recognises that the system has actually worked extremely well over the past four or five years without being unnecessarily detailed in its administration, it would be to everyone's good.

There was a time when I was stationed in Germany and the Cult programme that people

watched on television was Sesame Street, it was a Cult programme, I suppose, because it was the only programme on television that was in English. It was a children's programme that taught you about primary numbers and colours and also some social skills. One of the lessons that my family learnt on that programme that they frequently quoted at me in family discussions, was that it was possible for two people to have different views and for both of them to be right; but that somehow or another you should be able to bring those two things together by people being flexible. Sir, I support the Motion.

The Commander British Forces:

Your Excellency, Honourable Members, first of all let me I say how surprised and disappointed I am at the hyperbole that has been employed in the advance of this Motion both locally and on BBC radio in the United Kingdom as well as today about an air link funded by the United Kingdom and specifically by the Ministry of Defence that has served the Falkland Islands exceptionally well for the last 10 years. Indeed in my travels in the Camp, I find considerable gratitude for the United Kingdom's commitment to reserving Falkland Islanders a portion of the capacity of the military airbridge.

Most people readily recognise how much more convenient the situation is now than it was in 1982. It is a pity that this feeling has not been reflected in recent public statements for I must say that recent remarks hardly do justice to those who are required principally to provide a military airbridge for the garrison, yet they go out of their way to honour that commitment to Islanders without the benefit of resources available to major airlines. I think there also needs to be some recognition of the fact that the majority of my people are obliged to be unaccompanied and need to get in and out on time, not weeks later.

I am glad that some speakers today have recognised this to a degree. Moreover, looking at the facts, the issue would seem to be something of a storm in a teacup. All parties have for some years now have been very ready to work to clearly understood seat allocations, in fact it can't work any other way. With occasional variations for exceptional circumstances, although these have been rarely needed, the existing arrangements work very well on the great majority of occasions and indeed, despite what the Chief Executive said, the new agreement in its current draft form allows considerably greater access to the Tristar than the last agreement did of some five years ago. At that stage the second C2 in the week was not operating and Falkland Islanders were restricted to the C2. We now have twice the number in the week and there is no intention to withdraw from that original agreement the 24 bookings that are made in open competition with my people in the last 21 days; no intention whatsoever and never has that been suggested.

Once or twice an unavoidable frame change from a passenger aircraft to a smaller seat capacity tanker has led inevitably to the slippage of a few passengers to the next schedule. On rather more occasions problems have been generated by Falkland Islands Government allocations being exceeded sometimes excessively; there have been occasions when over 70 have been booked on one aircraft. This has caused encroachment on the military allocation and thereby threatening interlocking military personnel moves. Now I must say again despite what the Chief Executive says, we do not predict months in advance moves of people down here: it displays, I am afraid, some lack of awareness of the pressure the British Forces are under at the moment to suggest that is true. In fact very many of my people learn of their postings within the last two weeks of their tour here. They can only book a Tristar on that basis; they are not allowed to book in advance if they don't know where they are going, how can they?

All these occasions, and there are not very many, when there have been problems are quite simply avoidable by observing quotas, and booking as my people do when there is sufficient space on the next available aeroplane, which is exactly what you would have to do with an airline wherever you are in the world.

Despite these occasional hiccups, civilian and military passengers have almost invariably travelled on the flight on which they have been booked, indeed in this very heavily booked Heritage Year celebration month of June, only three civilian passengers will not get the flight that they wish to fly on and there will be many more military that don't. You should also be aware that in October with Heritage Year approaching, and a heightened media interest in the Falklands, I offered and MOD agreed to reduce by half the number of schedules I could expect to receive or despatch air cargo, which would prohibit the carriage of passengers thus significantly improving the security of FIG bookings and significantly reducing my flexibility; I did that willingly and without prompting. And again at my instigation, MOD have scheduled a passenger aircraft out of sequence causing significant disruption to other tasking, and you must bear in mind that the Tristar supports a number of other theatres rather than just the Falklands, to cover the arrival of the 14th June VIP party, all of whom of course were invited by the Falkland Islands Government. Incidentally the Falkland Island bookings, putting that to one side, the VIP party are still considerably in excess of the Falkland Islands Government allocation, you have had double allocation on that flight.

I note with surprise that neither of these helpful gestures have been recognised either. In view of the fact that we have accommodated a considerable passenger traffic generated by Heritage Year, and provided that there is an acceptance that unrestrained booking is unreasonable and that there is a willingness to be flexible about occasional peaks on the Falkland Islands Government side too, I see no cause for concern; and I certainly see no evidence that the economic development of the Falkland Islands or the needs of the community are inhibited by the present arrangements or the ones that are in the new draft agreement which are more advantageous. Indeed I can assure all Falkland Islanders that we will continue as we have done for the last 10 years to provide the best service for the garrison and the Islanders that our resources allow. Thank you.

The Honourable W R Luxton:

Your Excellency, Honourable Members. I have listened with interest to the support coming from other Honourable Members, your own interjections and the respective points of view of the Chief Executive and the Commander British Forces. I have to say Sir, you say that FCO doesn't make the policy, I must ask who does make the policy as far as the actual allocation of seats is concerned? We all I am sure, appreciate and recognise the exceptional circumstances over the next few months, there is no question about that and in no way do I, at any rate, have any criticism of the service.

I have had the pleasure of being stuck in Ascension Island, thoroughly enjoyed my visit and the RAF handling of passengers there was magnificent. It seems to me that this is problem between the Ministry of Defence and the Foreign Office at the other end. It is apparent from the figures that have been quoted, the strict interpretation of the proposed agreement is not going to provide these Islands with the number of seats that are required. I do feel, Sir, that this is a matter of the utmost gravity and I would perhaps reiterate the suggestion that the consultative committee be resuscitated. I am surprised to hear that that isn't meeting. But I would have to repeat and ask Her Majesty's Government and the Ministry of Defence to reflect on this situation and remember the past; a huge amount of money and material was expended and above all an unforgettable number of lives to secure the freedom of these Islands. If there is any justification for this it is that the Islands have developed and prospered since then to the extent that we now support ourselves entirely with the exception of defence costs, of course.

We don't ask for charity in the matter of these flights; we do pay a good commercial rate for them; it actually does cost more to fly from the UK to the Falklands than it does from UK to New Zealand which is nearly twice as far. What we do ask for is an allocation of seats by

right and by agreement so that we are not dependent on individuals being flexible or inflexible, individuals will always be individuals. If we have an agreed number of seats which are sufficient and are ours by right that will enable this development to continue and all sectors of the community can plan ahead with confidence. Sir, I beg to lay the Motion before the House.

The President:

All the Councillors in their speech have assented to the Motion so I presume action should be taken as requested by it and that will happen. We now have another motion.

Motion proposed by the Honourable K S Kilmartin
(presented under a Certificate of Urgency)

The Motion reads:

"To move that the President on behalf of the Legislative Council, be requested to petition the Earl Marshal of England for the grant of Arms to the Falkland Islands Community School in the form of petition now laid on the Table."

The Honourable K S Kilmartin:

Sir this Motion is a request to you to put in train the granting of a coat of arms to the new Falkland Islands Community School and your petition will be directed to the hereditary Marshal of England. Members of this Select Committee will be pleased to hear that the costs of this granting of a coat of arms are to be met by the school architects, Norman and Dawbarn. It is hoped that the Coat of Arms will be prepared and ready hanging in the new Community School in time for the opening and I had hoped that I would be able to show you what the Coat of Arms might look like, unfortunately all I can do read a section of the correspondence that is continuing over this matter, "I do not have the slightest idea as to which species of fish is depicted in the lower part of the arms, nor am I sure whether they are depicted as jumping out of the sea; there are local sea trout which are much caught in the local rivers and which give much good angling. They are however an introduced species of fish occurring in the seas around the Falkland Islands and as far as I know none of them jump in the manner shown. We have two local species of dolphin or porpoise which do broach out of the water and which are quite commonly seen, but they are not of course fish and do not at all look like the creatures depicted and do not jump out of the sea in that way" and so it continues. We are rather a long way Sir, from actually knowing what is going to appear on the Coat of Arms, but hopefully something will occur in time for the opening of the school.

The school has taken some 15 months to build at a cost to Falkland Islands Government of over 12 million; this has been a substantial investment and is FIG's commitment to improving the quality of life for all in the Falkland Islands. It will provide excellent facilities for secondary and further education and it will also provide a place for the learning of technical skills. There will be a new library; there will be the possibility of conference functions taking place there; there will be exhibitions and displays and of course it is a sports centre. The cost of this has been great but this Government believes that in the end it will pay huge dividends to the community. Sir, I move to move the Motion.

The Honourable G M Robson:

Sir in rising to second the Motion, I think there is nothing I can add, save perhaps a small point on the actual wording, "that the school is administered by the Director of Education under the terms of the Education Ordinance and his responsibilities are to the Governor", I wonder if that should be, his or her responsibilities, Sir I would like to second the Motion.

The Attorney General:

Your Excellency, as Honourable Members will be aware it is a convention rather than to have to say "his" or "her" in legislation throughout the Falkland Islands that "his" covers "her", our Interpretation Ordinance says "the masculine includes the feminine". I would be quite happy to put it the other way around and have the "feminine includes the masculine" and always use "her", but I think that would raise a number of eyebrows. It is legally correct because it reflects the Education Ordinance and we are talking forever and not necessarily the particular time of the petition that it does say the word "his", but it is no mistake or failure to recognise the sterling work of our present Director of Education who I am aware is female.

The Honourable W R Luxton:

Your Excellency, Honourable Members I would just like to endorse what Councillor Kilmartin said. I am delighted to see the way the building is progressing, I have supported this project right from the very start and I look forward to the opening and perhaps one day my grandchildren will have the benefit of it. Sir I support the Motion.

The President:

Any other speakers? I presume there is general support for that Motion? I think we shall be lucky to get it by August knowing the time it takes to process these things, especially if we haven't got the design ready yet, but let's try.

The Honourable K S Kilmartin:

Sir, hopefully the opening will be at a later date, although the school children will move in, in August.

ORDERS OF THE DAY - BILLS

The Appropriation 1992/93 Bill 1992

A Certificate of Urgency was laid on the Table in respect of this Bill.

The Financial Secretary:

Your Excellency, the purpose of this Bill is the Appropriation of £40,342,620 for the service of the financial year commencing 1st July 1992.

The draft estimates have been provided to Honourable Members to give them the opportunity of examining the suggested level of activity for each department. It is important to ensure that the level of public sector activity in the long term can be sustained by our ability to earn sufficient revenues. We need to take care not to portray a sense of false security in the short term. We must continue to live within our means if a healthy economic climate is to be maintained.

The estimates continue to be shown in two parts; part one deals with operating revenue and expenditure and the second part covers capital revenue and expenditure. However the format has changed slightly. Special expenditure items of a capital nature are now shown in the capital estimates. Also included in the capital estimates is provision for replacement plant and vehicles previously met from a special replacement fund which is to be closed on 30th June 1992.

Subsidies, financial assistance, grant aid, etc, are now shown under a separate heading of

transfer payments in the capital estimates, instead of in departmental operating estimates.

Before dealing with the detail of the 1992/93 estimates I will briefly review the 1991/92 financial year, the figures for which have been further reviewed from those included in the budgetary policy paper circulated to all Honourable Members.

Operating revenue was originally forecast at £39 million, the revised estimate of revenue indicates that £40.3 million will be received, an increase of £1.3 million; operating expenditure was originally forecast at £25.1 million, the revised estimate indicates that £23.9 million will be expended, a decrease of £1.2 million; the capital programme was approved at £14 million, the revised estimate indicates a spend of £12.6 million a decrease of £1.4 million.

The main changes to the programme which contribute to that decrease are:

£1 million for the commencement of the East Stanley Development deferred and an underspend on the MPA to Newhaven road of £1.7 million due to the slow pace of construction. These reductions in the programme are partly offset by an additional £1.5 million voted for the building of the new senior school.

With capital revenue revised at £1.4 million the net effect will be an estimated overall surplus of £5.2 million which will increase the balance in Government's reserves at 30th June 1992 to £44.2 million; this balance is the starting point of the 1992/93 budget.

The total operating revenue for 1992/93 is estimated at £38.6 million and total operating expenditure is estimated at £23.7 million; this provides an operating surplus of £14.9 million; with capital revenue estimated at £2.6 million a sum of £17.5 million is available to fund a capital programme of £16.6 million leaving an overall surplus of £900,000 to increase the balance in reserves at 30th June 1993 to £45.1 million.

First I will deal with the capital programme for 1992/93. Provision is inserted at £16.6 million, reductions of over £10 million having been made by the Standing Finance Committee to help achieve a balanced budget.

As mentioned previously, the capital programme now contains items which, up to 1991/92, have been provided under the operating budget. These items totalling £4.5 million include:

Special expenditures	£328,000
Replacement vehicles and plant	£680,000
Transfer payments	£3.5 million

The main emphasis of the capital programme for 1992/93 is on roads. The allocation of £5.3 million represents 32% of the total programme. This provision allows for the completion of the MPA to Newhaven road, £1.9 million; the commencement of a roads system on West Falklands, £2 million; the continuation of the North Camp road and Camp link roads; surfacing 10 kilometres of the Stanley to MPA road and the continuation of the refurbishment of Stanley's roads.

Education services are allocated £1 million to complete the construction of the new senior school.

Housing is allocated £580,000 for the construction of more single dwelling units and to complete the construction of apartment blocks.

Services to new properties including the Lookout Industrial Estate are allocated £300,000;

Department of Agriculture improvements are allocated £206,000;

A sum of £146,000 is allocated for the expansion of TV transmissions to Camp;

A sum of £200,000 is inserted for the purchase of a gun for installation on a Fisheries Patrol Vessel;

A sum of £100,000 has been allocated to commence the relocation of FIDF headquarters;

Improvements to electricity supply, public buildings, structures and other municipal services are allocated £1.7 million.

Included in the sum of £4.8 million for transfer payments mentioned previously is £1.8 million to make up the shortfall in the funding requirements of FIDC. This represents the commencement of FIDC's draw down on the public funds of the Falkland Islands Government. Up to 30th June 1992 FIDC has been dependent on grant aid from the United Kingdom. Since its inauguration on 14th June 1984 to 30th June 1992 FIDC will have received its allocation of £11.5 million from the £31 million development aid granted in 1982/83 to the Falkland Islands Government by the United Kingdom Government. For 1992/93 FIDC is able to contribute £390,000 of self-generated income towards the financing of its operations. The proposed allocation of the FIDC budget of £2.2 million is as follows for the benefit of the private sector and the economy generally:

Agriculture	£280,000
Industries (which includes £750,000 for a replacement coastal vessel)	£1.1 million
Tourism	£250,000
Fisheries	£200,000
Training	£110,000
Professional Services	£ 75,000
Administration	£230,000

Another important item provided under transfer payments is £600,000 for Agricultural Assistance. This represents a decrease of £700,000 from the approved 1991/92 provision and reflects an anticipated improvement in the wool market. The actual extent and form of assistance will need careful consideration in due course.

At this stage it should be noted that all allocations in the capital programme are provisional and are subject to review during the course of the forthcoming Select Committee deliberations.

Turning now to operating expenditure in more detail, the estimate for 1992/93 amounts to £23.7 million compared to the approved estimate for 1991/92, after taking into account those items of expenditure transferred to capital, an increase of 4.5% is apparent which is just slightly less than the inflation rate.

Included in operating expenditure is a 6% increase in established staff salaries to match the movement in the retail price index for the calendar year 1991. Wages for the hourly paid employees of Government have been automatically adjusted on a quarterly basis in accordance

with the percentage increase in the retail price index. The cost of the salary increase will amount to approximately £290,000 gross. The annual payroll for all Government employees, both established and unestablished, is estimated at £7.4 million. This represents 31% of total operating expenditure. Included in the £7.4 million is £420,000 in respect of overtime.

Pensions for retired public officers are now reviewed annually and provision is inserted for an approved 6% increase with effect from 1st July 1992.

Provision is included in the budget for the following proposed increases in social welfare benefits:

Family allowances with effect from 1st January 1993

Child allowance from £38.50 to £41 per month

Single parent allowance from £32 to £34 per month

Non-Contributory Old Age Pensions with effect from 1st July 1992

Single rate pension from £48 to £51.50 per week

Married rate from £67 to £72 per week

It is also proposed to increase Contributory Old Age Pensions by approximately 7% with effect from 1st July 1992:

The single rate pension to increase from £50 to £53.50 per week and the married rate pension from £78 to £83.50 per week.

The cost of Contributory Old Age Pensions is met from the Old Age Pensions Equalisation Fund. In order to maintain the value of the fund the Government actuary in London has recommended that both contributions and the annual subsidy that Government makes to the fund should be increased by the same percentage as that afforded to benefits; accordingly the following increases are proposed in respect of contributions:

Self employed from £11.20 to £12.00 per week

Employer from £6.70 to £7.20 per week

Employee from £4.50 to £4.80 per week

Provision to increase the Government subsidy to the fund from £156,000 to £167,000 is inserted under the transfer payments section of the capital estimates.

While on the subject of pensions I can advise that the review of the old age pensions scheme is in progress and that a review of occupational pensions for all Government employees is planned.

The additional cost to Government for 1992/93 in respect of these proposals will amount to approximately £30,000. Bills, under a Certificate of Urgency, to implement the proposed old age pensions increases will be introduced on return from the Select Committee proceedings. The Bill to implement the proposed increases in family allowances can await the normal consideration by Executive Council as the increases are not effective until 1st January 1993. To continue the practice promoted by my predecessor, provision of £13,000 is inserted in the estimates to enable a Christmas bonus to be paid to all old age pensioners.

I now deal with the subject of revenue. We remain heavily dependent on fisheries income to fund our activities. The total income from fisheries is estimated to generate £24 million, £1 million less than the revised estimate for 1991/92, and represents 62% of total operating revenue. Projections to 1994/95 indicate revenue from this source at about the same level. Because of the vulnerable nature of this revenue source in respect of both conservation and market forces, projected income cannot be guaranteed. In the event that any significant reduction in revenue occurs, expenditure on public services and infrastructure development would likewise need to be reduced.

Taxation and investment income are our other main sources of revenue. Despite the increased reserve balance declining interest rates indicate that investment income will produce only £3.2 million compared to £4.3 million in 1990/91. It is estimated that income tax will produce £2.7 million. This takes into account an anticipated increase in earnings.

With the general increase in salaries and wages anticipated during 1992/93 it is proposed that personal allowances be increased by approximately 6% with effect from the 1993 year of assessment (that is in respect of 1992 income) to maintain the effective rate of tax at its present level. This proposal would result in a loss of revenue in 1992/93 of around £48,000 and has been taken into account in the revenue estimates.

The proposed revision to personal deductions is as follows:

Personal allowance and the allowance for a wife's earned income relief would both increase from £3,200 to £3,400;

The allowance for wife from £2,050 to £2,180;

Allowance for relative in charge of children and the dependent relative allowance from £1,100 to £1,170.

If these proposals are approved, a Bill under a Certificate of Urgency will be introduced on return from the Select Committee to enable taxpayers to receive the immediate benefit of the increased deductions through the payment on account of tax system.

While on the subject of tax I report that, unfortunately, due to work being directed elsewhere, little progress has been made on the revision of tax legislation. It is considered that a further review of some of the policy changes proposed in the tax study is necessary before replacement legislation can be properly drafted. Provision has been inserted in the budget to finance this further tax reform exercise.

It is proposed that postage be increased by approximately 7% with effect from 1st January 1993. It is confirmed that this proposed increase would conform to UPU rates. Additional revenue from this source in 1992/93 would amount to approximately £10,000.

In accordance with the policy to promote home ownership and thereby reduce government subsidy in the area of housing, it is proposed to increase house rents by 25% per annum commencing with effect from 1st July 1992. The proposal is made in accordance with the approved policy and objectives of the recently introduced generous scheme to encourage sitting tenants to purchase the government houses they occupy. It should be noted that the forecast reduction in the cost to FIG of the mortgage benefits under the scheme will not be achieved if rents are not substantially increased. To provide inflation proof protection from the increase in rent to those tenants on low incomes who need to continue to be subsidised, it is proposed that the allowances under the rent rebate scheme be increased by 6%. After taking into account the sales this proposed increase is likely to promote and the additional rent rebates which is anticipated will result, no additional rental income is estimated.

At a meeting held on 27th May 1992, the Standing Finance Committee approved a 10% increase in Stanley rates for the period 1st July 1992 to 30th June 1993. This is 4% above inflation and is a continuation of the policy to reduce the level of subsidy on the cost of those municipal and public services that the Standing Finance Committee has decided should be recovered by rates. Estimated additional revenue from this decision will amount to £19,000 and will result in 52% of the costs being recovered.

As a contribution towards the cost of improvements to roads it is proposed that vehicle licence fees be doubled with effect from 1st July 1992. This should produce additional revenue of £24,000.

The revised fees would be as follows:

Trailers	£ 6.00 per annum
Motorcycles	£22.00 per annum
Light vehicles	£54.00 per annum
Heavy vehicles	£86.00 per annum

As a more meaningful contribution towards the increased cost of providing improved medical services it is proposed that Medical Services Levy be increased as follows with effect from 1st January 1993:

Employer from	1½% to 3%
Employee from	1% to 2%
Self employed from	1½ to 2%

It is estimated that the increased rates of Medical Services Levy will generate revenue of £800,000 per annum. This represents 45% of the net cost of providing medical services.

The only items subject to customs duty are liquor and tobacco products. It is proposed to increase duty on liquor products by 6%, to match inflation, and tobacco products by 20%. This should produce additional revenue of £40,000.

These proposed increases would put an additional 30p on the price of a 75cl bottle of spirits and 11p on a packet of 20 cigarettes for example.

For the second year in succession there would appear to be no justification for increases in medical fees, harbour dues or transshipment fees. No increases in line with inflation means a decrease in real terms and this might further encourage a greater use of local services and facilities for the benefit of the economy generally.

The practice of keeping fees and charges for public services under constant review shall continue, regular and minor adjustments being more acceptable than the irregular and major variety.

In the middle of a world recession it is comforting to be able to enjoy the current benefits of our public sector driven economy. With oil on the horizon, FIDC promoting and assisting private sector development and economic diversification, the future looks promising. Last year the forecast of the reserves at 30th June 1992 was £34 million. As mentioned previously, the forecast is now £44 million. This does not mean that the control of public expenditure can be relaxed. The infrastructure development financed to date and planned for the future will continue to increase the demands on the operating budget. Our financial independence can only last if the temptation of spending and committing more than we are able to afford can continue to be avoided.

Apart from defence costs, we can now boast financial self-sufficiency both in operating and capital areas.

However, we should not forget that our financial self-sufficiency continues to be dependent on the results of at least three positive actions taken by Her Majesty's Government:

- Firstly - The continued welcome presence of the British Armed Forces. Without them I doubt very much that I would be presenting the budget today in pounds;
- Secondly - The approved civilian use of the safe and regular external air link provided by the RAF. Without it we would most likely remain grounded; and
- Thirdly - The declaration of the fisheries zone from where our financial independence is derived.

I am grateful to Heads of Departments for co-operating in the production of a balanced budget and to Treasury staff in assisting in the preparation of the draft estimates. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable H T Rowlands CBE:

Your Excellency, at this stage I would just like to congratulate the Financial Secretary on his very clear statement of our financial position and for the outline of the revenue and expenditure estimates for the forthcoming year. I would like to, I appreciate the work that he has put into it with his staff and I congratulate them all. I look forward to the deliberations in the Select Committee within the next couple of days and certainly there are a quite a number of topics that will raise lively comment. I wish to support the motion.

The Honourable R E Binnie:

I would like to say, Honourable Members, I certainly wouldn't be sitting at this Table debating any other than sterling. Having seen some of these proposals in Executive Council, I did not really agree to them and the Honourable Financial Secretary is going to have a hard time in increasing some of them. Thank you Sir.

The Bill was read a second time and referred to a Select Committee of the House. Council adjourned.

Council reconvened on Friday 5th June at 10 am.

The President:

Honourable Members, Ladies and Gentlemen, Good morning. I now invite the Honourable the Financial Secretary to report on the proceedings of the Select Committee on the Appropriation Bill.

REPORT OF THE SELECT COMMITTEE ON THE APPROPRIATION BILL 1992

The Honourable the Financial Secretary:

Your Excellency, during the past four days the Select Committee examined the revenue and expenditure proposals for the forthcoming financial year. The majority of Heads of

Departments were called to justify their estimates. Details of the amendments made to the draft estimates have been circulated to all Honourable Members. In summary the estimate for total revenue was increased by £66,000 to £41.3 million. The estimate for operating expenditure was reduced by £826,000 to £22.9 million, this was mainly due to the deletion of a duplicate provision made in the respect of agricultural assistance and grants. A net increase of £136,000 was made to the capital programme which now amounts to £16.8 million.

Camp road projects are allocated the larger slice of the cake of £4.8 million or 29% of the total programme. This includes a £2 million revote from 1991/92.

As a result of various adjustments £400,000 was reallocated to increase the provision for services to new properties to £700,000. It was agreed that existing property developments should be improved and completed before new ones are started. In the event that the need for further housing development is firmly established a provisional allocation of £1.5 million was inserted in the projections for 1993/94 to allow the East Stanley Scheme to commence.

By reallocating funds inserted for a replacement generator and revoting unexpended 1991/92 funds provision was made to enable the Stanley electricity supply to be extended to Pony's Pass Quarry.

Unfortunately several important new items had to be deferred and I must also report that provision for Government House renovations was reduced by 50%.

The capital programme projected for the following two years 1993/94 and 1994/95 amounts in total to £23 million. As a result of the amendments made in Select Committee, the reserves at 30th June 1992 are now estimated to reach £44.5 million and the overall surplus for 1992/93 is estimated at £1.6 million an increase of £700,000.

With regard to the provision of £600,000 inserted for agricultural assistance, I have to report that this sum will be reserved pending the approval of a revised programme. The programme that farmers have been accustomed to ends on 30th June 1992. At this stage it is not know to what extent and on what basis future assistance will be provided. With effect from 1st July 1992, farmers will be responsible for arranging their own mortgage repayments.

I have been asked to define "transfer payments", this is the section introduced this year in the capital budget. It includes items of subsidy and grant previously shown under Departmental sections of the operating budget. The term transfer payment is an economic one, for the calculating of GMP it is necessary to discount from public expenditure those payments which will be included elsewhere as private expenditure. The productive contribution to the economy does not occur in Government, but in the hands of the recipient of the payment.

The increases proposed in Old Age Pension benefits and contributions were approved and will be dealt with in detail under the appropriate Bills.

The increases proposed in the family allowances were also approved, but it was considered that the policy regarding the single parent qualification needs to be reviewed before the increases are implemented with effect from 1st January 1993.

The Committee did not approve my revenue proposals in respect of Customs import duty, Medical Services Levy and Income Tax. It was agreed that in the course of the further Tax Reform exercise both the rates of Medical Services Levy and personal deductions allowed for Income Tax should be reviewed. All Honourable Members did not agree that increasing the rates of a popular tax, Medical Services Levy would necessarily increase its popularity.

In particular I regret that my proposed increase in Customs Import Duty on tobacco products

was not approved. It was agreed that postage be increased by approximately 7% with effect from 1st January 1993. The proposed increase of 100% in vehicle licence fees was not approved, however, a 33.3% increase was approved. The new annual rates will be as follows with effect from 1st July 1992:

trailers	-	£4
motor-cycles	-	£15
light vehicles	-	£36
heavy vehicles	-	£57

With the exception of the flats in the Jersey Estate Apartment Blocks, it was agreed that government house rents be increased by approximately 25% with effect from 1st July 1992. The allowances under the rebate scheme to be increased by 6% to continue to afford protection to those tenants on low incomes. In connection with the promotion of sales to sitting tenants, and the elimination of the existing subsidy the Committee supported the intention to double the 1991/92 house rents over five years.

The Committee agreed for the second year in succession that no increases should be made to medical fees, harbour dues and transshipment fees.

It was agreed that FIGAS air-freight rates and classification of goods subject to those rates should be reviewed. The Committee agreed that landing charges at Stanley Airport should be reintroduced for private local aircraft at a discounted rate of £10 per landing with effect from 1st July 1992; no charge to be imposed for take-offs.

It was agreed that the electricity tariff at Fox Bay Village should be reviewed. Honourable Members' decisions in not approving all my proposals demonstrates the effectiveness of the democratic process in the Falkland Islands. I believe we have achieved a fairly well balanced budget, provided our ambitious expenditure programmes can continue to be sustained by fragile revenues the budget should benefit all sectors of the economy and community. That Sir, concludes my report of the Select Committee proceedings on the 1992/93 estimates.

In the Committee stage clause 1 was adopted as part of the Bill

The Honourable the Financial Secretary:

I beg to move that the schedule stands part of the Bill with the following amendments:

Head 100	-	Aviation: substitute £1,624,620 for £1,575,170;
Head 150	-	Post and Telecommunications: substitute £334,820 for £337,030;
Head 200	-	Medical and Dental: substitute £2,160,700 for £2,164,840;
Head 250	-	Education and Training: substitute £2,152,230 for £2,158,850;
Head 300	-	Customs and Harbour: substitute £123,000 for £124,200;
Head 320	-	Fisheries: substitute £6,178,200 for £6,070,880;
Head 350	-	Public Works: substitute £5,056,120 for £5,129,930;
Head 390	-	Fox Bay Village: substitute £57,350 for £57,420;
Head 400	-	Agriculture: substitute £741,770 for £1,647,130;
Head 450	-	Attorney General & Justice Department: substitute £394,480 for £408,260;
Head 500	-	Falkland Islands Defence Force: substitute £181,730 for £182,870;
Head 550	-	Police, Fire, Rescue and Immigration: substitute £552,680 for £558,220;
Head 600	-	Secretariat, Treasury, Central Store and Broadcasting: substitute £1,914,160 for £1,879,970;
Head 750	-	The Governor: substitute £174,670 for £176,390;
Head 800	-	Legislature: substitute £204,840 for £205,510;

Head 850 - Falkland Islands Government Office: substitute £292,990 for £293,660;
Total operating budget - substitute £22,880,360 for £23,706,330;

950 Capital Expenditure - substitute £16,771,790 for £16,636,290;
Total Expenditure - substitute £39,652,150 for £40,342,620;

The Schedule as amended was adopted as part of the Bill

The Honourable the Financial Secretary:

I beg to move that clause 2 stands part of the Bill with the following amendments:

delete the words and figures "£40,342,620" and insert "£39,652,150".

Clause 2 as amended was adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

ORDERS OF THE DAY - BILLS

The Old Age Pensions (Amendment) Bill 1992

The Honourable the Financial Secretary:

Your Excellency, this Bill provides for the increase in benefits and contributions I proposed in my budget presentation. It also provides for an appropriate increase in the amount that a female contributor may earn before contributions by her shall be compulsory. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1-5 and the schedule were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Non-Contributory Old Age Pensions (Amendment) Bill 1992

The Honourable the Financial Secretary:

Your Excellency, this Bill provides for the increase in benefits I proposed in respect of Non-Contributory Old Age Pensions. The benefits are payable to those persons who are unable to qualify for a pension under the provisions of The Old Age Pensions Ordinance. There are now only seven single pensioners and the total cost to Government for 1992/93 is estimated at £18,800. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 to 3 and the schedule were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Road Traffic (Amendment) Bill 1992

The Honourable the Financial Secretary:

Your Excellency, this Bill provides for the increases in vehicle licence fees included in my report from the Select Committee proceedings. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was read a third time and

passed.

The Criminal Law (Amendment) Bill 1992

The Honourable the Chief Executive:

Your Excellency, this Bill, The Criminal Law (Amendment) Bill 1992. In relation to this Bill you have I believe a lengthy explanatory memorandum by the Attorney General. This Bill for the most part represents a tidying up exercise taking in connection with the publication of the Revised Edition Of The Laws of the Falkland Islands due to take place in 1993. For the most part it makes no substantial change in the law of the Falkland Islands. There are however a number of areas where it would make changes. In relation to murder, the Bill would enable the convicting court to pass the sentence of imprisonment less or greater than the usual sentence of life imprisonment if the circumstances of the case that court felt such a sentence was justified. Full provision as to parole of convicted prisoners would be introduced by the Bill. Under our present law there is only provision for parole in relation to prisoners serving life imprisonment.

As to a number of Acts involving animals, in relation to poaching and various definitions of animals, a number of English Acts that presently apply would be modified. It would become an offence to trespass on any land for the purpose of shooting or fishing, these provisions would not in any way prevent persons shooting or fishing upon and with owners permission. Various offences in relation to computer hacking, computer worms and computer viruses would be introduced. As would offences relating to obscenity and broadcasts. Lastly corporal punishment in prison, would be abolished. Such punishment is contrary to international conventions which apply to us as well as being, likely to be, contrary to the Constitution. Honourable Members I commend the Bill to you. I beg to move the first reading of the Bill.

The Bill was then read a first time and on the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable K S Kilmartin:

Sir, the imminent publication next year of the Revised Laws of the Falklands must be welcomed by all as, perhaps, finally we will cease to have the continual amendments and deletions of the Law of the Falklands. Thank you Sir.

The Bill was then read a second time.

The Attorney General:

Your Excellency, may I correct a typographical mistake in clause 4 of the Bill, which refers to schedule 2 when it should refer to schedule 3, the repeals are in schedule 3 to the Bill, if the "2" could please be corrected to "3".

In the Committee stage clauses 1 - 4 as amended and schedules 1 - 3 were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Application of Enactments (Amendment) Bill 1992

The Honourable the Chief Executive:

Your Excellency, this Bill, The Application of Enactments (Amendment) Bill 1992, would delete the application of 46 Acts of Parliament or part Acts of Parliament which presently apply as law of the Falkland Islands under the Application of Enactments Ordinance 1954, as

amended to date. The reason that it does so is that they are no longer necessary. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 to 3 and schedules 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Merchant Shipping (Adoption of Legislation) Bill 1992

The Honourable the Chief Executive:

Your Excellency, this Bill, The Merchant Shipping (Adoption of Legislation) Bill 1992, is a very significant piece of legislation and whilst Honourable Members have received a full explanatory introduction to the Bill I think the interest of Islanders who will only hear of this Bill through the radio broadcast, it is therefore worthwhile me taking some time to go through some of the notes, that I am indebted to my learned friend in providing for me, on this important Bill.

This is a Bill which seeks to adopt as law of the Falkland Islands a whole sway of United Kingdom legislation relating to merchant shipping. It seeks to do so because there is no real alternative but to adopt this legislation if we wish to retain the Port Stanley Register of Ships.

In 1984 the Department of Transport sent a consultative document to all dependent territories stating it was intended to take legislative powers in the United Kingdom to restrict the vessels which could be registered in dependent territories or close their registers. That document gave examples of different categories of Ports of Registry that might be possible. For example: a category A register would be all types of ships; category B all ships under 500 tonnes; category C ships under 150 tonnes and fishing vessels. I should add at this point, those were only examples and the attitude of the Department of Transport in some respects, for example, in relation to fishing vessels has hardened since 1984.

The significance of the tonnage figures is that the SOLAS Convention (the Convention as to Safety of Life At Sea) does not apply to vessels below 500 gross registered tonnes and the Load Line Convention does not apply to existing vessels below 150 tonnes. Neither of those Conventions applies to fishing vessels although the International Convention on the Prevention of Pollution from ships does. However, as to fishing vessels, the United Kingdom Government has made it clear that their registration here will be permitted only if all UK laws relating to health and safety and standards of accommodation apply to them by local law.

The 1984 Consultative document referred to indicates that the assignment of categories would be done in consultation with the Governments of the territories concerned and would take into account the needs of the individual territory, the extent of local shipping legislation and the arrangements for maintaining a marine administration.

The legislative powers which the Department of Transport had in mind became fact, when section 11 of the Merchant Shipping Act 1988 was enacted. That section relates to the regulation of registration in overseas territories, which includes the Falkland Islands, by reference to categories of registries. It is entirely our choice as to which category of register we opt for or whether alternatively we chose to permit the Port Stanley Register to be closed.

We do not need to enact this Bill if we are content that the Port Stanley Register of Ships shall be closed or alternatively perhaps be limited to vessels under 150 gross registered tonnes. In the absence of the enactment of this Bill that might take place later this year, when on the Administration's information, an Order of the Privy Council affecting the Falkland Islands and dependent territories is likely to be made. In that event vessels of 150 gross registered tonnes

and above which are currently upon the Port Stanley Register may have to be re-registered elsewhere; this would include the British Antarctic Survey vessels and very possibly all fishing vessels as well.

This Bill seeks to apply only that United Kingdom legislation which needs to be applied if we wish to retain the vessels we presently have upon the Register and those we are reasonably likely to wish to place upon the Register in future, including the replacement for the Monsunen and to allow fishing vessels to be registered whatever their size. If we wish to operate an unrestricted Register along the line of the Cayman Islands and Bermuda, much more sweeping legislation would be necessary. Further we should need to convince Her Majesty's Government that we have and will continue to have the considerable technical and administrative staff necessary to ensure compliance with all the relevant conventions.

This is an option which Honourable Members may wish to explore in the future; the expense of the administrative and technical staff required would be considerable and I do not envisage that Honourable Members would wish to encourage unless they could be assured that at least matching additional revenue would thereby be earned. It is obvious that considerable capital expenditure on provision of dwellings and offices could also be involved.

The objectives behind this Bill are, therefore, far more limited, they are to enable us to operate the Port Stanley Register of Ships in the same manner as in the past; it would be wrong for me however, not to draw to the attention of Honourable Member that the present intention of the Department of Transport would appear to be that the Port Stanley Register, even if this Bill is enacted, will be limited to:

- a) ships under 150 gross registered tonnes;
- b) ships replacing vessels which are presently upon the register here; and
- c) vessels which are given special permission to be registered here.

As Honourable Members are aware, the strongest possible representations have been made through the Foreign and Commonwealth Office on that point, it is particularly relevant as Honourable Members will be aware in relation to fishing vessels. We are seeking the ability to register fishing vessels here without special permission in each case, where the fishing vessels satisfy all the safety and accommodation requirements which would apply to them were they registered in the United Kingdom. The consequences are in relation to the Government's policy of encouraging local participation in the ownership of fishing vessels and licensing preferences related to that will otherwise, I fear, be in some disarray. That point has been strongly made to the Foreign and Commonwealth Office and the Administration will continue to press it and ask them to continue to press this point on our behalf. I would add however that the non-enactment of this Bill is the Administration's view likely only to hinder rather than to assist our efforts in that direction.

Honourable Members will clearly wish to know what the effects of this legislation will be upon existing vessels on our Register. I am happy to say that with the exception of the Monsunen there are none as far as I am aware. This is because, as to manning and certification and safety equipment, we have over the last few years endeavoured to bring all our vessels up to the required standards in these respects. Our local deck officers, for example, have been sent away to the United Kingdom for upgrading of their certificates and after undergoing the necessary courses, I am happy to say they have passed all those courses and that the Department of Transport was impressed with the standards they achieved in them.

In the case of the Monsunen, the case of the Monsunen is hypothetical because as Honourable Members are fully aware its use locally is to cease later this year. It seems probable that if

steps had not been taken to replace the Monsunen, expensive works would have been necessary to bring her into compliance with the modern legislation where as to crew accommodation she would not comply. Nor would I be candid if I did not tell Honourable Members that because it is at present planned that the Leca Vest will carry fuel to Camp stations in a tank aboard the vessel, there is the question with the Department of Transport as to whether she may not in relation to crewing and equipments have to comply with certain regulations which apply only to tankers. Byron Marine are in discussions with the Department of Transport about it and I do not believe that those discussions cannot meet a satisfactory conclusion.

I believe that Honourable Members will wish to retain the Port Stanley Register of Ships, I believe they will wish to see BAS vessels retain their local registration and to enable fishing vessels to be continued to be registered here. I stated in the objects and reasons at the foot of the Bill those are the purposes of the Bill and I beg to move that the Bill be read for a first time.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable T J Peck MBE CPM:

Your Excellency, Honourable Members. About 2½ months ago this Bill was presented to Executive Council for consideration. At the time there did not appear to be any cause for concern. However, there were serious implications to the Falkland Islands which had been known to the Department of Transport and the FCO but had not been passed on to ourselves nor, I understand, to the Attorney General's Chambers. The restrictions to permit us to register only up to 150 tonnes, or gross registered tonnes, kills any possibility of Islanders becoming involved in our own fishing industry. No guarantee that if the Bill is enacted today that this legislation may be subsequently overturned some time later in the year by the United Kingdom legislation. I am not quite sure, are we being restrained or strangled? I would ask my colleagues on Council to give this further consideration. Your Excellency, thank you.

The Honourable H T Rowlands CBE:

Your Excellency, Honourable Members, I would like to ask that this Bill be deferred; I have had a representation, a very strong representation from a fishing company this morning to say that they only received the Bill yesterday and they wish to come and discuss it with me. I also would like to ask the Attorney General at some stage to explain it further to Councillors and possibly with other members of the public. I am not opposing the Bill, but I just wish it to be deferred, for say a month, until we have time to discuss it in public.

The Honourable K S Kilmartin:

Sir, I would like to support the view that this Bill should be considered further; it is extremely important; it will have far reaching impact on the fishing industry and perhaps on an oil support industry. I am glad to hear the Honourable Member, Councillor Peck say that his understanding is that the situation has changed since the paper first went to Exco a few weeks ago, that is my understanding also. Thank you Sir.

The Honourable Mrs Norma Edwards:

Sir, I would like to support deferment of the Bill as well. I feel that it's a Bill that we're damned if we pass it and we're damned if we don't and if there can be some more discussion and perhaps some representation to the Ministry of Transport on our behalf after discussion of the Bill perhaps we can end up with a Bill that is suitable for us, not just the United Kingdom. Thank you.

The Attorney General:

Your Excellency, the first thing I would say is by no means am I against deferment of this Bill and full public discussion of it. An Honourable Member might find it appropriate to propose that the Bill be referred to a Select Committee and that that Select Committee sit in public, which will enable the Select Committee to obtain or to receive the views of the public. It would not be necessary of course for the Select Committee to consist of all Members of Council.

It is, I think, and I want to stress this, urgent to enact the Bill, because my firm understanding is that the Department of Transport intend to present to the Privy Council later this year the classification order, under section 11 of the Merchant Shipping Act 1988. The significance of that is that unless the Falkland Islands have legislation applying the relevant legislation of the United Kingdom or make their own legislation to the same effect in relation to the implementation in the Falkland Islands of the Safety of Life at Sea Convention; of the Watch Keeping Convention; of the MARPOL Convention and of all the health and safety requirements in relation to fishing vessels that that Order would limit us to ships under 150 gross register tonnes.

That would be in my view a horrible result; it would be a horrible result because it would mean that at least without special permission the Leca Vest couldn't be registered here and I do not think, that in that event, that special permission would be forthcoming, because there would be no legislation applying the international conventions and the Leca Vest could not receive the International Convention Safety Certificates and other certificates which are required.

It would also, as the Honourable the Chief Executive mentioned to Members of the House, mean that the British Antarctic Survey vessels would have to be removed from our Register. What Honourable Members may not be fully aware of is that there was a suggestion that the James Clark Ross, and this was a suggestion last year, should not be registered in the Falkland Islands but at a United Kingdom Port. The British Antarctic Survey wished to register the James Clark Ross here because of the long association of which Honourable Members will be aware, of British Antarctic Survey vessels with the Falkland Islands. We had the greatest difficulty, and I don't think that it will be necessarily be known publicly, in achieving that. We did so, we did achieve it because we indicated the intention to apply by local legislation the Safety Convention related legislation and other Convention related legislation which is in fact incorporated in the Bill before you today; and only on that basis, only on that basis, were the British Antarctic Survey vessels allowed to register here.

The British Antarctic Survey and Her Majesty's Government have indicated that they are most anxious that the legislation should be enacted, in relation, in particular, to the position of the British Antarctic Survey vessels, because until it is in force the Safety Convention Certificates, which would normally apply in relation to those vessels, cannot be issued.

Now I have mentioned the British Antarctic Survey vessels; there is also, as Honourable Members have drawn attention to, the question of fishing vessels. It is desperately important, desperately important in the interest of the Falkland Islands, that we be able to register fishing vessels here, because if we cannot, we cannot have our own fishing fleet nor is it possible readily for Falkland Islanders to participate in the ownership of fishing vessels. It is in my view extremely unlikely that the Department of Transport will advise Ministers that fishing vessels should be allowed to be registered here unless the legislation in relation to them, which would be adopted by this Bill, were applied.

If that were to be the case, not only would we not be able to register any further fishing vessels, but it might be, might be, and I am not in a position to say, but I think there is a

strong possibility of it, that fishing vessels presently upon our Register would be required to remove to other Registers where they are over 150 gross register tonnes, of 150 gross registered tonnes or above and as far as I am aware, I am certain in fact, all fishing vessels that are on our Register or are likely to come on our Register, will be because of the nature of our waters be of above 150 gross register tonnes.

I am by no means saying to Honourable Members "you must enact this Bill": I would never say that to them. I am outlining for the benefit of Honourable Members, to those people in the Falkland Islands who are interested in the subject matter of registration of vessels, why I think it is in the interest of the Falkland Islands that this Bill be enacted.

Now, as I have indicated, I am wholly supportive of public discussion on this matter so that all points which the public want to discuss in relation to the subject matter of the Bill or its effects, may be discussed with them. We do not however, have an unlimited amount of time, that is what I wish to stress. My information is that the categorising order in Council, that is the register limitation or closing order in Council under section 11 of the Merchant Shipping Act 1988, is likely to be made later this year.

Now as to the difficulties we have with the Department of Transport as to what ships we shall be allowed to register here. I personally undertake to make every conceivable argument I can make with them on our need, without restriction, subject to compliance with all the safety rules to be able to register fishing vessels here, provided of course they qualify as British ships under the Merchant Shipping legislation. It is so vitally important; I am fully aware of the interests in the Falkland Islands as far as that is concerned; we have made the strongest points; we will make any further points at any further stage that we can possibly make; it may be that should our present efforts not succeed in being persuasive, that Honourable Members through other routes will wish to make their own representations, that is a matter for them, we have not reached that stage.

Honourable Members, I invite an Honourable Member to propose the referral of this Bill to a Select Committee but I also invite Honourable Members to take on board, to realise and understand that I am saying that the decision in relation to this Bill will need to be taken within a short period of time and that if it is referred to a Select Committee I am urging that it comes back to this Council within a fairly short period of time, a month or six weeks is what I am suggesting. Otherwise we may have, to put it colloquially, "shot ourselves in the foot" in relation to our own interests.

The Honourable H T Rowlands CBE:

Your Excellency, I beg to move that the Bill be referred to a Select Committee of the House, to be held in public and that it be done within the time specified by the Attorney General.

The Honourable T J Peck seconded the motion and the Bill was referred to Select Committee

The Marine Mammals Bill 1992

The Honourable the Chief Executive:

Your Excellency, the Marine Mammals Bill 1992. I am sure that having regard to the extremely strong anti-whaling sentiment locally that Honourable Members will welcome this Bill. They will also appreciate that it relates not only to whales, but also to otters, seals and sea lions. This Bill, if enacted would prohibit catching, wounding or killing any marine mammal on land within the Falkland Islands or within Falkland Islands waters. Falkland Islands waters is defined in the Bill as meaning the internal waters, territorial sea and fishery

waters of the Falkland Islands. Under clause 3.2 of the Bill there would be two limited exceptions to that prohibition; anything reasonably done with the intent of relieving or preventing suffering by the marine mammal to which that thing is done or anything reasonably done with the intention of preserving life of, or preventing injury to, the person doing that thing.

However any person taking advantage of any such exception would have to prove that he had done that thing with that intent. Clause 4 of the Bill as it stands would enable ancillary regulations to be made; I understand that it is intended to make regulations under that section prohibiting the carrying aboard any vessel within our waters: drift nets, exceeding the length or inaggregate length of 2.5 kilometres this accords with the international ban on drift nets.

At the same time it would be intended to make specific regulations under our Fisheries Conservation and Management Ordinance, the use of any drift net of whatsoever length by any fishing vessel in our waters. Our present licence conditions do not in fact allow any drift net to be used but it is intended to make specific legislation provision. I would wish to add that at no time since our fishery zone was instituted, has any vessel been observed using drift netting within our waters. I believe that in a later stage than the consideration of this Bill, an amendment of it may be moved to insert a further clause adding the import or export from the Falkland Islands of any marine mammal living or dead or any part of a marine mammal.

I have taken some time again to go through the introduction of the Bill so that Falkland Islanders can be aware of the steps that are being taking when they hear the legislation on the radio in due course. Your Excellency, I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable G P Short:

Your Excellency, Honourable Members. In rising to support this motion I realise that we can't change our history and figuratively speaking we do have blood on our hands from some of the activities we used to carry on years ago. However I see this as a step once and for all to ban whaling within our waters; in fact this Bill, thanks to the Attorney General has gone even further to include all species of mammal and I certainly thank him for the effort and thoroughness that he has put into drafting this Bill. Sir, I wish to support this Bill.

The Bill was then read a second time. In the Committee stage the following amendments were made:

The Attorney General:

Sir, at this stage propose that the Bill be amended by the insertion of a new clause 4, not to delete the present clause 4 which would then be renumbered and remain part of the Bill and the new clause 4, the text which has been circulated to Honourable Members would read as follows:

"Importation or exportation of marine mammals

4(1) Except as provided by subsection (2) it is unlawful for any person to import into or export from the Falkland Islands any marine mammal or any part of a marine mammal living or dead

(2) Subsection (1) does not apply in respect of the importation or exportation of any marine mammal or part of a marine mammal under the authority of and in accordance with any conditions imposed under a licence granted by the Governor on the advice of the Executive

Council.

(3) On the grant of a licence under subsection (2) such conditions may be imposed as the Governor on the advice of the Executive Council thinks fit.

(4) Section 2(3) and (4) apply in respect of a contravention of subsection (1) of this section as they do in respect of a contravention of section (1) of that section.

(5) A police officer or a customs officer may arrest without a warrant any person whom he reasonably suspects to be in the course of committing or attempting to commit an offence under this section and may seize without a warrant any marine mammal or part of a marine mammal which he reasonably believes to be the subject of such an offence."
Of course, subject to that new clause being accepted it would be necessary to renumber the existing clauses 4, 5 and 6 and the cross reference in the heading to the Schedule.

By way of explanation of subsection 4 or subclause 4, as it is of the clause I have mentioned, subsection 2 and 3; 2, 3 and 4 of course create a criminal offence and those are imported so as to apply in relation to an offence under clause 4 as well.

If I can explain further, the grant of a licence is not inserted so as to give an exception to the general principle but it will be recalled by Honourable Members that the clause will relate to any marine mammal living or dead, or any part of a marine mammal. Occasionally persons may wish to export out of the Falkland Islands a piece of whale bone or a section of whale which they have found on a beach or elsewhere and of course there may not be any objection to that because that will be part of a dead whale. That is the only reason for the provision which allows what would otherwise be prohibited, if a licence is granted. Honourable Members I hope you will regard that clause further in the purpose of the Bill and the absolute prohibition of whaling activities so far as we are concerned.

Clauses 1 to 7 as amended and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Application of Enactments (Legislation Relating to Children) Bill 1992

The Honourable the Chief Executive:

Your Excellency, The Application of Enactments (Legislation Relating to Children) Bill 1992. The Children Act 1989 made far reaching forms in the law relating to children and associated matters, many of which relate to circumstances very different from those in the Falkland Islands and which are completely unsuitable to them. This Bill would prevent that Act applying to the Falkland Islands and continue to apply the pre-existing law. It is intended that most, if not all of the existing law should as soon as possible be replaced by locally made law. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable K S Kilmartin:

Sir, I am very pleased to see that this Bill is here and we do have the ability to resist the application of all UK legislation that is not suitable to our purposes.

The Bill was then read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumes. The Bill was then read a third time and passed.

The Insolvency Bill 1992

The Honourable the Chief Executive:

Honourable Members, the purpose of this Bill is very simple. It is to provide that the Insolvency legislation we have had since 1954 or earlier continues to be our law and that we do have as part of our law the entirely unsuitable provisions of the Insolvency Act 1986. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Prohibited Goods Bill 1992

The Honourable the Chief Executive:

Your Excellency, the Prohibited Goods Bill 1992. In the objects and reasons printed at the foot of this Bill its purposes are stated to provide further powers as to the seizure of prohibited goods. As Honourable Members will be aware Customs Officers have powers as to the seizure of prohibited goods. Prohibited goods are defined in clause 2 of the Bill "as goods the importation or carriage coast wise of which is prohibited under any written law of the Falkland Islands". As Honourable Members will be aware various kinds of fresh and frozen meat cannot be imported without a licence. Controlled drugs cannot be imported, certain weapons, obscene material none of those may be imported; the Customs Department endeavour to seize all goods which are prohibited before clearing them through customs.

Inevitably it will happen sometimes that something comes through customs which ought not to have done. An example, a few months ago was some meat imported from Uruguay which appeared to have been imported in accordance with the licence but subsequently was proved not to be the case. The Bill contains provision enabling the owner of Bill to appeal to a Court against there seizure and subject to such an appeal gives power to destroy the goods. It will also enable the Crown to recover the cost of storage and destruction of goods which are rightfully seized. If goods were rightfully seized and destroyed, compensation would not be payable by the Crown, but this would in no way prevent the person claiming compensation from the person who sold or disposed of the illegal goods to him. I beg to move the first reading of this Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 to 12 were amended as follows:

The Attorney General:

In relation to clause 2 Your Excellency, in the definition of "prohibited goods", subparagraph (b), the initial words read "the carriage of coastwise"; they should read "the carriage coastwise of", if that correction might be made.

Clauses 1 to 12 as amended were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Harbours (Amendment) Bill 1992

The Honourable the Chief Executive:

Your Excellency, the Harbours (Amendment) Bill 1992. The reason for the introduction of the Bill is that it appears that diving services have been provided in Berkeley Sound to ships there by crews of other ships at anchor in Berkeley Sound and we need to protect the livelihood of those locally who provide diving services. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable H T Rowlands CBE:

Your Excellency, Honourable Members. I welcome this legislation as I think it is time that we started to assist the local services available in these Islands and while I support it strongly I understand that there is provision under the Bill to ensure that the people requiring such services are not taken to the cleaners. I would like to support the Bill.

The Honourable K S Kilmartin:

Sir, whilst supporting Councillor Rowlands' wish to support the local private sector I feel I can't support this Bill and it is with some reluctance. The private sector in the Falkland Islands does have a hard time and very often the Falkland Islands Government doesn't address the problems of the private sector. However in this Bill I think we are rushing in to a quick fix and we need more time to think about protectionism and in particular the protection our businesses need in Berkeley Sound, not just diving businesses. The fishery zone, as a whole, hasn't produced an income into the community into the private sector that was hoped and rather than address ourselves to particularly the diving sector, I believe that this Government should address the whole question of helping the private sector develop and if we are to protect our businesses, we should perhaps consider protecting all businesses. In these circumstances Sir, I believe that this Bill should go to Committee.

The Honourable Mrs Norma Edwards:

Yes Sir, I do support this Bill, whilst to a certain degree I agree with Councillor Kilmartin I think if you talk about protectionism in Berkeley Sound we have to look to the Government. We have Stanley Services as a sole provider of fuel out there, so Government should be, they are protecting themselves in that way in that respect, and they should be protecting our local work force, perhaps the Bill needs to be extended to Stevedoring and so on and I wouldn't object to the Bill going to Select Committee, but I most certainly support the Bill.

The Honourable G M Robson:

Your Excellency, Honourable Members. I too have a few worries about the Bill as it stands; I think as my Honourable friend from East Falkland has said that it does not go quite far enough and I would imagine that very shortly there would be the Harbours (Amendment) (Amendment) Bill 1992 so I too would like to see this Bill go to Committee for further discussion and possibly extending it to other areas other than diving. I am sure that the season for diving is perhaps over at this particular time and I would like to think that this could be addressed fairly quickly and perhaps brought to the next session of the Legislature.

The Honourable T J Peck MBE CPM:

I too, Your Excellency, would support Councillor Kilmartin and Robson in deferring this to Committee.

The President:

We certainly have a proposer and a seconder and supporters are there any other objections from the other Councillors about it going to Committee?

The Attorney General:

Sir, if I might, I certainly have no objection of it going to a Select Committee, but if I might just say a few words.

The Harbours Ordinance is an antiquated, unsatisfactory, outdated, quaint piece of legislation. If anybody looks at it, and I doubt if any looks at it very much, it contains provisions about carrying gun powder on ships and cannon balls and cannons. You are certainly going to get a Bill in relation to the Harbours Ordinance, it won't be a Harbours Ordinance (Amendment) (Amendment) Bill, it will be a Harbours Ordinance Bill, chucking the whole lot out and replacing it with what is sensible in the modern age. I say this so that there is no doubt that I have said it and Council doesn't think it is misled as to that.

This is, of course, a "quick fix" in relation to a particular problem, or was intended to be. I don't blush to say that, what is probably not known by Honourable Members or they may have overlooked is that there is legislation, and there was legislation years ago, in relation to the employment of Stevedores and unfair competition with local stevedores; that is in the Harbours Ordinance. It is quaint, it is antiquated, it talks about wage rates as something like 15 shillings an hour that you can't employ a stevedore other than the local stevedore, except by a crew of a ship and you mustn't employ them at less than 15 shillings an hour, when you look at that I agree. But we also need to look at in connection with that, the availability of sufficient local stevedores to service the needs of ships in Berkeley Sound.

To take an overall view on protectionism in one Bill is of course impossible, because there are other fields in which you may wish to protect local industry. I am fully for the suggestion that that should be looked at and I am fully for the deferment of this Bill to Committee so that the whole of the issues in this Bill can be considered by Select Committee. But I do say "don't think I haven't said that you aren't going to get a Bill in due course which will repeal this Bill" because the whole Harbours Ordinance needs total replacement.

The Bill was then referred to Select Committee

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive:

Your Excellency, I beg to move that the House stands adjourned, sine die.

The President:

The Motion is that the House stands adjourned sine die, does any Honourable Member wish to speak to the Motion?

The Honourable T J Peck MBE CPM:

Just a few brief items, Your Excellency, Honourable Members, for a change.

In a week's time the first of our many important guests will be stepping off the Tristar and it will be a very special day in the history of the Falkland Islands. I think without being rude to

any guest, I think. Sir Denis and Lady Thatcher are the two most important guests that we will have stepping off that aircraft to meet with the Falkland Islanders and other people. I am hoping that as many people as can possibly make it will be at the airport to give all our guests a warm and hearty welcome on arrival and those who may not be able to make that journey for one reason or another, I would hope would be able to meet perhaps on our guests' entrance to Stanley. I would trust that we will be able to keep the public completely informed of the time of arrival both at MPA and also arrival in Stanley. I do ask people to really make an effort to give our guests a very warm and hearty welcome.

The Honourable Financial Secretary referred, I thought, in a different manner on Councillors reducing the cost of repairs and maintenance to government properties by 50% as being a bit hard. I don't think Councillors intend that any property should suffer because of the reduction in this; it was done because of the extortionate prices which come in from contractors in their tenders to Government. And it's for these reasons on the mechanical and the electrical side that we have to not be taken for a ride as many have been in the past; if it takes us six months longer to do the job in house then we should be doing it.

Housing: there is still a need for additional housing, and I am pleased to say that my colleagues on Council have not prevented this from going ahead. We have provided funding for the Public Works Department to go ahead and build other single units; but I have to remind members of the community that my colleagues have told me very strongly once again that I must, and the Housing Committee, follow the policy laid down by Executive Council, and this means that there are only a few who are entitled to be housed by the Government - that is people recruited from overseas, students returning from overseas after training, and also social cases, those with special needs. Other than that, people, must not take it for granted that they can demand accommodation willy-nilly.

Thank you, Your Excellency.

Honourable G M Robson:

Your Excellency, Honourable Members. I think this, the Adjournment debate, is possibly "Any Other Business" and one Member of this Council has said that he would not bring up any other business. However, I am glad that he mentioned some of the subjects that he has.

This last week has been very busy in terms of Select Committee as usual. But I do believe that heads of department have had a relatively easy time. I think that this actually reflects the hard work done by department heads and the Honourable the Financial Secretary and his department pre-budget. I think possibly there was, as usual, some severe pruning prior to the Estimates coming here.

Rents have perhaps risen substantially, however the policy for private home ownership is reflected in this and hopefully the effect will be to make it more attractive to a lot of people to purchase their houses and this is a more realistic rental.

The arguments for and against duties on tobacco and liquor and such like have been debated countless times in other places and whilst the health aspects cannot be ignored, I believe we have to temper this with the fact that these duties are raised every year and the amount that is raised by the duty is not that substantial and that perhaps the social aspects of it should be taken into account.

I have suggested that what could be termed a mini-budget should be scheduled six months hence in order that a review of progress can be done. I don't envisage that every department would be subjected to detailed examination, but it may help to make this session of Council easier, as well as helping to make budgeting and aims and objectives easier, for all concerned.

I think our budget is balanced - some may say somewhat precariously - but I think we must be one of the few countries in the world who are not heavily in debt, which must be a source of some pride.

I believe that we must finish many of the capital projects that we have started before we start any new ones, and I think this has been done to some extent this year. I would hope that we are being moderately successful in avoiding an inflationary spiral and whilst we are of course in many ways part of worldwide inflation, we must try to minimise any local inflations.

I've said before that we must have a global outlook and not be too inward looking and in these times of greater awareness of environmental issues we must be one of the few unspoilt, relatively unspoilt, areas of the world. And I believe that we should continue to maintain as much as is possible that relatively unspoilt status; but to maintain it on our terms and to this end we must continue to tell the world at large the facts. We have a large number of friends in numerous countries and I think we must continue to make more so that a lot of misconceptions can be put right.

Finally, Sir, I would hope that this is a reasonably popular budget, in spite of the fact that some of the Honourable the Financial Secretary's "popular" taxes have not been raised and I would hope that this will not make some of them or us too unpopular. Sir, thank you.

Honourable Mrs Norma Edwards:

Sir, in rising to support the Motion for Adjournment I haven't a great deal to say, I think Councillor Robson said most of it. Other than that I would congratulate the Financial Secretary and his team for all their hard work and I saw the lights burning there late last night in the office so I presume he was beavering away. I think it's a reasonable budget, I hope the general public think it's a reasonable budget; I found I had quite a lot of representation about his "popular" MSL increases and we wondered in fact whether he was going to continue increasing it yearly until it became an unpopular tax. However, I think I was concerned that if we doubled the MSL costs this year it would cause inflation in a small way.

Duty: I haven't really got a leg to stand on, I know that smoking is unhealthy however I enjoy it; I'm frightened if I stop that I'll get bigger than I am, therefore I will continue to smoke whether the duty on cigarettes goes up or down. However, I do feel that every year liquor and tobacco get clobbered for tax - it's a nice easy thing to do to keep putting it up and I think it deserves a rest occasionally.

I would like to assure the farming community who will probably think after they've heard the deliberations of Council today that all of a sudden at the end of June any help to the farming community may disappear; they must then start paying their mortgages again of course, but I would like to reassure them that Mr Wagner is undertaking a survey of the whole situation and later in the year he will be producing, I hope, a package that Government will accept for further aid to the farming community where it's needed. Wool prices are still very low and people will need support this coming year - some people, anyway.

Sir, finally I've been asked to tell you that laid upon the Table is a CPA tie which we would like you to accept as a little memento from us all. Thank you Sir, I support the Motion.

The President:

Thank you very much and thank you for the lovely tie which I'll be certain to wear very frequently and it will always remind me of this place and this event.

Honourable K S Kilmartin:

Sir, I support the Motion. I've had a somewhat unhappy week. Firstly the Financial Secretary didn't really take my remarks seriously about the VHF telephone system. I don't think the subscribers on the VHF system can wait ten years for the oil revenues to come in before consideration is given to upgrading the VHF system. The subscribers on the VHF system are getting a second rate service and until such time as they reach parity with subscribers on the microwave system some consideration should be given to perhaps second rate citizens being given smaller bills.

And then I was somewhat upset by the Chief Executive, who also didn't take my remark on the television service seriously. We are in great danger of falling into the same mistake we made with the telephones. When the telephone system was put out to contract there was no indication at all that some subscribers would receive a lesser service: that was not considered. We are now investing public funds in a television service to Camp but the Chief Executive states that he has not any idea of which persons in the Camp will receive a lesser service or indeed no service and that should be considered.

I was then very upset that we did not increase the tax on tobacco. Not only might it help the atmosphere in the Select Committee room by reducing consumption of tobacco, but we made a great commitment to the medical services of this community; we are now providing a Rolls Royce service and for the Government at the same time not to increase tax on tobacco, I think is very remiss.

We then followed the Falkland Islands Government policy to increase the rents on government housing, however I do feel that we didn't really get to grips with the problem of the rates: that the private people who are buying their own houses are paying considerable sums of money on rates, in fact the amount of the rates is so great that the private sector can't possibly afford it and we have to pay it out of central funds, 52% I believe.

And finally, Sir, I felt that it was sad that we are unable to tell the agricultural community precisely the financial regime for assistance for the coming year and that they will have to wait for some time to discover what assistance is available to them in these hard times. Thank you, Sir.

Honourable W R Luxton:

Your Excellency, Honourable Members. I would like to open by congratulating the Financial Secretary also on his budget. We've had some compromises and some cuts but he is to be congratulated for leaving us so little to cut from in the first place. I too am very doubtful about his concept that doubling the Medical Services Levy would have made it twice as popular and I'm glad we managed to leave it as it was. He did extract a concession for this of course as neither will the tax allowances be increased. At least those on the lower scales of pay won't have their tax burden increased and as he said Councillors have asked that the whole taxation regime should be examined in due course.

I am also relieved that there does remain some provision in the budget for assistance to the farming community but I hope everyone is fully aware that the complete mortgage relief scheme stops at the end of this month and over the next few months, as my colleagues have said in the light of the final wool prices, the Treasury and the Agricultural Department will have to assess how the sums that have been budgeted will be applied.

I too think it was a mistake not to make a modest increase on the duty on drink and tobacco. I support the concept of small and regular adjustments rather than swinging increases at long intervals, however, the majority of my colleagues took the opposite view. I can assure my

Honourable Colleague from the West Falkland that when you stop smoking it has a disastrous effect on the weight factor. I would like to see the introduction of a lesser charge for the freight of fresh fruit to Camp at 25% of the standard freight rates currently charged and I hope that the Financial Secretary maybe can implement it as soon as possible.

I suppose as far as budgets are concerned, we can say three down and one to go. This time next year this Council will be winding up our final budget. Time does seem to pass at an alarming speed, Heritage Year is almost half way through and as Councillor Peck said in a few days' time we shall be meeting our distinguished visitors. To the one in particular he mentioned I shall always remember the welcome she got from Islanders who are usually fairly restrained, on her first visit. I hope Mrs Thatcher and Sir Denis can be made just as robustly welcome this time. Many will probably meet her at MPA but as Councillor Peck said I hope we can liaise via the Broadcasting Station in some way to let Stanley people know when the cavalcade will arrive at GH and hopefully we'll have a big crowd there to give her as good a reception as she got last time. And all too soon it will be over; but we should continue to look forward, and I suppose the next great occasion will be Falklands 2000 and I wonder who will be booking the Town Hall for the 31st December 1999.

Sir, we must continue to keep a very wary eye on those across the water. To be realistic, it is necessary that we meet with the Argentines at an official level, from time to time, on fishery and mineral related matters; whether we like it or not our territorial waters and theirs meet in the middle and we have to settle those matters which relate to that line. In a way the fact that they come to these discussions is almost a recognition of our jurisdiction, but until our total right to self-determination is recognised such contacts should in my opinion go absolutely no further.

When you do return to the UK, Sir, I would ask you to reiterate again our urgent need for the rest of the Minerals legislation.

I would like to raise one local matter, and that is the problem faced by those on small islands. In the current situation they have no viable alternative to FIGAS and there is a problem which must be addressed. It's a question of aircraft going to an unattended strip and the rules which appear to govern this. We need to devise a system which will allow this, under carefully regulated conditions; it may be necessary, Sir, for you to make a special exemption of some kind and I think you can be assured that this Council would support you fully in this so that we don't have a situation where the whole responsibility is carried by the DCA or the man at the sharp end of the aircraft, which is manifestly unfair.

Unfortunately there are one or two strips that make even that quite out of the question, I think, but in many cases we should be able to assist in sorting this problem out. In addition I would ask that such islands and indeed other small isolated communities, should be able to get a mail opportunity at least once every two to three weeks. One island I know just recently has gone almost two months without a mail delivery. It's not good enough and if necessary the Post Office should monitor and fund it and see that it happens.

Finally, Sir, I thank you for your kind sentiments about the Islands which you expressed in your original Address, and it's good to know that we shall have another friend in high places and we may yet call on you for advice in oil related matters; after all, you'll be sitting in the middle of the world's biggest oil development and should be able to give us a few tips! I thank you, Sir, for your patience with Councillors who are a bit bolshi from time to time even if it has been stretched a bit thin at times, and I join my colleagues in wishing you and Mrs Fullerton all the very best in your new appointment.

The President:

Thank you very much for your kind remarks.

Honourable H T Rowlands CBE:

Your Excellency, Honourable Members, it gave me enormous pleasure to see the lights burning in the Treasury last night, I know exactly what was going on and all I can say is to reiterate my advice to you and your predecessor that there was talent available locally to undertake the role of Financial Secretary and in this particular case Mr Howatt. I think that all the heads of departments are to be congratulated on the Estimates; I know the amount of work they are required to perform and I can say although I have some criticisms on some departments, and I will go right to the heads of departments and tell them that, but I think generally they are doing a very good service to the community.

I am pleased that the Merchant Shipping legislation was deferred, not only for the reason which I mentioned earlier today but I have had a suggestion made to me by a very senior member of the Ministry of Defence to say that we are losing revenue and the fact that we should be considering Port Stanley as a flag of convenience port. I will now have time to look into that matter and something may emerge. However, I will not delay the legislation, I will tend to be pushing that to go forward as soon as possible.

On Heritage Year, I am pleased to be serving with Councillor Peck on the Heritage Year Committee, although we do come in for some criticism at times, but I think we are doing our best to make sure it's a very important occasion; some people have even criticised the amount of money we are spending. Well, I would ask them to look at the Estimates a little closer and if they look at the estimates they'll see quite a large sum of money arising from coins and stamps that will be introduced during the course of the year, in fact all the money we are spending will be covered.

I think that most of the other points have been covered and I would just say thank you again to all government servants for the preparation of the Estimates. Thank you, Sir.

Honourable G P Short:

Your Excellency, Honourable Members. In rising to support the Motion I have a couple of comments to make, all of them local.

One, I would like to associate myself with thanks to the Honourable the Financial Secretary, his staff and everybody else who's bent their back in getting the Estimates ready for us; they do seem to have done quite a good job.

The Jersey Estate apartments: again, I have to thank my colleagues for agreeing to freeze the rent on these. I think it is a gesture that we can make for the appalling state of those buildings, even though they are new.

Referring back to the answer I got to my Question on the flats, I do wonder whereabouts in the right spectrum does Document E of the Regs relating to sound suppression lie; is this the lowest standard, the highest, or is it in the middle? I would be very interested to know. I also note the comments about using carpet and underlay; that may well certainly help to cut down some of the noise coming through the ceilings, but from my personal experience, I have actually had quite a convivial yarn with somebody through one of the walls. I'm not quite sure how carpets will cut that down.

If I may shamelessly leap in, in defence of the drinking/smoking man, I think for years, Sir,

we've been victimised and indeed I wonder if perhaps we should be looking the other way and saying to ourselves, what about the jogger? should he be taxed for trying to stay fit? and I recommend that course of action to my friend the Financial Secretary to look into.

Health and Safety: it is time we took steps on this and the Chief Executive may rest assured that I shall be contacting him very shortly to see if we can't get this process going. The course of action as suggested is the right one, we should meet together all sectors, and try to knock out something that is right for us, not something that we adopt from other countries that will more or less stop us in our tracks.

There has been, I will admit, steps to make the work place safer. I have, of course, experience with the hourly paid more than with the clerical staff and I know PWD have taken steps, as I say, to make the work place a safe environment. However, I have noticed that it's normally always after an accident, and I don't think this is the way we should be playing the game at all.

I also wish to thank the DPW, Mr Hill, for the prompt action he took after my opening speech about the problems being caused on Davis Street West with the water. I was pleased to see that the day after I made those remarks the, contractors were there and sorted it out. There are still problems there but they have at least got rid of the worst one and I thank them for their prompt action.

On perhaps a lighter note before I end, I do note under the Criminal Law (Amendment) Bill 1992 the subject of obscene broadcasting is covered. I do wonder if this covers the constant flow of ongo-bongo popular type modern music that I am being fed 24 hours a day. I am sure the Attorney General will answer that.

Finally Sir, I wish you and your wife well on your move and hope everything does go well for you and I join with my colleague from the West in suggesting we may well be able to poach you back in some years' time. I wish to support the Motion, Sir.

The President:

Thank you very much. It would certainly give me great pleasure to be poached back in some years' time.

The Honourable the Financial Secretary:

Your Excellency, I am grateful to Honourable Members for all their hard work during the Select Committee proceedings and for their gratifying remarks. I would like to thank the Treasury staff for all their efforts in the preparation of the Estimates, in particular Mike Luxton, Linda Lyse and Richard Wagner. Thanks also go to Peter Biggs and Maria Strange for keeping a record of the lengthy meeting of Select Committee. The generous supply of chocolate biscuits by the Secretariat at Select Committee is another demonstration of our improved financial position.

I will take up the matter of a mini budget as suggested by Councillor Robson.

With regard to the increase in rents, the rates are incorporated in the rents for government properties and as the increase in rents is 15% greater than the increase in rates, I think that that provision has been adequately catered for.

If Honourable Members agree, we can introduce the 25% per kilo airfreight rate suggested by Councillor Luxton for fruit to Camp and as far as the tax, import duty on tobacco products, I did say I was disappointed that that particular item was not agreed but I will take up the

suggestion by Councillor Short and perhaps impose a tax on trainers or something like that...

I also join Honourable Members in thanking Your Excellency for all your hard work during your term of office in the Islands and wish both Mrs Fullerton and yourself the best of luck in the future. I support the Motion for Adjournment.

The Honourable the Chief Executive:

Your Excellency. I would like to associate myself with the remarks that were made by Honourable Members and others at Monday's meeting and today's meeting in reference to yourself and your departure next month for Kuwait. I think it's well known that behind every successful man stands a good woman. In some instances there is a somewhat startled mother-in-law as well. But in the case of the good woman and yourself, Sir, she stands four square alongside you and it has been a matter of comment on how strongly Arlene has supported you in everything you have done in the Islands; and we would be deluding ourselves to believe that everything you do is fascinating and interesting. But she is always there. She of course inherits certain tasks when she arrives, and they can either be done or deferred to other people and no one can help but admire the energy and application that she has put into such subjects as the Red Cross, the Corona, the stitch-and-twitch, and a whole raft of other organisations that she took over a commitment towards. She has also played a leading role in either instigating, encouraging or promoting further the Youth Club, the Guides, the Brownies, the YMCA, photography, drama, music: the list goes on. I was reading over the weekend an account of how a governor was once withdrawn from the post of governor in a Caribbean island because of the paucity of hospitality that was offered. There was never any suggestion that that would happen to the Fullertons, Sir. I think the level of hospitality that has been offered has set a new standard; there cannot be many Falkland Islanders who have not had the opportunity to be invited to enjoy the hospitality from Arlene and yourself.

Whilst not enjoying the same facilities that are available to all, we know that you have gone to tremendous trouble to travel throughout the Islands and there can be few settlements, lodges or farms that you haven't visited and I think that the genuine knowledge of people between yourself and Arlene and the people of the Falkland Islands would be difficult to improve upon. Certainly when Arlene leaves the Islands, it will be an emptier place once she goes.

I regret, that once again, the Commander British Forces for reasons of duty can't take advantage of the privileged place that is provided for a serving officer of the military to take part in Government of a British Dependent Territory. However we are all aware that part of the price of peace is constant vigilance.

I'm also glad that perhaps following the stress of Select Committee now being put to one side there is a much more relaxed atmosphere in the House and that makes it perhaps easier for me to address other matters concerning changes at Headquarters, British Forces Falkland Islands. Whilst I hope that I have no reputation for shedding crocodile tears, it would not be my style to avoid playing tribute where it is due. And therefore it gives me tremendous satisfaction to be able to acknowledge here and now the close support, advice, consultation and indeed friendship that has been extended to me and the people of the Falkland Islands by Roy Smith and his wife. I think they are people who very genuinely have taken the Islands very much to their hearts; he has set a record in the number of months that he has stayed in post in the Islands and he too has gone to tremendous lengths to understand local people and to get alongside his feelings. My only concern is that he is admired by the Financial Secretary, so there must be something about him that I have lost!

Continuing with MPA, I don't believe acknowledgement has been made of the giant step that has been taken by SSSVC in starting their satellite broadcasting of the News each night. That must give Islanders an enormous feeling of comfort that they can be informed the same day

with television news that is being broadcast in the United Kingdom. It's a wonderful service that SSVC are playing and I am delighted to thank them for their co-operation and we look forward to seeing further live broadcasts being continued.

On a totally different subject, I can't help but notice that the improvement of the Chamber has been greatly enhanced by the positioning of these two beautiful portraits of Her Majesty the Queen and Prince Philip. They really were long overdue and I think they provide a very, very attractive setting that was necessary.

During this past week we have taken steps to draw up new contracts of employment for the Attorney General and the Director of Public Works and I am delighted that they will be extending their stay here in the Falkland Islands.

Concerning the Budget, I think the matters have been well rehearsed by Members on that. It's with no satisfaction that we have had to say no further mortgage repayments will be made by Government but the safety net of providing financial assistance is in place and until we know the true state of the wool market it is only for that reason that we can't announce what financial assistance will be available; but there is no doubt that it will be less than in previous years.

It would be improper for me to go over the reasons for and why smokers were not led to suffer some increase of duty on their evil habit. I think the way that the Financial Secretary should consider addressing this is by looking at the declaration of interests of Members in future years and those people who partake of that particular drug should not be allowed to vote, and I think under those circumstances we will probably get the allocation that we want.

There is considerable potential for a condition known as DTs to be greatly increased in future weeks. This is nothing to do with the lack of increase of duty on spirits and alcohol, but lack of information on who might be coming to the Islands in the near future. We await, with some anxiety, news on that matter.

I am delighted that the Camp Roads programme on the West has been agreed and funded and one of the important aspects that this Government is anxious to see is that the work is carried out by local companies and local contractors and we know very well from the splendid example that the PWD team have shown in building the North Camp road and the work that has been undertaken by Island Construction and Gordon Forbes and others that there is the capability to undertake this work within the Islands so that the funds that are being expended by Government are kept in these Islands.

One of the Honourable Members for Stanley mentioned the sound protection that is required yet again in the Jersey flats. He also drew attention to obscene broadcasts. I may add that broadcasting is that of communicating and if he is talking about obscenity the question of from where he was communicating and to whom he was communicating may very well start to move towards obscenity - he should remember that obscenity only applies if it depraves and corrupts him or to whomsoever he is broadcasting.

Sir, I am very pleased to support the Motion.

The President:

Honourable Members, we've had a very good concluding meeting, I think, and the Budget seems to have gone extremely well. I thought for Heritage Year Budget LegCo the opening speeches were rather negative in some cases, when so much has been achieved recently; I think we've done very well, as Councillor Robson said, we're not even in debt unlike so many Governments around the world, there can't be many that can boast that. I should like to add

my congratulations to the Financial Secretary on this Budget too.

There are one or two points of information I should just like to make briefly on the first day of the meeting to straighten things out a little, I think. I was rather confused from that debate about what United Kingdom representatives in Brussels were supposed to have or have not done during the visit of the Falkland Islands delegation, and I should like to stress that HMG is very much behind the Falkland Islands and keen to help them in their relations there. It was said in the debate here that the UK Representative had attended the Argentine EC talks whereas he had not met the Falkland Islands delegation. The UK Representative did indeed attend the Argentine EC talks in order to watch over Falkland Islands interests there and I believe staff from the Representative's office briefed Members of the Falkland Islands delegation about those. I understand the Representative himself sent apologies to the delegation for not seeing them because he had to go to Strasbourg for the Queen's visit there - but the Falkland Islands delegation did have plenty of contact with his senior staff and help from them. The FCO certainly did not set up any talks between Argentina and the EC.

British businessmen were criticised I thought a little unfairly for doing business with Argentina. There is a severe recession in the United Kingdom, companies are struggling to survive, people are out of work. Argentina, and indeed South America as a whole, represent a good market for Britain and the countries have normal diplomatic relations which Councillors are on record as welcoming, so I think it's illogical to criticise trading activities, and in that context I would point out that before diplomatic relations were re-introduced, one of the main planks of the anti-Falkland lobby in the United Kingdom was that the Falkland Islands prevented the United Kingdom from having dealings with millions of people in South America and doing business with them. That argument has now fallen away from the anti-Falkland lobby, which is much to our advantage.

On the Tristar, I have asked the FCO - immediately I heard Councillor Kilmartin making his suggestion, I thought it was a very good one - that FIG be able to play a role in the negotiations with the MOD, and I think the FCO who probably consider these negotiations only marginally easier than bringing about peace in Bosnia, were delighted with the idea; so I suggest that a Councillor and possibly someone from the Secretariat, could join the negotiating party. I've put this to the Foreign Office and we'll see what happens, possibly the MOD will be alarmed by it.

Lastly, or almost lastly, on the FCO and our relations with them: I do not suggest that the FCO be immune from criticism in these Islands: I am well aware of the perception held here that at one time certainly, the FCO seemed to be intent on unloading the Islands on to Argentina, but if anybody can produce any evidence of any such attitude during the last ten years or at the present time, I should like to see it. I don't suggest that Islands' wishes and policies should not be firmly put to the FCO, but I hope we can get out of inaccurate and sometimes carping attacks on them which seem to come about as a matter of routine sometimes - that won't win us friends.

I do think it should be recognised, too, that the Islands have received strong support there; the FOCZ was asked for and provided; the Continental Shelf and minerals surveying legislation were also agreed. It took time, I know, and we had frustrations, but these issues are not easy, they are ones affecting the international stage and going through a lot of hoops in the United Kingdom. But we got there and we are getting there, both goals were achieved and we are on the way further. The FCO have strongly maintained the line that these Islands should not have to deal with any country with which they do not wish to deal. We are not being pushed towards anybody that we don't want to talk to. I think the Attorney General will confirm that the FCO is being very supportive over the Merchant Shipping Bill, too, in putting the case on our behalf there. There will always be differences of approach or timing, but I hope we can keep harsh words away from the debate and keep it on an even keel which is not, as I have

said, to say that you shouldn't speak your mind. But the FCO and HMG are firmly on your side.

On a point following from that, Minerals Survey Regulations; I know we have been waiting for some time to see these and I know some people have said well, this looks as though we are going down the same road as the Minerals legislation. However, they haven't yet been produced principally because the British Geological Survey and the Department of Energy, or now the DTI, who look after that, have not managed to agree on the line of approach towards the issue of licenses. However, the views of those two organisations are now close and BGS I think have accepted that much of the DTI advice is sound therefore the regulations can be modified now to take account of this and to have meaning, and I think we shall be moving forward on this in the near future.

Honourable Members, it has been a fascinating and rewarding experience to be able to take part in a privileged position in the Government of a country, particularly this one. My wife joins me in thanking you all for all your support and help and hospitality during our time here and I thank the Chief Executive for his very kind remarks about my wife, and I would like to endorse them because I do think wives are sometimes unsung or inadequately sung and she has been an enormous support to me wherever we've been and certainly here, particularly.

Honourable Members, the Budget Legco is a tiring one and you've achieved a great deal of hard work during the week. I wish you well in the application of the Budget in the coming year and for your work and that of subsequent Legcos in the future. My wife and I will wish these Islands and all Islanders nothing but the best in the years ahead. We shall be watching from afar all that goes on and we shall certainly hope to come back and see what has been happening in due course. Honourable Members, thank you very much indeed. The meeting is adjourned.

APPENDIX

QUESTIONS FOR WRITTEN ANSWER (Asked between 22nd November and 1st June 1992)

QUESTION NUMBER 1/92 BY THE HONOURABLE MR H T ROWLANDS CBE:

"Following the Chief Executive's reply to Question No: 12/91 by the Honourable G P Short representations have been made to me for the development of Margaret Thatcher Day into a public holiday.

Will His Excellency the Governor therefore consider declaring Margaret Thatcher Day to be a public holiday rather than holding the proposed limited public reception on that day?"

Reply by the Honourable the Chief Executive:

"The decision of the Executive Council on the 4th July 1991 was that the 10th January (Margaret Thatcher Day) should be marked on the Calender but no public holiday be given. Following consultation with elected Councillors and members of the business community, His Excellency the Governor has found little support for a public holiday and feels that the decision of Executive Council on 4th July should not be overturned. Friday 10th January 1992 will not therefore be a public holiday. No official public function has been organised to celebrate the occasion."

QUESTION NUMBER 2/92 BY THE HONOURABLE MR H T ROWLANDS CBE:

"Will the Chief Executive reply to the following questions relating to the Gymnasium -

- 1) Did the public subscribe directly to the construction of the Gymnasium?
- 2) What is the estimate of the annual cost of up-keeping the Gymnasium?
- 3) How much is received annually for the hire of the Gymnasium?
- 4) When the Falkland Islands Community School is complete are the recreation areas in that building adequate for the activities presently carried out in the Gymnasium e.g Badminton, Indoor Football, Horticultural Show etc, and will the hire charges be similar to the present Gymnasium charges?
- 5) If it is eventually agreed to utilise the present Gymnasium for purposes other than at present where will the Home Industries and the Spinners and Weavers Guild be accommodated?"

Reply by the Honourable the Chief Executive:

1. According to the archives, the building of the Gymnasium and public baths was completed in 1931 at the cost of £6238.18.3d. The building was funded by the Falkland Islands Government and was constructed (according to an extract from Governor Hodson's farewell speech) "almost entirely with Falkland Island labour." There does not appear to be a record that shows that the public subscribed directly to the construction.
2. The estimate for the annual cost of up-keeping the Gymnasium is currently £11,600 per annum. This comprises:-

Heating	£5,000
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Electricity	200
Cleaner	5,700
Cleaning Materials and replacement lights, fire extinguishers, locks etc.	<u>700</u>
	<u>£11,600</u>

3. No charge has ever been made for the use of the Gymnasium.
4. It is considered that the Gymnasium in the Falkland Islands Community School will adequately cover all present uses of the Gymnasium including badminton, indoor football, basketball, indoor bowls etc. The Horticultural Show has not been held in the Gymnasium since the floor was upgraded by the Public Works Department in 1989.

As the new Gymnasium is being equipped to promote sporting activities it is not envisaged that the Horticultural Show would be accommodated there. A more suitable venue would be the Town Hall.

Hire charges for the new Gymnasium will be discussed by the Board of Education and presented to Select Committee for consideration and approval before publication.

5. To date the relocation of Home Industries and the Spinners and Weavers Guild has not been considered in detail. In the event of the premises being used for purposes other than at present, it is hoped that alternative accommodation could be found for their use.

QUESTION NUMBER 3/92 BY THE HONOURABLE MR G P SHORT:

Can the Administration please explain why, when we were led to believe that Stanley would be smartened up for Heritage year, the grass on Ross Road is that well cut that a proverbial stone run beetle could not hide in it whilst the grass on the roadside in the vast majority of Stanley is that long and unkempt that it could hide the FIDF?

Can the Administration assure me that the Heritage Year tidy up does not start and end on Ross Road and what steps are being taken to rectify the situation.

REPLY BY THE HONOURABLE THE CHIEF EXECUTIVE:

The Honourable Councillor is indeed correct in his observation that the grass along Ross Road would not hide a stone-run beetle. This is due not only to short grass and the illusory nature of the insect but also to the removal of the beetle's natural habitat, rocks, which were not conducive to easy grass cutting. In contrast, as quite rightly pointed out, luxuriant vegetation has been allowed to grow along road verges around the rest of Stanley because the rate of removal is slowed by uneven ground and the presence of rocks. There may be members of the FIDF lurking in this vegetation, but their excellent camouflage outfits renders detection uncertain, and more often than not the suspicious rippling of the grass is due to a prowling pussy rather than a purposeful private or lurking lieutenant!

The present landscaping commitments for 1991/92 under contract include:-

KEMH Garden
Barrack Street (Post Office verges)
Crozier Place/Hebe Street
Arch Green
St Mary's Walk Playground

Fisheries Estate Public Areas
Jersey Estate Public Areas

Additionally for Heritage Year:-

Secretariat Green/1982 Memorial
1914 Memorial and Verges
Victory Green - West End
Planter tubs along Ross Road

The proposed works yet to be tendered which will take up the balance of funds for this financial year are:-

Play areas Jersey Estate/Endurance Avenue
Verges - John Street, Fitzroy Road, St Mary's Walk and Snake Hill

Heritage Year has meant extra work in keeping Stanley extra clean and tidy, and the above average rainfall for this summer has speeded the growth of grass and weeds.

Keeping all of Stanley's verges cut short is very expensive - most are only even enough to trim, which is very slow. However, it is hoped to improve all verges to a standard where they can be mowed regularly.

QUESTION NUMBER 4/92 BY THE HONOURABLE MR G P SHORT:

Can the Administration say who has been appointed to review the telecommunications system and proposed legislation in the Falkland Islands and can they also say when he is due to visit the Falklands and what his terms of reference are?

REPLY BY THE HONOURABLE THE CHIEF EXECUTIVE:

The Administration has been in correspondence in recent months with the Radio Administration Agency of the Department of Trade and Industry and the Attorney General had discussions in England with the Agency a few weeks ago with a view to establishing the costs, terms of reference and scope of their possible assistance. As a result a paper on the subject is about to be submitted to Executive Council for consideration.

QUESTION NUMBER 6/92 BY THE HONOURABLE G M ROBSON:

Could the Administration say how many F.I.G.A.S pilots presently employed are fully licensed for unsupervised passenger carrying services within the Falkland Islands and which airstrips are currently licensed for F.I.G.A.S operations?

REPLY BY THE HONOURABLE THE CHIEF EXECUTIVE:

FIGAS currently employ six pilots who are qualified for their respective flying duties as follows:

Captains Anderson and Clarke are fully licensed for unsupervised passenger carrying services into all of the thirty five licensed airstrips.

Captain Porter is qualified to operate unsupervised into thirty two of the licensed airstrips.

Captain Ian Robertson a locum pilot until the end of May 1992, is presently undergoing

supervised flying on airstrip familiarisation and it is anticipated that on completion of the present training programme by 19th March 1992 he will be qualified to operate unsupervised into the main thirty two licensed airstrips.

Captain McGill is presently qualified to fly the fishery patrol unsupervised but is not currently undergoing any airstrip training.

All the above pilots are qualified to fly the fishery patrol unsupervised.

Captain Goss is currently undergoing familiarisation training which includes supervised fishery patrol flights up to a maximum of 20 hours per week. Certain criteria must be met prior to him being permitted to fly unsupervised on fishery patrol.

It should be noted that the pilots employed by the Falkland Islands Government are continually undergoing monitoring and training as per any normal airline procedure.

The following airstrips are presently licensed:

Beaver Island	Bleaker Island	Carcass Island
Chartres	Darwin	Douglas Station
Dunbar	Dunnose Head	Fox Bay East
Fox Bay West	Golding Island	Hill Cove
Keppel Island	Johnsons Harbour	Lively Island
Mount Pleasant Airport	New Island	North Arm
Pebble Island	Port Howard	Port San Carlos
Port Stephens	Roy Cove	Salvador
San Carlos	Saunders Island	Sea Lion Island
Sedge Island	Shallow Harbour	Speedwell Island
Stanley	Teal Inlet	Walker Creek
Weddell Island	West Point Island	

QUESTION NUMBER 7/92 BY THE HONOURABLE T J PECK MBE CPM:

As the Administration is very much aware several important decisions have been required of Council recently, relating to civil servant staffing matters. In order for Council to seriously consider such proposals essential information must be available.

On March 26th 1992 I received a letter asking me to provide a detailed list of the information I require.

A paper issued by the Administration list 22 Government Departments with a total number of staff of 192.

1. How many contract officers are employed?

2. How many days local leave has been taken by local staff in 1989, 1990, and 1991?
3. How many days leave of absence, due to illness, accident etc. have been taken?
4. How many days leave have been taken overseas by local established staff in 1989, 1990 and 1991?
5. A requirement for local staff taking overseas leave is for them to undertake training, refresher courses etc. How many staff underwent such training?
6. Established staff have an entitlement to fare paid passages for family or dependents. What is this entitlement?
7. What was the cost of FIG for established staff going on overseas leave for 1989, 1990 and 1991?
8. How much did FIG have to pay for family and dependents?

Similar details are required in respect of contract officers over the same period together with costs?

REPLY BY THE HONOURABLE THE CHIEF EXECUTIVE:

1. NUMBER OF OFFICERS

At 30th April 1992 Government employed 215 full time established staff and 79 contract officers. Of the 79 contract officers, 53 are on FIG contracts, 17 on FIGO contracts, 1 on TCO terms and 8 Saint Helenians on one year contracts. 6 officers currently employed on FIG or FIGO terms will be transferring to established staff conditions later in the year.

2. LEAVE AND PASSAGE ENTITLEMENTS - ESTABLISHED STAFF

The leave and passage regulations were reviewed by Mr Hamshaw in 1988/89. The two most significant changes resulting from this review were:-

- i) a reduction in the annual leave earning rate for established staff as a result of the amalgamation of overseas leave and local leave;
- ii) a reduction in the length of time an officer may be absent from duty on leave. Previously an officer could take between 4 and 6 months leave with a passage entitlement. This caused considerable disruption to the service as many departments were understaffed for half of the year. The maximum amount of leave that can be taken now is 2 months.

The revised leave and passage regulations were approved by Executive Council and were introduced on 1st July 1989. The current leave and passage entitlements are set out in paragraphs 3.1 and 4.1 below.

3. LEAVE

3.1 Entitlements

Leave entitlements for established staff vary according to grade and are set out below.

Officers in grades G0 to G2	25 working days per year
Officers in grades G3 and G4	30 working days per year
Officers in grades G 5 and above	35 working days per year

The total leave entitlement for one financial year for the 215 established staff currently in post is 5,705 days. This does not include leave entitlement for teachers or school hostel staff as they are only permitted to take leave during school holiday periods. Officers are permitted to carry a maximum of 30 days leave over from one year to the next therefore the amount of leave taken in any one year does not necessarily reflect the annual leave entitlement.

3.2 Leave Taken

Leave records show that a total of 2,939 days leave were taken during 1989/90. This includes 518 days which were taken overseas with a passage entitlement. In 1990/91 4,040 days leave were taken, 1693 of which were taken overseas with a passage entitlement. It should be noted that the actual number of days leave taken overseas may be greater than stated above due to officers taking leave with passages at their own expense. The present leave recording system does not differentiate between leave taken locally or overseas at the officer's own expense. It should also be noted that the above leave records do not include leave taken locally during school holidays by teaching or hostel staff.

3.3 Sick Leave

In 1989/90 839 days sick leave were recorded, with 783 days in 1990/91. These figures include one or two cases where long term absences for medical reasons were necessary.

3.4 Leave Forfeited

In 1989/90 twenty two officers were prevented from taking their full leave entitlement; the total number of days forfeited amounted to 154. In 1990/91 seventeen officers forfeited a total of 99 days leave.

4. PASSAGES

4.1 Entitlements

An officer is eligible for return passages to the United Kingdom for him/herself, spouse and children under the age of 18 years, subject to a maximum entitlement of 4.5 adult fares.

The qualifying period for passage entitlement varies according to grade and length of service as set out below:-

Grades G0, G1 and G2	passage after every 5 years resident service, reducing to 4 years after 10 years service
Grades G3 and G4	passage after every 3 years resident service
Grades G5 and above	passage after every 2.5 years resident service, reducing to 2

years after 10 years service in grade G5 or above.

4.2 Costs

The cost of overseas leave passages during 198/90 was £34,860. This sum represents passage costs for 21 officers amounting to £17,430 with the remaining £17,430 representing passage costs for the officer's dependents.

Passage costs for 1990/91 amounted to £49,657.50. 29 officers took overseas passages at a cost of £23,720 and the remaining £25,936.50 is attributable to passages for dependents.

The estimated passage costs for the current financial year and the following five years are shown below. The original estimates prepared for Executive Council memorandum 75/92-SAS of 6th March 1992 were based on a fare price of £830. Airfares have recently increased by approximately 13.25% therefore the estimates have been revised to take account of this.

	Estimate (March 1992)	Revised Estimate
1991/92	£ 61,835	£ 70,030
1992/93	£ 73,445	£ 83,185
1993/94	£ 80,095	£ 90,720
1994/95	£109,145	£123,610
1995/96	£105,445	£119,420
1996/97	£ 89,640	£101,520
TOTAL	£519,605	£588,485

4.3 Training whilst on leave

Every effort is made to ensure that wherever it is practically possible, overseas leave is combined with training, refresher courses, attachments or duty visits. This was arranged for 5 officers in 1989/90 and for 7 in 1990/91. It is not always possible to combine leave with training. Quite often training needs for particular officers are identified but cannot be delayed for up to 5 years to coincide with a passage entitlement. Opportunities for training can also be restricted due to course availability. Some training requirements are unforeseen and often arise, for instance, as a result of the installation of new equipment, the introduction of a specialised service, the commencement of a particular project etc. A recent example of this was the need to send the Assistant Computer Co-ordinator to UK on a short course to enable him to take over responsibility for the computer system in the Fisheries Department; this training could not be delayed until his next overseas leave.

5. CONTRACT STAFF - LEAVE

5.1 Entitlements

Leave entitlements for contract staff can vary but only very slightly. In the main, contract officers earn leave at the rate of 4 calendar days per month. Leave can be taken locally or overseas with mid-tour or end of contract passages.

St Helenians engaged on one year contracts earn leave at the rate of 1.5 working days

per month which is taken on completion of contract.

5.2 Leave Taken

Leave taken by contract officers (excluding St Helenian contracts) is shown below:

	taken locally (calendar days)	taken overseas (calendar days)	total
1989/90	65 days	1,225 days	1,290
1990/91	166 days	1,219 days	1,385

5.3 Sick Leave

Sick leave taken by contract officers in 1989/90 amounted to 57 days with 29 days taken in 1990/91.

6. CONTRACT STAFF - PASSAGES

6.1 Entitlements

1. FIG

Officers on FIG contracts are provided with passages for themselves, spouse and children under the age of 18 years, at the beginning and end of contract plus a mid-tour passage if the contract is for a period of two years or more. Additionally they are entitled to two visit passages per year per child attending boarding school in the United Kingdom.

2. FIGO Contracts

Officers on FIGO contracts receive passages for themselves, spouse and children under the age of 18, at the beginning and end of the contract only. Officers with children attending A level studies in the UK are eligible for two return passages per year per child.

3. St Helenian Contracts

Staff engaged on St Helenian contracts receive passages from/to St Helena at the beginning and end of contract.

6.2 Costs

Passage costs in respect of contract officers taking mid-tour or end of contract leave are as follows:

	Officer	Dependents	Childs Visit	Total
1989/90	£ 17,845	£ 14,110	£ 7,055	£ 39,010
1990/91	£ 21,165	£ 14,110	£ 6,445	£ 41,720

**RECORD OF THE MEETING OF
LEGISLATIVE COUNCIL
HELD IN STANLEY
ON
14th AUGUST 1992**

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY

ON

14th AUGUST 1992

PRESIDENT

His Excellency the Governor
(Mr D E Tatham CMG)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr R Sampson)

The Honourable the Financial Secretary
(Mr D F Howatt)

Elected

The Honourable R E Binnie
(Elected Member for Camp Constituency)

The Honourable T J Peck MBE CPM
(Elected Member for Stanley Constituency)

The Honourable G M Robson
(Elected Member for Stanley Constituency)

The Honourable K S Kilmartin
(Elected Member for Camp Constituency)

The Honourable W R Luxton
(Elected Member for Camp Constituency)

The Honourable H T Rowlands CBE
(Elected Member for Stanley Constituency)

The Honourable G P Short
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr D G Lang QC)

CLERK: Mr Anton Livermore CPM

PRAYERS Reverend Canon Palmer LVO

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HIS EXCELLENCY'S ADDRESS

Honourable Members, Honoured Guests, Commander British Forces, Chief Executive and Members of the Administration, Ladies and Gentlemen. It is a great pleasure and a great privilege to open the first Legislative Council during my tenure of office as Governor, and it is a particular pleasure to do so today when I can welcome in everyone's name the distinguished guests who are here to share in our celebrations of Heritage Year and in particular of the 400th anniversary of the sighting of the Islands.

You are all very welcome, Ladies and Gentlemen, you are all true friends of the Falkland Islands and we are particularly grateful that you have come to join us during our winter; yesterday may have been summer but today is definitely winter. We hope that you have enjoyed your stay so far and that you will continue to appreciate the rest of your programme. I wondered whether to name our visitors in welcoming them, but decided that this might be invidious and that time would not permit, but you are all people who have given the Falkland Islands tremendous support whether moral, financial or both, during difficult days before and after the invasion of 1982.

We have not forgotten your aid and your friendship nor shall we. I should welcome too the Commonwealth Parliamentary Association of which our own Legislative Councillors past and present are proud Members. Democratic Parliamentary Government is part of our heritage, in fact I noticed that the two words on the shield which Dr Tonkin kindly presented me with yesterday were Parliament and Democracy. These are part of our British heritage and it is a heritage we are very proud of, so we are particularly pleased to welcome the two Members of the Mother of Parliaments who are here today. The conviction that a people or a community have the right to choose its own form of Government and decide its own destiny is fundamental to our belief and to the belief of the British Government that the wishes of the Falkland Islanders must be paramount in determining the future of these Islands.

May I also welcome particularly our friends from the States of Jersey and Guernsey with whom we have so much in common and who have been so generous in helping our reconstruction after the war. And may I now break my rule of no names to mention one person who is not with us and whom we all miss; I mean of course Lord Shackleton who has done so much for these Islands and who felt that his health did not permit him to join us at present. He is ably and charmingly represented by his daughter the Honourable Mrs Alexandra Bergel and I am sure Councillors will join me in asking her to send our very best wishes to her father and our pressing invitation to come back to the Islands to see us as soon as he can.

May I also take this opportunity to welcome to the Islands, not a visitor but a new resident, the Commander of the British Forces, Admiral Neil Rankin. Admiral Rankin has had a distinguished naval career, culminating in the charge of HMS Ark Royal. Now despite what some strategists and journalists have said the Falklands are not an aircraft carrier but I am sure that Admiral Rankin will prove equally at home in command of Mount Pleasant. We welcome him, just as we welcome the presence of the Garrison here. The last Commander, Air Marshal Peter Beer told me that he had had to instruct the new tornado pilots positively to fly over settlements; the Islanders want to see and hear you, he told his pilots, they feel reassured. It's true, we do feel reassured, our future is guaranteed by the presence of Her Majesty's Forces on the Islands.

Honourable Members you have an important task today, the election of three Members of the next Executive Council, the three Members who are selected will face all the traditional problems which are brought before Executive Council some of them relatively minor but some of them of crucial importance; I urge you to choose wisely and to choose well. Thank you.

The Clerk:

"Election of elected Members to Executive Council."

The election by elected Members of three of their number to Executive Council then took place by secret ballot. The Honourable the Financial Secretary and the Attorney General were appointed as tellers for the election. Following the election the President then announced the names of those elected:-

Stanley Representative - The Honourable T J Peck MBE CPM
Camp Representative - The Honourable R E Binnie
Stanley or Camp Representative - The Honourable W R Luxton

The three elected Councillors then swore the Oath of Secrecy.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive:

Your Excellency, I beg to move that this House stands adjourned sine die.

The President:

The motion is that this House stands adjourned sine die, does any Honourable Member wish to speak?

The Honourable T J Peck MBE CPM:

Mr President, Honourable Members. Today marks a very auspicious occasion in the history of our country, not only is it the 400th anniversary but it is the first time that our Chambers will be addressed by representatives of the House of Commons and the Commonwealth Parliamentary Association.

On behalf of our Members and members of our community, I extend our warmest greetings to you Mr President and Mrs Tatham, Commander British Forces, Mr Michael Morris MP and Mrs Morris, Secretary General Dr David Tonkin, and to all our distinguished visitors who have joined us in celebrating this most historic occasion. I beg to support the motion.

The Honourable R E Binnie:

Mr President, we are meeting here today to mark the anniversary of the first sighting of these Islands by Captain John Davis, 400 years ago. In those times man traversed the world over land and sea seeking new lands; exploring; mapping the unknown; seeking the knowledge, adventure and riches. It is fitting that today some 400 years on, man is seeking to explore below those same seas, exploring and mapping the seabed and the earths crust, seeking knowledge of the unknown and anticipating the riches from the natural resources.

One wonders whether it is a coincidence or not that in celebrating such a historic occasion it has brought together such distinguished guests. From home two such people will make history here today by addressing our Council. I am honoured to be associated with such an occasion. I support the motion Sir.

The Honourable G M Robson:

Sir, Honourable Members, I also wish to welcome firstly you and the Commander British

Forces to the Islands. The 400th anniversary of the sighting of the Falklands by a British sea Captain, I believe, reiterates the very Britishness of the Colony. Our motto "Desire the Right" has perhaps taken on a slightly different meaning since it was coined to commemorate Captain Davis's achievement, the play on the word "Desire" his ship. But I am sure that originally the motto was to mean "desire truth and all things just". I think we have now arrived at the situation where it also means "Desire the Right to self determination and to be able to live in peace and tranquillity" as is our wish.

I have said in this place before that I believe the Commonwealth Parliamentary Association is very important to us, we do have friends in Parliaments all over the Commonwealth and it's pleasing to see the Secretary General of the Association and the Editor of the Parliamentarian amongst our visitors today, and I feel confident that their presence will help strengthen our ties with all Legislatures around the world however large or small. Sir, I support the motion.

The Honourable K S Kilmartin:

Your Excellency, of course I join with my colleagues in welcoming you and your family and all our distinguished guests here today on this important day in our history.

Sir, in the very short time you have been here you have voiced already your concern about the track to oil, if I can put it that way; I agree with you, we should be concerned. We may not be able to control the momentum that we are unleashing; there will of course be many benefits to us but at the same time there are going to be disadvantages, and I think, Sir, you are correct that these disadvantages should be discussed.

Heritage Year is a time for reflecting on the past on our Heritage, but it is also a time for looking to the future. We must ask ourselves, Sir, is the Falkland Islands system of Government ready for change and oil, a growth in the economy and the growing political aspirations of the Falkland Island people?

The Falkland Islands is a very small part of that "parliamentary democracy" that Britain has nurtured both at home in Britain and throughout the world. Sir, today we have distinguished guests with huge experience of parliamentary democracy throughout the world, Westminster, the small Islands off the coast of Britain and of course the Commonwealth. Sir, Heritage Year is an ideal opportunity for this community to discuss, to start a debate on, the future of parliamentary democracy to serve the needs of this community into the next century. Thank you Sir.

The Honourable W R Luxton:

Mr President, Honourable Members. I welcome yourself Sir and the Commander British Forces to your first meeting of this Council and may I also welcome all our friends from overseas who have come to share in our celebrations and at this meeting in particular the two distinguished Parliamentarians who are with us in the Chamber. Between them they represent two of the worlds greatest institutions, the Mother of Parliaments itself at Westminster and the Commonwealth Parliamentary Association which encompasses the family of democratic institutions that has derived from Westminster. Mr Deputy Speaker and Mr Secretary General we are privileged to have you with us, you are most welcome.

In the years to come we shall look to you and the institutions you represent to help us preserve that which we hold most dear and that is the right to determine freely our own future; and whilst today we celebrate a particular event the sighting of these Islands by Captain John Davis 400 years ago. In this whole Heritage Year of course we are celebrating and give thanks for the delivery of these Islands from Argentine oppression ten years ago; this was achieved by the bravery and skill of Her Majesty's Armed Forces and we can never repay this debt.

I would like to think that the 90's will be seen as the decade when freedom loving people all over the world achieve the freedom that they desire: sadly as we hear every day, in many cases at great cost to human life, as happened here ten years ago. But to me it is inconceivable that the world could encourage or allow the removal of that freedom from us which some would wish to do.

We hope that our distinguished and influential visitors will leave the Falklands with happy memories and a determination that our democracy will prevail. Mr President, I support the motion.

The Honourable H T Rowlands CBE:

Your Excellency, Honourable Members, I recall having sat at this table in 1964 for the first time so I must be the oldest swinger in town. I welcome you and Mrs Tatham, also the Commander British Forces, I welcome our distinguished guests who I have known for many years. I have often said that if it hadn't been for Mrs Thatcher we wouldn't be sitting here today, which is quite true, but there is one person before that that I heard about in the 1960's and that is Mr Bill Hunter Christie who is with us today, and I would like to pay special thanks because I am quite certain that we would have been somewhere else today if it hadn't been for him and his Committee and the other staunch Parliamentarians like Mr Michael Shersby, who is sitting with us.

Hear hear! (All agreed)

I think that there has enough been said about the 400 years. I rather think in my life time, looking back on the history of this place I think we were neglected by all parties for 150 years. Since 1982 with the terrific triumph of the British Forces we are at last on the map and we are progressing and today I think we have many people with us who have contributed to our future. I look forward to the future of these Islands and I am sure that it is going to be a terrific future, and if I may say we have often slaughtered the Foreign and Commonwealth Office at this table before, but it is not all bad and when we come to think of what has happened in the past, I remember in the 1970's when the Governor of the day, Governor French, kept me guessing as to who on earth was going to lead a team of Economists here, I came up with all kinds of names and he said, "no, no you'll never guess, forget about speculating there is some inspiration and imagination in the Foreign and Commonwealth Office," and I quite agree with him as Lord Shackleton was appointed to lead that team and I thoroughly enjoyed working with him here and he contributed a terrific amount to the Falkland Islands. I would like to welcome his daughter here today and Commander Ranken for coming down to represent him and I am very sorry he is unable to be with us but I hope he will be in the not too distant future.

The Honourable G P Short:

Your Excellency, Honourable Members, Honoured Guests, Ladies and Gentlemen, in rising to support the motion, I find it rather appropriate perhaps that the wind today seems to be as strong as it must have been 400 years ago when John Davis zoomed past our Islands. I do feel very humbled actually to be standing here today, and it is rather mind boggling when you think of what people who first came here must have had to endure and today, Sir, I would like to publicly thank those who over the years whose dedication and hard work in what must have been pretty awful conditions have made it possible for me to stand at this table and celebrate the 400th anniversary of our sighting.

It is also up to us to make sure through wise planning and legislation that in 400 years time our people can also stand at this table and celebrate what would be the 800th sighting of these

Islands and I sincerely hope Sir that these Islands will still be British then. Sir, I wish to support the motion.

The Commander British Forces:

Your Excellency, Honourable Members, the planning of my appointment to relieve Air Vice Marshal Peter Beer is from my point of view most propitious. I would have been honoured and privileged to have served these historic Islands at any time of my naval career, but to have arrived in what seems to be almost spring in Heritage Year and to have travelled here with such an industrious group of visitors for the 400th anniversary celebrations is indeed a bonus.

How little John Davis could have anticipated what would develop since his spotting of these dots on his horizon 400 years ago! There can be few areas which can match the Falkland Islands in dramatic change over the last ten years, the rate of change which will inevitably continue to move into the 21st Century.

We in the military feel very much part of the community in which we serve. We are very conscious of our obligations and more importantly, perhaps, our wishes to contribute to the peace and prosperity of these Islands, whilst maintaining the dignity, standards and quality of life which you must all be so justifiably proud. I look forward to my participation in the Legislative and Executive Councils and hope that I will be able to make a constructive contribution to your deliberations. In conclusion I would like you all to know how much my wife and I, when she can join me, and that will be as soon as it is possible, are looking forward to our sojourn in the Falklands and I hope that we shall become fully integrated across a wide spectrum of life in these Islands. Thank you.

The Honourable the Financial Secretary:

Your Excellency, Honourable Members and Honoured Guests. In rising to support the motion for adjournment I would like to join with Elected Members in their welcome to both your wife and you Sir to the Falkland Islands and to this your first meeting of Legislative Council and to Admiral Rankin as Commander British Forces to his first meeting. I would also like to welcome our distinguished guests to our Islands in this Heritage Year. Thank you Sir.

The Clerk:

The House invites Mr Michael Morris MP, Deputy Speaker of the House of Commons to make his address to Council.

Mr Michael Morris MP:

Mr President, Honourable Members, Commander British Forces, distinguished guests and the people of the Falklands. I spent a great deal of my life associated with the East, where the phrase "an auspicious day" is important. Today is indeed an auspicious day for 400 years ago John Davis, an English navigator in his ship "Desire" first discovered the Falklands. He was not to know how significant his find was to be; indeed he was not to know how the bond of friendship and family was to develop between this tiny population here and its mother country. By all reports John Davis was a scholarly thinking man so he may most certainly have been aware of William Shakespeare who at the same time as Mr Davis was sailing the high seas penning "Henry VI" and "Richard III".

Before I came here I thought I would dip into those two plays and so I did and I came away with what I hope are one or two apt quotations. The memories of the Argentinian invasion remains too fresh for all of us, but some of you might have remembered Shakespeare's words in "Richard III", "true hope is swift and flies with swallow wings, Kings it makes Gods and

meaner creatures Kings". As you listened to the BBC and the news that the Task Force had set sail, I sense you must have had a feeling of true hope, certainly we in England and in the United Kingdom wanted to give you a message of hope and everyone and thousands strained in factories to ensure that that Task Force set sail with all possible speed.

You must have been sustained in those dreadful 74 days by your own strength of character and independence of mind, but at the back of your minds you might also have recalled Shakespeare's words in Henry VI as John Davis sailed "on what stronger breast plate than a heart untainted, thrice is he armed that hath his quarrel just". Indeed there is no more moving account of your experiences of those 74 days than that written by John Smith. His recollections of every single day make gripping reading, his adjectives to describe the weather "a grey, murky, evil, wet day" leave the reader feeling damp and depressed. His references to his bunker bring back memories for many of us in the United Kingdom, memories of the Blitz, the doodle bugs and the Morrison shelters. His references to the people of Goose Green herded into the village hall for 4 weeks, which we had the pleasure to visiting yesterday, left me with thoughts of the whole of Calcutta, where in a similar incident, British subjects were crammed together but without the same happy ending. Having worked in Calcutta for part of my life and experienced the searing heat and now being here makes it all the more vivid and poignant for me.

I suppose the relief of all of you who were in the general store and there must be people here today who were in the general store when a small British soldier burst in and said "Hello I'm Jeremy Moore, sorry it's taken rather a long time to get here". Your liberator may indeed have brought to memory Shakespeare's Henry VI statement "unbidden guests are often welcome most when they are gone", of course I refer to the Argentinians.

Mr President, looking at August 1592 the Falklands and Shakespeare dominate the scene; true British Columbia was discovered as well but interestingly a few months later it was Queen Elizabeth I who defined freedom of speech in Parliament and she defined it as "not to speak everyone when he listed, your privilege is to say Aye or No". In other words the privilege to vote, and on that Saturday April 3rd 1982, 323 of us Members of Parliament made the journey to London on a Saturday to hear Margaret Thatcher's strong speech and to question Lord Carrington on what had been going on, questions that led to his resignation.

So much for 400 years ago, now just for a few moments to turn to 160 years ago when Captain Onslow arrived at Port Egmont and restored the settlement. Here there is I discovered a remarkable link with my own county of Northamptonshire, at Rockingham Castle there is the original log book which describes the original settling of the Falklands; the entry in that log book describes how a British force landed with difficulty on the Islands in rough weather and then set off in pursuit of native Indians, but the men sent to subdue the Indians never caught up with them and returned exhausted to base camp 3 days later.

1832 was also the year of the first Parliamentary Reform Act in England when we began to move to a system of more equal representation, and got rid of the system called the Rotten Boroughs. There was also an important discovery in that year, for a man called Coffey patented his Still which led to today's fine standard of alcoholic spirits; I suggest both the Reform Bill and the Still have left their mark on these remarkable Islands.

Just to round things off, historically it is worth mentioning that on the 14th August 1816 Tristan De Cunha a group of 4 Islands in the South Atlantic were next to and garrisoned by Britain and of course in living memory of everyone in this room on the 14th August 1945 the Japanese surrendered so ending World War II.

Enough though of the past for as John Smith concludes his diary the future is bright, what might have happened but for the determination of the British people who came to our aid

without hesitation and at a time when we needed it most. We, Mr President, your guests, are a cross section of British life, and are absolutely delighted to be here. Some have been here before and they return with excitement and enthusiasm, for myself and others it is a whole new experience, indeed just 4 months ago I was what the media in Britain described as "a heavy weight backbencher," but then my colleagues were kind enough to vote me in as Chairman of Ways and Means and Deputy Speaker. So I attend this morning on behalf of Madam Speaker, for the Mother of Parliaments and I know that Betty Bothroyd is deeply sorry that she cannot be here today. Her loss is undoubtedly my gain.

My office of Chairman of Ways and Means goes back to the restoration of the Monarchy in 1660, at that time you may recall the civil war was principally about money, and after the Commonwealth when the Monarch was to be asked to return, Parliament was determined to control the money. However much they respected the Speaker at the time many MP's felt that he had become just a little too friendly with the returning Monarch, so they chose one of their own acceptable to all factions, to Chair the Committee to control the money, the budget, that is Ways and Means and so it continues today and I am the 54th incumbent of that office.

Money, so much a determinant of life today; your own economy so long dependent on sheep has become to be diversified; fishing, tourism and the Falkland Islands Development Plan. Lord Shackleton had hoped so much to be with us today, because he of all people knows the true potential of these Islands and its people. There is talk and reports of oil and inevitably with oil comes gas, who knows what treasures lie beneath your seas. North Sea Oil itself which has so transformed the United Kingdom was untouched 30 years ago, and it is said that land reform itself is at the heart of true democracy, certainly it appears that the spectra of the absentee landlord is to be no more and it is not for me to comment, but to note that owner occupation has been the driving force in so much of modern Britain.

This morning's meeting here in this Legislature is a happy and memorable day. Freedom seems to mean so much to so many here, freedom from occupation for you; freedom itself for Terry Waite, freedom of speech for Michael Shersby MP and myself; above all individual freedom for each and everyone of us, nothing is more precious, nothing more sacred so I thank you all for giving me the opportunity to make this speech. But to conclude Mr President, I would like to make a small presentation on behalf of all my colleagues at Westminster, a presentation of a Wedgewood plaque, a name so British and recognisable everywhere in the world a small presentation from the Mother of Parliaments to this legislative assembly and through it to every single person here in the Falklands. Thank you.

Applause

The President:

Thank you very much Mr Deputy Speaker, this is a splendid dish which will remain either in this Chamber or in the Councillors' office, it is a very fine souvenir, thank you.

The Clerk:

The House invites Dr David Tonkin the Secretary General of the Commonwealth Parliamentary Association to make his Address to Council.

Secretary General Dr David Tonkin:

Mr President, Honourable Members of the Legislative Council, Commander British Forces, Mr Deputy Speaker of the House of Commons, other distinguished guests and friends, the people of the Falklands, because they have become very great friends in a very short time.

It is a great honour and a privilege to have been invited to the Falkland Islands to share with you one of the most significant events of the Heritage Year. It is an even greater privilege to be invited to address this Honourable House on such an historic occasion and to bring you greetings and best wishes from the offices and members of the Commonwealth Parliamentary Association. I may say, Mr President, that I am very pleased indeed to see Commander British Forces here in an official capacity, there was another occasion when I had the privilege of addressing a joint meeting of both Houses of another Parliament which suffered on the following day from Military intervention of a rather unpleasant kind, I speak of Fiji, so I am delighted to see that Commander British Forces is here officially and will protect this House from any such occurrence.

Let me say at the outset Mr President that all of us visiting the Islands for the celebrations have been greeted with great warmth and hospitality; we have been made to feel very much at home. The people have shown us every possible kindness; we have made many new friends and we can well understand Sir the reasons for your acceptance of the high office of Governor of the Falkland Islands and it is with great pleasure that I add my congratulations and best wishes to you Sir, onto the many that you have already received.

This occasion has even more significance for me, since it is one of the last official functions that I will be performing before my retirement from the position of Secretary General at the end of this year, after nearly seven years. As Secretary General of the Commonwealth Parliamentary Association, one of my most pleasant duties has been to visit the various member branches of the CPA and I was delighted when I received the invitation to come to this Legislature and I would like to thank you all for making it possible.

There are 122 Member Parliaments of the Association representing more than ten and a half thousand Members of Parliament; some of them are National Legislatures, some are State or Provincial Legislatures, but they all subscribe to the Westminster system of Parliamentary Democracy, of course adapted and modified to suit local conditions and requirements. Some of them of course have big Parliaments with many Members like the United Kingdom, India; some are small like Alderney in the Channel Islands, The British Virgin Islands, Norfolk Island in the Pacific and of course the Falkland Islands with only relatively few Members, but as far as the CPA is concerned the size of the legislature is not important, within the CPA Constitution every branch is autonomous and of equal importance regardless of size or geographical location; and I have made a point of visiting as many of the smaller branches as possible during the last seven years to emphasise this very fact.

Members of the Falkland Islands branch of the CPA have been taking an increasingly important role in the activities of the Associations and we are very pleased about this, we greatly value and appreciate their interest and concern and their participation as well as the contribution they have made to seminars and to our conferences. One of our important roles in the Association is to promote Parliamentary Democracy and Democratic Institutions and we do this by organising seminars on Parliamentary Practice and Procedure, publishing Parliamentary reports, the arranging of study groups on particular aspects of the legislative process and above all by making it possible for members from all over the Commonwealth to come together and to exchange ideas and experiences with each other at a Regional and an Annual Commonwealth Parliamentary Conference level. We have a comprehensive information service which is available to members and to their Parliaments and all of this is aimed at helping members to represent their constituents more effectively by drawing on the experiences of other Parliaments and other legislatures.

During my visits to various Parliaments and this is my 71st Legislature visit, I am always struck by the many similarities as well as the differences. In my own South Australian Parliament the furnishings are in green with the traditional sword strip picked out in red, just like the House of Commons in Westminster and many other Commonwealth Parliaments have

adopted a similar format. Obviously there is always a presiding officer, he may be Mr President he may be Mr Speaker and in most of the larger Parliaments members sit facing each other, the Government benches on the right hand side of the Speaker, the opposition benches on the left hand side of the Speaker. The similarities follow right through and one feels at home immediately one enters the Chamber, but of course there are exceptions to that rule and there are two Canadian Parliaments where the opposition sits on the right hand side of the Speaker and the Government on the left hand side, they have adapted the system to suit their own needs.

When they first met in very small buildings in Canada, it gets quite cool, I understand even colder than sometimes in the Falklands, and if one won Government one also won the right to chose which side of the Chamber one sat on and the stove happened to be on the left hand side of the Speaker so the Governments from that day on have always sat on the left hand side of the Speaker in Newfoundland and Prince Edward Island. It simply points out the fact that the Westminster system can be adapted and changed to meet local requirements. Now those similarities of course in the Chambers are not surprising since as we know they have all derived from Westminster and the House of Commons, the Canadian exceptions only serve to prove the rule and smaller Parliaments adopt more appropriate venues as has this Legislature. The British Virgin Islands Parliament and the States of Guernsey also share courtroom facilities, the other Members for example the British Virgin, the Cayman, the Turks and Caicos and Norfolk Islands have a dependency status and they have a system of Government which is very similar to this, a system of Government which has reached different stages of development along the way to self Government.

Whatever the circumstances the fundamental procedures of Parliamentary Democracy apply and this is one of the important things that we have in common, one of the things which make us all part of what Her Majesty the Queen, many years ago now, so rightly called The Commonwealth family. In spite of the variation as members of that family we have very much more in common, we share a common language; a common heritage; we acknowledge and share the Queen as Head of the Commonwealth and we share each others hopes and aspirations and experiences.

The people of the Channel Islands for example, know only too well the brutal horrors of war and occupation, and the people of the Falklands know very well indeed what it meant to have the support of the rest of the Commonwealth family in their hour of need.

This Association was formed in 1911 following the visit to Westminster of Parliamentary delegations from the dominions for the Coronation of King George V. Australia, Canada, Newfoundland, New Zealand and South Africa came together and found that meeting with their hosts from both Houses at Westminster they were able to share so much, with a common language, a shared Parliamentary system they were able to exchange parliamentary experiences and learn from each other, and the sharing of ideas and the discussions which followed were so valuable that they decided there and then to form the Empire Parliamentary Association on a permanent basis. And of course the Parliamentarians of the Commonwealth, as it was to become, played an important part in its development. As more and more countries became independent or autonomous they chose to remain within the Commonwealth family. The Commonwealth officially became, the Empire rather, officially became the Commonwealth in 1948 and today the six original members have become 122 and 10,500 members of Parliament are able to share their experiences and ideas through the Commonwealth Parliamentary Association.

This is the other major function and achievement of the CPA, to promote understanding and mutual respect between the Parliamentarians of the Commonwealth, regardless of colour or creed or culture. Understanding each others' problems leads to that respect, that mutual respect and the mutual respect in turn leads to fellowship and friendship and by bringing

parliamentarians together we promote those essential qualities of personal friendship and understanding. This is the major distinction of the Commonwealth that it is not just another group of nations held together by a treaty, negotiated and signed by Governments. It is a family of peoples held together by the personal links built up by people; their common language; their history and their shared interests and above all their understanding and their friendship.

All families have their differences, Mr President, but in the end the ties which bind them together are strong and cannot be broken and so it is with the Commonwealth. The CPA and its members including those members here in this Chamber, these members of the Falkland Islands branch, all play their part in maintaining the Commonwealth and holding it together and I thank them on behalf of the CPA as a whole and on behalf of the Commonwealth for the part that they are contributing in this very, very important end.

Mr President it has been a very great privilege to share with you a part of your year of celebration, your Heritage Year. It has been a very great pleasure to meet with so many of your people, both in Camp and here. They have all demonstrated quite clearly to all of us, I think, who are visiting that indomitable spirit of freedom which characterises the people of the Falklands and other pioneering peoples of the Commonwealth; that is what the Commonwealth is all about, freedom of choice and independence, within the family of nations. I thank all of the people who have made us feel so much at home from the bottom of my heart; it is a kindness and friendship which can only serve to promote the Commonwealth in the future. I wish the Falkland Islanders every best wish for the future; I am sure it will be a fine one.

Applause

The Honourable the Chief Executive:

Your Excellency, I would like to associate myself and the civil service, in particular, with all the good wishes and congratulations that have been expressed by Honourable Members and others.

The Falkland Islands are a fascinating place, there are many countries in the world where when the Commander of the Armed Forces turns up to meet Parliament, stations a war ship 300 or 400 metres off shore with the weapon systems all trained on the city, you would expect a rather different conclusion than everyone saying to him how nice it is to see him, and it is a delight to have Dumbarton Castle dressed overall paying tribute to the part that of the ceremony that we are having here and also linking the Royal Navy with the efforts of Captain John Davis, the Royal Navy are always particularly welcome in Stanley, Sir.

It might also be an appropriate moment to pay tribute to the work of the Heritage Committee, Your Excellency. This is perhaps the last of the big events that the Committee has organised; the Committee is headed by the Honourable and Gallant Member for Stanley and he has not always had 100% cooperation from everyone around him, but he and his Committee have played an outstanding part and have drawn together all facets of the community; it is very much a Falkland Island Committee and I think we are all very grateful to them for the efforts that they have taken in making Heritage Year the meaningful event that it has become.

Applause

I think it is perhaps fortunate that John Davis had a ship called the "Desire", think what the motto might have been had the ship been called "Pacify" or "Compromise" or "Strike" even, there is a whole series of different mottoes we could have ended up had we not had the good fortune to have "Desire the Right" end up as our motto.

One or two speakers have dwelt on the fact that whilst it's important that we look back and learn from history it's the future that has to be the absolute priority. We have gone through and experienced here where the conflict has been won and the conflict can only stay won if we get the economics right; the Colony is in extreme danger if we are not in a position to be self sufficient and self funding and it is for that reason that Government spends so much of its time, its energy and its resources looking ahead to the future; development has to be the key.

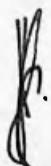
It is not by mistake that we have spent £12 million on a senior school because that isn't spending it is actually investing; we have to invest in education, in training and in finding new diversifications for the Falkland Islands so that they can stand alone and not be based on a monoculture as we are in squid or as we were in times past simply on wool; there has got to be diversification and Honourable Members are going to have to go through, I think, quite a difficult time considering immigration because the scale of the place as it stands at the moment is unlikely to be able to cope with the future as we see it ahead; if oil comes or it doesn't come, you have to see growth, not just growth of the economy but I think you will have to see some growth of population. It may be that the time is close when we should be looking to specifically target professionals, and skills to come here, not on a contract basis but to become a real tangible and living part of the community. Perhaps some of the things that are going on in Eastern Europe at the moment will give us a cause and momentum to make some decisions along those lines.

Frequently people come to see me, we are very fortunate to have a large number of visitors to the Islands and many of them say, what is the prime aim of Government? and when they say that I read them my favourite quotation, which is not from Shakespeare: "they are few in number but they have the right to live in peace, to chose their own way of life and to determine their own allegiance, may it be forever thus" that was Margaret Thatcher on April 2nd 1982. Making it "forever thus" is the priority task of the Falkland Islands Government; Your Excellency I support the motion.

The President:

Well on behalf of everyone may I thank the two guest speakers Mr Deputy Speaker, Mr Secretary General as we have said for us Westminster is the mother of Parliaments and in a very real sense we are a daughter Parliament, but we model ourselves on Westminster and I hope we share Westminster's values. I thank you again for the splendid plate which is a very pleasing present and I hope you will pass on our thanks and good wishes to everyone at Westminster. Mr Secretary General, I have been very struck by the role that the CPA plays in the Falkland Islands and the way in which it has offered Councillors a window on the world and also, dare I say a Lectern, I hope not a pulpit, but an opportunity to put their own point of view to a very varied audience and also a very sympathetic audience, because as you say we share the values of democracy and the belief that the community however small it may be has the right to chose its own future.

So it has been a great pleasure to hear you both speak and this is for us a first and we are grateful to you for coming here and for speaking to us. I am grateful to Honourable Members for their thoughts and to Members of the Administration, Chief Executive, Commander British Forces I think it has been a very pleasant session, a very useful one and as I say a first in that outside speakers have been kind enough to speak to us. We all agree that the House be adjourned so I say, the House stands adjourned accordingly. Thank you.

 20/12/82



**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON
20th NOVEMBER 1992**

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY

ON

20th NOVEMBER 1992

PRESIDENT

His Excellency the Governor
(Mr D E Tatham CMG)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr R Sampson)

The Honourable the Financial Secretary
(Mr D F Howatt)

Elected

The Honourable R E Binnie
(Elected Member for Camp Constituency)

The Honourable Mrs N Edwards
(Elected Member for Camp Constituency)

The Honourable K S Kilmartin
(Elected Member for Camp Constituency)

The Honourable W R Luxton
(Elected Member for Camp Constituency)

The Honourable T J Peck MBE CPM
(Elected Member for Stanley Constituency)

The Honourable G M Robson
(Elected Member for Stanley Constituency)

The Honourable H T Rowlands CBE
(Elected Member for Stanley Constituency)

The Honourable G P Short
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr D G Lang QC)

The Commander British Forces
(Rear Admiral N E Rankin CBE)

CLERK: Mr Anton Livermore CPM

PRAYERS Reverend Canon Palmer LVO

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Prayers were said by the Canon Stephen Palmer

Address by His Excellency the Governor:

Honourable Members, we are approaching the end of Heritage Year. I think it has been a landmark: not simply because so many important anniversaries coincided, but because it marked a new self confidence and dynamism in the Falkland Islands, in the Islands' economic development and in their political life. I should like to congratulate all members of the Heritage Committee for the skill with which they devised and carried out their ambitious programme involving a large number of very important visitors to the Islands. I should also congratulate my predecessor, Governor Fullerton and his wife - far away though they now are - on the impetus which they gave to Heritage Year. The last group of visitors will be with us over Battle Day and I am sure that their tour will be every bit as successful and enjoyable as all the others have been.

This week has seen an important event in the history of the Islands. Our Consultants in oil matters, British Geological Survey, have visited us to brief Exco on the applications they have received to undertake seismic survey work off-shore. I would like publicly to pay tribute to BGS for a very careful and well argued study. I am pleased to say that Exco has approved their recommendations and these will now be put to the Secretary of State in London. I expect them to be confirmed shortly and work will begin as soon as possible thereafter.

I should repeat what I said in August about the impact which this exploration and the possible exploitation of oil is likely to have on our way of life in the Islands. We are stepping onto a moving staircase which will be difficult to stop. We cannot expect oil companies to pay for expensive survey work, and even more expensive exploration drilling, without assuring them that if oil is found they will be allowed to extract it on reasonable terms. I was told by BGS in Edinburgh that it would take 10 years - at the fastest - from the first seismic exploration voyage to the first barrel of commercial oil being sold. We have time to plan, but we must be aware of the implications for our way of life. There will be considerable immigration, there will be an impact on our landscape and a load on our infrastructure, there will be a threat to our environment and the wildlife of which we are justly proud. The economy of the Islands will become distorted as people - skilled and un-skilled-become sucked into the oil sector with its high wages and profits, leaving our traditional sectors - farming, local fishing companies, government - short of man-power.

We can certainly learn from the experiences of others and I look forward to reading the report of the mission which visited the Eastern Provinces of Canada with whom we have much in common. Indeed, I hope copies of this report will be made available to the general public so that we can all learn from the Canadian experience.

The income which oil may offer is far in the future; meanwhile we have our share of financial problems here and now. If we look at the income from fishery licences, we see that it reached a peak in 1989-90 and declined slowly since then. We are all concerned that the income from illex may decline even more sharply this year. Last year was a poor season - the squid were under-sized and did not enter the FICZ in large numbers. This has made it very much more difficult to sell licences for the early 1993 season.

It was this fall in revenue which prompted Government to ask Departments to prepare cuts of up to 15% in their budgets. We are also considering whether parts of the Capital Investment Programme should be cancelled or postponed. I regret this - it is much more pleasant to be able to give everyone everything they ask for. But I believe there is a danger that fisheries licence income will continue to decline and we should put more effort into increasing income to the Falklands from the fishery by direct participation. Until that time is reached we must be prepared to live more modestly. We should be more rigorous in assessing the benefits which any investment will yield. How can we best spend taxpayers' money? Is improvement in the quality of life, better housing, better social services, better Stanley roads, better Government offices, preferable to longer term investments in agriculture, fisheries and tourism which at least have an economic potential and an economic return? Above all, in my view, we should resist the temptation to raid the reserves. We shall need the income from our investments to

see us through the leaner years ahead.

I have mentioned that last year was a poor year for illex, but there are two additional factors which could endanger stocks in the longer term. One is over-fishing on the high seas where we have tried to negotiate voluntary restraint agreements with Far Eastern fishing nations. The other is a new Argentine interest in illex as a resource. Argentina has declared that illex is a surplus stock and invited European and Far Eastern nations to seek licences to exploit it. The British Embassy in Buenos Aires has been assured by the Argentine Government that there is no intention of deliberately sabotaging the economy of the Falkland Islands and strong British lobbying has ensured that only a reduced quantity of illex is on offer by Argentina to EC fishermen and only in areas north of 45 degrees, that means well clear of our waters. But what worries us is the lack of information or expertise in Argentina about the squid stocks which straddle both our fishing zones and also the high seas. And Argentina's determination to get a slice of the squid market without considering what the effects of heavy fishing, say by Far Easterners, will be on the squid stock. The South Atlantic Fisheries Commission will be meeting in London next Monday and the British Delegation, with the expert advice of our Director of Fisheries, will be making these points to the Argentine Government.

If we in the Falklands wish to enjoy the benefits of illex licence income we must preserve and manage the illex stock as a renewable resource. We must also ask ourselves whether - given the way the illex squid migrates - we can sensibly manage the stock on our own.

There is only a given quantity of illex stock in the South Atlantic. We can try to reach agreement on how to divide the cake leaving room for escapement, that is for a breeding stock to survive. Or we can indulge in a free for all this year which may well leave no escapement, no breeding stock, no fishing next year and a shortfall of say £12 million in our budget for the next financial year. This is a new situation Honourable Members: it may require new thinking.

It is true that we in the Falkland Islands know all about the dangers of over dependence on one or two staple industries. It is worrying that our income from squid is threatened at precisely the same time that the wool market is so weak. We have a unique product in Falkland wool and we hope that the programme of selective breeding which the Agriculture Department and individual farmers are pursuing will improve our quality still further. But farmers need other sources of income to see them through the next few years, until the market can absorb the Australian wool stocks and begin to recover. I urge people in Camp to look at the possibilities of tourism, for the cultivation of vegetables for Stanley and breeding lambs, beef, pigs and poultry for the table - either in the Falkland Islands or eventually for export to Britain. The Department of Agriculture and FIDC are keen to help with advice and even financial assistance. At the moment I know farmers have plenty to think about and they are overworked with shearing. But I hope that when the rush is over they will examine the opportunities to diversify, to develop other sources of income so that they - and we all - are not completely at the mercy of the wool market.

Honourable Members, I have spelt out some of the problems which I believe we face over the next few years. I have tried to be cautious without being pessimistic. We face a period of falling income from fishery licences, but I hope we shall see greater involvement by Islanders in the fishing industry itself, whether in joint ventures, partnerships or directly. Similarly in agriculture if wool is disappointing at present, let that be the spur to producing other types of animals and to replacing imported meat and vegetables. There are opportunities and most of them must be taken up, not by Government, but by private business people. We need an enterprise culture, we need people who are prepared and educated to get up and go. Because our one lasting resource is ourselves - we can look for protection and political support to the United Kingdom, but we have the means to ensure our own prosperity and we must use them. Thank you very much.

The Records of the Legislative Council Meetings held on 1st - 5th June, 25th June and 14th August 1992 were confirmed without amendment

Papers to be laid on the Table by the Honourable the Chief Executive

Copies of Subsidiary Legislation made or approved by the Governor in Council since the 1st June 1992

1. The Civil Cases (Fees: Crown) Rules 1992
2. The Employment Protection Ordinance 1989 (Rectification of Omission) Order 1992
3. The Merchant Shipping (Adoption of Legislation) Ordinance 1992 Order (Commencement) Order 1992
4. The Fishing Licences (Applications and Fees) Regulations Order 1992
5. The Rules of The Supreme Court (Amendment) Rules 1992
6. The Matrimonial Causes (Contents of Petition) Rules 1992
7. The Civil Cases (Fees) Rules 1992
8. The Court Fees (Family Proceedings) Rules 1992
9. The Notaries Public Rules 1992
10. The Commissioners of Oaths Rules 1992
11. The Stanley Airport (Amendment) Regulations 1992
12. The Court Fees (Civil Cases) Rules 1949 (Revocation of Remaining Provisions) Rules 1992
13. The Road Traffic (Increase of Fine) Order 1992
14. The Post Office (Amendment) Order 1992
15. The Double Taxation Relief Arrangement (United Kingdom) (Amendment) Order 1992
16. The Petroleum Survey Licences (Model Clauses) Regulations 1992
17. The Illegal Immigrants Order 1992

Orders of the Day - Bills

The Family Allowances (Amendment) Bill 1992

The Honourable the Financial Secretary:

Your Excellency, during the 1992/93 Budget session of Legislative Council the provision of £7,000 was included to effect a 6% increase in Family Allowances from the 1st January 1993. The enactment of this Bill would bring the increases into effect as follows:

Child allowance from £38.50 to £41 per month; and

Single Parent allowance from £32 to £34 per month;

The Select Committee on the estimates approved the additional funding required for the increase in single parent allowances on the basis that persons cohabiting should be disqualified from the receipt of such allowance. This Bill includes a provision to bring it to effect this disqualification. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable W R Luxton:

Your Excellency, Honourable Members, while supporting the aims of this Bill, I am afraid I cannot support section 6 which to my mind, will necessitate an intolerable intrusion of privacy to enforce it. That is the enforcement of section 4, "a single persons allowance shall not be payable under subsection 3 of this section where the Superintendent believes that the single parent lives in the same household with another person of the opposite sex and is cohabiting with that person". The Superintendent can require a declaration to that effect from the single parent and the single parent may appeal to the Governor against that decision. But I regard section 6 as being unenforceable and in my opinion legislation which is unenforceable is bad legislation. If it were to be enforced it would require a situation I presume with police officers breaking into people's bedrooms to see whether they are sharing the same bed and I regard that as being totally unacceptable and therefore, Sir, I would like to propose the deletion of section 6, subsection 6 of section 2.

The President:

Thank you Councillor, I think this question came up when Executive Council considered the Bill, I don't know if the Attorney General would like to comment?

The Attorney General:

Your Excellency, the provision was of course before Executive Council in the Bill as considered by the Executive Council. I have a great deal of sympathy with the Honourable Member's points, I will say that straight away. I was obliged to give effect to a policy decision by the Select Committee on the estimates. I think the problem with the Honourable Members' proposal, is this Sir: if the Honourable Member proposes the deletion of subsection 6, then consistently he has also to propose the deletion of any requirement for a statutory declaration to be lodged with the Superintendent. I have to make that point as a matter of consistency because somebody who tells a lie in a statutory declaration is guilty of an offence of perjury, and the Honourable Member doesn't overcome his problems merely by deleting subsection 6.

May I explain that the basic problem is that when Select Committee ask me to make a proposal, to amend the law, to exclude persons in cohabitation from obtaining a single parents allowance, then I am obliged to draft the law in such a way, that it makes it as far as possible enforceable and that it has teeth. If you simply say that it shall not be payable, then the law does not have teeth and so that, in effect, one is forced, if one puts in the provision, and I say "if one puts in the provision," that a single person who is in cohabitation with another person of the opposite sex in the same household shall not be entitled to a single parent's allowance, then one can't really stop there, one has got to have some kind of enforcement provisions so that it all goes along with the philosophy of disqualifying them from the payment of single parent's allowance.

This sort of provision, and it has appeared in the United Kingdom Regulations, has attracted the greatest sort of public criticism and as the Honourable Member describes it, it is a snoopers' law. I have tried to avoid as far as I can those sort of things, but one can't avoid them altogether if one has that sort of provision and it is going to mean anything. More logical perhaps, is to look at whether single parent's allowance should be dealt with not by way of an entitlement under the Family Allowances Legislation but to see whether there ought not to be an uplift by way of a welfare payment to those who need single person's allowance. Because many persons who receive single person's allowances may not be in financial need of them. So I am in the unusual situation Sir, of saying I have got a great deal of sympathy with the Honourable Member's points on subsection 6 and I believe that they have a great deal of merit. But really one is looking at the whole philosophy of the provision. If you say that single persons who cohabit are not going to be entitled to single persons allowance, then one has got to look at, I have to look at from the point of view of drafting in accordance with Elected Member's policy, provisions which work. In other words, it is all part and parcel and comes in the trade of the policy which the Bill seeks to implement. Personally I have no difficulty with the removal of subsection 6, however what I am saying is that you may make the Bill unworkable. Because if you don't include that provision there is no sanction for somebody who would be unlawfully in receipt of a single person's allowance, that is all I can say.

The Honourable K S Kilmartin:

Like the Councillor for West Falkland, I too have grave reservations about the way that this is drafted, one can of course understand that in a fair and just world one wants to exclude people from benefit who perhaps should not have that benefit. But in these particular circumstances I believe that it is going to cause far more damage, it could perhaps lead to extremely unpleasant, as the Attorney General calls it snooping, and in these circumstances I do not believe that we can pass this Bill in its present form.

The Honourable W R Luxton:

Your Excellency, I agree entirely with the Attorney General looking at it again that section 5

should also be deleted. It seems to me that section 4 where "the Superintendent may deny payment if he believes that the situation warrants it," which seems to cover that situation and there is a right of appeal to the Governor in Council. So it seems to me that we could delete both subsection 5 and subsection 6 without destroying the intent of the Bill and I think we have to accept that it is better that one or two people should be dishonest enough to slip through the net than introduce legislation like this which could lead to, what I have described and feel strongly are intolerable intrusions on people's private lives. Any sort of provision like that has the potential for being abused and I feel most strongly that we should not introduce that sort of thing into legislation, but I do feel that the Ordinance could go ahead without those two sections. It may be imperfect but it is better than something which is totally intrusive.

The Attorney General:

Sir, I have to respond to that by saying that that puts an awful onus on the Superintendent of Post and Telecommunications because on what basis does he believe: you see the difficulty. He has got to believe on some basis, and you can't expect him to know when persons are living together in the same household, they are cohabiting or not. I think the vice, may I say so, is in the policy, this is the problem. I have to have sympathy with the Superintendent of Post and Telecommunications because he has problems with the philosophy because if you leave 2(4) in as well. You have got a situation on what basis does he believe, does he make enquiries, does he proceed on the basis of gossip, what does he do? I think there are vices in the Bill, but even going as far as that and I have got very great sympathy with the Honourable Members' proposal, I have to point out that it makes the whole Bill defective and the whole philosophy may be defective, that is all I am saying.

The President:

Which was the Committee which put this Bill to Executive Council?

The Attorney General:

The Bill went to Executive Council, Your Excellency, the proposal for the disqualification was one, as I understand it was one made in the Select Committee on the estimates and approved by all Councillors.

The Honourable K S Kilmartin:

This means that the important thing today is to vote through the increases for the parents, and perhaps we can leave the clauses 4, 5 and 6 out at the present moment and perhaps amend the Ordinance yet again should we feel that we can come up with a system that is not intrusive and serve the community well.

The Honourable H T Rowlands CBE:

I would just like to rise and support Councillor Kilmartin's suggestion that we go ahead with the increase today and give this matter further consideration.

The President:

Can we in fact approve part of a Bill and not the whole of the Bill?

The Attorney General:

Your Excellency, in the Committee stage what it would be necessary to do and certainly the clause, in Committee stage, the deletion of the proposed subsections 4, 5, 6 and 7 of section 3 of the Bill can be moved and agreed to, that is the appropriate stage to do that. That would leave the new section 3(2) and (3) which increases the allowances and I think Honourable Members would have no objection to the amendment to section 4(2) which that relates of course to young persons who have left school and who may be waiting to go on to further education, they are at the moment entitled; family allowances can be paid in respect of them and that, the effect of that proposal is simply if they are in employment their parents shouldn't

receive family allowances in respect of them while they are in full time employment. That may happen while they are waiting between leaving school and going on perhaps to further education.

The President:

So we really should deal with these points in Committee, in a moment? Are there any further comments from Honourable Members while we discuss it in plenary so to speak?

The Honourable Mrs Norma Edwards:

I agree with Councillor Kilmartin's suggestion that we look at the whole situation again perhaps from a welfare point of view and perhaps increase the allowances to the people who are actually only existing on one wage and not to those who are having two wages brought into the house. Thank you.

The President:

Thank you Councillor, well in that case I think we should declare the Council to be in Committee should we not? If there are no other comments on the Bill as a whole we can then discuss what we do to it. I must say it is not an issue on which I have strong feelings, but I find it slightly odd that Councillors submit a Bill, submit proposals which go through Exco apparently with complete support and are then shot down here. But be that as it may, if we are now in Committee. We have the second reading, sorry.

The Bill was then read a second time. In the Committee stage Honourable Members spoke as follows:

The Attorney General:

Your Excellency, the proposal should be made for clauses 1 and 2 to stand part of the Bill with the deletion of the proposed new subsections 4, 5, 6 and 7 of section 3 of the Bill and I invite the Financial Secretary to move them.

The Honourable W R Luxton:

David, I think you have to delete from section 3 the first few words, "subject to subsection 4 of this section", that one should start "The Superintendent shall pay" should it not?

The Attorney General:

Yes, but that will be a consequential amendment on the others being removed and if that is carried, then I would ask the Financial Secretary to make that consequential amendment.

The Honourable the Financial Secretary:

I beg to move that clauses 1 and 2 as amended stand part of the Bill.

The Attorney General:

Your Excellency, the Financial Secretary is incorporating in that therefore the further amendment which the Honourable Mr Luxton mentioned which would be the deletion of, "subject to subsection 4 of this section in the proposed section 3(3)."

The President:

So we are absolutely clear then what is happening, we are deleting subsections, from section 2 we are deleting subsections 4, 5, 6 and 7. Councillors content that we see them that way? Good. The motion is that clauses 1 and 2 stand part of the Bill subject to the deletion of subparagraphs 4, 5, 6 and 7 of clause 2.

The Attorney General:

And the deletion of the words at the beginning of the section 3(3) as proposed to be amended by the Bill, Sir, of the words "subject to subsection 4 of this section".

The President:

Indeed. Any objection?

Clauses 1 and 2 as amended were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Lotteries (Amendment) Bill 1992

The Honourable the Financial Secretary:

Your Excellency, this Bill seeks to legalise existing practises in relation to lotteries and would change the law only to that extent. For example throughout the Ordinance the words "the Treasurer" would be replaced by the words "the Financial Secretary" and the words "the General Revenues of the Colony" would be replaced by "the Consolidated Fund".

Amendments that have a greater affect on the general public include is in relation to the operation of a totalisator, and the age of persons who buy lottery tickets. I will ask the Attorney General to provide details in the Committee stage. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable R E Binnie:

Your Excellency, perhaps we could ask the Attorney General to explain what subsection 2 means, but subsection 3(2) and subsection 8(6), I at the moment don't quite agree with. I think it refers to a different law for different parts of the community, maybe I am wrong, perhaps the Attorney General could put me right, but I cannot agree to a law for Falkland Island residents and a law for the military residents. I believe the Commander British Forces should have the final say as to what such lotteries or gamings take place on MOD property or land as described, but I think any lotteries or whatever must be conducted under the same law as would apply to Falkland Islanders. Sir, I would like the Attorney General to explain the matter perhaps before agreeing to this Bill.

The Attorney General:

Sir, the provision was placed in there because it is within my knowledge that there have been a large number of lotteries in the past in ignorance of the law, the present law, which would require permission under the Lotteries Ordinance, have been carried on at MPA and upon military premises. I don't believe that any of those lotteries have been objectionable because they have been controlled by the military authorities. Those lotteries are all, as far as I am aware, that have been authorised, fully charitable lotteries, and they would not therefore have resulted in any revenue to the Falkland Islands Government. If you like, the reason for this proposal was to save unnecessary paperwork, because what it means is that if those clauses are deleted that in respect of the many lotteries which take place on military premises (and Honourable Members will be aware that the record of the British Forces in raising money for charities in various ways and by various means is exemplary), it would mean that there would be a large number of pieces of paper coming down from time to time from MPA to the Financial Secretary's office and I dare say that anything which the Commander British Forces has sanctioned would almost certainly receive the approval of the Financial Secretary: but it would mean that you add to the administrative burden in Treasury in dealing with the pieces of paper. Now, perhaps mistakenly, I felt that this was something which it might be regarded as sufficiently controlled by the military authorities without adding to the amounts of paper that go into the Financial Secretary's office. I agree entirely with the principle that the Honourable

Member has suggested as to the application of law evenly throughout the Falkland Islands, but equally I had in mind that Honourable Members might not wish pieces of paper to be going to the Financial Secretary's office when the matter would be fully and properly controlled in other ways. However, if the Commander British Forces is content with the deletions of those provisions then of course that is sufficient. But I do point out that the real reason for the proposal from the Falkland Islands Government point of view, when I drafted the Bill, was to avoid unnecessary pieces of paper.

The Honourable R E Binnie:

I would just like to make it quite plain that I have no wish to stop fund raising and I don't believe any fund raising done by the military is done by lotteries, it has been done by auctions, it has been done by all kinds of means, but I don't ever believe they have applied for a lotteries licence. But surely it could be simplified by the, perhaps the, I wouldn't think that the Commander British Forces should apply to the Financial Secretary but perhaps, some part of his Command would apply to the Financial Secretary for a licence to run any kind of lotteries under the Commander British Forces and his staff, but at least they would then be run under the same laws as the Falkland Islands. I have no objections to them running anything for charity Sir, but they must be under the same laws as the Falkland Island residents.

The President:

Yes Councillor, are you basically suggesting say that at the start of every year, the Command Secretary should apply to the Financial Secretary for a sort of general clearance?

The Honourable R E Binnie:

Yes Sir, something in that order.

The Commander British Forces:

Your Excellency, Members as you obviously know there is absolutely no question of us wishing to be out with the law of the land. I have many lotteries that go on from time to time and most offices have a little tombola ticket that they operate each week and those I suggest would cause a great deal of inconvenience and additional and unnecessary paperwork. I have no objection whatsoever to the very sensible suggestion that perhaps I might be granted permission at the beginning of each year to ensure that those lotteries are conducted within the law of the land and in what you might call a reputable and revocative manner.

The Attorney General:

Your Excellency, I would have to point out that the definition of "lottery" in the Ordinance is very wide. Lottery means "a distribution of prizes by lot or chance and shall include betting by totalisator" and it is in my knowledge that there are dozens of such lotteries and it is very difficult to make application at the beginning of the year. I wonder whether to meet the Honourable Members point that, (and it would bring the matter within the law, within the control of the law of the Falkland Islands) whether there might not be a simple amendment which would conveniently deal with the principle which I support, of the even application of the law of the Falkland Islands and it would simply be this: to add to section 3(2) "by or under the authority of the Commander British Forces if such authority has been delegated to him by the Financial Secretary". Because that would enable the Financial Secretary to delegate to the Commander British Forces and it would achieve the Members principle which I espouse of even application of the laws of the Falkland Islands, it would enable the Commander British Forces to deal with it as delegate of the Financial Secretary, would save all the paper work coming down, would that be acceptable to Honourable Members? and the same amendment could be made in the proposed section 8(c).

The President:

Are Honourable Members content? Good. We will then proceed, if there is no objection to read the Bill a second time.

The Bill was then read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill

The Honourable the Financial Secretary:

I beg to move that the Schedule stands part of the Bill with the following amendments as suggested by the Attorney General:

To section 3(2) " under the authority of the Commander British Forces, if that authority has been delegated by the Financial Secretary" and similarly to section 8(c).

The President:

Is the Attorney General content with the way it is delegated or granted.

The Attorney General:

I am content with the Financial Secretary's wording, Your Excellency.

The Schedule as amended was adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Licensing (Amendment) Bill 1992

The Honourable the Financial Secretary:

Your Excellency this Bill seems to do three main things and that is to make it possible for a Music, Singing and Dancing Licence to be granted to cover licensed premises throughout the year, instead of as at present on isolated occasions, and to enable the whole, instead of as at present, part only of the premises which is unworkable where the licensed premises is of a single room. It also seeks to make it possible for persons under eighteen to be employed as waiters, waitresses, assistants or messengers in relation to restaurants and hotels licenced as such, and to deliver alcohol under supervision, but not of course to consume it. Nor to permit them to act as barmen or barlady's and to make similar provision in relation to shop assistants under eighteen. Also to make it lawful the sale, in licenced premises, of raffle and lottery tickets which are lawful under the Lotteries Ordinance. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 to 4 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Harbours (Amendment) Bill 1992

The Honourable the Chief Executive:

Your Excellency, the Harbours (Amendment) Bill 1992. This is a Bill to control the provision of diving services within the harbours. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable Mrs Norma Edwards:

Sir, I have been approached recently, this Bill went to a Select Committee and I have been asked quite recently that we look again at section 2(11)(a)(i), and it has been asked that we consider altering the wording to read "subject to this section no recognised Falkland Island Commercial Diving Company/Contractors shall within any Harbour", and they also asked that we consider that "harbour" be changed to "territorial limits" "provided to another any diving services unless he is licensed under this section to do so". The reason that this has been asked is that there is some concern that when, in future when we are looking at much more diving

activity, if and when the oil companies arrive in the dim and distant future that we have to be careful that the local diving companies, recognised local diving companies, get the trade rather than some outside firms that may arrive and take over.

I haven't had time to discuss this properly with Council before coming to this meeting, but I would suggest now that this amendment be made and a welcome reaction from other Councillors and no doubt there will be some. Thank you.

The Attorney General:

Your Excellency, I think I ought to say at this stage that in my opinion that amendment cannot properly be put to this Bill and the reason that is so is it is the Harbours Ordinance only relates to harbours, so that no provision could be inserted in it which applies to territorial waters or outside harbours within the Harbours Ordinance. The matter the Honourable Member raises could be considered otherwise than in connection with this Bill.

Secondly Sir, I ought to make the point that, while I understand the object of the Honourable Member's suggested amendment it wouldn't quite work (and one could settle on wording which would work), that the principle of that amendment is objectionable in terms of international law. It is not one which consistently with our international obligations we could properly make in our law, and I fear that if I were to include a provision to that affect, (and the wording of this Bill has been carefully vetted by Legal Advisors in the Foreign and Commonwealth Office from the international obligations point of view), I fear that if I were to insert an amendment to reflect the principle which the Honourable Member has suggested, that it would be disallowed by the Secretary of State when the Bill goes up, if it were an Ordinance. Because it would not comply with international law, I have had to be very careful in the wording of this Bill to ensure that the international obligations of the Falkland Islands are complied with and are not infringed.

The Honourable Mrs Norma Edwards:

Thank you for that answer Sir.

The Honourable K S Kilmartin:

Sir, I have spoken about this proposed Bill before, I still have the same two problems with it as I had then before Select Committee. The first problem is I don't believe that there really was a clear policy track leading to the formulation of this legislation, this is something that happens quite frequently as you may have noticed Sir.

The second problem I have with this Bill, is that whilst I am sympathetic to the concept of protecting local businessmen, and one of the lessons we learnt in Canada was how to formulate a proper benefits policy so that when a contract is let, or when work is done the maximum amount of benefit a cruise to the country or to the area in which that work is done. At the same time one has to take account of the other side of the coin which is that the ordinary tax payer, the person who is paying the bill, may be disadvantaged in that competition is excluded. This trade-off between protectionism and competitiveness is something of a policy matter and it has never been discussed formally, so far as I am aware, and there has never been a policy discussion on how much protectionism is good for the Falkland Islands, or how much driving away of competition is good for the Falkland Islands. And in these circumstances I think that we should not have the quick fix legislative approach but have proper policy formulation beforehand. Thank you Sir.

The President:

Are there any other objections? Any other comments? If there are no objections the Bill will be read a second time.

The Bill was read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Electoral (Amendment) Bill 1992

The Honourable the Chief Executive:

Your Excellency, the Electoral (Amendment) Bill 1992, its aim is to ease the process of voting for patients and incumbents in the KEMH Memorial Hospital. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 and the Schedule were adopted as part of the Bill. Council resumes. The Bill was then read a third time and passed.

The Interpretation and General Clauses (Amendment) Bill 1992

The Honourable the Chief Executive:

Your Excellency, The Interpretation and General Clauses (Amendment) Bill 1992 is aimed to more closely interpret terms and phrases used in the law and general clauses. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable K S Kilmartin:

Sir, whilst I can understand the necessity for these continual amendments to this particular Ordinance, perhaps at this stage I could ask the Attorney General when he thinks he will have the Ordinance in such a state that it can be printed.

The Attorney General:

I believe the Honourable Member, Your Excellency, is referring to the Revised Edition of Laws of the Falkland Islands rather than this particular Ordinance. He is correct in that in the exercise of the revision of the laws of the Falkland Islands, the Interpretation and General Clauses Ordinance is a very important law and is the workhorse in relation to legislation generally and various provisions. The Revised Edition of the Law of the Falkland Islands, the text is likely to be completed next year, this next calendar year, and will then be ready for publication. It will be a matter of policy for Honourable Members whether in the straitened financial circumstances which we may be facing next year, they feel able to vote the money for the printing and publishing of the Revised Edition of the Laws. I can say the editorial work will be finished next year, whether it will be published next year will of course depend on a policy decision by Honourable Members in the straitened financial circumstances which we are facing as to whether they are prepared to vote the money as against other demands for government funds in difficult circumstances.

The President:

Any other comments, observation? Good no objections.

The Bill was then read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill.

The Attorney General:

Your Excellency, I have circulated to Honourable Members a proposed new section 81(a), which could be inserted in the Schedule by adding a new paragraph 5 before the existing paragraph 5 which would read "section 81(a) is replaced by the following section" and there would then follow in inverted commas the text of the section. The text of the proposed section has been circulated among Councillors together with an explanatory memorandum as to the need for that section. It has been a section which has been drafted by the editor of the Revised Edition of the Laws, Dr Alan Milner, and it is one which is necessary. Honourable Members who have got a copy of this section, they also have a copy of the previous, or the existing

section and the purposes of that have been explained and the Clerk has, as is required with a lengthy amendment, a copy of the amendment reduced into writing, which I am quite prepared to read out in full, if necessary.

The President:

This is the note to all Councillors, which was circulated, and the amendment is in annex to that?

The Attorney General:

The amendment is in annex to that and would require a new paragraph 5 in the Schedule which would say "section 81(a) is replaced by the following section", and then would follow the wording of the section and then paragraphs 5, 6 and 7 as printed in the copy of the Bill would become paragraphs 6, 7 and 8.

The President:

Are Members content with the amendment to the Schedule?

The Schedule as amended was adopted as part of the Bill. Council resumes. The Bill was then read a third time and passed.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive:

Your Excellency, I beg to move that this House stands adjourned sine die.

The President:

The motion is that this House stands adjourned sine die. Does any Honourable Member wish to speak to the motion?

The Honourable R E Binnie:

Your Excellency, Honourable Members. In rising to support the motion for adjournment may I to add my appreciation to the British Geological Survey for their patience and understanding over the past months and for their excellent presentation.

You spoke Sir, of the difficulties and problems that oil exploration will bring and the need to prepare the way. You also hinted Sir, but did not actually say it, that agreement will have to be reached with Argentina if oil companies are to exploit any such deposits. Any wealth from oil, if it exists, is a long way off; we have already experienced a slump in wool prices and the effects that it has had on the farming community. We are moving towards a difficult period in the fishing industry, the third year of low squid prices. Both industries have been affected by the world economic problems but the industries have to accept some of the blame themselves for over production. With the possible defection of the fishing vessels to Argentine waters this year, it could not have come at a worse time for our economy and we could be looking at as much as 25% reduction in revenue. The need for a management agreement of resources is a necessity for survival of the species but not at any cost.

I have no faith in Argentina to police their waters, I have no faith in the European Community's fishermen to stay within the limits. With the reduced revenue and the need for a budget review is more important and we need to look at future commitments. How many cuts and how cuts will affect the labour force? We must look towards providing for our residents, it may mean large cuts in contract staff, with major cuts in services provided to the public. But let us not panic, we must not stop progress. We must spend wisely and cut down on wastage, and make better use of natural resources. Sir, I support the motion.

The Honourable W R Luxton:

Your Excellency, Honourable Members if I may Sir, I would just like to comment first of all on your remark about the first Bill which we amended substantially. I think that item was something that slipped through Select Committee as an intention and I really don't think anybody at that stage thought of the legislative implications in enforcing it and I am very glad that we had an opportunity to have a second look at it and avoid introducing legislation which I think would have been most distasteful.

We are coming to the end of Heritage Year now, it has been a time when many important people have passed through these Islands and I would like to think that a lot of them have become friends and supporters of the Falklands, which will bear us in good stead in the future.

As Councillor Binnie said the crunch issue of the day is the Budget Review and I would agree with what he said that we shouldn't panic, which does seem to be the reaction in some quarters. We are in the middle of the worst recession in the world, I think since the 1930's. Commodity prices everywhere, worldwide, are at a rock bottom level and we are in the fortunate position of having some cash in the bank even if our two main sources of revenue are on the down side at the moment. I think we should use the cash in the bank judiciously and while maintain the current budget and absolutely not allowing it, expenditure to go any higher aim for again no increase at all in the following year and before we start cutting too deeply use some of our reserves to give us a little time and if necessary prepare for the worst in the budget of 94/95 and that will be a time when a new Council will have a fresh mandate in these Islands. But I must say that by that time I believe that the present situation will have gone into reverse, perhaps I am an untoward optimist, but I would expect to see a world boom starting by that stage, and I am pretty confident that then we shall be wondering what all the fuss was about.

I am totally opposed to cancelling capital expenditure and maintaining the current staffing situation, I think it would be better to dispense with highly paid contract officers and continue our capital programme which will ease the unemployment situation in the Falklands which is looming.

If I can I would just like to quote from a well known UK magazine, where they are facing the same problem and that leading article says "there is a strong case for more capital spending, every pound spent on a capital project not only helps restore crumbling infrastructure, it also does more to boost output and jobs than a pound spent on social security benefits or civil servants' pay". I think that applies very well in the Falklands as well.

The fishing fleet seems to be deserting us for Argentine waters and we have been told that not all the licences that have been offered will be taken up. Yesterday I asked the question whether anybody else would be interested in taking up these licenses, and the answer was an emphatic no. But I have already had indications since then that this is not so and I would suggest that we tell our Oriental friends that if they don't take licences this year they may not be available when things look up. We should actively seek to promote the sale of those licences to other countries who if they take them up and support us in these bad times could well expect to retain those licences when the boom, that I predict, does occur.

I would like to add my thanks for the excellent presentation by the British Geological Survey yesterday and the result, I think, was one that all Councillors were very supportive of and I very much hope that there will be no more unnecessary delays in proceeding with this matter.

Your Excellency, you also urged farmers to diversify. This is an excellent idea, but it is an idea that is shared by an administration that really doesn't seem to appreciate what is involved in a 50% drop in your income. It is very easy for someone cushioned by a 6% rise, or whatever it was this year, and expecting ongoing rises to say they must diversify. But any diversification needs capital and it simply isn't there and a lot of farmers have heavy borrowings already and really don't wish to add to them, so it is not easy for the farming industry to just simply switch to something else and solve the problem that way.

Your Excellency, we are continuing with our budget review, I think, after this session and I

very much hope that we shall be able to take a reasonable and measured approach to this and above all I would like to see, as I have said, the continuation of our planned capital projects and not rush into a panic cut of these. Thank you Sir, I support the motion.

The Honourable T J Peck MBE CPM:

Your Excellency, Honourable Members, I would like to thank you Sir for your kind comments on behalf of the Heritage Committee. It may seem like a year to most people, but it has in fact been just in excess of two years since we began the organising of the many events, historic events, of this year; and as the Chairman I would like to thank all members of the committee for the support and hardwork they have carried out over this long period. Most of all I would like to thank the military and in particular movements at Brize Norton and at MPA because of the large numbers of visitors that we have had on a number of flights, those men on the ground were the ones that really made it work and make it a success in enabling us to meet up with the guests and visitors that we had invited. They will not go unnoticed, I have already made requests that their services shall be recognised in some suitable manner from the people of the Falkland Islands.

It has been hard work but it has been enjoyable as well and I think that people can look back on this year with a great deal of pride. As Councillor Luxton, said he believes that we will have made many more friends and who will remember us with a great deal of fondness for now and for the future. I can assure him that the letters, the kind letters, from those who have visited us over this year certainly strengthen that and they are people who will always remember the Falkland Islands and the kindness and generosity of its people.

This year has been more than a busy one for myself personally on visits overseas. Earlier this year I was in Brussels with a delegation from this Government, again I visited the United Kingdom on a course with the YMCA and this was followed by a meeting in Cambridge with the Argentine British Conference. Councillor Edwards accompanied me on this, together with our Government Representative, Miss Sukey Cameron. I believe that that has been reported in full in the Falklands and elsewhere; I found it quite a challenge to sit at a table with Argentines after ten years. The Conference was conducted in a very cordial manner and there were no outbursts of anger or heated passions that one normally expects from the South American continent, particularly Argentina. But the meeting itself I found useful; it did make contact; they were not left under any illusions as to where they stand and where we stand; we the Falkland Islanders have our own country, they have their country and we each have our own Government and neither the two will ever mix. This was made very clear and put very strongly to them during these three days at Cambridge.

They made lots of offers, offers which we have heard so often in the 1970's, what we can offer you in exchange for our sovereignty, nothing in this world will ever make me give up my sovereignty for some issues such as medical, education, fisheries, minerals, name it there is nothing that I would sacrifice my sovereignty for and I told them so. They still went on about it, but when asked they could offer us nothing and so we left on that note that we are very happy with our way of life, our own culture and that we have the resources to enable us to develop and go further in this world in the future. But what disturbs me, or was disturbing me at that time was the threat from Argentina on fisheries, not only from the Argentine side but from the European Community's side, with the agreement that they were discussing at that time, in fisheries in the South West Atlantic. Fortunately pressure, and there was pressure from this Islands Government as well, for our Ministers to intercede on this in the European Community where it was threatened that into a hundred odd thousand of tonnes of fish would be taken from these waters with this joint agreement. Fortunately, now I am lead to believe that the European Community have not, have agreed not to take more than a percentage of this; but the Argentines still acting in their aggressive manner have invited Far Eastern countries to fish in the waters and I understand that many of the Japanese fleet have opted out, those that normally fish in our waters and are licensed by us have now opted to fish in Argentine waters.

The effect on the Falkland Islands economy is already being felt, but in a years time it may be that much worse. You mentioned Sir, about that they had suddenly discovered illex, well they may have done, but I don't believe that illex has been of no use to them, they have always

waited an opportunity to undermine the Falkland Islands and put it back on the seat of its pants so that it could become another grant in aid country to Britain. They have deliberately gone out of their way to sabotage us, economic sabotage by encouraging Oriental fishermen to over fish in their waters, they have got no information, they have never carried out a scientific study, in fact they don't even have a fisheries, a proper fisheries regime in that country. Without one you cannot talk about conservation. We have to find ways and means, in the international world to prevent Argentina from ruining a country, and other countries economies as they are just about to try and do.

On another international note, we have been for the past eighteen to twenty months watching a road slowly being built from MPA to Darwin and it was supposedly to go on to Newhaven. It has been a disaster from day one, this Government have repeatedly demanded of PSAI to get on with the work on that road and to comply with their contract; they have failed to do this, they are more than a year behind on this contract. We have in the past taken it up with Ministers, at the present moment nothing more is happening, we are still in that same position, perhaps worse if all the facts were known. As I have said this Government have demanded that they continue to take up this work and get it complete under the terms of their contract; some of those terms have been questioned by Councillors in Executive Council many, many times and we have been misled many, many times; that is unforgivable. This Government is not to be misled by anybody within the administration at any time, on an issue of such importance as this, which I do not see ending in a short time it will continue for some time to come and this Island will bear the brunt of it as I have said in the past don't believe that that road will ever be completed by PSA, this Government will pick up the tab at the end of it. I say to Members, we have spoken about this before about being misled and it is unforgivable that we should be misled, and I hope that this shall be the last time Sir. Thank you.

The Honourable Mrs Norma Edwards:

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment, I would just like to touch on a few things that you mentioned Sir. British Geological Survey, I too reiterate what has been said about the excellent presentation and having visited them in Edinburgh whilst I was abroad, they very kindly took a whole day out to show us around the whole establishment they have there and I was extremely impressed and I would like to assure everybody in the Falklands that I think that we have employed as our advisors the very best that we could have found, I think. I just hope that when the tenders for the seismic survey are announced and we have to go through the procedure of getting permission from the Secretary of State to go ahead that there are no delays from that end and that whoever eventually gets the contract for the seismic surveys will be able to go ahead in the allotted time scale.

There has been a lot of talk about squid over the last day or so and will be for the next year and a half, I should think, at least. Life in the Falklands is never rosy, but at the moment I think we are getting ourselves into a nice old fish stew, and we have to be careful. I agree with Councillor Luxton that we shouldn't be despondent, that we should look to the future and hope that things will be on the up turn before too much longer; we have to be realistic; we have to realise that the Argentinians are going to take as much of the squid as they possibly can without any thought to conservation. I think it is to our credit that when we introduced, or had permission to introduce, a fisheries regime around the Islands and a fisheries zone we made very sure at that time that it said it was a conservation and fisheries management zone. Conservation I am afraid as far as the Argentinians are concerned is probably going to be thrown out of the window for a quick buck and we have to be conscious of that. We have to, I think, tout around the bazaars and see if we can sell our licences to other interested people and I am sure Mr Barton will be doing just that.

Hopefully the squid will start staying in our zone, but unfortunately it is something that we have to share with Argentina and we really should be making every effort I feel to push them towards looking at it from a conservation point of view and not just a monetary point of view.

You spoke Sir, about diversification in farming, we have been trying to for the last 150 years, I think; certainly we have done our best in our small way to diversify in whatever way we can, it isn't easy. We bought a pig, we have had a couple of boars to go with her, which haven't worked, so our pig farming industry is not yet blossoming but we have still got the sow and

we will still pursue that I am sure.

You mentioned tourism; again we have a very limited tourist industry in the Falklands and the farming industry now, because of the subdivisions is split up into mainly family units which means a husband and a wife, perhaps if you are lucky some grown up children but they usually push off and leave you anyway. So you are down to two people to really run the whole thing and much as I would like to be producing lots of vegetables and sending them to Stanley and going into tourism in a far bigger way, the very fact that as Councillor Luxton said there is no capital to put into this from the farmers point of view, so you are constantly trying to make ends meet on a very reduced income and it is difficult then to diversify into other things. However, I am sure we will all look to that end.

We will be having a review of the budget and one of things that would help farmers to diversify will no doubt be discussing the rural roads and one thing that would help and I have said many times before and will no doubt say many times again, that when it comes to the rural roads contract for the west I would like to see as much local input from the farming community as possible. It would not only help the farmers, I think it would also help reduce the costs of building roads on the west.

I agree with Councillor Peck's comments on PSAI. We are going to have to push them to finish their contract and hopefully we'll get some kind of finished road at the end of the day but I think that might be wishful thinking. Sir, I support the motion.

The Honourable K S Kilmartin:

Sir I would like to start where you started with Heritage Year, I too would like to congratulate the Heritage Committee on the success of Heritage Year and of course in these difficult economic times, now is the time to remind them that they did say that it would be self funding and at Standing Finance Committee no doubt we will be talking about that.

It has been something of a sombre serious week and perhaps the only bright point in that week was the BGS presentation. Sir, in your speech you said we cannot expect oil companies to pay for expensive survey work and even more expensive exploration drilling without assuring them that if oil is found they will be allowed to extract it. Sir, I think that is the most important factor at the moment that if we are to allocate licences and these licences are going to be taken up the oil industry does need to be assured that oil, if it is there, can be extracted, and at the moment HMG has not said that sufficiently robustly.

Sir, you mentioned of course the problems of the economy and that perhaps is why we are so sombre at the moment. Few countries in the world are in our financial position we have per capital huge reserves, we have no debt, we should be smiling, however it is the fragility of the fishery that this year as in all previous years is causing us the problem. We have really no policy on reserves and when to use them; we have in reality no contingency plan should our income from illex plummet as the more pessimistic amongst us have predicted.

Sir, you mentioned diversification on the farms. We all hope that wool prices will rise in the next year or so. I am afraid I am in the pessimistic camp. I believe that we are entering perhaps five years of very poor wool prices and diversification, as you put it forward, is going to be difficult. The other Councillors have mentioned the problems of capital and other things.

Sir, you mentioned Newfoundland and perhaps what we learnt from that, and one of the things we learnt from Newfoundland, is this question of benefit to the community from any contracts given and I would like to support Councillor Edwards in saying that any contract awarded by Government must take into account the state of the farming industry and look towards benefiting that industry in some way or another, and obviously with rural roads there is a very big increase in their income if they are allowed to contribute to the building of rural roads.

I just touched on Newfoundland. One of the things that Newfoundland has produced is an economic plan. They are suffering from some of the same things that we are suffering from, but they have actually addressed the problems, and your words "enterprise culture" are actually, as you might expect, talked about in their enterprise plan, in their economic plan.

They have the same problem as us with a very large Government and in fact it is the only part of the economy that has any money and they are addressing that and so should we; we should create a climate where our private sector can begin to expand and unfortunately Government must streamline itself and must also give the lead in the question of excellence, performance, merit and other words like that.

Sir, this is our last year in office, with the elections next year. I am not going to talk about any success we might have had and no doubt lots of people will tell us about our failures. But one thing that is quite obvious to all of us is that the Government system as it was formulated some years ago is creaking under the strain of what is going on now and the aspirations that Councillors have to take more part in Government. We have just had the example of the potential collapse of a major contract and this is worrying, slightly more worrying or at least as worrying is the fact that this was not told to Councillors for a month. A decision was made by the administration to keep that fact secret and this is just one aspect of the way in which Government is not coping with the huge problems that we face and this is something that should be addressed. Thank you Sir, I support the motion.

The Honourable G M Robson:

Your Excellency, Honourable Members. Being at this end of the table carries the severe risk of repetition, however I do feel that some of the issues already mentioned are perhaps worthy of some comment. I would like to congratulate Mr Fannin for a very interesting and illuminating report. As is probably well known, it has not been an easy exercise but I think we should see that their hard work and expertise has shown that the decision to retain the services, BGS services, in the first place was a wise one. The proposed seismic survey is only a start and we need to realise that it will only give pointers as to whether or not oil is present. The road to exploitation for lots of reasons will not be smooth or easy and I would suggest that we must be very careful at every turn and bump in that road lest we lose our direction and more importantly control over our resource.

On fisheries, I think it should be impressed on Argentina that conservation must be of the highest importance, it will be in everybody's interest to keep a fishery in this area viable. To jeopardise fisheries in what I can only imagine is a furtherance of the political aims of a claiming power is clearly nonsense and I for one don't have too much faith in the Argentine assertion that they have no wish to damage our economy.

Later today a budget review meeting is to be held. I asked for a review of our economic situation to be held some six months after our main budget session, some time ago and I am pleased that it has eventually come to pass. Unfortunately it is not quite as I originally envisaged and certainly the climate has changed. We are looking at the possibility of 15% plus cuts; the dangers of cutting too much, particularly in the capital programme are well known. I believe that if the cuts are too rigorous then some local companies and businesses will fold and the dangers of long term unemployment will loom on the horizon. This could lead to an increase on the social welfare budget and we will be paying out money for little or no return.

Sir, you mentioned diversification from the agricultural community. I think I am still of the opinion that any agricultural subsidy payments, call them what you will, should be tied in some way to diversification, productivity with the concept of import substitution very much in mind. However, I think we must also realise that there is a world recession and we are starting to feel it here now, albeit sometime after the rest of the world, and while I agree that caution should not be ignored we should perhaps keep a close eye on economic recovery worldwide and try to ensure that our recovery does not lag behind in any way. Diversification should not only be talked about in terms of agriculture and farming, but to our whole economy, we rely on two products which are extremely volatile and we should have fall back industries that we can fall back on at times like this and these should be looked for now and investigated. I think I have said before in this House in one instance our expertise in fisheries management must be saleable. We have paid probably millions on research and perhaps now is the time to look for a return on that investment. Thank you Sir.

The Honourable H T Rowlands CBE:

Your Excellency, Honourable Members. As the Member on my left has already mentioned that most subjects have been covered and I will avoid much of the repetition, although I must say that I was absolutely fascinated by the BGS presentation on the seismic surveys, but I began to think then, you know, about the future of the finances. I thought well, will I be around to see the oil; that is, I think, the big question. I have got a fairly long term life expectancy but I still feel that the market for the oil is not all that great and I think it will take some time before one sees it, so I may miss some of the points you made, the disadvantages of oil, but I do hope that this community benefits from oil. I think of the additional opportunities that will be given to the people here and also the additional population that will be required here. I think that it will be good because I recall having gone to the Shetland Islands with Councillor Edwards and we were quite impressed with the control which the Shetland Islands had. So I certainly trust that the Falkland Islands will benefit from the oil in the future.

With regards to the fishery revenue, I think that we have had this presented from the Financial Secretary the dangers of relying on the illex fishery many times so it didn't come as a shock to me that we are not going to receive so much revenue this year, but I do believe that we must approach the future with cautious optimism, I don't think there is any point in going any other way. I take it as a challenge now, to review the budget, I believe that there are places where we can cut accounts dramatically without feeling too much harm to the Government machine.

The one point which has not been raised so far and yesterday it did concern me that the Commander British Forces did advise us that the pressure is on him to reduce the military budget here and I know what is being looked at present is reviewing the Medical Department. I trust the Commander British Forces will keep us informed on the hospital cuts because the present medical service to this colony I think is utterly fantastic; it is the best service that we have had here and it gives a very good service to the military as well. I do believe that the staff there at the hospital, both military and civilian combine an excellent service to the community, I would like to see it continue at the same level.

I did notice in your speech, Sir, that you mentioned the British Embassy in Buenos Aires and you mentioned that they had provided some information for you; I trust that the British Embassy's information is a little better than it was in 1982. Thank you Sir.

The Honourable G P Short:

Your Excellency, Honourable Members. In rising to talk to the Motion for Adjournment, what I have to say will very much repeat what has been said before.

First of all I would like to join with my colleague here on my left in thanking BGS for all they have done and indeed the way they have done it, however unlike my colleague I have every intention of being around when the action starts on the oil front.

This hasn't been a very good week at all and I think the months ahead are going to be fairly gloomy as well unfortunately, but I think really we knew it could happen. We are heading into the budget review and I think the same as some of my colleagues that we should approach it gently and not have a sudden knee jerk reaction to the problems we perhaps see ahead of us. Next year if this turns out to be a real problem, and not just a blip then that is going to be the time to take some fairly drastic action. However, I do hope that if we have to take that action, we do do our utmost to look after our own people and make sure that they come out of this rather well. They have stuck with these Islands through thick and thin and I believe we should do our best to make sure that things are not too hard for them.

This all of course stems from fishing and Argentina's wanders into the Illex market. It has been stated I believe, you said Sir, that Argentina has said that they have no wish to wreck our economy, I view this with a lot of cynicism, it seems to me from what I have observed that everything the Argentines lay their hands on they wreck and I think this will be absolutely no different to anything else.

I have been saying or warning my colleagues over the last couple of years that unemployment

here is or was happening, and it is now my firm belief that it is now here full time. We still have people here even in or this month November by which time in past years unemployment had in fact faded, who are still without a job and there are genuine people out there who want to work and indeed who do have skills to give, who cannot for love nor money get a job. It is something that I have been looking at over the last month fairly closely and indeed I intend to continue looking at it and to try and find some solution which I can put together in paper form and present to my colleagues. One track which I shall be pursuing next week is perhaps writing to British Forces to find out what the possibilities would be, if things get really bad here that they may be able to employ some of our civilians at MPA, perhaps in Kelvin Catering etc, but I say I shall be doing something about that in the next week.

Finally Sir, before I sit down, the only ray of sunshine as it seems to be for the last couple of weeks has been the setting up of a small committee to start looking into Health and Safety within Government initially. Our intention is to wander gently through Government Departments building up codes of practice etc, I would like to reiterate that it is not our intention to rush into this introducing huge amounts of legislation and perhaps and I still think effectively; we would close Government down if we did that, we really want the slow sensible approach to this. I would also like to say to the private sector companies that I think they have nothing to fear from our exercise, as I say it is not our intention to close any company down. Sir, I wish to support the motion.

The Commander British Forces:

Your Excellency, Honourable Members, I would like to take this opportunity to make a brief "state of the union address" from a parochial military view point. What I say needs to be viewed against an overall defence backcloth of unprecedented financial stingency which can be interpreted as manpower, fuel, stores, flying hours etc. everything and I mean everything has to be financially accountable and it will not surprise any of you that even now we are licking our wounds from the aftermath of a particularly difficult departmental internal audit. Unfortunately the freedoms of the hawse in days past are not longer practical and no longer pertain. That said I am determined that the services should continue to play their part in contributing to the good civil/military relationships that have existed over the years and that are so important for our co-existence. Hopefully this will continue to manifest itself in the many official and social functions where we combine and also where some of our unique skills and facilities can be of sui generis use for example our presence in Stanley through the hospital and the EOD teams and our contribution through the fisheries surveyance. At the same time we shall not lose sight of the daily benefits conferred on us by the local community. Privileges of using your land for training, a magnificent swimming pool, the warmth of your welcome and your forbearance when we don't always get it right.

Also I rate highly the need to treat with respect the environment for which we are all custodians. Recognition of this responsibility, we are spending heavily to reduce risks and will make improvements where we can. The roads up to Byron Heights and Mount Kent prevent further scarring of the landscape, modernisation of the fuelling facilities at Hill Cove and Fox Bay, refurbishment of the single point mooring in Mare Harbour, to name but a few. These projects alone are costing us about £4.7 million.

Our corporate theatre memory is short with about 92% of personnel rotating through on a 4 month basis or less. We plan to build a few more married quarters so that more of my key staff can stay here longer and provide better continuity of management. When we can we will extend the opportunity to take on building tasks and other work to local contractors. Finally facing up to the future we shall need to proceed in concept for the many challenges just around the corner. Offshore tapestry will grow in significance and require to be policed accordingly. Our requirements to cater for and adapt to increase use of MPA for civilian traffic will stretch our resources. Provided that we the military and the civilians pull together then there should not be too much that we cannot overcome. Thank you.

The Honourable the Financial Secretary:

Your Excellency, Honourable Members. It is apparent that the Government could be faced with a 50% reduction in revenue from fishing activities, about £13 million, so the budget

review is a serious matter and I agree with the balanced and sensible approach; a controlled panic instead of full scale panic. The policy for our cash reserves is that they are there for a rainy day, the present climate might only represent a drizzle and we need to be cautious to ensure that we retain sufficient revenue for when we meet the full fury of the storm. I support the Motion for Adjournment.

The Honourable the Chief Executive:

Your Excellency, I wonder if I can begin by giving to the assembly the fraternal greetings of the provincial governments of Newfoundland and Nova Scotia. In both places they extended an enormous amount of cooperation and assistance and goodwill well beyond that which you could have expected, and as has been touched upon, a full report will be available in due course. My personal view is that it is perhaps the most useful visit that I have ever made on behalf of a Government to another area and I think there will be a great deal of useful issues and action that will result from that.

Staying on the international scene, can I assure the House Your Excellency, that today the Chief Minister of Gibraltar has received an invitation to visit the Islands; he has been pressed to come with his wife, if possible, in January and I would hope that by this time next week all the details will be known and we can get down to preparing a proper reception and programme for the Honourable Joe Bossano.

I too have been very impressed with British Geological Survey and I think that is perhaps one of the reasons that the Honourable and musical Member for Stanley and I were instrumental in recommending them as being the consultants to the Government. But before Dr Fannin gets too smug and self satisfied, I can recall these remarks being made about Stephen James of Peat Marwick Mitchel McClintock but when the bills started to come in suddenly all the agreeable things that he had said and the hard work he had done were all forgotten and it was the bill that was being looked at, so enjoy it while it lasts!

On the business of contracts as the Honourable and learned Member has muttered in the corner there, we are dealing with the matter of PSAI. I decided that PSAI probably means "Pretty Shabby Affair Indeed" and certainly the history of this project from the moment that the agreement was reached has been one that has been dogged by inefficiency, arrogance, poor performance, failure to listen to criticism, help and assistance. I understand that we will have to pick up the bill because of course that is what we are required to do; what the Government policy has always been and what we further agreed yesterday is that we will not pick up any part of the Bill other than that in which we are contracted so to do. We will take every possible measure to ensure that the contract is carried out. Honourable Members haven't mentioned the fact that the Pretty Shabby Affair Indeed wanted talks to take place in the United Kingdom and for officers to go to England to do so and on their instructions that invitation has been declined and PSAI are being pressed to come here and make their case and face up to their critics who I think on this occasion will not be reticent in explaining their concerns.

I was, I could have been, disturbed on the criticism that Government is not coping and were that a serious observation it would be pretty outrageous and I would be standing here with steam coming out of my ears, but I realise it was probably lightly meant, because people are being educated; roads aren't crumbling around you; the lights go on when you put down the switch; water comes out of the tap; sewage goes away; people are treated in hospitals; millions of pounds of work is being carried out under the very close supervision of Government officers. When our Auditors come down they haven't indicated that Government is not coping; there is no pile of letters on my desk or any other desk complaining about poor service, or lack of service; this Government takes care of people from before they are born until after they are dead, and if that isn't coping then I really don't know what is. Some people are very difficult to please indeed. I say that as the spokesman for the Falkland Islands Government, which is part of my job. I also have a role as head of the civil service and when in the hurly burly of debate people use such phrases as "cuts of contract staff" that will send a shiver of fear through a great number of people because it is not put in any proper context. Now people too often refer to contract staff as if they were some sort of parasitical growth upon the Falkland Islands. If you want your teeth pulled, if you want your sheep looked at, if

you want medical treatment, if you want your plumbing done, if you want your science attended to, by and large those are the people who are your contract officers and you have made a contract with them, and I hope that our view of a contract is not the same view as the Pretty Shabby Affair Indeed that I mentioned earlier. Now if what is being said is we should review the posts that contract people are filling at the moment when they come up for renewal with a view for more of those to be filled by Islanders, (and that has been Government policy for ages and that is why 12 of the 14 departments are now headed by Falkland Islanders) then we will go along with that. And if you recall, I have said in this House on more than one occasion, that one of the ways you can be addressing the reduction of contract staff is through immigration and I will say that again and that is one of the lessons that was brought home to us in Canada, we will be repeating it at another time.

We all share with dismay the information that Argentina is going to licence an extraordinary large number of fishing vessels that will be fishing for the same stock of illex that we have licenced our traditional fisheries people and there has been a radical change of plan particularly by the Japanese and the Taiwanese. Now it is a Falkland Islands Government policy that we will have no truck with any company that trades with Argentina and it may well be that the people who are still applying for licences, if we follow that policy we will have to tell them we don't want their money either and it is Government policy at the moment that those people who are going to go to Argentina for licences and for fishing this year, we will not accept back again, and it may be that there are certain parts of the policy that will have to be closely looked at. The conservation, I would agree, is the ultimate and in successive meetings with international fisheries companies in London we have pleaded for them to reduce their requirement for fishing licences; we have told them time and again that we do not want your money. The action that Argentina is taking will not only reduce the income to the Falkland Islands but it will have the effect of producing much more squid on the market than the market can probably sustain, so there will be a great many losers all round. It happens that virtually everyone who is in the fishing boat business is only interested in short term profits and they pay lip service to conservation. I think that it is absolutely vital that the international community be made aware of what appears to be a dramatic shortfall on the part of Argentina in failing to address this conservation, and I know that the Director of Fisheries together with the Foreign Office will be playing this very strong card indeed when they meet at the South Atlantic Fisheries Meeting in London next week.

I was most interested to hear the proposal that Agricultural Assistance should be tied to diversification, or as I have noted down, energy. I think that that is wholly desirable where it can happen. I also think that more and more there is a requirement to tie such assistance to calculated need and perhaps it shouldn't be broadcast on a uniform basis overall.

If I can return to one other matter that I should have dealt with earlier, when dealing with the PSA, a Pretty Shabby Affair, mention was made that this had been kept secret from Members for a month. Again I think only part of the story is being told and Honourable Members are now aware of the first letter that was received from the managing director of PSA. I would say that had that letter been widely circulated at the time it was received, there would have been a wave of anger that would have been, it would have created, a backwash that was quite disproportionate with what was needed at the time. Honourable Members have now been provided with a full folio of all the correspondence and I would think you would agree that from the first letter to the last letter considerable progress had been made. Now had we tried to achieve that in the public domain I don't think it would have been in the interest of good government and I think a judgement quite often has to be made, you do it every day in your work, you do it in your families, we have to do it in Government. There is a time when you have to be in a position to make up your mind in private to put all your ducks in a row and then you take everyone into your confidence. I think the meeting yesterday and the way it was held seemed to me certainly to be a most appropriate way of dealing with a very sensitive issue that is not yet over.

To finish on one bright note and there is at least one bright note, the part of good Government and good FIDC means that the Tamar has now been launched and is to set sail and will be here ready to start the whole new operation. There you have a Falkland Island registered vessel being run, crewed and managed in every way by Falkland Islanders; that is the sort of performance we want to see; that is the sort of achievement we want to look forward to. Your

Excellency; I support the motion.

The President:

If I may just add a brief word on the financial scene, I share the Councillor from Chartres' hopes, but they say "lets hope for the best and prepare for the worst" and I think there is something in that. It is easy to relax constraints, but it is not easy to take in the belt and this is what Standing Finance Committee will have to examine. On diversification, I am afraid I realised I would irritate farmers, I know you have a very hard job and you are short of help and short of capital, but still I beg your patience, I beg you to look at it as a way of removing our total reliance on wool.

I won't refer to everyone's speech, but if I can particularly mention the Commander British Forces and say that we recognise that this is going to be a difficult time for the Armed Forces, they are under very pressure in London. All I can say at the moment is the relations between the civil and the military in the Falklands are excellent, very largely to your sterling efforts and we couldn't have a better companion in choppy waters.

"Hear Hear" (Members generally)

The Government machine: I felt there was a slight contradiction and I fully support everything the Chief Executive has said. To say that the machine is too large, but at the same time to say that the machine is not coping seems to me to be a slight contradiction. I recognise that there is a danger in the economy of the Falklands and particularly in the economy of Stanley, that we shall all be taking in each other's washing and nobody will actually be earning money from abroad to support the whole operation. But it is my impression that this is actually a very tightly run Government and it is providing, as the Chief Executive said, standards of service to the citizen which are way above those on offer in the United Kingdom and every visitor to the Islands is astonished by the standards of the hospital, by the standards of the school. We have got a, I think, a very efficient Government machine, which is, by and large, delivering well.

On the question of misleading Council and the PSAI affair. I will plead guilty to this on one occasion, although the Councillor who made the complaint was not present on that day, and this was because we discussed the road on the 26th of October and the questions from Councillors were put in the form of "how was the road getting on?" We said, quite accurately, that the road was getting on much better than it had been and that work seemed to be progressing well and, in fact, I believe a section of the road is about to be handed over. I was aware when we said this that we were being less than completely frank. The reason was that we had been urged by the Managing Director of PSAI not to go public because of the effect that this would have on the morale of his workforce and on the progress on the road, and I think this was a fair request. We warned him from the very beginning of our correspondence, and Councillors have seen the correspondence, that we would have to inform Councillors; that this was a major issue which we could not brush under the carpet or deal with between officials. I think that that correspondence will show that in fact officials have defended the interests of the Falkland Islands Government, the Falkland Islands taxpayer, steadily and we will continue to do so. As the Chief Executive said, in the end we will pick up the tab because the road has been built for us, but we are determined that the tab we pick up is the original price for the road, and we are determined that we get the road that we will have then paid for; and we are determined that we do not pay above the price which has been agreed. So with that last remark I close the session, I think it has been a very constructive debate, there have been a lot of useful comments and opinions on the various issues which confront us at the moment. I shall therefore say that the House stands adjourned accordingly. Thank you.

Confirmed this 31st day May 1993


Governor