

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
25 MARCH 1998**

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HELD IN STANLEY ON 25 MARCH 1998

PRESIDENT

His Excellency the Governor
(Mr Richard Peter Ralph CMG, CVO)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable William Robert Luxton
(Elected Member for Camp Constituency)

The Honourable John Richard Cockwell
(Elected Member for Camp Constituency)

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

The Honourable Michael Victor Summers
(Elected Member for Stanley Constituency)

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Honourable Mrs Janet Linda Cheek
(Elected Member for Stanley Constituency)

The Honourable Mrs Sharon Halford
(Elected Member for Stanley Constituency)

The Honourable Darwin Lewis Clifton
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr David Geoffrey Lang CBE, QC)

CLERK: Claudette Anderson

PRAYERS: Padre A McHaffie

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RECORD OF THE MEETING OF LEGISLATIVE COUNCIL

HELD ON WEDNESDAY 25 MARCH 1998

His Excellency The Governor

Honourable Members. Good morning. I now declare this session of the Legislative Council open.

Clerk of Councils

Confirmation of the records of the meetings of Legislative Council held on the 30th May, 15th October and 12th December 1997.

His Excellency The Governor

I know that some Honourable Members have already offered some proof reading amendments, if any other Honourable Members have any now would they please show? No. Well in that case the records are confirmed with the following amendments to the meeting of Legislative Council held in Stanley on 15th October 1997.

- Page 4 His Excellency The Governor - last line amend "do" to "to".
- Page 7 The Honourable DL Clifton - para 4 - third line - amend the spelling of "flack" to "flak".
- Page 8 The Honourable JR Cockwell - para 2 - seventh line - amend "brushed" to "touched".
- Page 13 The Honourable MV Summers OBE - para 4 - last sentence - insert speech marks as follows "how we can" and not "why we cannot".
- Page 16 His Excellency The Governor - para 2 - line one - amend "thresh-hold" to "threshold".

The records were duly signed.

Clerk of Councils

Papers to be laid on the Table by the Honourable the Chief Executive. Copies of subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34(1) of the Interpretation and General Clauses Ordinance 1977.

Antarctic Act 1994 (Commencement of sections 3, 4 and 6) Order 1998

Road Traffic (Priority in Stanley) (Amendment) Order 1998

Ross Road (Drop Off Point) Regulations 1998

The Dangerous Goods Ordinance 1987 (Commencement) Order 1998

The Offshore Health and Safety Order 1998

The Health and Safety and Work etc., Act 1974 (Application outside the Falkland Islands) Order 1998

The Offshore Installations (Safety Case) Order 1998

The Offshore Installations and Pipeline Works (Management and Administration) Order 1998
The Management of Health and Safety at Work Order 1998
The Provision and Use of Work Equipment Order 1998
The Personal Protective Equipment at Work Order 1998
The Offshore Installations (Prevention of Fire and Explosion and Emergency Response) Order 1998
The Offshore Installations and Wells (Design and Construction etc.) Order 1998
The Reporting of Injuries, Diseases and Dangerous Occurrences Order 1998
The Offshore Minerals (Application of Employer's Liability (Compulsory Insurance) Act 1969) Regulations 1998
Buildings (Camp) Designation Order 1998
Buildings (Keppel Island) Designation Order 1998
Buildings (Stanley) Designation Order 1998
Civil Jurisdiction (Offshore Activities) Order 1998
The Offshore Installations (Safety Zones) (Exceptions) Regulations 1998
Offshore Installations (Automatic Safety Zones) Order 1998
Criminal Jurisdiction (Offshore Activities) Order 1998
Road Traffic (Protective Head Gear) (Amendment) Regulations 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to lay on the Table the Papers named by the Clerk.

His Excellency The Governor

Thank you very much. Ladies and Gentlemen, Honourable Members we are now going on air and I would just like to welcome listeners around the Falkland Islands and elsewhere who are joining us. I might just comment, incidentally, that it is very striking how many of these Orders on the Table relate to offshore oil which is a sign of the times.

Clerk of Councils

QUESTIONS FOR ORAL ANSWER

QUESTION NO 1/98 BY THE HONOURABLE J BIRMINGHAM

Mr President, Honourable Members. Could the Chief Executive tell me when the public will see the long awaited Falkland Islands Government Services Booklet?

The Honourable the Chief Executive

Mr President, Honourable Members. As the Honourable questioner is aware when this request was first made it was thoroughly discussed among the Departmental Heads. It was decided that some Departments already had such booklets, others should create them and some Departments were not relevant to the request as they had no direct service to the public. By my reckoning there are 10 Departments who do

provide direct public service and of those 9 are booklet relevant. To date, the Health Department already had a booklet and that is currently going through a second edition revision. FIGO already had a module information booklet which existed and is being revised. The Agricultural Department have produced a brand new information booklet for the public as indeed has the Post Office and Philatelic. The Fisheries, I do not regard as having a particularly public face in so far as the service is concerned but, nevertheless, they have produced the Ports and Harbour information for those they deal with and a very useful booklet on their statistics. The Oil Department also does not have a specifically public face but there is the publication entitled Introduction to the Falkland Islands Oil Industry. In addition to all that in preparation there is an Education Department booklet which is in first draft and I have read a copy. There is a FIGAS information booklet which is merely awaiting photographs. There is a Public Works Department booklet which I am informed will be ready by the end of this month. There is a Treasury booklet in preparation and there is an FIDC booklet which is currently in draft and I'm sure Honourable Members will have a copy within a week or two. So, of the 9 that we ought to have 4 already exist and 5 are in various stages of production.

The Honourable J Birmingham

Mr President, Honourable Members. I thank the Chief Executive for his very comprehensive answer. Obviously the introduction of computerisation has speeded up things as it's two and a half years since the question was first asked. I thank the Chief Executive.

QUESTION NO 2/98 BY THE HONOURABLE J BIRMINGHAM

Mr President, Honourable Members. Can the Honourable Sharon Halford tell me what plans there are to install an incinerator for the town of Stanley?

The Honourable Mrs S Halford

Mr President, Honourable Members. There are currently no plans to install an incinerator in the town. This view is upheld in the recently received Waste Management and Disposal Report produced by Halcrow, which does not recommend the installation for an incinerator for the town on the basis that this is not economic at the scale of operation in Stanley. The approach to waste disposal in the report is one in dealing with different classes of waste in different ways with the majority of waste being disposed of in a properly designed and managed land fill site. However, the report does include specific proposals with regard to the upgrading, or replacement, of the incinerator used for the health care waste. The implementation of the report has yet to be agreed by Executive Council and prior to this happening it is currently being commented on by the various affected parties in both the public and private sectors. Only once a strategy has been agreed by Council can a clear yes, or no, answer on the plans to install an incinerator for the town be given.

The Honourable J Birmingham

Mr President. I thank the Honourable Sharon Halford for her very comprehensive reply. I would just like to emphasise for those living around the hospital, here in Stanley, do have a problem whenever the hospital staff are burning and certain housewives around that vicinity will tell you that their washing does tend to have black spots. If it was in the Camp I'm sure it would be culled. Thank you.

His Excellency The Governor

May I just, for the benefit of listeners in Camp, point out an innovation which they probably will have picked up in any case and that is I think, for the first time in the history of this body, Councillors themselves who have particular portfolio responsibilities are now answering questions on their portfolios, as advised admittedly, by the Administration. I think it is an extremely welcomed development and it's one that I think was perhaps foreshadowed in the Constitutional Review a couple of years ago. So, Honourable Sharon Halford may I congratulate you on setting an historic precedence.

The Honourable Mrs S Halford

Thank you Sir. Further to what Councillor Birmingham said there that's obviously why Halcrow have noted the need to upgrade the incinerator at the hospital.

The Honourable J Birmingham

I thank the Councillor for that. Perhaps she would like to change what she was saying earlier on there that my question was for an incinerator for the town and the Honourable lady actually started answering by saying in the town.

QUESTIONS NO 3/98 BY THE HONOURABLE MRS JL CHEEK AND NO 4/98 BY THE HONOURABLE MV SUMMERS OBE

(To be answered jointly by The Honourable JR Cockwell)

Will the Honourable Richard Cockwell please state how many Falkland Islands Government computers and other pieces of date sensitive equipment are year 2000 compatible and how many will require replacing or reprogramming to be year 2000 compliant?

Will the Honourable Richard Cockwell please advise what action is being taken to deal with the effect of the millennium on Government equipment, most particularly in the Computer Section, Medical Department and FIGAS. Are there any plans for a public awareness campaign on the millennium problem and the provision of advice particularly where health and safety may be at risk?

The Honourable JR Cockwell

Mr President, Honourable Members. The effect of the change of date from 1999 to the year 2000 appears to the layman as one that has caught the electronics industry by surprise. Falkland Islands Government Departments have already been looking at their equipment to ensure that nothing needs replacing and I am pleased to say that to date I understand no equipment has proved non-millennium compliant. This does not mean to say that nothing will turn up in the next few months. I am informed by the Computer Co-ordinator that all Government computers are millennium compliant, as is all Government software, except for one programme for which the upgrade is already on order. The Chief Medical Officer is able to confirm that much of the hospital equipment that displays date information has already been proved to be able to work after the year 2000 and that they are in communication with the British National Health Technical Branch who are investigating all medical equipment that they use. I understand that the medical equipment used in our hospital is included in the NHS investigation. FIGAS confirm that they are checking with manufacturers that their electronic equipment is compliant. To date, I understand, they have not found any equipment that needs replacing, this does not mean to say that they will not find some at a later date. The matter of ordinary equipment with internal components which have date information which may or may not be displayed is more difficult. This range includes much technical equipment, some modern vehicles, ordinary domestic equipment such as central heating controllers, videos, fax machines and so on. This is not a matter which can be taken lightly and at this time if it is not confirmed that a piece of apparatus is millennium compliant it is best to assume that the performance after the 31 December 1999 is at least suspect. I wish to propose the formation of a small working group from the public and private sectors to look into this matter and publish a report within three months advising both Government and the public of the possible effects and solution to a millennium compliance of equipment containing electronic components. This report should be written in a manner which is easily understood and clearly points out what action is needed to be taken.

The Honourable Mrs JC Cheek

I would just like to thank the Honourable Richard Cockwell for his very comprehensive reply.

The Honourable MV Summers OBE

Mr President. I would also thank the Honourable Richard Cockwell for his reply and ask him whether he would think it appropriate to thank Cable & Wireless for bringing a party of people to the Falklands and bringing this item to our attention. I think, to an extent to which we were not previously aware.

The Honourable JR Cockwell

Mr President, Honourable Members. I'm afraid I'm very remiss in actually not having mentioned that. I quite agree with the Honourable Mike Summers that we really should thank Cable & Wireless, I think it was very unfortunate that it wasn't better publicised within Government circles so more Government people did actually listen to

the talk which was extremely enlightening, extremely interesting. I thank you for bringing that to my attention.

QUESTION NO 5/98 BY THE HONOURABLE MRS JL CHEEK

Can the Chief Executive please confirm that the results of tenders for all Falkland Islands Government contracts will be published as agreed some months ago?

The Honourable the Chief Executive

Mr President, Honourable Members. I can confirm that the results of virtually all the tenders of Falkland Islands Government contracts will be published. Indeed most of them that have been awarded since the instruction now have been published. As agreed at Executive Council yesterday the procedure will be that the prices quoted will be published but, the name of any tenderer will only appear when that tenderer has been successful. I must stress that tenders are not necessarily awarded to the tenderer offering the lowest price. The tender board considers what in its judgement is the best value and in the best interest of the Falkland Islands. Any individual or company who fails to win a contract may seek advice from the Chairman of the tender board as to the reasons for their lack of success on that occasion.

The Honourable Mrs JC Cheek

I would like to thank the Honourable Chief Executive for his reply, and ask can he give us an assurance, you said that most of the results had been published, can you give us an assurance that all results will be published.

The Honourable the Chief Executive

Mr President, Honourable Members. I am actually not able to give that assurance because there are certain tenders where the process, I think the accommodation camp is one, does not actually allow for the publication of the data. In other words, the person tendering has not given their permission, as would be the case in a normal Government tender, for the publication of that information. Therefore I actually, on this occasion, cannot give that assurance.

The Honourable Mrs JC Cheek

Can I ask then that future contracts are so worded that tenderers have to give their permission for the results to be published.

The Honourable the Chief Executive

Mr President. I really can't answer that question because I understand it was a legal point. It was the actual way that we asked for the tender, because we approached one particular individual, and we asked them for a quote. It was the way it was done. It wasn't a normal tender and it was indeed what Councillors asked for, I have to stress that. So on that one occasion, out of the 29 examples in the last year, we actually don't have the permission to publish the price, although I think the price was quite

generally known. I said what I said in my answer simply so that I wouldn't be guilty of a slight mislead, but I think I can assure the Councillor that wherever possible these results will now be published.

The Honourable WR Luxton

Mr President. Could the Chief Executive also give an assurance that in the case of a tender where all the tenders are rejected that those figures will be published as well.

The Honourable the Chief Executive

Mr President, Honourable Members. I see no reason at all why I shouldn't give that assurance, yes where all the tenders are rejected they will be published.

The Honourable J Birmingham

Mr President, Honourable Members. Would this be the case with the tenders that have just gone through concerning the Lafonia Road?

The Honourable the Chief Executive

Mr President, Honourable Members. I am sure the Honourable Members will agree with me it's very much in the public interest that those are published.

QUESTION NO 6/98 BY THE HONOURABLE MRS JL CHEEK

Will the Honourable John Birmingham please give a brief outline of what oil spill contingency planning is now in place and whether sufficient equipment and materials are held to deal with any emergency involving damage to a vessel's fuel tanks in Falkland Island waters?

The Honourable J Birmingham

Mr President, Honourable Members. Oil companies operating in the Falkland Islands have submitted an Oil Spill Contingencies Plan (OSCP) to the Government as instructed in the conditions of their production licences. Executive Council, at their meeting in January, accepted the oil spill plan as policy. The plan is specific to the areas where the industry will be operating and will have vessel movements. Supplies including dispersants, booms and solvent materials will arrive in the Islands before drilling begins in late April/May and be placed on the drilling rig Borgny Dolphin, the two anchor handlers and the safety vessel, with back-up supplies being stored in Stanley. The oil companies have arrangements with Oil Spill Response Ltd in Southampton to fly dispersants to their operational areas. The Oil Spill Plan provides for additional supplies and technical expertise to be flown to the Islands within 3 days. Sufficient materials will be maintained on and offshore to deal with the spill until new supplies arrive. Dispersants will not automatically be used in the unlikely event of a spill when undergoing exploration drilling. Advice will be sought as to the best methods to deal with the incident through the procedures in the Contingency Plan. In addition, the Falkland Islands Government commissioned a National Oil Spill

Contingency Plan by OSRL Ltd. The consultant from OSRL Ltd visited the Islands and took into consideration the exposed and remote nature of much of the coastline when formulating the Plan. The final draft is with the Fisheries Department now who are taking responsibility for its implementation. Oil company environmental representatives will meet in Stanley with Falkland Islands Government officials on the 25th March to ensure that both oil spill plans are compatible. The final amendments to the National Plan will be submitted to the OSRL in the next week and the final version should be available in early April. Falkland Islands Government does not at present hold any stocks of oil spill clean-up equipment. Funding of £100,000 was requested for the purchase of equipment in the Capital Estimates for the current financial year. However, the Budget Select Committee reduced this figure to £90,000 and split it between the 1997/98 and 1998/99 financial years, £40,000 and £50,000 respectively. Therefore, over half the funding does not become available until July 1998. Once the Contingency Plan is published, purchase of some equipment will commence. When the equipment is in place, there will be a need to bring a training team to the Islands in order to train a considerable labour force in clean-up techniques. At present, only one member of the Fisheries Department staff has undergone any form of training. In dealing with any emergency involving damage to a vessel's oil tanks, there are a number of factors to be taken into consideration.

1. Type of Oil - Marine gas oil, heavy oil
2. Quantity split
3. Location of spill

Marine gas oil or diesel may best be left to weather away, apart possibly from the use of booms to protect sensitive shorelines. Dispersant is not effective on diesel oil. Heavy fuel oil is also not dispersible by spraying, although there is now one dispersant which may be effective, but it has not been evaluated by clean-up specialists in the field. If the spill took place in inshore waters, the use of dispersants would probably be inadvisable. Apart from booming and skimming, there is little that can be done to clean-up heavy fuel oil. These techniques are very dependent on sea conditions and location, for instance in a remote location clean-up may be impossible. Skimming will in any case only remove a small percentage of a large spill.

His Excellency The Governor

Thank you very much. We will certainly arrange for the full answer to be published in the records and available to the media as well as you suggested.

The Honourable Mrs JC Cheek

Mr President, Honourable Members. I would like to thank the Honourable John Birmingham for his reply.

QUESTION NO 7/98 BY THE HONOURABLE MRS S HALFORD

Would the Honourable Jan Cheek please explain that if there is a difference in cost to Government in sending students to Loughborough instead of Peter Symonds why does the Government not require parents to pay the difference to the Education Department thereby allowing all students to receive the same level of grant on which they are expected to live?

The Honourable Mrs JC Cheek

Mr President, Honourable Members. It is the expectation of the Education Department that parents will make up the shortfall in grant and tuition boarding fees to academic students going to institutions other than Peter Symonds College. Whether they do so, or not, is currently left to the conscience of the parents concerned. I understand from the Attorney General's Office that legal mechanisms could be introduced to require parents and guardians to pay the shortfall to the Education Department in order that the Department might fund all students equally.

The Honourable Mrs S Halford

I would like to thank the Honourable Jan Cheek for her reply and to also ask that she pursue this avenue so that all students will in future receive the same funding on which to live.

The Honourable Mrs JC Cheek

I undertake to take your comments back to the Education Board.

The Honourable MV Summers OBE

Mr President. Could I please ask the Honourable Jan Cheek to consider, in following these avenues that in the Falklands we generally do not take a highly prescriptive view of what people should and should not do with their money. It is by and large a matter of individual choice, and that parents should normally accept that there is a cost to choice and responsible parents should make up the difference to their children and students in the circumstances where they are likely to be disadvantaged. And that every parent should be aware of the financial implication of the choices that they are making for their students.

The Honourable Mrs JC Cheek

Mr President, Honourable Members. I shall certainly take into account what the Honourable Mike Summers has said.

QUESTION NO 8/98 BY THE HONOURABLE MRS S HALFORD

Would the Honourable John Birmingham please explain the housing policy for youngsters who have finished school, but have not gone overseas for further education and are under the age of 18, the age I understand for entrance to the YMCA. Where are they supposed to live? (Bearing in mind that many of these youngsters are from the farming community and often have no relatives in Stanley). Would the Honourable Member consider approaching the Trustees of the YMCA with a request to have the rule of the YMCA changed?

The Honourable J Birmingham

Mr President, Honourable Members. I thank the Honourable Sharon Halford for her question. The policy of the Falkland Islands Government over the last few years has been that anybody under the age of 18, although there have been exceptions in the past where guardians and the welfare department have signed the agreements, and it's accepted that anybody under the age of 18 would not normally be housed by Government. There is no legal reason why this couldn't be changed, but generally speaking it is accepted that that is the policy. It would take this Council to change that policy. The second part of the question which was approaching the YMCA. I did approach the YMCA and received a letter from the Chairman of the Management Committee. We do have a member in this House who is also connected to the YMCA the Honourable Mike Summers, who I dare say will say a few words in a minute but, may I just read part of the letter out and it says, "It would appear that Councillor Halford is wrong in assuming that 18 is necessarily the minimum age for admission to the YMCA, the rule book still gives 16 as a threshold. But admissions are made by the Managing Committee on a case by case basis with the whole raft of other factors being taken into account not least the desire to maintain an harmonious atmosphere within the 2 houses. Experience has shown that this is best achieved when there is a balance between the very young, who are leaving home for the first time, and more mature students." Apparently not too long ago there was a particular problem with a youngster from Camp and perhaps the Honourable Councillor is being lobbied by that person's parents. But they can only do it apparently on a case by case basis.

The Honourable Mrs S Halford

Mr President. I thank the Honourable Councillor Birmingham for his reply and I am sure that parents in Camp will be pleased to learn that at the age of 16 they will have to now stop advertising for places for children to stay in the back of Penguin News.

His Excellency The Governor

Would the Honourable Mike Summers as a Trustee of the YMCA, as mentioned, like to add something.

The Honourable MV Summers OBE

Thank you Mr President. As a Trustee of the YMCA if I may just enlarge a little on the information that has been presented by Councillor John Birmingham. When the

YMCA was set up, some 7 years ago now, it was one of the clear intentions of the Trustees to provide a place to live for young people particularly from Camp, and that does remain the case. In putting just a little pressure on the YMCA I would ask members to be aware of two issues. One is that the Management Committee and the House Manager of the YMCA, to a large extent becomes responsible for the people living in that environment, and therefore to take a large number of 16 year olds presents certain difficulties, certain practical and possibly legal difficulties. There is a need to have a balanced residency in the YMCA to maintain a harmonious relationship between folks, in what is after all their home. The YMCA does provide housing for 18, mainly young people, on a continuous basis and we believe provides a good service. We are always prepared to consider taking younger people provided they will fit in with the environment that currently exists.

The Honourable J Birmingham

Mr President, Honourable Members. This surely illustrates yet again the chronic situation of housing within the town and I hope that over the next few days fellow Councillors will join me in doing everything and putting aside any monies that we can to help alleviate the problem in the next few years.

QUESTION NO 9/98 BY THE HONOURABLE MRS S HALFORD

Would the Honourable Richard Cockwell please explain what powers the Falkland Islands have to ensure that persons employed upon vessels fishing within our waters are not mistreated?

The Honourable JR Cockwell

Mr President, Honourable Members. I am very pleased that the Honourable Member has raised this question. A matter that I know concerns many Falkland Islanders. I am sure that everybody is aware that there are 2 prosecutions pending at this moment and therefore I have to be very careful how I phrase my answer. We do have powers to bring criminal prosecutions in respect of any offence committed on board any ship within our Harbours. We can also, with the consent of the Governor, prosecute in respect of any offence committed on board a ship within our 12 mile territorial sea. I understand that the Governor's consent would not be given in this case if a ship was a foreign warship or was merely passing through our territorial sea on a voyage without calling into a port here. We do not have powers to prosecute in respect of any offence committed outside our territorial sea, even if it is committed in our fishing waters, or on a ship licensed to fish here unless that ship is registered here. Our law in this respect accords with the international law of the sea and we cannot alter our law until the international, or unless the international law is altered. We can press for international law to be altered but this is not likely to happen very rapidly. The Falkland Islands can ask the Foreign and Commonwealth Office to take up any case of mistreatment with the relevant authorities in a flag state. I understand that the Foreign and Commonwealth Office are very willing to do this when we can produce evidence of mistreatment and they are prepared to inform the foreign authorities of our displeasure. Under the Law of the Sea Convention our powers under fishing licences are limited to conservation and management of fish stocks. I believe we should seek

the amendment of the international law of seas to enable port states with human rights abuses aboard foreign vessels calling at their ports.

The Honourable Mrs S Halford

Mr President. I would like to thank the Honourable Richard Cockwell for his reply and for clarifying the legal situation.

His Excellency The Governor

May add one point as the representative of the British Government. That is that the Foreign and Commonwealth Office not only are willing to raise such cases with the parent governments of ships where we suspect, or know, that offences of this sort have taken place they have actually done so even in my time as Governor and in very forthright terms indeed.

The Honourable J Birmingham

Mr President. May I ask you Mr President, is it not interesting that the situation that we had last year was to do with a ship, ships from the same country that we apparently have problems with this year. I wonder if the FCO will be taking yet firmer action still this year and we might actually achieve some kind of action.

His Excellency The Governor

I thank the Honourable Member for his further question. I think I would like to exhaust the legal processes currently in train here in the Falkland Islands first but in the light of that I think if there seems to be a case, it seems there probably would be, then that is something that will be pursued.

The Honourable J Birmingham

Mr President. Unfortunately, there is a feeling on the street that all that happens is a few little chats over cocktails of an evening at the various Foreign Office do's. I am sure you will be able to assure me and the public that that is not the case.

His Excellency The Governor

Yes, well, there is a Motion later which can be discussed. I can assure both the Honourable Member and the man and woman on the street that these sort of representations are not made at cocktail parties over a gin and tonic but in a very businesslike atmosphere in an office.

QUESTION NO 10/98 BY THE HONOURABLE J BIRMINGHAM

Can the Honourable Lewis Clifton please advise if the Agriculture Department are planning to implement a tree planting scheme in and around the town of Stanley?

The Honourable DL Clifton

Mr President. The Department of Agriculture is currently looking at the feasibility of establishing a small tree and shrub nursery to satisfy the plant introduction needs of its shelter belt and browse plant programme. It will be at least 3 years before it will be able to satisfy its own requirements but after that point in time it is envisaged that any trees and shrubs produced, in excess of the need, in normal nursery insurance practise, will be made available for public planting as directed by Government. In the meantime using existing facilities a collection of Willow species adapted to cold, windy climates and acid soils is being evaluated. Some of these will have urban potential and propagation material will be available from the Department of Agriculture within a few years.

The Honourable J Birmingham

Well I don't know whether I can thank the Honourable Lewis Clifton for his answer. I don't quite understand why the Agriculture Department are evaluating Willows species when Willow species have been growing in the Islands as far as I am aware for over a hundred years. My real question is that areas such as the East Stanley Development, a brand new area, whether that would be a fine place to start trying to upgrade the standard of the Stanley skyline.

The Honourable DL Clifton

Mr President. Insofar as I am aware the Department of Agriculture has not been tasked by this Council to exercise itself in terms of a tree planting programme around the East Stanley Development. If this Council wishes the Department to do that then I am sure it will undertake that task, but the principal focus of the Department's tree planting programme is to introduce shelter belts for the purposes of supporting the sheep farming community, at this point in time.

The Honourable J Birmingham

Mr President. Yes I'm sure I am aware, and Honourable Members are aware that it wouldn't be the Agriculture Department that would do the work perhaps but I was thinking that perhaps they could supply the trees. The word "evaluating" always seems to crop up when any scientific studies are being done and over the last 25-30 years various aspects of Agriculture scientific studies have been well evaluated.

The Honourable DL Clifton

Mr President. Of course there is no reason at all why individual plot holders cannot subscribe to trees that are available from the Stanley Garden Centre or perhaps indeed there could be some merit in fostering a link with the United Kingdom Falkland Island

Trust Tree Planting Programme that might supplement some of those areas that are to be laid aside for a public purpose.

His Excellency The Governor

I hope, incidentally, that “evaluate” isn’t a synonym for “procrastinate”. The Honourable Norma Edwards.

The Honourable Mrs N Edwards

Yes, may I ask the Honourable Lewis Clifton that he will assure us in the Camp that if a tree planting programme is undertaken by the Agriculture Department for Stanley that we will be assured that the need for shelter belts etc. comes first.

The Honourable Lewis Clifton

I can give that assurance to the Honourable Member Mr President, that is the entire thrust of the Department of Agriculture’s programme.

The Honourable J Birmingham

Yes. I just wonder where the evaluating is leading to, perhaps they can foresee a problem where they wouldn’t be able to see the wood for the trees.

MOTIONS

MOTION NO 1/98 BY THE HONOURABLE DL CLIFTON

That this House extends grateful thanks to Her Majesty’s Government for its unswerving support to the future of the Falkland Islands and for reinforcing its endorsement to the principle to self determination as recently stated by the Prime Minister the Right Honourable Tony Blair MP. We also welcome the remarks of the Secretary of State for Foreign Affairs, the Right Honourable Robin Cook MP, at the Dependent Territories Conference looking forward to a new modern relationship between the United Kingdom and its Overseas Territories based on mutual respect and partnership.

The Honourable DL Clifton

Mr Chairman. I have proposed this Motion because like many others I was indeed very sceptical of what a change of Government in the United Kingdom may have meant for the Falkland Islands and its people. Influential Labour Party figures on occasion, and pre the 1997 General Election, expressed sentiments which did not entirely make me feel secure about a change of Government. However, I am delighted that the Prime Minister’s message to the Falkland Islanders during Christmas was a robust statement, leaving us in no doubt as to the intentions of Her Majesty’s Government in respect to the future of the Falkland Islands, and the right of its peoples to enjoy self determination. I am sure my Honourable colleagues feel likewise. All too often in the recent past, our opponents and critics, (perceived, or real) have sought

to undermine security which we presently enjoy. The passage of yet another sovereignty solution document, through the columns of the Penguin News, suggesting that the sovereignty problem is a serious obstacle to the promotion of full relations between Her Majesty's Government and the Republic of Argentina is nonsense. But it nonetheless underscores the potential of such people to inflict damage to our position. There is, of course, a need to remove the sovereignty claim which is so unreasonably and so frequently protested by Argentina. Attempts to seek its removal failed last year. Other Honourable Members are more *au fait* with the circumstances of that time than I, but I do find it particularly galling that there is a persistence from some who wish to de-stabilise the Falklands, its people and its future, without having regard for the absolute criteria laid down in the principle of the right to self determination. I therefore applaud the statement made by the Prime Minister, the Right Honourable Tony Blair. It is only by exercising free choice that the people of the Falklands will be able to continue to choose their own destiny. In international fora we are accused of being held under the colonial yolk, 20 years ago this may have been true, but not today. Critics of the Falkland Islands know very little of the aspirations of the Falkland Islanders, nor appreciate, or are prepared to accept the rights we are entitled to. The recent remarks of the Secretary of State for Foreign Affairs, the Right Honourable Robin Cook, paid special attention to the development of a new modern relationship between Her Majesty's Government and its overseas territories based on mutual respect and partnership. This too is very welcome news and provides for our critics arguments to be further eroded even though they will persist in their ideals. Any future reference to the Colonial era or circumstances which may be seen to promote undue pressure from outside is unlikely to be welcome in the light of the Foreign Secretary's statement. The modern relationship he referred to is appropriately qualified. Mutual respect and partnership. This is constructed upon four principles; self-determination, internal self-government, Her Majesty's Government responsibilities to the Overseas Territory and the Territory's responsibilities to Britain. I am sure we would wish to be taken seriously in the provisions of this new relationship. Both of these statements are particularly welcome at a time when there is much dissemination of information, and misinformation, in Argentina regarding the late year visit to the United Kingdom by the President of the Republic of Argentina. It is pertinent for this House to warmly thank both the Prime Minister and his Foreign Secretary for their timely statements of support and encouragement. I commend the Motion to the House.

His Excellency The Governor

Thank you very much. The seconder is the Honourable Mike Summers.

The Honourable MV Summers OBE

Mr President. In supporting this Motion I too welcome the very positive approach that the new Government of the United Kingdom has taken towards its Overseas Territories. We did have the fear that they could have taken the broom to the Overseas Territories and simply swept them aside and forced them either into independence or into subservience to other nations. They took, or they appear to be taking, the responsible approach and that is I think for us to be very much welcomed. I particularly welcome the statements of the Secretary of State recently at the

Dependent Territories Conference; he said, quite specifically, that self-determination is paramount, and to us that is critical. He said that there should be a new relationship based on mutual respect and partnership. That too I think is critical and that the two sides must work together with that very much in mind to determine how our future is to be determined and how we are to pursue our self-government. What does all this mean for us? It is not purely we hope rhetoric in a public place, there are some practical implications and those we must pursue. Practical implications for us are that we can develop our democracy and increase our internal self government at the rate we choose, providing we continue to do it responsibly. We can retain the confidence, I think, to develop in a politically secure environment and that too is very much welcomed. Nevertheless, we will remain vigilant to proposals for development that are bound to come from other places that are not necessarily in our best interests. Sir, I wholeheartedly support this Motion.

The Honourable J Birmingham

Mr President, Honourable Members. In rising to speak to this Motion, I am sure I am not alone in expressing no particular surprise that the Honourable Tony Blair has made the statement and comments that he has. Some of the people who have been writing to ourselves and Penguin News and any other areas of the media in the Falklands recently come up with some strange remarks such as the population are scared of the Councillors and we know that that is certainly not the case. A year ago we found we have unexpected friends during the run up to election in the United Kingdom the Argentine Defence Minister suggested that he had had conversations with the Labour Party who told him that there was a fair chance that they would be doing something with the Overseas Territories and immediately the Labour Party came back with what we now know to be 'the line of no change' and I would like to thank the then Argentine Defence Minister for helping us. So sometimes we do have friends in unexpected places. Sir, I support the Motion.

The Honourable Mrs JC Cheek

Mr President, Honourable Members. I would just like to reiterate the gratitude expressed in this Motion for the endorsement of the principle of self-determination by the British Prime Minister. We have known that we have this right and it's just good to hear that others recognise that. I also join my colleagues in welcoming the Foreign Minister's remarks on a modern partnership with the Dependent Territory's and I look forward to seeing how that develops. I support the Motion.

The Honourable Mrs N Edwards

Sir. In rising to support this Motion it's just to reiterate what the Honourable Lewis Clifton has said; we are extremely grateful to the present day Labour Government for stating their case so soundly on our behalf and we look forward indeed to seeing how the new relationship between Dependent Territories and the Government of the day continues.

The Honourable WR Luxton

Mr President. I would like to support this Motion wholeheartedly as well. I have to say I never really had any reservations about the change of Government. I along with a few other Councillors met the Secretary of State when he was Shadow Foreign Secretary and that was some three years ago, he was robust in our defence then, he has never changed his line and I am glad that the present Government is consistent. We have a number of people in both parties in Britain who are not our supporters and I am delighted that they are in a very small minority. Sir, I support the Motion.

The Honourable JR Cockwell

Mr President, Honourable Members. Yes, I would like to stand to support this Motion. As a new Councillor in this Council I haven't had the pleasure of meeting many of the individuals involved, I feel the point that the Honourable Mr Luxton has brought up needs to be emphasised that we do have a lot of friends on both sides of the House in the British Parliament and that because at the moment we have the new Labour, who are supporting us extremely well, we have to be very grateful, we should not forget our friends in the previous Government who I'm sure do still support us. I beg to support the Motion.

The Honourable Mrs S Halford

Mr President. In rising to support the Motion I would really just reiterate what other Councillors have said around the Table. Looking at what Government is in place in the United Kingdom I really feel makes no difference to this situation at all. I think it would not matter who was there, the right of self-determination, unless they change the way they govern the United Kingdom, I don't see that that would change at all. Sir, I support the Motion.

His Excellency The Governor

Thank you very much. I think every Honourable Member has now had an opportunity to speak in this debate on the Motion and it's therefore for the proposer of the Motion to wind up if he so chooses. So I call on the Honourable Lewis Clifton again.

The Honourable DL Clifton

Mr President. I would just like to thank my Honourable colleagues for their remarks in support of this Motion. I think we must always be cognisant of the support that we have within the Westminster system and of course that extends to more than just two sides of the House, there are a great number of sides in the House and I think we should take that also into account. Thank you.

His Excellency The Governor

Thank you very much. Well in that case I think we can assume that the Motion is carried with acclaim, as it were, and may I just add that it will give me pleasure to convey to the British Government through the Foreign and Commonwealth Office the

sentiments which have been expressed, the loyal and warm and friendly sentiments which have been expressed, by all elected members of this assembly, both in respect of the reiteration of the British Government's commitment to the self-determination and secure future of the Falkland Islands, which I think in a sense does transcend Party politics of the United Kingdom, and also in respect of the new relationship, the new atmosphere, which the Foreign Secretary introduced, or unveiled in his speech at the Dependent Territories Conference as regards the relationship of partnership between the Mother Country, if I can put it that way, and what we are now pleased to call the UK Overseas Territories.

MOTION NO 2/98 BY THE HONOURABLE DL CLIFTON

That this House:-

- 1) Regards with extreme concern the reports of violations of human rights aboard fishing vessels licensed to fish in Falkland Islands waters.
- 2) Unreservedly condemns all such violations wherever they occur.
- 3) Calls upon Falkland Islands authorities to prosecute all such violations occurring within the jurisdiction of Falkland Islands Courts.
- 4) Calls upon the Government to take all appropriate action to lead to the denial of fishing licences to vessels, companies and masters showing to be involved in violations of human rights.
- 5) Requests the Government to take all appropriate action speedily to draw all such violations to which it is, or becomes aware, to the attention of International Human Rights Organisations and International Organisations striving to promote the rights of fishermen and fish workers and to take all other action appropriate to secure the widest possible international condemnation of such violations.

His Excellency The Governor

The proposer of the Motion is the Honourable Lewis Clifton who I am sure will wish to speak. You have the floor.

The Honourable DL Clifton

Mr President. I am conscious that there has been a question asked already and a full answer given this morning, I will try not trespass on any legal issues that may be pending.

Since the coming into force of the Falkland Islands Interim Conservation Management Zone, which is just over one decade ago, from time to time various incidents come to the attention of our authorities or the public which reveal the injustices inflicted upon foreign fishermen and fish workers who earn a living from companies which subscribe to annual fishing licences issued by the Falkland Islands Government.

The plight of migrant fishermen and fish workers on board distant water fishing vessels is a large scale international problem, which unfortunately, is not taken seriously by the world community. The plight of migrant workers on vessels that have been brought to the attention of international bodies are referred to as floating workshops. Incidents highlighted in the last several first fishing seasons here compare with the deprived who labour endlessly in Third World sweatshops suffering great physical hardship, pain and making do with little remuneration and no social justice. As such incidents come to the public attention in the Falkland Islands it is necessary for both the political system and the legal system to react. Whatever the nationality migrant workers' experiences are similar; long monotonous hours, oppressive and unsafe work, culture shocks, abuses of human rights, income and inequalities and a general sense of helplessness.

All these conditions have been sited in testimonies of migrant fish workers. Despite numerous and repetitive representation to the ILO Committee on working conditions the governments and fishing industry continually fail to act. But failure to act does not mean that the Falklands should default by not making such international bodies aware of incidents as they occur here. The stories which emerge in the Falklands focus on physical abuse and oppressive working conditions. These issues may be just the tip of an enormous iceberg. For example, evidence collected by the international collective in support of fish workers in late 1995 found that more than 40,000 foreign workers employed on Taiwanese vessels were Philippine Nationals. The majority of these nationals claim that second work contracts had to be signed prior to embarkation. These second contracts stipulated different terms and conditions of those signed back home by the Philippine Overseas Employment Administration. In the second contract wage rates were lower, working hours had increased, while the provision of food and other basic essentials were of a very poor standard, insurance cover being limited to strictly defined illness or injuries caused by fishing operations. I wonder if these examples smack with similarity here. Migrant workers join far distant water fishing vessels, terms and conditions of employment vary from one flag state to another. Incidents have been noted in the Falklands involving, South African, Chinese, Philippine and Indonesian fish workers. Two other migrant workers, nationalities Mauritius and Thai may also be involved. Given their isolation and vulnerability to the whims of ships captains these workers have little chance of becoming Unionised or of carrying out collective bargaining.

There is therefore an urgent need for the Falkland Islands Government to adopt a strong, rigorous and responsible approach when such incidents are reported. International Laws are not easily enforced. Fish workers' organisations continue to strive for improved conditions and more easily enforceable International Law. Developing countries recruiting agencies need to tighten recruitment policies, but the craving to earn employment and sustain families back home necessarily takes precedence over the employment hardship suffered by the migrant fisherman or fish worker. I have attempted to show that the migrant fish workers' lot is no bundle of fun.

During 1992 through to 1995 I had the good fortune to be involved in the full and unfolding process of The United Nations Agreement of Straddling Fish Stocks and Highly Migratory Fish Stocks, The Food and Agriculture Organisation Compliance

Agreement and the Food and Agriculture Organisation Code of Conduct for Responsible Fisheries. Despite numerous representations from fishermen and fish workers organisations no satisfactory recognition was given to the plight of these peoples. The three year UN agreement failed to agree to more than 'taking into account the interests of artisan and subsistence fishers' the agreement needed to detail explicit linkage to the working conditions onboard distant water fishing vessels. Representatives from several South American Fish Workers Unions, who are regularly employed on Far Eastern vessels, referred to their members as being 'slaves at the end of the twentieth century without agreements of guarantees of international minimum standards of working hours, rest, repatriation and social or security'. The United Nations Convention on the Law of the Sea has now entered into force and it's unlikely ever to be changed in my view. Article 2 in the Food and Agriculture Organisation's Code of Conduct for Responsible Fisheries has in it an objective. "To provide standards of conducts for all persons involved in the fisheries sector." The general principles of the Code require States to ensure that fishing facilities and equipment as well as all fishing activities allow for safe, healthy and fair and working living conditions and that they meet internationally agreed standards adopted by relevant international organisations. Sounds great. But the Code is voluntary even though it was unanimously adopted on the 31st October 1995 by the Member States of the FAO. It is therefore wholly ineffective in preventing against abuse and mistreatment of the fishermen and fish works on a day to day basis. In the wake of the International Maritime Organisation Convention SOLAS 74 the IMO organised an International Conference at Torremolinos to adopt an International Convention for the Safety of Fishing Vessels. After 5 years the Torremolinos Convention was adopted. It deals specifically with, amongst others, protection of crew, safety procedures and other relevant issues. It has not entered into force. Why? Because enforcement is conditioned by at least 15 States ratifying the Convention which have an aggregate fleet of 50% of the world's fishing fleet. The International Maritime Organisation attempted to fast track this process in 1993 with a protocol to the Convention but only 2 ratifications have been forthcoming. Yet another International Convention dealing with Standards and Training in fishing vessels, although adopted in 1995 has received only 1 ratification. This particular Convention which might provide for some of the concerns of the fishermen, can only enter into force 12 months after the 15th Instrument of ratification is received.

I apologise for going on at some length to explain some of the detail of the historical background of the relevant International Conventions which still failed to promote the welfare of the fishermen and the fish worker. This I hope shows that there is little the Falklands can achieve at the International Regulatory level. We must therefore look at mechanisms which can be quickly and effectively put in place at the local level. The Motion very clearly sets out what mechanics, what mechanisms can be speedily and easily effected to ensure certain justice in the future will prevail. The strongest possible condemnation is required for all human rights violations which occur in our jurisdiction, especially those occurring in our fishery. I urge Members of this House to robustly support the Motion.

His Excellency The Governor

Thank you very much. The seconder is the Honourable Richard Cockwell.

The Honourable JR Cockwell

Mr President, Honourable Members. The Honourable Lewis Clifton has put very clearly where our problem lies and rather than for me to go into more legal representation on this one I would like to actually try and use the more human rights side of the issue. If I could paraphrase what the Pope said when he went to Nigeria this week, he said something which struck me as very appropriate for any human rights violations and he said, 'there is no place for the abuse of power or the intimidation of the weak in any place or form'. That is absolutely right, and I would like to put the power or intimidation or abuse of the weak. We are receiving money which we are using to develop these Islands from Companies who are abusing the weak. They are abusing their power and we have to be very careful that we make sure that we, in every forum we can possibly manage, promote the rights, the human rights of these people who are being abused. I personally cannot accept that this will carry on. I can assure this House that when I travel on behalf of the Falkland Islands Government, whatever forum that I have to visit, if it is appropriate, I will address that forum on this very matter. I believe that we should all support this Motion robustly. Mr Chairman, I was brief but I wish to support the Motion.

The Honourable J Birmingham

Mr President, Honourable Members. I shall be extra, extra brief. As far as I am concerned what the Falkland Islands Government and the legal people should be doing is whatever can be done, should be done, and should also be seen to be done. Sir, I support the Motion.

The Honourable MV Summers OBE

Mr President, Honourable Members. The application of double standards is something that I don't much like in our society and have spoken about it on many an occasion and here is one. I rather suspect that we wouldn't put up with our public servants being treated in the manner that some fish workers are treated and I also expect that we wouldn't put up with our agriculture workers being treated in that manner. I do recall, not so very many years ago, there being a great public outcry about the conditions of living that some folks had in some portcabins in FIPASS and it was immediately remedied; compared with the way that some fish workers have to live, that would have been luxury indeed. So what are we going to do about this? Well, I think there are three ways in which we must approach this issue, we must look with a will, and a serious will, at ways in which we can introduce to our Fisheries Legislation the power to debar from receiving licences Companies which do not have adequate health and safety provisions and suitable employment practices. Let us remember in the failure to provide suitable health and safety provisions on many of these vessels we are endangering people who work for them on shore here as well. We must pursue whatever means we can in international fora. On behalf of Councillors whilst I was in the United Kingdom last time, I contacted Amnesty

International to see whether they could provide us with any assistance or advice in this matter. They thought they probably could not but recommended contact with the International Federation of Free Trade Unions, The International Labour Organisation and the International Federation of Transport Workers and I think it behoves us to do that and any other International Organisation that we feel might be of assistance in this matter. Finally if it comes to the question of protests, I think the protest should be lodged not only with the flag States that are involved with abuses of human rights but also those other States who allow their Nationals to be exploited in this way and turn a blind eye to the labour practices that go on. Sir, I support the Motion.

The Honourable Mrs JC Cheek

Mr President, Honourable Members. I give my wholehearted support to the content and spirit of this Motion. My own interest in fishing is well known and I think that we should all remember that the greater part of the Government's income is derived from the labour of some of the people that we have been talking about today. If we don't act then we will be seen to condone, or worse even connive at this kind of treatment. My Company places its own Representatives on board Far Eastern vessels and I would suggest that perhaps other companies might follow that example. However we approach this and however dependent we are on fisheries income we cannot be seen to ignore the kind of treatment which is alleged to have taken place on vessels inside, and outside, our waters. I support the Motion.

The Honourable Mrs N Edwards

Sir. In rising to wholeheartedly support this Motion I think most things have been said now as to how we feel. The Honourable Lewis Clifton said, very rightly I think, that what we see here is the tip of the iceberg and we should be well aware of that. We will have to be very careful in our approach to these countries and to the companies involved that we don't make matters worse for these poor unfortunate fishermen, who allegedly have been abused. It is very difficult for them in a foreign country to go through the legal procedures of that country and then to have to go home and face the consequences and we must be very aware that what we see at the moment is just the tip of the iceberg and I agree that we must put all, any kind of weight behind any kind of organisation that we can find who will help these people. Sir. I wholeheartedly support the Motion.

The Honourable Mrs S Halford

Mr President. Like fellow Councillors I too fully support the Motion. I would like to make a couple of comments upon it. On point 3 I would have thought this would happen automatically already. And as Councillor Clifton has already said on point 5, whilst I think we should pursue every international avenue we can, I believe the international mechanism is not a fast track to anywhere, but nevertheless, it is very important for us to pursue every avenue. On point 4 I think great emphasis should be put on this. This, as I see it, is the one place where we can take action. Maybe discretionary but one would hope that common sense would prevail in doing this. But I feel if we do not take some form of action then as Councillor Cheek has said,

most of our revenue comes from the fishing industry and I would hate this revenue to be considered as dirty money. Therefore Sir, I fully support the Motion.

The Honourable WR Luxton

Mr President. I support this Motion wholeheartedly. We make great play ourselves in demanding our own human rights, or right to self-determination. I think we should support the right of these people to a decent life as well. I support the Motion.

His Excellency The Governor

Well, all Members have now spoken and unless any wishes to speak again or add to their statements I think it's again for the proposer of the Motion to wind up. I therefore call on the Honourable Lewis Clifton.

The Honourable DL Clifton

Mr President. I am grateful for the robust support that Members have given to this Motion. I think there is an absolute need for being seen to do something, we must clearly not exercise double standards in the way that Councillor Summers has identified. We cannot continue to let such acts go by, or pass unnoticed, I do take particular attention to Councillor Halford's reference to the local action in point 4, and that is the sort of action I would wish to see the Falkland Islands Government implement. There is I suppose, there could be an assertion that the Falkland Islands Government was in receipt of dirty money or slave money come to that, and I believe that recent events have, as Councillor Edwards has said, just simply revealed the very tip of the iceberg. I am presuming that this Motion will be transmitted to another House in the form of Executive Council for some further consideration and the promotion on policy. I wonder also if it would not be prudent for this Motion to be given a fairly wide and public circulation, that leads through to the channels of Her Majesty's Government and the diplomatic protest that she has undertaken on our behalf. Thank you Sir.

His Excellency The Governor

Thank you very much Councillor Clifton. The Motion is carried and clearly with the very strong support of all elected Members of this assembly. I think I would be right in saying it enjoys the strong support of the un-elected Members of this House as well. I personally share the feelings of abhorrence which this issue has aroused both in this Council and I believe widely amongst the people of the Falkland Islands. It is a dilemma because we do depend on the income from fishing licences but I take very careful note of, and I very much sympathise with the feeling, that we cannot accept this money at any price, that in some respect it may be dirty money. I would like to confirm to the proposer of the Motion, the Honourable Lewis Clifton, that the Motion will indeed now be transmitted to the Executive Council for appropriate follow up, as a priority. I would also like to confirm that the Motion will be conveyed to the British Government so that appropriate action can be taken in a wider forum as well. Thank you. We will move on.

Clerk of Councils

Capital Programme Presentation By The Honourable The Financial Secretary

The Honourable the Financial Secretary

Mr President, Honourable Members. At yesterday's meeting of Executive Council it was agreed that the six year Capital Programme from 1998/2004 should be referred to a Select Committee of this House. This is the first occasion that the Capital Programme has been referred to a separate Select Committee. Normally it is referred to the Select Committee on the Appropriation Bill and the Draft Estimates. The reason for this change is that in view of the need for a better quality long term planning an Island Planning Committee was established. This Committee, under the Chairmanship of Councillor Summers, has considered and formulated a budget strategy which was approved by the Executive Council in January. It is to ensure that the Capital Programme complies with this strategy that necessitates the consideration by this separate Select Committee. An additional reason for considering the Capital Programme, in advance of the Draft Estimates, is so that the operational effect of what is decided can be reflected in the Draft Estimates and the planning process for the agreed Capital Projects can start that much earlier. The original submissions for the Financial Year 1998/99 were considered by the Standing Finance Committee and the Treasury last month and adjusted downwards from £25.7M to £17.2M. Original submission for the whole of the six year period of the programme were adjusted downwards from £100M to £88.4M. However, the revised programme is still significantly greater than that approved as part of the Budget strategy. The agreed target expenditure for the Capital Programme is £66M over the next six years, that is £11M per year. This means that further reductions of around £6M need to be made from the 1998/99 estimate and further reductions of around £16M need to be identified over the remaining five years to comply with the approved strategy. Heads of Departments have been informed about the reductions already made and have been asked to suggest where further reductions might be made. They have also been asked to advise what impact these reduction will have on Departmental operations and objectives. The Executive Council agreed that the Select Committee should, after taking advice from Head of Departments, decide priority order for those projects included in 1998/99 and defer projects totalling some £21M to years beyond the period covered by the programme. Furthermore, it was agreed that no project should be added to the Capital Programme without it first being submitted to Executive Council with a cost benefit analysis for consideration. Mr President, I move that the Capital Programme be referred to a Select Committee to consist of all the Elected Members, myself and the Chief Executive with Councillor Summers as Chairman and with my Deputy Peter Woodward in attendance and personal assistant Mrs Una Wallace as Clerk. I also move that the report on the proceedings of this Select Committee should be deferred to coincide with the report on the proceedings of the Select Committee on the Appropriation Bill and Draft Estimates scheduled for debate next month.

The Honourable the Chief Executive

I wish to second that, Mr President.

His Excellency The Governor

Thank you very much. Would any Member care to speak to the Motion, or shall we remit the Capital Programme without further ado to the Select Committee under the Honourable Mike Summers' Chairmanship. So moved. Thank you.

ORDER OF THE DAY - BILLS

The Retirement Pensions (Amendment) Bill 1998

This Bill has been published in the Gazette so therefore does not require a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members. This Bill makes a number of minor amendments to The Retirement Pensions Ordinance 1996. That Ordinance replaced the Old Age Pensions Ordinance 1952 and came into force on the 6th January 1997. Pensions have been paid and contributions made and accepted in anticipation of the amendments proposed by this Bill being made so there will be no change in the operation of the existing scheme. I beg to move the second reading of the Bill.

His Excellency The Governor

May I enquire if any Honourable Member other than the proposer and seconder, we have a seconder I take it in the Honourable the Chief Executive, wishes to speak to this Bill. If not I propose to invoke the fast track procedure.

The Bill was read a third time and duly passed.

Clerk of Councils

The National Parks Bill 1998

Again this Bill does not require a first reading.

The Honourable the Chief Executive

Mr President, Honourable Members. We are privileged to have a countryside of unique natural beauty and tranquillity and the purpose of this Bill is to allow the public to enjoy that facility. There is a word that occurs many times in the Bill, as you will realise, which is the word 'roam' and it is the purpose of this Bill to allow the public to roam. However, the rights of the owners and current occupiers of land are protected in this Bill, they are safeguarded, and no landowner, no occupier, will be forced to have people roaming over the land which they occupy or which they own. And indeed a roamer must not do anything contrary to the best interests of the owner or occupier of that land. Many items are covered, as you will appreciate, but such things as the lighting of fires, having uncontrolled dogs, removing plants, sticking bills, depositing rubbish, fishing, shooting, all those things will require permission over and above the

freedom to roam that is implicit in this Bill. This is a concise yet comprehensive Bill and I commend it to this House. Mr President, I beg to move the second reading of this Bill.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to this Motion.

The Honourable Mrs JC Cheek

Mr President, Honourable Members. I welcome this Bill in particular because it was something very close to John's heart and something that for many years he'd suggested. Our way of life is encapsulated in that right to roam and it's something which added to our quality of life and which many Stanley residents have seen eroded in recent years. It will be good that some areas at least will be reopened for that purpose. I wonder also if it might not be possible fairly early on to designate land in the Hill Cove area that was retained after the sale of the farms there, part of the mountains and some of the Islands were kept, I know some have since been on sold but there is still quite a large area there which could perhaps be one of our first National Parks. I support the Bill.

The Honourable J Birmingham

Mr President, Honourable Members. I would like to second what the Honourable Jan Cheek has just said and especially the piece about the land on the West Falklands.

The Honourable Mrs N Edwards

Mr President. Yes, I support this Bill. I think we will have to be very careful if we are going to give the right to roam around Islands to any individual. Tussac islands are some of the, there aren't too many of them left, and the chances of destroying the islands that they want to roam on might be a bit, something to think of anyway that it should be properly organised if they are going to roam around Islands. Up and down the hills isn't too bad because they are easy to get at but Islands are not so. Thank you Sir.

The Honourable WR Luxton

Mr President. I support this Bill absolutely. I also agree with the suggestion concerning the land still retained by Government and I would hope that in the future if there is any disposal of Landholdings property that we, as the Shareholders, should ensure that some areas are covered by this Bill and retained as areas that the general public can have access to. I am sure it would be possible to negotiate with landowners in future to reserve some areas for public recreation and in the future if the Government is involved in the transfer of any land we should look at some sort of provision there as well. Sir, I support the Motion.

The Honourable JR Cockwell

Sir. In rising to support this Motion I would like to point out to the Honourable Mr Luxton that my understanding is that it is already in place the proposal that if there is any land sold from Landholdings that there is a back to back sale to ensure that these facilities can actually be put in place. I would also like to suggest, that bearing in mind the restrictions that are put into the right to roam, possibly we might be looking when you consider the costs of actually putting roads into farms that there might be something put in there so that the general public gets some benefit from the building of roads into more isolated areas. I know this isn't a terribly popular suggestion with the people who may be getting roads in, but when we look at the cost to the Falkland Islanders in general and the Falkland Islands Government into the building of these roads, I believe we should seriously consider the possibility of putting the right to roam as part of this. Anyhow, to go back to the Bill I fully support the concept of this Bill and I think particularly on West Falkland we should try and get that included as quickly as possible. I beg to support the Motion.

The Honourable Mrs S Halford

Mr President. I fully support this Bill, in fact I welcome it. I most certainly welcome the comments made by Councillor Cockwell and support those as well. I think this Bill is very welcome, particularly for people who do not own farms, obviously people in Stanley. At the moment they do not have the right to roam all over the place, and may be they shouldn't in future, but what I particularly like about this Bill is not only does it give people the right to roam in certain areas it also protects those areas. As you will see around Stanley there are areas where people have public access to and they most certainly do not appreciate them in many areas because they do nothing but ruin it and I think that is why it is essential to have something that not only gives people the right to roam but it protects the area as well. I fully support it.

The Honourable DL Clifton

Sir. I just rise to support this Bill. It went through a couple of loops early on and I am grateful to the Attorney General for the provisions that he made to this final product and I support it.

His Excellency The Governor

If there is no objection to the Bill, the Bill will be read a second time.

Clerk of Councils

The National Parks Bill 1998

His Excellency The Governor

I declare this Council to be in Committee.

Clerk of Councils

Clause 1 - 8.

The Honourable the Chief Executive

Mr President I beg to move that Clauses 1 - 8 stand part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 - 8 stand part of the Bill is there any objection to the Motion? No objection. Clauses 1 - 8 stand part of the Bill.

The Honourable the Chief Executive

Mr President I beg to move that the Schedule stands part of the Bill.

His Excellency The Governor

The Motion is that the Schedule stands part of the Bill is there any objection? No objection. The Schedule stands part of the Bill. Council resumes.

The Honourable the Chief Executive

Mr President I would just like to add to what I have already said, if I may, that I know that Falkland Landholdings Board has already agreed to the land which is at the moment in prospect, particularly the Wickham Heights, to become a National Park so we welcome that and I would hope that that principle is enunciated in so far as any further sales are concerned. I also happen to agree with what Councillor Cockwell has said about the roads issue and I really think we should look into that in some detail so that we can come back with something positive on that. I would like to stress, I think Councillor Halford has actually mentioned it in passing, that this does place a responsibility on the members of the public to actually behave themselves and take this, what is a wonderful opportunity, and behave in a very responsible way because it will only need one or two not behaving in a responsible way and there will be an outcry because we do not have the facilities to monitor and to police these vast areas. I would just point out to the public that this will require responsibility, this is an amazing concession, and it will be a wonderful opportunity to enjoy the countryside. I beg to move that the Bill be read a third time and do pass.

His Excellency The Governor

The Motion is that the Bill be read a third time and do pass; is there any objection to the Motion? No objection; the Bill is read a third time and passed.

The Bill was read a third time and passed.

Clerk of Councils

The Fishery Products (Hygiene) Bill 1998

Again a first reading is not required.

The Honourable the Chief Executive

Mr President, Honourable Members. This Bill achieves two things both of which I believe are highly desirable. One is it gives us the power to designate factory vessels and onshore fish processing where they achieve an adequate level of hygiene. Secondly, it is focused towards one of the largest markets for our major products and as such enables us to enjoy increasing influence over that market which is of great interest to us. Mr President I beg to move the second reading of this Bill.

His Excellency The Governor

Well the Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to this Bill.

The Honourable MV Summers OBE

Mr President. I would first declare an interest in this Bill. Two or three things. Firstly, I do welcome this legislation which enables the Falkland Islands to be admitted to the list of European countries approved as importers of fisheries products, this is absolutely crucial in the long term development of our fishery. There are a couple of clarifications I would seek in passing this legislation. Could I perhaps ask the Honourable the Attorney General at what time the regulations that are referred to in this Bill will be available for public review and when might they come into force. Secondly, can I ask given the purpose and spirit of this Bill which is to enable the Falklands to be admitted to that list and to be able to import their products into the United Kingdom. What is the purpose of item 5(2)h which sets out a penalty? I had rather assumed that the penalty for non-compliance with hygiene regulations was not being given an authorisation number rather than there being some form of penalty, financial penalty, for failure to comply.

The Attorney General

As the Honourable Member is aware the purpose of the Bill is to enable us to comply with all requirements in relation to the export of fish to a very important market. In so doing, we have to comply with the norms which the export market requires. For that reason it is not merely a question of getting a number but complying with provisions as to the hygiene of ships and the preparation of fish and fish products on ships. Those requirements need under the appropriate arrangements to be backed by sanctions in the last instance. We hope that there will be no contraventions of the requirements, but for example, should there be a fraudulent activity, or a failure to comply with an important provision of the regulations, which may prejudice the acceptance or the remaining on the list of other vessels and the Falkland Islands as a whole, it is right I believe that criminal offences should be created and for that reason and because the equivalent

regulations may I say in the United Kingdom also do so, because this is just not simply to get the product into the European Community but to ensure that proper standards apply it is appropriate that a criminal penalty should exist to enable matters to be dealt with in the worst possible case, and to protect the reputation of the Falkland Islands fishery, which I believe is a high one.

The Honourable MV Summers OBE

Could I ask the Honourable the Attorney General to address the first part of my question which was at what time are the regulations to be created under this Ordinance available for review and when might they come into force.

The Attorney General

The Regulations, the initial Regulations, have been seen in draft by the Executive Council. It is intended by my Department that they will be published, and that they will be published for public comment, and subject to any matters which arise from such public comment having been considered by the Executive Council they will be made as quickly as possible. We need, as the Honourable Members will be aware, to bring the regime into force before 1st July of this year. I would take this opportunity of saying that consideration is being given as to whether, vessels which are not under the Falkland Flag, can generally be given certificates if they fish within our waters and for that reason, in particular, when it comes to the committee stage of this Bill I will ask this House to consider an amendment to Clause 5(2)e which would enable fees to be charged rather more than just in respect of an application for an approval. The reason for that is that the expense of monitoring the provisions of the regulations and legislation may, we have discovered, be very considerable indeed. While I am not in any way suggesting that fees will automatically be charged, I believe that it would be right for the Ordinance to enable Regulations, if so decided by Honourable Members, to provide for the payment of fees to recover Government expenditure which might be quite considerable.

His Excellency The Governor

Would any other Honourable Member care to speak at this stage? No. In that case the Bill will be read a second time.

Clerk of Councils

The Fishery Products (Hygiene) Bill 1998

His Excellency The Governor

This Council is now in Committee.

Clerk of Councils

Clauses 1 - 6

The Honourable the Chief Executive

Mr President I beg to move that Clauses 1 - 6 stand part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 - 6 stand part of the Bill. Is there any objection?
Attorney General.

The Attorney General

Mr President, Honourable Members. I wonder whether Honourable Members would please consider an amendment to Clause 5 Sub Clause 2 paragraph (e) so that it reads "the fees and charges to be paid in respect of

- 1) an application for an approval or a variation of an approval
- 2) the issue of any certificate by or on behalf of the food authority
- 3) an inspection of any factory vessel or fishery products establishment
- 4) time reasonably spent by the food authority in connection with the carrying out of its powers and duties"

Food Authorities is defined in Clause 2 of the Bill as meaning 'the Senior Veterinary Officer or any other public officer appointed by the Governor to be the Food Authority' for the purposes of this Ordinance.

His Excellency The Governor

Would any Honourable Members care to speak to that amendment.

The Honourable Mrs N Edwards

Yes Sir. I support this Bill of course, it is a query really, and I don't disagree with the Attorney General's amendment but I wonder whether that will incur future expense to us in relation to an extra Veterinary Officer or is it supposed that the existing Veterinary Department will be able to cope with all this.

The Honourable the Attorney General

Mr President, Honourable Members. My understanding is that the Department of Agriculture are looking at the resource requirements that would be necessary to enable us to comply with the legislation in relation to the export of fish. I believe that it may be possible that there will be manpower resource requirements, and not only in the Department of Agriculture, but there may be implications, and this again we are looking at, in relation to health inspections which may be necessary in respect of crews of vessels. I can only say that a report will be made as soon as possible to Executive

Council in relation to those matters. I cannot at the moment give Honourable Members the answer to the question the Honourable Member has raised.

His Excellency The Governor

Any other Honourable Member care to speak or have any questions in the committee stage? In that case the motion is that Clauses 1 - 6 stand part of the Bill as amended, 5(2)e as amended in the way that the Attorney General read out is part of the Bill. Is there any objection to that? No objection. The Council therefore resumes.

The Honourable the Chief Executive

Mr President I beg to move that the Bill be read a third time and do pass.

The Bill was read a third time and passed.

Clerk of Councils

The Administration of Justice (Amendment) Bill 1998

A second reading is required.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of the Bill.

The Attorney General

This, Mr President and Honourable Members, is a short Bill which has two separate objects. The first one is to make a minor amendment to our legislation which would enable the Senior Magistrate to exercise powers which a District Judge has in England to act as a Bailiff. The reason for that is to enable judgements of the Court to be enforced. Honourable Members will be aware that there have been difficulties in making an appointment of Bailiff and therefore difficulties of enforcing certain Orders of the Court. This will remedy the situation and I am grateful to the suggestion of the Senior Magistrate that the Law should be amended in this way. The second amendment, the effect of it and purpose of it, is to extend the period in which prosecutions for sexual offences can be brought. At the moment the limitation period in respect of those offences is very short, and in the nature of things, offences have been reported, or are reported which have taken place before the expiration of a limitation period which applies which means that no prosecution can be brought even though evidence is available. There is no person presently under investigation to which this provision would apply, but for the future, as is the case in the United Kingdom, and because of the seriousness of these offences in relation to, in particular to children, who are not in a position to press for a prosecution and the discovery and reporting to the Police sometimes years after the offence, this change in the Law I believe is necessary and I commend it to the House.

His Excellency The Governor

Thank you the Honourable the Attorney General. The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to this Motion? No, in that case I would like to move on to the short track procedure, but may I ask if any Honourable Member wishes to propose any amendments? No.

The Bill was read a third time and passed.

Clerk of Councils

The Interpretation and General Clauses (Amendment) Bill 1998

A second reading is required.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

The Attorney General

Mr President, Honourable Members. This Bill is a Bill which is required simply to tweak the provisions of Section 78A of the Interpretation and General Clauses Ordinance 1977 which are not quite satisfactory, in their present form, to enable us to get rid of dead wood which applies in the form of English Statutes which are not applicable to the circumstances of the Falkland Islands or which we do not need. The provisions of the Bill result from discussions between me and Doctor Milner, the Commissioner for the Revision of the Laws, and will enable the volumes of the Laws, which have been prepared in such a way that they depend on this Bill being enacted, to be published and to be brought into force. I know a number of Honourable Members will welcome getting rid of some of the wood, because it's not suitable in the circumstances of the Falkland Islands. It is necessary, it's a technical legal Bill and I would commend it to the Honourable Members.

His Excellency The Governor

The Motion is that this Bill be read a second time. Does any Honourable Member wish to speak? The Honourable Lewis Clifton.

The Honourable DL Clifton

Mr President. Just a point on clarification. Would there be an Objects and Reasons for this particular Bill?

The Honourable the Attorney General

There is no Objects and Reasons printed on this copy of the Bill but I hoped that the Honourable Members would accept my statement to the House as being perhaps being more full a statement of the objects and reasons of the Bill. I regret that there isn't

printed at the foot of the Bill Objects and Reasons nor has there been published an explanatory memorandum. Honourable Members will be aware that far beyond objects and reasons printed on Bills, I usually arrange in any Bill of any complexity which will affect the public to have an explanatory memorandum at some length, and some Members complained that they are less understandable than the Bills themselves. I will see what I can do to remedy that in the future. Perhaps by cartoons in the margin.

His Excellency The Governor

I would simply like to just say that I think we must all welcome the prospect of the edition of the Laws being reduced commensurately in linear length as a result of this nice housekeeping Law. No need to reply to that.

The Attorney General

I was going to say, Sir, that we are not in the situation of having the Laws of Hamurabi, which changeth not and this is an anti-Hamurabi Bill.

His Excellency The Governor

The deliberations of this Chamber are becoming increasingly esoteric. Well, if no other Member wishes to speak I think I would like to invoke the fast track. Does any Member wish to propose an amendment to this relatively straightforward but short Bill.

The Bill was read a third time and passed.

Clerk of Councils

The Supplementary Appropriation (1997/1998) Bill 1998

This Bill has not been published in a Gazette so therefore requires a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to authorise the withdrawal of the additional sum of £690,640 from the Consolidated Fund to provide for Supplementary Expenditure approved by the Standing Finance Committee. £306,990 of this additional sum has been authorised to be advanced from the Contingency Fund. The Bill provides for the Contingency Fund to be replenished to the extent of any advances made. There are two significant items of Supplementary Expenditure which ought to be mentioned as follows. £188,500 is provided to pay Government Service Pensions from 1st January to 30th June 1998. When the Estimates were formulated it was anticipated that payment from 1st January 1998 would be made from a special fund, but this has not yet been established. £380,650 is provided to finance the total cost of the new FIDC Office Building. This cost is offset by the receipt of Insurance Claim proceeds of £180,650. I beg to move the first reading of the Bill.

The Honourable the Chief Executive

Mr President I wish to second.

His Excellency The Governor

The Motion is that the Bill be read a first time. Is there any objection to that Motion? No objection. The Bill will be read a first time.

Clerk of Councils

The Supplementary Appropriation (1997/1998) Bill 1998

The Honourable the Financial Secretary

I beg to move that the Bill be read a second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak or to propose any further amendment? No.

The Bill was read a third time and passed.

Clerk of Councils

The Revised Edition of the Laws (Amendment) Bill 1998

This Bill has not been published in the Gazette and is being presented under a Certificate of Urgency.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the first reading of the Bill.

The Honourable the Financial Secretary

Sir, I second the Bill.

The Attorney General

When the Revised Edition of the Laws Ordinance was enacted in 1991 we hoped that the Revised Edition would be published as a set, complete with all the Laws on the same date, that of course could be done but it would mean that volumes which are available earlier would not be made available and it seems a pity that we should wait for all 7 volumes, because that is what we are going to be involved in, to be available before the first volume can be published. To enable the first volume which is printed, and available in the Islands to be published, and the other volumes which are going to

be available later this year to be published as soon as they are available in the Islands and made available to the public, this Bill is necessary. We have cut out a number of provisions of the Law which are available elsewhere so they are not printed in the Laws otherwise there would have been another 15 volumes, I think, so that the revised edition does not set out every single Law of the United Kingdom which applies in their full text because they are available elsewhere, and for that reason there is a technical amendment required to Section 6 Sub-section 2 which the Bill would make. In short, I would inform the House that, if this Bill is passed by the House and enacted, then the first volumes of the Law will be published in the Falkland Islands within the next 10 days, and that subsequent volumes will follow and be made available to the public so soon as they arrive in the Falkland Islands. I would mention that the Executive Council agreed in November that to local subscribers for one set of the Laws the Laws would be available at £50 a volume. That is a very concessionary price indeed. Overseas price is going to be £1750 and that too, surprisingly as it may seem, is a very concessionary price and represents a fraction only of the cost of preparing the Revised Edition of the Laws and to inform the House that the estimated full costs, and I'm obliged to the Financial Secretary for reminding me of this, for the full Edition is £600,000 is what it has cost the Falkland Islands to perform this exercise over a period of a good many years.

His Excellency The Governor

I think the Motion is that the Bill be read a first time. Is there any objection or wish to comment. I know the Honourable John Birmingham would like to speak. Please do.

The Honourable J Birmingham

Yes Sir, Mr President, Honourable Members. Just two questions really the cost is tremendous I wonder whether the Attorney General gets an author's fee and I also wonder whether he has given consideration to publishing a paperback edition.

The Attorney General

I do not get an author's fee, I am not the author of the Revised Edition. I have collaborated willingly to try to get the Laws available to the public with helpful explanations and notes. As to a paperback edition I am sure that if we run out of sleeping pills in the Islands I will consider this as a replacement for bedside tables to cure insomnia.

His Excellency The Governor

Thank you very much, I am sure it would be a best seller in any case at a sniff of £1000 plus per volume. If there are no further interventions or objections the Bill will be read. Yes, of course, the Honourable Norma Edwards.

The Honourable the Mrs N Edwards

Sir, I think it needs to be said and it hasn't been. I know how hard the Attorney General has worked over the years on the Revised Edition of the Laws and we would

like to record our thanks for all the midnight oil that he has burnt on our behalf to produce this edition.

His Excellency The Governor

Councillor Edwards thank you for that very nice, and very appropriate, sentiment and I would like to associate myself with it. The Bill is read a first time.

Clerk of Councils

The Revised Edition of the Laws (Amendment) Bill 1998

The Honourable the Chief Executive

Mr President I beg to move the Bill be read second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak further, are there any amendments which need to be taken account of. In that case I will invoke the fast track procedure.

The Bill was read for a third time and passed.

The Motion for Adjournment

The Honourable the Chief Executive

Your Excellency, Honourable Members. I beg to move this House stands adjourned *sine die*.

His Excellency The Governor

Thank you. Would Honourable Members care to speak, given that we have already spoken on a number of subjects, in any case this is your opportunity.

The Honourable J Birmingham

The only one. This has come as a surprise to me Mr President, Honourable Members. I shall certainly keep it brief now as the eyes of the world are on me. May I just say, that enough has been said about the fishing situation today, but I must emphasise that as far as I and the other Councillors are concerned anything that can be done will be done to ease the problem of these seamen.

We leave here to go this afternoon to sit in Select Committee and really it comes down to good housekeeping. We are talking about cutting the Capital spend and in doing that, various Councillors who have got their pet projects, possibly me included, will be shedding a few tears, but if we wish to maintain the standard of living that we have become accustomed to, for instance we are spending approximately half a million

pounds on overseas education alone, then we have to look at the future in a realistic way.

At the public meeting last week we had a question from a member of the public concerning the Island Wide Pension Scheme and the Councillors present said we would look into that, so could I just have a few words on this. I have been assured that there will be a board of trustees set up who will appoint a fund manager, who will then appoint investment managers, who will be overseen by an actuary, this will all be reported to the Falkland Islands Government on an annual basis. Nobody who is in the running of the scheme will be able to invest in their own particular company, as actually happened during the Maxwell scandal.

I was told yesterday that it is 25 years, apparently, since a sub-department of the Public Works Department had a big day and this was the opening up of the Stanley 'B' Power Station which may not be exciting to some but it certainly is to the men in the Power Station not only in 1975 but also now. The people in the Power Station would like to celebrate that on the 19th May and it would be very nice if the Public Works Department invited past and present engineers who worked on the project to celebration I'm sure.

Now earlier on I mentioned trees. It seems a minor item to some, and I suppose it is, but to me the issue of trees in the Islands is something, as they are slow growing, it's as much to do with finishing off the projects such as East Stanley, but also it's to do with the quality of life and the amenity value that trees can bring. I believe it's the responsibility of the Falkland Islands Government to improve the quality of life wherever it is able.

A lady at the public meeting the other day also complained about public nuisances in her case it was builders close by. There is another public nuisance that is often complained about and that is taxis tooting their horns. Now this again seems a minor item but if you are constantly irritated by these people, who apparently once they join a taxi company lose the use of their legs so can't go and knock on people's doors, I would just like these people to understand that they are causing a fair bit of distress to some people. It is quite possible in the future with the way certain tourists have been treated this season it is very possible there will be some kind of registration brought into place, so perhaps taxi drivers and companies would like to have a think about that. Sir I have very little else to say so I support the Motion.

His Excellency The Governor

Thank you very much Councillor Birmingham. Would any other Honourable Member wish to avail themselves of the unrepeatabe opportunity to speak today? In that case the Motion is carried and this House stands adjourned and good luck to you in Select Committee.

Confirmed 29 APRIL 1998 *RM*

Governor

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
29 APRIL AND 1 MAY 1998**

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 29 APRIL AND 1 MAY 1998

PRESIDENT

His Excellency the Governor
(Mr Richard Peter Ralph CMG, CVO)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable William Robert Luxton
(Elected Member for Camp Constituency)

The Honourable John Richard Cockwell
(Elected Member for Camp Constituency)

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

The Honourable Michael Victor Summers
(Elected Member for Stanley Constituency)

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Honourable Mrs Janet Linda Cheek
(Elected Member for Stanley Constituency)

The Honourable Mrs Sharon Halford
(Elected Member for Stanley Constituency)

The Honourable Darwin Lewis Clifton
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr David Geoffrey Lang CBE, QC)

The Commander British Forces Falkland Islands
(Air Commodore Raymond Lawrence Dixon BSC)

CLERK: Claudette Anderson

PRAYERS: Monsignor Agreiter

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RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL HELD ON 29 APRIL AND 1 MAY 1998

His Excellency The Governor

Honourable Members of the Legislative Council of the Falkland Islands.

This is the third report I have had the honour of delivering to you, and to the people of the Islands as a whole, on the performance of the Falkland Islands Government and all its departments over the past 12 months. I think everybody would agree that we find ourselves living in a momentous and exciting period in the modern history of the Falkland Islands, one full of opportunity as well as challenge.

Although the fishery remains, by far, the major source of our current prosperity and progress, and agriculture still in a sense the backbone of the Falklands, I am sure you will all understand why I start with hydrocarbons, particularly since exploratory drilling for oil started only this week in the waters to the North of the Islands. This is truly a historic moment.

During the first half of 1997, our Department of Mineral Resources regulated four seismic, gravity and magnetic surveys by ship and aircraft.

The Department held regular meetings with each operator, together with our consultants, British Geological Survey, as we prepared for the commencement of drilling. A second joint operators meeting was also convened in January, in which oil company representatives briefed Government officers on issues involved in the exploration programme. The Government continues to attach high priority to ensuring that the people of the Falkland Islands, are kept fully informed of developments relating to oil, by means of public meetings and presentations, in both Stanley and the Camp.

Reflecting the concerns of the people of the Falkland Islands, the Government also attaches the highest importance to environmental protection, both in the North Falklands Basin and in the Special Co-operation Area to the South West of the Islands, on which negotiations are proceeding apace between the British and Argentine Governments, with a view to launching a licensing round as soon as practicable. Falklands Islands Government officials are of course fully involved in these negotiations on the British side.

Another manifestation of our concern for the environment, was the establishment of the Falkland Islands Exploration and Production Environmental Forum, under the distinguished chairmanship of Professor A D McIntyre of Aberdeen University, bringing together Government, the oil industry, and conservationists, to discuss environmental matters, and advise on a co-ordinated approach to environmental research and protection. Its recommendations for further baseline survey work, and wildlife monitoring programmes, will be referred to the newly established Environment Committee, a strategic planning group established to consider, discuss and make recommendations to Executive Council on a wide range of environmental

issues. This Committee will have an important role to play once the new environmental legislation has been enacted, and a new waste management system introduced.

In parallel with oil exploration, has been a geological mapping project now nearing completion. This will be highly relevant to quickening commercial interest in prospecting for valuable minerals in the Islands themselves.

Over the next year we can expect to see considerable activity in the Falkland Islands, as the exploration drilling programme unfolds. Local services will be pressed into use, and there is the opportunity for a transfer of skills and training opportunities with the oil industry working from the Islands. By this time next year we should have a clearer picture of whether there are indeed commercially exploitable hydrocarbons in our offshore waters. If so, the need for long-term planning of industry related activities, will be all the more important.

Turning to our major current revenue earner, fortunes in our fishery have fluctuated over the past year. Catches of loligo squid were the lowest on record, though the first season of 1998 has witnessed a welcome return to normal catch levels for this species. The 1998 illex season has also started well with relatively high catch rates similar to those in 1997. The problem in this fishery has been the collapse of the Korean Won, resulting in a number of Korean companies deciding not to take up licences. This will inevitably result in a reduction, or some reduction, in fishing licence revenue.

As ever, we take seriously our responsibilities for conservation of our fishery. We wish to maintain our reputation for running one of the best regulated fisheries in the world. Our existing assets to that end were augmented, by the arrival of an impressive new fisheries protection vessel, the "Dorada", at the end of 1997 on a long-term charter from Byron Marine.

The dangers and problems which can arise in the fishing industry, were highlighted by two incidents which took place this March. In the first, a number of crewmen jumped into Stanley harbour from a Korean jigger, subsequently reporting a pattern of mistreatment which rightly caused outrage in the Islands. The Korean captain of the vessel concerned was subsequently convicted of offences relating to this incident, and the Government have also asked the British Government to take up these incidents with the Korean authorities, as well as in appropriate international forum. I know that Councillors intend to do so too.

The second incident involved the grounding of the reefer ship "Reefer Fresh" in Port William, which happily was able to be refloated after a short time.

Other achievements for which the Fisheries Department can take credit include the production of a second annual statistical bulletin, the evaluation of a novel approach to assessing toothfish stocks using underwater cameras a thousand metres deep, the production of a national oil spill contingency plan, and the enhancement of FIPASS and adjacent areas for oil industry requirements. Our main stock assessment contract with Imperial College, was also renewed for a further five years.

May I take this opportunity to thank the Commander British Forces for the invaluable service provided to fishermen, and the fishing industry, by the Forces deployed in the South Atlantic, particularly the helicopter crews of 78 Squadron.

I wish I could report that world wool prices had risen, thus affording some relief for our hard-pressed farming community. However, the importance which the Government continues to attach to supporting agriculture, is evidenced by the dynamic activities of our Department of Agriculture, whose new research programmes begun in 1997 are now fully functional and beginning to show fruit. These include the establishment of a National Beef Herd at Brenton Loch, involving the successful removal of all the cattle from Keppel Island and else where, and the erection of a set of modern cattle yards, together with much sub-divisional fencing and plans for a pasture improvement programme. Three evaluation sites have also been established in the legume programme, some 180 species being screened. The sheep nutrition work has also concentrated on establishing the parameters that affect lamb survival and early growth, and these are only some of the programmes that they are involved in.

The Department are also pursuing some interesting and promising research programmes concerned with native pastures, and have made a good start on the shelter belt programme.

The veterinary service has been kept busy throughout the year, with an increasing amount of time being spent on regulation and certification, of fishery products exported to Europe. We await a report on this, by two veterinary inspectors from the European Commission. I am relieved to report, that a suspected case of anthrax in January proved to be a false alarm.

The reduction in revenue from fishing this year, combined with a steady increase in Government expenditure, both on capital programmes and operational commitments, has caused Government, by which I mean both Councillors and officers, to adopt a more prudent and rigorous approach to financial management and planning. This should be applauded by every member of the community, for the problem is simple - with no guarantee of oil, undisciplined expenditure now, would quickly deplete the reserves we have built up over the past ten years. That would be highly irresponsible. This is therefore a more than usually important Budget Session this year.

The setting up of the Islands Planning Committee, whose work is intended to be completely transparent to the public, should enable us to chart the economic and social future of our society with greater coherence and purpose.

Naturally, the Financial Secretary and his Department, have a crucial role to play in strengthening financial management and control systems. They are also bent on improving monitoring procedures for our investments, which are very substantial and our second largest source of income, and keeping taxation policy under review.

Major achievements of the Treasury over the past year, have included work on aspects of oil taxation, the revision of investment guidelines and the appointment of two investment managers, rather than one, in the hope of increasing our income, the

establishment of the Pensions Board, which we hope will become fully operational by 1 July 1998, and a new replacement computerised accounts package. Unglamorous work perhaps, but essential for effective financial discipline.

The Treasury, like all branches of Government, have been affected by the Hay Review of conditions of service in the public service, which has now largely laid the ground work for the creation of a modern civil service, better adapted to the demands of Government in the 21st Century. The introduction of performance management is the one major remaining challenge. Another important initiative affecting not just Government, but also the private sector, has been the setting up of a strategic Training Committee responsible for finding ways of enabling every resident of the Islands, to maximise his or her potential in whatever walk of life.

Our Development Corporation, the FIDC, also continue with their valuable work, despite the distractions of temporary offices. They are working with the Department of Agriculture on various programmes, including notably the new abattoir, in relation to which they are updating the original work, which was done on the market for meat from the Falkland Islands and the impact the abattoir will have on the agricultural community.

The FIDC have been instrumental in underpinning the Lan Chile air service between Mount Pleasant, Punta Arenas and beyond, which is clearly becoming important to Falkland Islanders and complements the Tristar.

The record number of cruise ship passengers, landing in the Falklands during the last summer season, besides bringing wealth to the Islands, has raised questions about the facilities which could, and should, be provided for tourists in Stanley. The Falkland Islands Tourist Board will be addressing this as part of its efforts to promote tourism here in the Islands.

Two of the things on which we here in the Falkland Islands, often and rightly pride ourselves on, are the excellent medical facilities available to our people, and the ever improving educational provision.

On medicine, the Medical Department, although working to full capacity, have also introduced a number of new services to the community, including the recruitment of a speech and language therapist, improved care for the disabled, (where we hope to provide more sheltered housing and an integrated approach to employment and recreation), and improved dental care and dental hygiene education. A review of the management structure of the Medical Department undertaken last year, has also resulted in the creation of a new post of General Manager Health Care, for which the successful candidate is expected before long.

As far as Education is concerned, 1997 was a time for consolidation and planning, while at the same time, offering new opportunities for development and progress. One significant innovation was the introduction of a new school year pattern, including half-term breaks into each term. A development plan for 1997 to the year 2000 has also been approved, providing a road map for the development of the

Education Department in general, and of the individual schools, Camp Education and the hostel in particular. We are well served by the staff in all three branches.

I would not wish to miss this opportunity to salute the Community School students, who won first prize for their entry in the Times Educational Supplement's "newspaper in a day" competition in March. We are proud of them.

I believe that the people of the Falkland Islands, have much to be proud of in their education system and can look forward eagerly, to a new hostel building and a new Infant/Junior School extension, to relieve the pressure there.

No one living in Stanley can be oblivious to the serious housing shortage in the town, exacerbated by higher expectations, changes in living standards, and the influx of people connected with oil. A Housing Needs Analysis, done by our Environmental Planning Officer, now in an advanced state of preparation, should enable us to plan better for the future. Meanwhile, the East Stanley development continues apace, only 6 of the 82 plots originally available, having now been unallocated. Ten houses were completed for Government, and another 10 are under construction. But all this will nothing like fully satisfy the housing demand.

Given the unprecedented amount of construction going on around the Islands, the Public Works Department remains at full stretch, with a significant capital works programme and a heavy works commitment. The shortage of people arising from full employment, has unavoidably affected the programme for new works and maintenance, but the 60 person accommodation camp, now under construction in Stanley, will be completed soon and should alleviate the problem.

The Department has also been restructured, to enable it to deliver the requirements placed on it better.

A major project undertaken this year, was the redevelopment of the quarry at Pony's Pass, and road construction continues at a rapid rate, with successful completion of the road to Greenfield from John's Brook, across particularly difficult terrain. Work is also now in progress on the road to Bombilla from Queen's Brook. On West Falkland, Gordon Forbes have completed the road from Hill Cove to Roy Cove, and made a start on the section towards Main Point. In Stanley, surfacing of the roads in the East Stanley development has started, and a maintenance crew is also starting to tackle the deteriorating roads in the town. The extensive failure of the MPA road surfacing, combined with a general lack of resources, has limited the amount of remedial work which can be carried out overall.

Most of us here probably take electrical power and water for granted, but let me pay tribute here to the people who provide these vital services to us all.

Although PWD's objectives have not been met in full, the hope is that the new management structure, and extra staff recruited, should start to make a difference in the next financial year.

The increasing complexity and sophistication of Government and society in the Falkland Islands, has inevitably resulted in an increasing need for legislation. That in turn, has necessitated a strengthening of the Attorney General's chambers, which now has a full establishment for the first time in several years. The Attorney General himself has been concentrating heavily on oil related matters, and with the Director of Oil, has been our delegate at meetings of the South West Atlantic Hydrocarbons Commission and some of its sub-committees. The development of oil exploration has also required swathes of offshore Health and Safety law.

The Department have also prepared numerous other necessary pieces of legislation, covering such things as drug trafficking, standards of hygiene for fishery products, education, mining and perhaps most significantly, constitutional changes.

On the judicial side, I would like to welcome Mr Keith Watson as our Senior Magistrate, in succession to Mr David Jeremiah, as well as the recently announced appointment of Mr James Wood as Chief Justice for the Falkland Islands, in place of the late Sir Renn Davis. Mr Wood will be well known to many people in the Falkland Islands from his time as Senior Magistrate in 1992-94.

May I take this opportunity also, to pay tribute to all those officials, including the Registrar General, who were involved in the arrangements for the General Election in October 1997, which for the first time incidentally, as a result of the constitutional review, saw the election of five members for Stanley and three for Camp, instead of four for each constituency.

I also commend the Government Printer, for the work he does in assuring printing services for both the Government and the wider community, and the Computer Section for the work they do in propelling us into the new world of information technology.

For the Royal Falkland Islands Police, the clear up rate for general crime, which stands at nearly 65%, represents the best result for several years, and I congratulate them for it. Policing may not always be popular, but it is essential in any self-respecting and well-ordered society and I believe that our police force serve us well and carry out their duties well.

I am glad also to note good progress, over rehabilitation programmes for convicted prisoners in our prison, though the sooner we can replace our antiquated prison building, the better.

The Customs and Immigration Department also had their share of successes, including the prosecution of offenders for unlawful importation of a controlled substance, and illegal bunkering of ships in Berkeley Sound. The Department has been stretched further as a result of an explosion in the number of visits by cruise ships (just short of 20,000 passengers during this past summer season alone), and greatly increased passenger traffic through Mount Pleasant Airport. The exploration phase of oil will no doubt impose additional challenges.

Nobody in this House will need reminding, of the vital importance of an efficient Fire and Rescue Service, and, as I have said previously here, we have grounds to be grateful to the retained fire fighters for their commitment and dedication. Although they have acquired a splendid new fire appliance, I am glad to report that they have had to deal with no major fires during the past year. Long may that situation continue.

I would like to record here, my pleasure at the remarkable regeneration of the Falkland Islands Defence Force under its energetic new Commander. It is particularly pleasing that the response to a recruiting drive has been so positive, particularly by younger Falkland Islanders, ready to serve their country. I have no doubt that Commander British Forces, welcomes the contribution the FIDF makes to the defence of the Islands.

As far as our Air Service is concerned, the overall number of passengers carried by FIGAS decreased slightly over the past year, while the amount of cargo carried increased slightly. The airline carried more overseas tourists, though rather fewer members of the military community. FIGAS continued to suffer a shortage of experienced pilots, but managed to provide a good service nonetheless. It remains to be seen whether a scheduled service will prove feasible or affordable.

The Civil Aviation Department, working hand in glove with the UK CAA, continue to ensure that aviation in the Falklands continues and complies with fully adequate safety standards. They are also involved in improvements to Camp airstrips, including the bringing into service of the new airstrip at Sea Lion Island, very ably built by the Royal Engineers Field Squadron. I thank CBF for this assistance.

The work of the Post Office continues to grow, despite the attractions of the telephone, fax and e-mail, and all categories of mail increased, the one exception being surface parcel mail. We were grateful to the RAF for stepping into the breach with an air parcel service during the hiatus in the air service with Chile. Unfortunately a direct ordinary air mail service between the Falklands and Chile is proving difficult to establish.

The Philatelic Bureau, had another slightly disappointing year, increased tourism unfortunately not being matched by increased sales. This seems to be something to do with a structural change in the pattern of stamp collecting world wide.

Turning to our Radio Service, the introduction of BFBS 2 on medium wave has added yet another dimension, to the quality of broadcast programmes available throughout the Islands. I am glad to say that FIBS and BFBS staff continue to work in close harmony. The introduction of a mid-day news broadcast on FIBS, was a popular innovation, as has been the newly produced "profile" series. FIBS are due to be reviewed by a consultant from the Commonwealth Broadcasting Association shortly, but the editorial independence which the station enjoys will be maintained. The advent of real time BFBS TV has undoubtedly also been hugely popular throughout the Islands, and we are grateful for it.

The Falkland Islands Museum and National Trust have also had a busy and satisfactory year, with over 12,000 visitors to the Museum at Stanley and improvements taking place to the smaller museums at Fox Bay and San Carlos. The refurbishment of Camp cemeteries also continues apace and phase I of an archaeological survey of the former Mission Station at Keppel Island was also completed with assistance from the Forces, for which we are grateful.

I am glad to note that a new archives building is now almost complete in Stanley, which will finally provide a suitable and safe repository for our precious historical legacy.

A far flung but important department of the Government - the Falkland Islands Government Office in London - had their 15th anniversary in January. Their political programme expanded, in view of the British General Election, and they were also behind the very successful visit by six MPs to the Islands in November. Their public relations activities have also increased, following the appointment of our new public relations agents, Keene. There have been good photographic exhibitions, and a Falklands presence will be assured at major agricultural shows. Our representative in the UK is also heavily involved with all the various Falkland Islands groups which exist in the UK, and indeed plays a leading role in the Dependent Territories Association. Another important innovation, in which FIGO are involved, has been the launching of a Falkland Islands Government web page on the Internet.

This seems the right point to refer to the work which has been going on into a review of immigration policy and procedures, on which a paper was approved by Executive Council in January. This distils the best of practise in many other Commonwealth Countries. Amendments to the Immigration Ordinance and Regulations will be necessary.

I referred earlier to the General Election last October. Besides representing an impeccable exercise of democracy this also, I think it fair to say, resulted in the arrival of a group of Councillors, who evidently wish to be much more closely involved in the direction of affairs in the Falkland Islands, symptoms of this being the appointment of Councillors to the chairmanship of all major committees of Government, and the innovation under which Councillors take questions in this House on subjects for which they are responsible. I venture to say, that this is an entirely welcome and natural development (provided that it is accompanied by a clear demarcation between political and managerial roles), and one entirely consistent with the British Government's new approach to relations between London and the Overseas Territories. I know that Honourable Members of this Chamber have already welcomed the emphasis on partnership in that policy.

The establishment, by Councillors, of a Select Committee on Ethical Behaviour and Standards in Public Life, also deserves to be seen as exemplary.

In concluding this review, of a year which I think everybody will agree has been filled with activity and progress, I feel sure that Honourable Members would not wish me to miss this opportunity to express the gratitude of the Government and people of the Falkland Islands, first to the Commander and all the members of HM Forces in the

Falkland Islands for providing us with such a reassuring sense of security, and second to the British Government, and particularly the Prime Minister, Mr Blair, for their robust reaffirmation of the long-standing British commitment to the right of the people of the Falkland Islands to choose their own allegiance.

Honourable Members, I thank you, and I wish you well in your work in the budget session.

Motion of Thanks to His Excellency The Governor on His Address

His Excellency The Governor

Honourable Members of Council. I am in your hands, who would wish to speak first?

The Honourable MV Summers OBE

Your Excellency. I will assist my colleagues on the Executive Council by starting from the back. Mr President. I echo the sentiments of Your Excellency, in applauding all those in the Government who have worked hard and delivered good service during the course of this last year. I have one or two points that I would like to make fairly briefly. The first is, that whilst you started with hydrocarbons I must ask everybody to keep this whole business of oil in perspective. We do not know whether there is anything there, there may be nothing there. We may have spent money for something which will produce us no return, and if we do that is very sad. In the meantime we must concentrate on what we have and we must also ensure that if there is anything from the hydrocarbons development sector, we must absolutely ensure that we do not destroy our sociological balance and our existing industries. There are examples of how these industries have been able to co-exist in other territories, particularly in the Northern Scotland Isles, and we must take every advantage of their experience. We must also, in this process whilst it is ongoing, ensure that all Government Departments still get all the senior management time that they deserve and require to run their business, and not let ourselves be distracted by the great hydrocarbons hype.

On the Fisheries side, reduced licence fees in this year, this is fact not projection, will affect us all because it is the licence income to the Falklands that provides us with the ability to provide services to the community. It is essential therefore, that we bear this in mind for setting our budgets this year, and also bear it in mind when we encourage the private sector involvement in the Fishery, to enhance total income to the Falklands and perhaps we should be concentrating more and more on increasing the take from private sector activity.

I, like you and everybody else, hugely welcome the enthusiasm that is currently buzzing around the Agriculture sector, and I dearly hope they are successful, because we need a successful agriculture industry in this country.

I would just like to touch on perhaps some impending changes in the philosophy of Government in the Falklands. We have now embraced performance management and

with that devolved responsibility to Heads of Department and Sub-Heads of Department, and to make this successful we need a ground change, I think, in attitude to ensure that every public servant delivers to his community, not to us, not to the Government, or the Governor or the Chief Executive, but to his community value for money and that is what we must be seeking from the civil service in this coming and future years.

Finally, Sir, I would like to salute the achievements of the private sector who run in parallel to the Government in construction, and in services and in manufacturing they have continued to deliver an additional growth in the Falklands economy which is very welcome. Sir, I support the Motion.

The Honourable JR Cockwell

Your Excellency, Honourable Members. While rising to support the Motion there are one or two points which I feel we should possibly emphasise. You touched on fishing. I think one of the things which has been an eye opener, to me in particular, is how closely we are tied in with the economy in South East Asia. The problems in the South East Asia economy earlier this season, have caused us severe problems and hopefully we are actually coming around to finding ways of overcoming this problem, but we do have to be very careful that we do not tie ourselves into one particular economy in one part of the world. The private sector in the fishing industry, in particular in the loligo, I think has to be complimented in the way they are proceeding. The loligo fishing is turning into what I believe is going to be a very sound source of revenue for our colony for a long time, and I compliment the Fisheries Department on their handling of it. There is a document out at the moment, of the fisheries policy which has been passed out to all interested fishing companies, and hopefully we will be coming up with some firmer guidelines on the future, the way we see the future, of the whole fishing industry coming ahead. While talking about fishing, I think I have to mention the horrifying evidence of mistreatment of crew members on certain fishing vessels. This cannot be allowed to continue. We have to make very strong representations, not only within this country, but in the world, to bring to the world's attention what is going on, on some of these fishing vessels. We are taking money from these people and I personally find it totally abhorrent. We have to do something about it and I compliment the Legal Department in the way that they managed, to at least achieve a certain amount of prosecution, even though the international regulations are really making it extremely difficult to do anything about it.

Regarding Agriculture I also welcome the enthusiasm and dynamism of the Agriculture Department. I think Agriculture is the one thing that we as a nation, can do something about internally and we have to do it. It is essential that we have a thriving Agriculture community, because this is the one resource that we have which we can actually look after and if we lose it, it is our own fault and nobody else's, we have to invest in it.

Because I have the Transport Committee as my responsibility, I think I should touch on roads, and the demands that we have to build roads within the Camp. I think that we must make it very clear to everybody, that we will be doing our best to build these roads as fast as possible. I really must compliment the North Camp road gang and the

road gangs that are building these roads, in particular the Flying Squad at Fox Bay who, under very difficult circumstances, are actually doing a very good job just now.

Before I finish I would just like to make a point of welcoming the Commander of British Forces. I think this is his first Legislative Council Meeting and I think we should welcome him. I think the contribution of the Military at Mount Pleasant to our defence, and also the contribution and the assistance in the Fishing Industry is incalculable and we really do have to thank them very much. Sir, I beg to support the Motion.

The Honourable DL Clifton

Mr President. I thought we might be able to upset the normal routine here this morning having a slight change of speaking order. I would wish to be associated with your State of the Nation Address Sir. It is an impressive record and especially when mirrored, compared with your Address this time last year. We are, as you say, at a very exciting point in our history. Drilling has commenced off-shore but I think we should be all very much aware, that the various prognosis that has been made may not bring us what we would all wish for, and I think we need to have that very much at the back of our minds when we go into Select Committee later on this week, to consider all of those capital and operating expenditure items.

You have Sir, flagged the negotiations which are proceeding apace between the British and Argentine Governments, I welcome that, although I would urge some caution in respect of the need to understand fully the large marine eco-system which sits on the Patagonian shelf, and that we take into the fullest account, any environmental concerns that might lead to possible degradation of that marine eco-system.

Councillor Summers has highlighted the need to be prudent, in terms of financial resources. You have highlighted that and I would simply endorse those sentiments that have been expressed thus far.

I am very impressed by the work that has continued within the Agriculture Department. I believe that Agriculture at the moment lives in very interesting and exciting times. Much good work has been done in the preceding year and much reward, it would seem, is there to be gained. I look forward to Honourable Members giving support to those items in the Capital Programme that will provide for this revolutionary stuff to bring forward some national reward.

I would wish to be associated with Councillor Cockwell's remarks, and indeed yours Mr President, towards the Commander and also Members of HM Forces. It seems to me, that we rely on two life lines in effect. One is the regular 216 flight in from Brize Norton, of course that is now supplemented by a commercial airline operating through Chile, but it does serve as our principal travel backbone and also when folk are here, particularly when they are operating off-shore, we do rely on the very good services of 78 Squadron and I would wish to warmly thank those service personnel who provide those links. Sir, I support the Motion.

The Honourable Mrs S Halford

Mr President, Honourable Members. In rising to support the Motion of Thanks, I too would like to thank you for the comments in your Address. Can I just highlight a couple of areas where I have portfolio responsibility.

You highlighted that the Public Works Department were working at full stretch. I was pleased they got that recognition. What probably a lot of people don't realise, is that they are actually working in extremely cramped conditions in many areas of the PWD. I think it would perhaps do Councillors good, to go and visit these places or have a look around the PWD Section at some stage, because I remember some time ago in this House, a lot of us commented on the rabbit warren situation that existed in the Infant Junior School, and I have to say that PWD is not unlike that at present. The Highway Section has also been complimented by other Members here. I would particularly like to pay compliment to the North Camp Gang who do work as a good team. They have good team spirit and as they are all proud in their work, when you see what they have achieved, they leave everything very neat and tidy behind them and they should be congratulated on this. However saying that, I would also like to congratulate all the other people who work in the private sector as well, in doing the roads because they too, do a good job. The Highway Section does not just comprise of the North Camp Gang. We also have the asphalt team in Stanley and the people working on the roads in here, and as everybody who drives around Stanley a lot will know, our roads are in need of repair and they are now working away at that, and they too should be congratulated.

You also mentioned Sir, the power and water we take for granted. I think we do, and probably a lot of us do not realise that, quite often these places are under staffed, especially the water section. We always expect to turn the tap on and have water. What we don't realise is that in actual fact, the water section is very understaffed and most of the people there have to work overtime to supply that service, for us to be able to get that water.

Obviously PWD has a lot of other sections which I haven't mentioned but I do believe in all areas, at the moment they are doing very well.

You also mentioned the FIDF and I would like to pay recognition to the commitment by all those who are now in the FIDF. They are dedicated and they are certainly putting in quite some time.

I think the important thing Sir, which you also pointed out, is our prudent and rigorous approach to finances. I think it is important for that to be highlighted at the moment because too many people have seen on the horizon last week an oil rig and because of that, they think we have lots of money, but as has been seen here today, the reduction in our fishing licence revenue is real. Oil, desirable as it may be, there is no guarantee that we have it, and we have to be realistic and live within our means, and by that I don't think we should spend what we don't have, and therefore I do think we need to take that prudent and rigorous approach when we are looking at the budget this week.

Sir, I too would like to welcome the new Commander and his wife back to the Falklands, and also I reiterate the comments made by my fellow Councillors about the Military. Sir, I support the Motion.

The Honourable WR Luxton

Mr President, Honourable Members. I would like to start by also welcoming Air Commodore Dixon to this Table and his return to the Falklands.

I am not going to talk about the proposed budget in detail, but I do have to say that I don't entirely share the pessimism, or what I think might be an over cautious approach by many of my colleagues and the Treasury. I am particularly saddened at the failure to push on as fast as we should and could, with our road programme. Having wasted a complete season with the farce over the Lafonia tender, we are now planning a very low key approach both there, and on the Port Stephens road. I think it is very sad too that members of the Transport Advisory Committee felt so strongly on the lack of progress on roads and jetties, that two of them have resigned in frustration. Having said that, in Camp the re-invigorated Agriculture Department is very good news for the industry and I think we all hope that they manage to improve the profitability and life in Camp. There cannot be many countries in the world with as much cash per head of population in reserves as we have, and while I except that we may have to be careful in future, I don't believe that we should overdo it just yet. With the activity which has already begun in the ocean to the North of us, we may know by the next budget session if we have huge reserves to exploit or we may still be in doubt, we shall see. But what I do think, is that we have time and sufficient funds in-hand, to make a decision then and not rush into cutting everything immediately. If there is no oil then yes, we are going to have a problem and there will have to be reductions in both capital and recurrent expenditure, but we have sufficient in our reserves to do this in a measured way and that is money we do have, we are not spending money that we don't have, as one of my colleagues implied, and not delaying now those items of capital expenditure which are essential to the quality of life in the Camp community.

At this stage I think I only have one other matter to talk about which hasn't been mentioned by anyone yet, and that is the ongoing relationship, or perhaps lack of it with our neighbours. Until, and unless the Argentineans give up their ridiculous claim to our Islands, I will not agree to the lifting of our ban on them having the right to enter the Falklands on Argentine passports. It should be seen as a sanction that we impose on them. It is about the only one that we can impose and it's effective. You can tell that by the way they squeal about it, they really do not like it at all. I will continue to support the controlled visits by next of kin to the cemetery in Darwin, and neither would I rule out the possibility of admitting an individual if it suited us and we thought it was in our interest. However, it should be made quite clear to the Argentines, that the concept of their flag flying anywhere in our Islands is deeply offensive to the huge majority of Falkland Islanders.

Mr President we are going into Select Committee to finish the other half of the budget, the Capital has been settled, but we still have the Operating Budget to look at and no doubt we will be back here in a couple of days time. Sir, I support the Motion.

The Honourable Mrs JL Cheek

In rising to support the Motion of Thanks I would like to begin where you ended, in speaking of the pleasure we had in hearing the Prime Minister's re-affirmation of Britain's commitment to our Islands.

I would like to go on, to welcome the new Commander of British Forces. It is good to see him back and his wife of course, and to thank the Forces for the work that they do. I have had the experience, perhaps unique among Members of this Council, of being involved in a link in a couple of helicopter rescues between the ship and the rescue services. I don't think people can underestimate for a moment the huge risks that are taken by the helicopter crews when they go in, sometimes appalling conditions to a ship, to find a ship first, that they have never seen before, to get someone down onboard that ship, to bring off the casualty and on behalf of all the Fishing Companies, I think I can say a heartfelt thank you for the lives that are saved. Make no mistake, these are life and death cases and some of those people would not have survived without that speedy help.

Moving on to oil. I am bound to express the same caution that some of my fellow members have expressed. We are well aware that even if there is oil there, it may not be there in commercially exploitable quantities, if it is exploitable it may be many, many years before we see income. Which leads us to the income from fishing. The recent incidents of poaching must raise conservation concerns. We do not have the same control that we should, over those fish stocks, if poaching is going on and there is no way of assessing how much is actually been caught. You can't overstate the uncertainty of stocks. There is so much we don't know about them. Those uncertainties have been proved this year to extend into the economies of the countries who help us fish for those stocks and it would be, as you said, irresponsible not to exercise great restraint in our budget. I am not suggesting for a moment, that we make cuts in staff or go into the situation where people are being retired early, where services are being severely cut back, I am just suggesting, that we retain careful control over expenditure, which many of us have been alarmed to see rising over recent years. This time last year, I was an interested observer and deeply concerned by what appeared to be spending at a level which we might not be able to sustain. I am happy to say that I am working now, with a group of people who seem to recognise that that could be a problem. Yes, we have money in the bank, but, that money in the bank might last us through three or four bad years, rainy days. It would be nice to keep some of that money in the bank to see what happens in the months ahead.

I join my fellow Councillors in congratulating the Agriculture Department, on the enthusiasm which they are approaching many initiative projects, which we hope to see bear fruit, not this year perhaps maybe not even next year, but in the years ahead.

Turning to my own particular interests. It is good to see how education is progressing. Results are important and we have high quality staff working with well motivated pupils to achieve those results, but education is much, much more than results. We want our children to grow up with a sense of the community in which they live, a sense of its history and a pride in their unique home-land, and in the

generations before them who went through all kinds of hardship to bring us to the state we are in today.

I am looking forward to Chairing the new Training Committee. I've seen the draft report on the Training Needs Analysis, which will be one of the tools which we will use in developing the whole training philosophy in the Islands. It is something that I very much look forward to doing. It's something which has been much needed, because while we have done a lot of training in recent years, much of it has been on an ad hoc basis and it has not been part of a well developed plan.

I meet, in various ways, people in various departments who are called out at all hours of day and night. You may well say it's the job of the Customs to turn out whenever there is a ship to clear, the job of the Police to turn out whenever they are needed, the job of the Medical Department to deal with any emergency, but it is more than just their job and I take some pleasure in seeing the spirit of good humour, in which they turn out at those odd anti-social hours and deal with all manner of strange situations.

Something else I have watched with great pleasure in recent months, is the work on Stanley roads. It may seem a selfish interest, but it is nice to see the professionalism and the enthusiasm with which a small gang are approaching a particular task.

Finally as later today we go into Select Committee, I have to say that I felt that when I stood for election, that I stood on a platform of caution in all things fiscal, and I am going to pursue that throughout. Sir, I support the Motion.

The Honourable Mrs N Edwards

Yes Sir, in rising to support the Motion of Thanks I have to, of course reiterate what has been said about oil. I think I have been involved on the outskirts of this whole enterprise from the very beginning and it is pleasing now, to actually know that the oil rig is down here and perhaps there might not be anything there, or maybe there will be. Who knows, but it is an exciting period to live through. What will come out of it is, I am sure, that we will know far more about our environment than we ever did before, and from a conservation point of view, there will be benefits from that even if there is no oil there.

I agree with what my colleagues have said about the fisheries, but I rather tend to agree with Councillor Luxton regarding the economy as a whole. We are not broke, we haven't got a national debt, there are things that need to be done and I would rather see them pursued now, than wait for inflation to take its toil as well and probably end up spending more on these projects at the end of the day. I don't mean that we shouldn't be prudent, I think we should be, but I don't think that we should be overly cautious just yet. Perhaps next year I will have a completely different view.

As I have said before in this House, it is a delight to see the enthusiasm which now injects the Agriculture Department and the progress they are making. But I have to say to you, and nobody will like to hear this, that the wool prices this year are lower than before. We were given 21 pence top up per kilo on wool last year and magically this year there is a 21 pence, roughly, drop in the wool prices so that is written off

anyway. So, although some of you won't like it, I think, you will be hearing from the farming community in the future months and saying well what are we going to do, because at the moment the only money in Agriculture is sitting on top of the hill. I say that, tongue in cheek, but that is where the only money to be made in Agriculture is to be found. I wish them well with all their enterprises and all the innovations that are going to be put in place and nobody more than I, wishes it success on behalf of the farming community, but it is still a very difficult time for the farmers and we should be well aware of that.

One of my responsibilities is health and I am delighted, and I am sure you all know when you visit the Dentist to see the change in that Department. We are shortly to receive the new gentleman that is going to head the management side of the health service and hopefully we will get a more streamlined and better service at the end of the day. Having said that, I am not saying that we haven't got a good service now, I think we have, and I think our medical staff are to be greatly congratulated for all the work that they do. The people of the Islands I think, should be well pleased with the health service they receive. I think it is far better than what they would probably get in the United Kingdom.

I have to mention FIGAS because I suppose, I am one of the biggest users of FIGAS and I will continue to say that they give us excellent service. I am not too pleased with the idea of scheduled flights because I think the end result will mean that the average person in the Camp will end up paying more for the times when they can't take advantage of a scheduled flight, so I will watch what happens there with interest, but I can't say I am overly enthusiastic about scheduling.

I would like to mention Sir, the Museum. That is the best PR that we get, the best value for money for PR that we get in these Islands and it is very often overlooked. You mentioned that 12000 people went through the Museum last year; a lot of the work that goes on in the Museum is done by voluntary people at weekends, who are not recognised for what they do and I think they are to be highly congratulated on the way they manage the Museum, for all the information they give to visitors and for the excellent PR job that they do on our behalf.

I have to mention Argentina. I am absolutely in agreement with Councillor Luxton. I would find it abhorrent to have Argentine flags flown in the Falkland Islands and I would join him, and his gang if it ever does happen, to remove them. I understand that some people feel that it wouldn't be a bad thing to have an Argentine flag flying over the Argentine Cemetery. If that was purely to honour their dead I could perhaps swallow it but it isn't, it is purely for political reasons. Menem has said time and time again that by the year 2000, the Argentine flag will be flying over the Malvinas and that is his main aim. So flying it over a cemetery or anywhere else I'm afraid, is not on as far as I am concerned. I would of course reiterate what I say all the time. Please Argentina recognise our right to self determination and we can then look at the whole new situation, but until you do that I am afraid you will not be welcome in our Islands, any of you selected members or not of Argentina? There is a feeling too, abroad, by one gentleman that we need a referendum on whether Argentineans should be allowed to land in the Islands. I don't think we do. I think people are quite content with the status quo at the moment, but he asked me if I would mention it, so I mention

it in this particular place because we are talking about Argentines, I don't agree with him incidentally. I would just like to reiterate what one of my former colleagues said that we are delighted of course to hear from the British Government and the new Prime Minister, that they uphold our rights and will continue to do so. That's very comforting and it's nice to now that views don't change, in that respect with a new Government. Also in that respect, it was delightful to hear the Minister reiterate what his Prime Minister had said when he visited us recently. It was a very welcome visit for us all and I think for him too, early in his ministry at the Foreign Office and of course we would welcome seeing him again, and the Foreign Secretary, if he can ever find the time to visit us. In concluding Sir, may I just also welcome the new Commander British Forces and your wife. It's very nice to see you back again and I am sure, I hope, that you will both enjoy your year with us in the Falklands. Sir I support the Motion.

The Honourable J Birmingham

Mr President, Honourable Members. Last but hopefully not least today. I shall keep it brief as everybody else has and just pick out a few points if I may, that you read out in your speech. I would also like to welcome the Commander British Forces and his wife back to the Islands.

Sir, you pretty well thanked everybody employed by the Falkland Islands Government and I too would like to thank all employees of the Falkland Islands Government, especially those who have completed their task well over the last year, and perhaps there should be a warning to those who haven't been completing their tasks in that Performance Management, apparently, is on its way and I'm sure we will be watching this with a lot of interest.

Sir, I would like to associate myself with many comments made this morning, certainly on oil and I agree with my colleagues not to get carried away, just because we have seen a rig on the horizon. An item that has been spoken about a fair bit was also the poaching on the high seas. I wonder if there is nothing that we can do in a more pro-active way. Perhaps we should bring down a few people from Iceland to show us how they were dealing with it when they had problems with poaching in the past. I feel Sir, that we are not really taking enough affirmative action and perhaps Her Majesty's Government could give us a little bit more advice on this.

Sir, you spoke about housing in your speech. There has been a lot of criticism about housing over the recent period of time, and as Chairman of the Housing Committee I feel saddened every time we have a meeting, that there are people who just are not going to get anywhere, because we don't have the stock. I believe that by the end of this Council, with the backing of all Councillors, we shall have made a big inroad into this continuing problem. I hope that I never have to listen to a lady who was on the telephone, who was at the end of her tether and eventually comes down to accusing me of wanting her to get pregnant so that she could get a house. Now, I know this seems to be the way that some people feel (not by myself I may add), that they are so desperate they see young girls, and maybe not so young girls, who are housed way above what they consider themselves, to be in the queue and you can understand how they feel about it, but as I say at the end of the four year term of this Council, we should have done something. If we don't we deserve to be hanged. I'll regret saying that.

I would like to disassociate myself with the Councillors who are saying that we have a lot of cash in the bank and we should be spending it. My understanding is that the second major source of income to the Islands, is from the investments that we have and if we start eating into the investments, then we are going to be in spiral that we certainly would not wish to be in.

You thanked practically everybody in the Islands Sir, but there is one section of the community that you haven't thanked and that's the people who do voluntary work. There are a substantial number of people in the Islands who give their time for nothing and I would like to thank them for that and hope that they continue.

Sir, on Saturday there will be plenty of time for us all to have our say.

I would like to support the Motion.

The Honourable the Financial Secretary

Your Excellency, Honourable Members. As would be expected, I welcome the comments on financial prudence and the cautious approach with regard to the expectations of oil. I admit that there is still a need for improvement to be made in our long term financial planning, but what we do know is that as we haven't always had a cake of money, you cannot have that cake and eat it. I have enough to say on the finances in a moment Sir, so will not repeat myself now. I would also like to welcome Air Commodore Dixon to this Council and his wife to the Islands. I support the Motion Sir.

The Honourable the Chief Executive

Mr President, Honourable Members. The last two Elected Members to speak, I note with some interest, were the biggest user of FIGAS and presumably the smallest user of FIGAS as well. I too would add my welcome to Air Commodore Dixon and his wife Kay. It's wonderful to have somebody back that we know from not too long ago and who we know is going to do a wonderful job as CBFFI. I know that his predecessor was chosen entirely because of his cricketing skills and I know something of Ray's skill, I'm not too sure if they are in that area, but there are many areas where I know we are going to have a very successful year in our liaison with the Military. I would join with everybody in thanking Your Excellency for the comprehensive, yet concise to a fault, résumé that you gave us, of the many activities of the civil service. It reminded me, I know the challenge that you faced in actually compiling such a large array of facts, like one of those challenges you face when some incomplete short tennis player puts up a backhand lob and you rush to the net and with a forehand smash whack it past that unfortunate person into the far corner, about a foot inside the line. Your speech was just such an achievement and I would congratulate you on that.

You quite rightly stressed the contribution made by certain people to this year, of which you described the year as one of activity and progress, and I am gratified that Honourable Councillors have reflected those comments, because the civil service is people, nearly 600 people and it's people I would stress, who already give value for

money. It is people who will improve the value for money they are giving over the coming years. Performance Management is just a catch phrase. What we are actually into is Management, as it has always been and always will be, which is the improvement in efficiency which means we actually will be getting more for what we put in, and as the leader of the Management side of those people, I would wish to emphasise that tribute to all our civil servants that has been given this morning. Thank you are very powerful words, and being appreciated for effort and commitment is a motivating force. It is wholly appropriate that we use it occasionally and this is a forum where I think it is worthy of use. I am proud of the professionalism and dedication of the vast majority of civil servants over the whole range of activity that has been outlined this morning. Seldom, if ever, can so few have provided so much to a civilisation so small and I hope that the Honourable Members will share my gratitude. Mr President I support the Motion.

The Commander British Forces

Mr President, Honourable Members. Thank you very much for this opportunity and thank you very much Honourable Members, for your kind words both to me and Kay personally and to me as Commander British Forces Falkland Islands. But of course it's not a one way street here. I in turn, thank the Falkland Islands Government for their continuing commitment and assistance to the improvement of life for us at the Mount Pleasant Complex. That's done in many ways, but not the least of which has been the acquisition of live SSVC television for which we are very grateful indeed. At an individual level, I must thank those who provide British Forces with unique training areas in the Falkland Islands to allow us to train to such an extent that we can achieve nowhere else in the world. At a very personal level, on behalf of all my Forces I thank you, the Falkland Island people, for another unique feature and that is the uniqueness of your warm welcome to British Forces as we serve down here. It certainly is a two way street as you can see, and on behalf of British Forces I express my gratitude to all of you. Thank you very much indeed Sir.

His Excellency The Governor

I have noted with care the points that were made and I would like also to support and to associate myself with the remarks about the civil service which I think does serve the people of the Falkland Islands well. I know that they are undergoing a period of change in attitude, culture and managerial style provoked by the Hay exercise, I know that that is unsettling, that sort of thing always is, but I do think that people are coping with it admirably and maintaining their sang froid. I think we will, at the end of this rather torturous process, emerge in better shape as I said earlier, for coping with the demands of modern and increasingly complicated Government.

It's wholly invidious to single out any one Government Department, either for praise or the reverse, but I think the sense I draw from the remarks made by Honourable Members at this session, is that if there were a Government Department of the year award, that accolade would probably go to the Agriculture Department under its extremely able, even charismatic, leader. I didn't want to say that in my remarks earlier on, because as I say, it is invidious to do this and I don't want anybody in other Government Departments to infer that I don't think they are doing a splendid job too,

because they all are. But this year, at any rate, if there were such an award, I for one would be the proposer that the Agriculture Department should get the accolade.

The speech I have made this morning, deliberately does not focus on foreign affairs, International Relations and I therefore deliberately did not say anything about Argentina, leaving that for Elected Members to speak their minds, as they have done so with characteristic forthrightness and I am sure those remarks will be picked up and noted over the water. What I would like to say though, is since the subject has been raised, I would like to echo the Minister of State's recent remarks publicly and privately to Councillors, that the next of kin visits have been handled extremely well by the people and the Government of the Falkland Islands. I think the humane way in which the families of the Argentine dead have been received here, and treated, reflects extremely well on everybody in the Falkland Islands, and I think is appreciated by the people concerned, the members of the families judging by the very warm, great expressions of gratitude that they make on their departure from these shores. I am glad that Councillors agreed, that there can be further such visits on that pattern in future seasons; and they will be on that pattern.

Lastly, as all Councillors, or most Councillors have made clear, this is an unusually important budget session. As Councillors have also rightly said, we must not get too worked up about the prospect of oil, the probability, statistically, is that there isn't oil and we must not therefore spend money that we have not got. That doesn't mean to say that we shouldn't continue with the capital programmes for which there is an enormous demand, an entirely understandable demand in the Falkland Islands, but it does mean that I would very strongly endorse personally, the sense of fiscal discipline and restraint, which seems to permeate the work of this Council, and the attitude of this Council to Government spending. I hope that is understood and supported by all members of the community, and I hope that they will commend Government for showing such responsibility and discipline, it is important. We can't have everything we want immediately. There is no instant ratification here but we are steadily and quite swiftly, putting in place the sort of things people here want. Education, medical assistance, roads, housing and so on, and that will continue as fast as we can afford to do it and as fast as we have the labour to do these things. It is a great privilege for me to be Governor of the Falkland Islands at a time like this.

I would just like to end my remarks by saying that, not only is it a privilege, but it is a genuine pleasure, I've always enjoyed and I continue to enjoy, the role I have, the work and the very friendly, mostly cheerful co-operation and the support of Councillors. Government isn't always easy. It might look easy from outside but it isn't always. People have to make tough decision sometimes. Those are not always popular decisions, but when I have had to make them, I have been extremely grateful for the support of both the Elected Members of this Chamber and for the support of the official members of it too, as well as other friends, and so on in the Falkland Islands. So, I thank you all for that. As I said, I wish you well in your labours over the next few days, in this second bite of the budget cherry, and I look forward to our session on Saturday when it all winds up and we announce the results to a breathless public. In the meantime, I deem the Motion to have been carried since there was no dissent, and I declare a short adjournment for half an hour, while I go and get out of this suit which seems to have shrunk slightly since I last wore it. Thank you.

THE COUNCIL ADJOURNED FOR 30 MINUTES

Clerk of Councils

Confirmation of the records of the meeting of Legislative Council held on 25th March 1998.

His Excellency The Governor

Do any Honourable Members have any amendments? I know that some of them are specially eagle eyed on matters like this. Honourable Sharon Halford or the Honourable Lewis Clifton?

The Honourable DL Clifton

Mr Chairman I do have a few. I have compiled some notes but I can pass them loose to the Clerk if that would help.

His Excellency The Governor

I take it that they are editorial and not substantive?

The Honourable DL Clifton

That is correct.

His Excellency The Governor

The records were confirmed with the following amendments to the meeting of Legislative Council held in Stanley on 25th March 1998.

- Attendee listing: Insert "OBE" after The Honourable Michael Victor Summers
- Page 18: The Honourable DL Clifton - 1st para 2nd line - insert "to" between not and trespass
- Page 19: The Honourable DL Clifton - 2nd para 3rd line - amend to read "...conditions, governments and the fishing industry
- Page 19: The Honourable DL Clifton - 7th line - l.c. with u.c. to show "...International Collective in Support of Fishworkers..."
- Page 19: The Honourable DL Clifton - 9th line - Change u.c. in "Nationals" to l.c.
- Page 19: The Honourable DL Clifton - 16th line - Insert "East" between far and distant
- Page 20: The Honourable DL Clifton - 4th line - Replace "peoples" with "Workers". Insert "Negotiations on the" between year and UN
- Page 20: The Honourable DL Clifton - 5th line - Replace artisan with "artisanal". Insert period at end of fishers. Replace l.c. in "the" with u.c. "T"
- Page 20: The Honourable DL Clifton - 10th line - Delete "or" between social and security

Page 20 The Honourable DL Clifton - 16th line - Delete "and" between fair and working

Page: 20 The Honourable DL Clifton - 21st line - Change "works" to "workers"

Page 20: The Honourable DL Clifton 2nd para - 2nd line- Change "failed" to "fail"

Page 20: The Honourable DL Clifton 6th line - Delete "what mechanics"

The records were duly signed.

Clerk of Councils

Papers to be laid on the Table by the Honourable the Chief Executive. Copies of subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34(1) of the Interpretation and General Clauses Ordinance 1977.

**The Retirement Pensions Ordinance (Commencement) Order 1996
(Rectifications) Order 1998**

The Diving at Work Order 1998

The Children Ordinance 1994 (Rectification) Order 1998

The Law Revision Order No 1 of 1997

The Disapplication of Enactments Order 1998

The Fisheries (Conservation and Management) Ordinance 1998

The Fisheries Penalties (Amendment) Order 1989 (Rectification) Order 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I wish to lay on the Table the Papers named by the Clerk.

His Excellency The Governor

Thank you very much. They are so laid.

Clerk of Councils

QUESTIONS FOR ORAL ANSWER

QUESTION NO 11/98 BY THE HONOURABLE J BIRMINGHAM

Mr President, Honourable Members. Can the Honourable Sharon Halford inform me if consideration has been given by the Public Works Department, as to the access on and off pavements for prams and wheelchairs in the East Stanley Development and other new areas?

The Honourable Mrs S Halford

The provision of drop curbs has already been incorporated into the East Stanley Development, at those points where numbers of pedestrians are expected to cross, such as at main road junctions and footpaths. Two sets have already been installed.

Similar crossing will be provided in other new areas and at other locations when maintenance is taking place.

QUESTION NO 12/98 BY THE HONOURABLE J BIRMINGHAM

Can the Chief Executive inform me who issues transit permits, for penguin eggs passing through the Falkland Islands from South Georgia and elsewhere?

The Honourable the Chief Executive

Mr President, Honourable Members. Our own Collector of Customs.

The Honourable J Birmingham

In the light of the adverse publicity over the taking of penguin eggs for apparently nothing more than breeding for show, would the Chief Executive consider consulting with Councillors before issuing permits in the future?

The Honourable the Chief Executive

Mr President, Honourable Members. Certainly. I am prepared to do that, although I have to say, I believe that the Collector of Customs was operating well within his existing remit in issuing the permit that he issued, but I am sure we can look into that.

The Honourable J Birmingham

I thank the Chief Executive for his answer. I am certainly not in any way suggesting that the Collector of Customs was doing wrong by this, I am just suggesting that in the future we could perhaps, have a little discussion before anything passes through the Islands.

The Honourable Mrs J L Cheek

May I ask, if because we have a moratorium on the export of wild eggs from the Islands, whether that moratorium could not be extended to the transit of eggs through the Islands?

The Honourable the Chief Executive

Mr President, Honourable Members. I am sure if Honourable Members wish for that to happen that can be achieved.

The Honourable Mrs JL Cheek

I thank the Chief Executive for his answer.

The Honourable Mrs N Edwards

Yes. My worry on that point would be, does the Chief Executive think that if there is a moratorium on the transit of eggs through the Islands, would that not leave it more wide open to exporting eggs from South Georgia via other means?

The Honourable the Chief Executive

Mr President, Honourable Members. I am not an expert on this particular issue of transit and export of Penguin eggs, but it is certainly something that we would be prepared to look into in more depth. Clearly there is a concern about it and something has happened, which I am not fully informed. I believe we need to review the position so that what happens in the future, is what members want to happen.

His Excellency The Governor

Thank you. May I chip in as Commissioner for South Georgia and South Sandwich Islands? The ultimate decision for authorising the export of a consignment of Penguin eggs from South Georgia was mine, after consultation with British Antarctic Survey. I believe that I was satisfied the decision was a proper one, that the progeny, or the Penguins when they hatched, would be in a suitable and comfortable environment for themselves. But I take note of the concern which has been expressed in the Falkland Islands about this issue, and I shall certainly bear that in mind.

The Honourable J Birmingham

Thank you very much for that Mr President. I don't know whether you could say that Tenerife was a comfortable environment for Penguins and I believe some of the eggs were destined for that part of the world.

His Excellency The Governor

I made sure I satisfied myself beforehand. Yes some of the eggs are indeed going to Tenerife, but the Penguins would be living in a climate control conditions. It's an institution where there are other creatures from temperate climates, cold climates and so on, all of whom are living extremely comfortably, properly cared for. I would not have authorised the sending of eggs to that institution, or any other institution, if I was not as satisfied as I could be that the Penguins and any other creatures that might go there, would not be comfortable as I said earlier.

The Honourable the Chief Executive

In view of the concerns Mr President, I think it would be proper of me to volunteer a Paper to Executive Council on this issue, at the earliest opportunity.

The Honourable DL Clifton

Mr President. It is clear to me, that this is a matter for the South Georgia Government. I am not sure that is necessarily proper to get too involved in the ethics of this issue, because after all we licence people in the Falklands to collect Penguin eggs for human consumption.

His Excellency The Governor

I take note of that. Thank you very much. Let us consider this. As I say I'm certainly not heedless when making these sort of decisions of the impact of public opinion in the Falkland Islands and I can only repeat, I hope, my concern for the safe guarding of rare species is second to none. May we move on to the next question?

QUESTION NO 13/98 BY THE HONOURABLE J BIRMINGHAM

Would the Chief Executive confirm, that one of the principles of the Hay package was, that a post was graded and a person was paid within the grade?

The Honourable the Chief Executive

Mr President, Honourable Members. There are two questions here and the answers to both are yes.

The Honourable J Birmingham

I thank the Chief Executive for his full answer to that. Can the Chief Executive assure me that the Falkland Islands Government are not going to slide down the slope, back to the days when we had personal to holder status within the civil service?

The Honourable the Chief Executive

Mr President, Honourable Members. In any system as comprehensive as ours is there will be some transitional anomalies. I can certainly, in overriding terms, confirm the principles that the Honourable Member has referred to. I think there may be a misunderstanding here, because in the original Hay report as passed by Executive Councillors, there certainly was flexibility for officers above a certain level to have, what might be referred to as salaries that were individual to holders and that in fact is the existing policy. At the moment it is not being in any way implemented and I think it might be a retrograde step if it was, but the policy is there at present.

QUESTION NO 14/98 BY THE HONOURABLE MRS J L CHEEK

Will the Honourable Mike Summers please give a progress report on the work of the Select Committee on Standards in Public Life and an indication of the future timetable for that committee?

The Honourable MV Summers OBE

Mr President. I thank the Honourable Member for the opportunity to report to this House on the work of the Select Committee on Standards in Public Life. We have met on three occasions. The first meeting was to clarify the issues that we wished to address in the committee, to explore our preliminary views on a number of subjects and to agree our procedures. There are three areas in which there is a need to set out a clear, relevant and acceptable code of Standards in Public Life. For Elected Members, for public servants and for members of the public serving on public Committees.

At this first meeting the Select Committee was also acquainted with, and invited to read, substantial volumes of work related to the subject, including the Nolan Report, submissions from the public responding to a discussion paper published in June of last year, documentation provided by the Commonwealth Parliamentary Association on the procedures adopted in several Commonwealth Countries, a draft public service code and the Code of Conduct for Members of the House of Commons which deals with the registration of interests, the declaration of interests, the Advocacy Rule, (that is payment for representing outside interests which is not permitted) and procedures for complaints. Members have therefore had the benefit of a wide spectrum of experience from elsewhere.

The second meeting was held in public, in the Court and Council Chamber on the 17th February, at which four members of the public presented evidence and a number of other persons attended. Those members of the public are to be commended for their spirit and bravery in presenting evidence in public, and taking our questions. I believe it may be the first time that there has been a formal public collection of evidence, in this way, in the Falklands. A number of useful points were made and have been incorporated into subsequent consideration.

The third meeting of the Select Committee on the 17th March, was our first real business meeting at which a number of preliminary decisions were made and actions prepared. The key elements emerging were the following:-

In relation to committees, it was decided that where there is a declarable interest by any Member, on any item of business, then it must be declared and it is the duty of the Chairman to ensure that interests are declared. If a Member declares an interest it is then for the Chair with the advice of the committee to determine whether the Member should be permitted to speak or permitted to vote, or should leave the room for the item in question. For the Planning and Building Committee particularly, declarations of interests should form part of the agenda, as item one. This would not preclude subsequent declarations. The Attorney General has been requested to draw up terms of reference for committees, that reflect these decisions or these initial decisions at least, of the Select Committee.

In relation to Elected Members we decided the following:-

That item 18 of Legislative Council Standing Orders, needs considerable amendment to make the registration of interests and the declaration in all Government business

compulsory. The types of registerable and declarable interest, which lists ten categories of declarable interest are:

- 1) directorships;
- 2) employment;
- 3) clients;
- 4) sponsorships;
- 5) gifts;
- 6) hospitality;
- 7) overseas visits;
- 8) overseas gifts and benefits;
- 9) land and property; and
- 10) some other miscellaneous provisions.

This code is to be made available for public comment shortly. Registered interests are of course, a matter of public record and would continue to be so. However, where a member has a potential interest which is not yet crystallised and wishes it not to be published for reasons of commercial confidentiality, then he may write to the Attorney General or the Governor in confidence and explain the circumstance but would remain obliged to declare that interest in any meeting. However, it was noted that in Legislative Council the situation is somewhat different since the meeting is subject to full public scrutiny and Members should not be prevented from speaking on matters where they may be able to contribute for the public good. A Member must however, declare any interest but having done so, whether he or she should vote should be a matter of personal conscience or for the other Members to determine. There was a general consensus that in future meetings of the Standing Finance Committee might also be held in public. The Attorney General is to present a draft Bill for consideration on this matter.

For public servants it was decided as follows: That there should be a public servants code to apply to all public servants, the text of which is under consideration and will be made available in draft for comment shortly. This would be combined with a modern set of terms of employment to replace General Orders which are in many respects archaic. Public Servants from Grade 'D' and above should not, in any circumstances be permitted to pursue private interests for monetary gain. It should be reinforced that in no circumstances, may any public servant use remunerated time or public premises, services or assets to pursue private gain.

In relation to all the categories of the public servants, Councillors, public service employees and Committee Members it has been agreed that they should be sanctioned for misuse of public office or information. The United Kingdom Government is currently preparing legislation on Misuse of Public Office and it is hoped to borrow heavily from this. We have not yet considered what the mechanism should be for investigation of alleged misuse, but clearly this will be a key element of the process. I would stress that all of these decisions are preliminary and are subject to consultation processes and ultimately, the acceptance by this House and in some respects by yourself. The Select Committee is currently planning one further public session, probably in June and the release of the Public Service Code and House of Commons Procedures for public comment, in the next two weeks. Whilst there is no firm time

table for the completion of all the Select Committee's work, some elements can be introduced relatively quickly whilst others will take a little longer. However, I would hope that the Select Committee can be finished with all the core elements of this year.

His Excellency The Governor

The Honourable Mike Summers thank you very much. That was an unusually long reply to a Parliamentary question, but I think it was an exceptionally interesting one and particularly helpful to get information out into the public domain. Would any other Member care to pick up on the answer? Thank you.

QUESTION NO 15/98 BY THE HONOURABLE MRS J L CHEEK

Can the Honourable Sharon Halford please give a new commencement date for the major Public Works Department work on the Junior School toilets which had been expected to take place this month?

The Honourable Mrs S Halford

Mr President, Honourable Members. Commencement is dependnt on availability of certain specialist items and equipment. Details of these are currently being finalised with the manufacturer. The delivery period to the Falklands from receipt of order is between 14-18 weeks. Commencement is also dependent on availability of resources to perform the work. The Public Works Department is very much aware of the importance of this project and is currently evaluating the options of carrying out the work by direct labour or by contract. The earliest these works can commence is the beginning of September 1998.

The Honourable Mrs JL Cheek

I thank the Honourable Member for her reply.

QUESTION NO 16/98 BY THE HONOURABLE MRS J L CHEEK

Will the Honourable Sharon Halford please outline the current policy for the maintenance of Government buildings, including houses?

The Honourable Mrs S Halford

Maintenance has two elements, pre-planned maintenance and unplanned maintenance. As previously stated in response to question 13/97, there is currently no pre-planned maintenance procedure in place. With no pre-planned maintenance system in place unplanned maintenance items increase. Being unplanned these are inevitably more demanding on the limited resources available, both in the Public Works Department and the private sector. The Public Works Department recognised this some time ago and as part of the re-organisation in that department, a new post of Maintenance Manager was specifically created to oversee maintenance of all Government buildings, including housing. Recruitment for this post is currently under way, tasks for this post will include early development and implementation of a pre-planned

maintenance programme and managing response to unplanned maintenance. Some measures to improve housing maintenance have already been undertaken and put in place by the Housing Officer.

The Honourable Mrs JL Cheek

I thank the Honourable Member for her reply.

The Honourable MV Summers OBE

Could the Honourable Member advise whether, in the management in future, it is planned that some of the maintenance work should be carried out under contract by the private sector or will it all be done in house?

The Honourable Mrs S Halford

This is something that the new Maintenance Manager will have to evaluate and assess.

QUESTION NO 17/98 BY THE HONOURABLE D L CLIFTON

Could the Chief Executive detail the arrangements which he expects will facilitate the fullest review of the working of the Falkland Islands Development Corporation, and would he indicate when he expects this exercise to be complete?

The Honourable the Chief Executive

Mr President, Honourable Members. As all will be aware, the Falkland Islands Development Corporation is currently undertaking a review of itself. That review, as Members of Executive Council will be aware, is scheduled to be before the August meeting of Executive Council. I hesitated when I saw the word fullest in the question. Any review or consultancy can be made fuller, as I think we are all aware. It is not our intention in Falkland Islands Development Corporation, to make it fullest. We believe that what we are doing will be appropriate. The Honourable Member asks me to detail the arrangements that will facilitate this review. On the 7th April, the Falkland Islands Development Corporation Board met to discuss this issue alone, the future of the Corporation and the minutes are available for Honourable Members, obviously, to see. What was discussed, was how Falkland Islands Development Corporation could be both proactive and creatively reactive, in stimulating the economy of these Islands. There were 17 items that were discussed in some depths and I will not weary you with that list. The meeting itself was, I think it is fair to say, inconclusive in that conclusions were not reached, but certain processes were set in train. Three of them I will mention.

Firstly, consultation. The General Manager of the Development Corporation is already engaged in a wide and sweeping programme of consultation with all those that should be, and will be involved in expressing a view on this process.

Secondly, review. The Development Corporation is currently involved in reviewing all projects since its inception, to see how successful they have been, what has

happened to them, whether there is a return on them and what that return might be. I think that will be a guide to what projects, lines we may push down in the future and others that may not be so successful.

Thirdly, comparisons are being made with other Development Agencies in other parts of the world. Now it isn't only the Falkland Islands Development Corporation Board that is driving this process, because the General Manager assures me that he will be reporting through to the Island Planning Committee on a regular basis, on progress on this front. So the Island Planning Committee will be kept abreast of thinking and thus, the two Members sitting on the Falkland Islands Development Corporation Board and the two Honourable Members on the Island Planning Committee, means that four of the Elected Members of this House will be involved in this process between now and when it is presented to Executive Council in August.

The Honourable DL Clifton

I thank the Honourable the Chief Executive for his reply. The incumbent General Manager has said from time to time that the Falkland Islands Development Corporation is in effect, limited by the Policy and Procedures Manual which he I think has described as being archaic and goes into unnecessary detail. Would the Chief Executive agree with that and if he does, would he describe how the Procedures Manual may be changed given the review that he has outlined?

The Honourable the Chief Executive

Mr President, Honourable Members. I can confirm that of course the Policy and Procedures Manual will be reviewed as part of this process. I would hesitate to commit myself as to what will happen, but it is strange how these Manuals become archaic after only a few years.

His Excellency The Governor

Would the Honourable Mike Summers care to chip in? I believe he has some experience in this field.

The Honourable MV Summers OBE

I wondered if the Honourable Member was aware that I drafted that archaic Manual only a very few years ago and the very purpose of drafting the detailed restrictions on the Corporation, was so that it was a regulated body as the Council of the day wished.

His Excellency The Governor

It may be, that time is racing on so fast in the Falkland Islands these days, that something that was only 5 years ago, is already ancient history. Thank you.

QUESTION NO 18/98 BY THE HONOURABLE D L CLIFTON

Will the Financial Secretary take speedy steps to ensure that all workers engaged in the rural area receive the same income tax concessions as those presently enjoyed by the agricultural workers?

The Honourable the Financial Secretary

Mr President, Honourable Members. Unless I am requested to do so, I do not intend to take any steps, as I am unaware of any income tax concessions as such, enjoyed by agriculture workers engaged in the rural area. It would be helpful if the Honourable Member would provide an example.

The Honourable DL Clifton

Mr President. The concessions I refer to are of course the annual values which, in effect, are only maybe subscribed to by agricultural and horticultural workers and it seems to me that as the policy of this House, unless I am very much mistaken, is to ensure that there is a substantial work force in the rural area. It seems to me that the present annual values system is somewhat discriminatory in favour of those agriculture or horticultural workers, where there are indeed a number of other workers, who make a living from being on the land. The purpose of this question is to seek from the Financial Secretary if he will, at some future point apply the annual values across the entire rural sector and not just a proportion of it.

The Honourable the Financial Secretary

It doesn't take 5 years for something to get out of date actually, because in response to that, the Income Tax Annual Values Rules 1997 prescribe a taxable value for prescribed benefits in relation to persons employed onshore, other than persons employed in agriculture or horticulture. It does not matter whether the employees are provided with the prescribed benefits, in or out of the rural area. These rules were made under the provisions of the Tax Ordinance 1997, on the 26th November 1997 having been approved by Executive Council on 20th November 1997. They were later confirmed by Legislative Council on the 12th December 1997, but if the Honourable Member wishes the policy to be re-examined then it can be.

The Honourable DL Clifton

I am grateful to the Honourable the Financial Secretary for that reply.

QUESTION NO 19/98 BY THE HONOURABLE D L CLIFTON

During recent discussions at the fortnightly public meetings, concern was expressed about the neglected state of many trees in Stanley, which hang over public footpaths and, in some instances, roads. Two members of the public produced a 4 page list detailing known cases. Would the Honourable Sharon Halford take steps to ensure that the efforts of these two publicly spirited residents, is taken in hand when PWD undertake a clean up of Stanley during the winter months?

The Honourable Mrs S Halford

Mr President, Honourable Members. The trimming or lopping of trees overhanging pavements or roads, is the responsibility of the owner in question. Only if the owner refuses or fails to carry out any necessary trimming or lopping, has the Public Works Department the power to intervene. The Public Works Department will consider the list and see if serving of statutory notices are justified. Sir, perhaps the Honourable Member would like to know that since this problem has been highlighted, it is pleasing to note that quite a few members of the public have started cutting their trees.

His Excellency The Governor

Including this particular member of the public at Government House. Anyway would the Honourable Member wish to follow on?

The Honourable DL Clifton

Mr President. I thank the Honourable Sharon Halford for her reply. It is very pleasing to note that the efforts of these residents has in effect been taken in hand. I look to the day when I can see the return of that list and all the items having been ticked off.

QUESTION NO 20/98 BY THE HONOURABLE MRS S HALFORD

Would the Chief Executive confirm if it is correct that phase 3 of the East Stanley Development will not be completed, and the building plots available to the applicants until October of this year? also, is the Chief Executive aware that a number of applicants for plots, in the expectation that those plots would be available in accordance with the contract, have purchased kit houses which have arrived in the Falklands, are having to be stored? In these circumstances will Falkland Islands Government consider recompensing those persons with the cost of storage?

The Honourable the Chief Executive

Mr President, Honourable Members. I am informed that the most likely date for the completion of phase 3 of the East Stanley Development, based on current information, is October of this year. I am not aware, and would be surprised to learn, that any applicants for house plots in phase 3 and 4 have purchased kit houses, in the expectation that these plots would be available in accordance with the contract. Applicants who qualify for admission to the waiting list are invited, in order of application and with priority given to those who own no houses or not more than one house to select a plot at the East Stanley Development. On selecting a plot all applicants are advised by letter, that the plot has been provisionally allocated to them, that the plot may be completed by such a date and time, and that this date could change and that it will not be possible to gain entry to the plot prior to completion of the relevant phase of the development. This letter goes on to advise that following completion of the phase in which the plot is situated, a formal building licence and an invoice for the licence fee will be issued. That the date of possession, will be the date upon which the payment and an executed licence is returned to the Attorney General.

Applicants will be expected to commence work upon the site within six months of that date and to complete them within two years. It follows that if applicants have ignored the contents of that advisory letter and have purchased kits in accordance with the contract, they have either been misguided or have done so at their own risk. In either case Falkland Islands Government is under no obligation to compensate them for any storage costs involved. In spite of that, should Honourable Members wish to consider recompense for storage costs the Administration will of course prepare a Paper for Executive Council.

The Honourable Mrs S Halford

I thank the Chief Executive for that reply.

The Honourable DL Clifton

Mr Chairman. A little tongue in cheek I know, but of course the danger is that making any State of the Nation Address, that one can be eventually pegged to it. Just to highlight your statement of last year Sir, and I quote, "Major ongoing activities of East Stanley Housing Development, the second largest Housing Contract the Government has ever let and is on course to completion at the end of April 1998." I think that some folk have got caught up with this and I understand the reply that the Chief Executive has given, but I do understand that at least one plot holder does have a house here in store and is waiting take up of that property. I told them I would write hereto.

The Honourable the Chief Executive

Thank you very much. Well the moral of the tale is that I need to be more careful before giving target dates in future, State of the Nation speeches.

That completes Parliamentary Questions so we move on to the Bills.

Clerk of Councils

ORDERS OF THE DAY - BILLS

The Appropriation Bill 1998

The Honourable the Financial Secretary

The purpose of this bill is to appropriate and authorise the withdrawal of £46,497,500 from the Consolidated Fund for the service of the financial year beginning on 1 July 1998. With regard to the operating budget the appropriation represents the cash limit budgets approved by Executive Council in March, rather than the provision inserted in the draft Estimates. With regard to the capital budget, the appropriation represents the second Treasury revision, approved by the Select Committee on the capital programme at its reconvened meeting on Monday.

Before dealing with the 1998/99 budget I will briefly review the current financial year. Despite an estimated reduction of £3.5m in revenue, a smaller budget deficit of £21.3m is now forecast, compared to the deficit of £26.5m shown in the approved estimates. The reason for the reduction in the budget deficit, is mainly due to deferred capital expenditure. I would also remind the House that £10.6m of the deficit, relates to approved transfers to special funds, including £9m in respect of the contingent liability for public service pensions. It is estimated that the balance of the consolidated fund at 30 June 1998, will amount to £69m. This is an appropriate point to start the report on the 1998/99 budget, which has been proposed on the basis of no significant impact of oil development.

Total revenue for 1998/99 is forecast at £39m and the proposals for expenditure are limited to £46.5m, to produce an estimated budget deficit of £7.5m.

Operating revenue is inserted in the draft estimates at £36.9m. This is marginally higher than the revised estimate of £35.8m, due mainly to fisheries income returning to pre 1997/98 levels, offset by a reduction in investment income. Despite a fairly optimistic forecast for Fisheries income, following what is hoped to be an isolated reduction this financial year, and a small amount of additional taxation revenue in respect of oil exploration activity, operating revenue is forecast to decline from that of previous recent years. This is because the deficit for 1997/98 will reduce the capital base of the Consolidated Fund, and this will reduce its investment earning ability.

The draft Estimates of operating expenditure, reflect departmental submissions as modified by Treasury after consultation with Heads of Departments. At this stage the Estimates do not reflect the cash limits as approved by Executive Council in March as part of the budget strategy. It is intended that appropriate adjustments will be made by the Select Committee after consulting Heads of Departments who have been requested to consider how reductions to their Estimates can be made, in order to reach the cash limits. The total of operating expenditure inserted in the draft Estimates, amounts to £31.7m. The aggregate of the cash limits amounts to £29.7m. Most Heads of Departments have responded in a positive manner and a reduction of £1m has been offered. The task of the Select Committee is therefore to double this in order to achieve the required reduction of £2m.

The ever increasing level of operating expenditure, is a concern. It is doubly so as there is a forecast decline in operating revenues. However this increased level of expenditure reflects Government policies, for example:

- An increase in the number of public officers to support existing and new departments;
- The new employment package for the civil service, including the very generous pension provisions;
- The change in FIPASS Management;
- The improved Agricultural research capability;

- The new role of the FIDF;
- Improvements in the management of the Public Works Department;
- Improvements in the quality of the Health and Education services.

Thus, in future years, the amount of revenue available to finance capital expenditure, will continue to reduce while the main source of revenue remains dependent upon a fragile and declining fisheries income base.

The draft capital programme was referred to a special Select Committee of this House, to enable decisions to be made to reflect the approved strategy. The Select Committee met on 25, 26 March and reconvened on the 27 April. Unfortunately the Committee did not achieve all the tasks set for it by Executive Council.

With regard to capital expenditure for 1998/99 the task of the Select Committee was to reduce it from £17.2m, to £11 M inclusive of £1m of fund transfers. Instead it was only reduced to £16.8m. The object of the proposed restriction of £11m was two-fold. Firstly it was to make the programme affordable and secondly it was to make it achievable. Having regard to available resources the considered opinion is, that a spend of £16.8m is able to be achieved.

However priorities for those projects included in 1998/99 were decided including the major infrastructure objectives for the life of this Council. The priorities are:

- equally in first place, the construction of roads in Camp and Stanley, housing site development and the building of houses for rental in Stanley. It was noted that these projects can take place at the same time as the remaining priority projects.
- in second place, a new school hostel which is a lower priority project needed to release the existing Stanley House site for -
- the third priority project of more sheltered accommodation.
- in fourth place the temporary relocation of the FIDF which is again a lower priority project needed to release the existing FIDF site for -
- the fifth priority project, the Infant and Junior School expansion.
- in sixth place a new Police Station and prison; and
- a new and permanent headquarters for the FIDF.

Before I report on the detailed revenue proposals, I must reiterate that the continuing trend of deficit budgets is a major concern. By following all the recommendations of the budget strategy, it was anticipated that a deficit budget would have been confined to the current financial year. However, the draft estimates show deficits for the life of the programme. It has taken around eleven years for the Consolidated Fund to be built

up to the healthy state it is in today. Discounting the unknown quantity of oil development, it is evident that, if the projected expenditure patterns occur, then it will take considerably less time to reduce the consolidated fund to its former pre fisheries level. I am pleased to report that, despite the deviation from the approved budget strategy, Executive Council agreed a further review of economic options would be undertaken in the context of next year's budget process.

I will now deal with the revenue proposals. Because of the small tax payer base the amount of revenue to be raised from taxation is limited. However it is considered that up to £1m of additional revenue could be raised without causing hardship or stagnating the economy by adjusting income tax rates and allowances and reintroducing some of the taxes abolished recently (such as property rates). As the public expenditure plans are unable to be contained within the approved budget strategy levels, it is proposed that raising additional revenue through taxation should be given serious consideration. In the interim, the following modest adjustments are put forward:

The last increases in import duty were on 7 June 1993 in respect of alcoholic beverages and on 2 June 1995 in the case of tobacco products. In consultation with the Collector of Customs, it is proposed to increase import duty rates on alcoholic beverages by 10%, and on tobacco products by 20% to endorse the health warning related to smoking. These proposed increases would, for example, put an extra 1p on a small can of beer, an extra 53p on a 75cl bottle of spirits and an extra 19p on a packet of 20 cigarettes. It is estimated that the proposed new rates of duty would generate additional revenue of around £70,000.

Vehicle licence fees were increased last, with effect from 1 July 1995. It is proposed that vehicle licence fees should be increased with effect from 1 July 1998 as follows:

- i) motor vehicles not exceeding 500 kilos from £43 to £48
- ii) motor vehicles exceeding 500 kilos but not exceeding 3,400 kilos including those designed and constructed as agricultural tractors from £54 to £60
- iii) motor vehicles, other than agricultural tractors, exceeding 3,400 kilos from £86 to £95
- iv) trailers to be drawn by motor vehicles exceeding 3,400 kilos from £20 to £22.

It is estimated that additional revenue of £12,000 per annum would accrue as a result of these increases.

It is proposed that Education Department fees should be increased by approximately 7½% with effect from 1 January 1999. This will affect:

- boarding fees at the hostel;
- tuition fees at the Community School;
- meal charges for staff at the school hostel; and
- sports facility charges.

Full details of the revised charges will be available from the Education Department.

I can report that at yesterday's meeting, the Standing Finance Committee approved the following increases in the annual water charges for Stanley premises connected to the supply, with effect from 1 July 1998:

selected commercial premises from £300 to £450

all other commercial premises and domestic premises from £100 to £150.

pensioners to remain at 50% and would therefore increase from £50 to £75.

This is the first increase since the water charge was introduced on 1 July 1994. Additional revenue of £27,000 would be generated from this increase. It is also proposed that Government house rents be increased by £5 per month or £2.50 per month for pensioner tenants to reflect this increase.

In accordance with existing policy, all charges for services will continue to be subject to periodic reviews and proposals for adjustments will be made as and when considered appropriate.

I now turn to specific expenditure proposals. On 20 November 1997 Executive Council approved increases in public service pensions on a sliding scale up to 40% backdated to 1 July 1997 to help make up differences between salaries and pensions since fisheries prosperity started. All the pensioners who received an increase had retired under the provisions of the old (final salary) scheme. The legislation for the old scheme, does not contain any provisions for uprating. Any increases are therefore made on an ex-gratia basis.

Under the provisions of the Pensions Scheme Ordinance 1997 (for the new money purchase scheme) the annuity purchased by a member, must provide for an annual increase of at least 3%. It is therefore proposed that all public service pensions in payment, be increased by 3% with effect from 1 July 1998. The additional cost of this increase is estimated at £12,000.

It is also proposed to increase retirement pensions by 3% with effect from 1 January 1999, to coincide with the beginning of the new accounting period for the pensions equalisation fund. Rounded up to the nearest 50p, this would increase the standard weekly rate from £80.00 to £82.50 and the married supplement from £45.00 to £46.50.

As a result of the proposed increase in retirement pension the maximum ex gratia pension would be increased from £72 to £74 .

It is also proposed that a Christmas bonus should continue to be paid to resident pensioners, at the equivalent of one week's pension.

Retirement pensions are a charge on the pensions equalisation fund. Ex-gratia pensions and the Christmas bonus are payable from the consolidated fund under the social welfare budget.

The additional cost to the pensions equalisation fund in respect of the proposed increase, is estimated at around £33,000. The total cost of retirement pensions at the revised rates is estimated at £1.13m.

In order to fund these increased benefits it is proposed that the weekly rate of retirement pension contributions should be increased as follows, with effect from 1 January 1999:

- employer from £4.00 to £5.00
- employee from £4.00 to £5.00
- self employed from £8.00 to £10.00
- voluntary resident contributor from £8.00 to £10.00
- voluntary overseas contributor from £17.00 to £17.50
- assisted contributions payable by government from £8.00 to £10.00

It is proposed that the monthly rates of family allowances be increased by 3% as follows, with effect from 1 January 1999:

child allowance from £49.00 to £50.50

single parent allowance from £40.00 to £41.20

It is estimated that family allowances at the revised rates, will cost £345,000 for a full year, an extra £10,000 on current costs.

In the context of the 1997/98 budget an increase in student grants, in respect of 'A' level or equivalent courses, from £1,819 to £1,910 was approved in response to a recommendation from the Board of Education. Inadvertently, a revised grant of £1,980 was implemented. The Board of Education has now proposed that, with effect from the September 1998 term, the grant be increased to £2,000 per annum representing an approximate 5% increase over the approved rate of £1,910.

In accordance with existing policy other allowances will be kept under review and where appropriate, recommendations will be made for an uprating.

I am grateful to Heads of Departments for their estimates for this budget session, which is a month earlier than in previous years. I also thank them for their efforts in response to the suggested cash limits. Last but not least, I would like to thank Treasury staff involved in the whole of the budgetary processes.

I beg to move the first reading of the Bill.

His Excellency The Governor

Thank you very much The Honourable Financial Secretary. The Motion is that the Bill be read a first time. Is there any objection to that? No objection the Bill will be read a first time.

Clerk of Councils

A Bill for an Ordinance to provide for the service of the financial year commencing on 1 July 1998 and ending on 30 June 1999.

Honourable the Financial Secretary

I beg that the Bill be read a second time.

His Excellency The Governor

So the Motion is that the Bill be read a second time. Does any Honourable Member now wish to speak to the Motion?

The Honourable M V Summers OBE

Mr President. There are one or two issues that I think I would just like to clarify for the benefit of members of the public. It is certainly the case that over the last four years, operating expenditure of the Government has risen by £10m in total, whilst revenue has dropped by £4m. It is very clear that these figures do not balance, and we have to therefore be very cautious as we have said in our earlier speeches, about what we do in this budget. However, I am pleased that the Honourable Financial Secretary is not standing in the witness box just now because he would have been obliged to tell the whole truth and not just part of the truth. Included in the Budget Strategy were various elements. One was that unspent monies allocated for the previous year, may be brought forward to the current year for further expenditure, both in terms of capital and operating expenditure, and in respect of this year, I believe that would amount to some £8.7m, £6.4m being the underspensed on the capital budget and £2.3m on the recurrent budget.

The other element of the Budget Strategy, was that there should be £11m per annum for capital expenditure of new money, and not a total sum. In describing the deficit for this year as being £7.5m I think the Financial Secretary is just being slightly economical with the truth, in respect of the strategy. However, I do concur with his views that quality in service has a cost and we must be cautious about the level of service we continue to provide.

I think, Sir, that this is all I would wish to say at this stage, but I would certainly thank the Honourable Financial Secretary and his staff for the effort that they have put into the budget this year. It seems to me, at this stage, to be a much more orderly and well prepared process than in previous years.

His Excellency The Governor

Thank you very much the Honourable Mike Summers. Would any other Honourable Member care to chip in? Commenting on whether the Financial Secretary has been economical with the truth or not, it seems a particularly inept term for a man who regulates the economy.

Clerk of Councils

A Bill for an Ordinance to provide for the service of the financial year commencing on 1 July 1998 and ending on 30 June 1999.

The Honourable the Chief Executive

Mr President. I beg to move the Bill and the draft Estimates be referred to the Select Committee of the House and the Honourable MV Summers be appointed Chairman.

His Excellency The Governor

Is there any objection to that Motion? No objection, the Bill is therefore referred to a Select Committee of the House. And we move onto the Finance Bill.

Clerk of Councils

The Finance Bill 1998. This is being presented under a Certificate of Urgency.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to introduce those statutory amendments necessary, to implement an increase in vehicle licence fees, retirement pensions and contributions, and an increase in family allowances, which I proposed in my budget presentation. I beg to move that the Bill be read a first time.

His Excellency The Governor

The Motion is that the Bill be read a first time. Any objection? No objection the Bill will be read a first time.

Clerk of Councils

A Bill for an Ordinance to increase vehicle licence fees, retirement pension benefits and contributions, the maximum of weekly earnings with the liability for retirement pensions and contributions, and family allowance benefits.

The Honourable the Financial Secretary

I beg to move that the Bill be read a second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to the Motion?

The Honourable D L Clifton

Mr Chairman. I rise to support the Motion, but I wish to bring to the attention of this House, one issue which I believe needs to be addressed in terms of vehicle licensing.

There are a great number of derelict vehicles scattered throughout this town, and it seems to me that one way of improving the mess that seems to grow on a daily basis, is to ensure that vehicle licences are paid until such times as those vehicles are disposed of. I think that this is a way of generating some more revenue and also literally cleaning up our own backyard. I raise the issue now because I believe it needs to be addressed. I am not sure if it is an appropriate time to do so, but I wish to find out.

The Attorney General

I will be the first to acknowledge that there is a problem with the nature that the Honourable Member mentions. I don't think it can be fully cured simply by collection of registration fees in respect to motor vehicles, because while I haven't got the law here in front of me, I do not think that some of those vehicles would attract the fees. However, I undertake to look at the problem and to consult with the Police, to see what action can be taken and what further action I would propose to Honourable Members for consideration. If the House will accept me undertaking to do that, I will take the necessary action.

The Honourable W R Luxton

Mr President. On this subject some years ago, the previous Council instructed, I believe, the Police Department to issue tax squares which should be displayed in the vehicle and I would think that we should look at this again and ensure that it happens. This means that anybody can readily see whether a vehicle is taxed or not.

The Attorney General

That was indeed an instruction of the previous Council. It was one of the measures that I had in mind to look into for the problem and I will be looking at that also.

Clerk of Councils

A Bill for an Ordinance to increase vehicle licence fees, retirement pension benefits and contributions, the maximum of weekly earnings with the liability for retirement pensions and contributions, and family allowance benefits.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move that the Bill be referred to the Select Committee on the Estimates.

His Excellency The Governor

The Motion is that the Bill be referred to the Select Committee on the Estimates. Any objection to that Motion? The Bill is now referred to the Select Committee on the Estimates.

The Bill was referred to the Select Committee on the Estimates.

Council Adjourned.

Council resumed on the 1 May 1998.

Clerk of Councils

Report to the Select Committee on the 1998/99 Estimates

The Honourable the Financial Secretary

Your Excellency, Honourable Members. This report of the Select Committee covers both the Operating Estimates and the Capital Estimates, which were the subject of a separate Select Committee. As I reported in my budget presentation, the capital programme was considered by a separate Select Committee in March. This was a helpful exercise for the new Council, in setting the major infrastructure objectives and the level of projected expenditure. It is unlikely that such a lengthy exercise will need to be repeated over the next 3 years, unless there is a significant change in the economy. As far as I am aware, this is the first year that an Elected Member has chaired the meeting of the Select Committee on the Estimates. In my view, this is another welcome step in the evolution to greater democracy. However, greater democracy does mean that more time is devoted to meetings and consultation. In total, the meetings of both Select Committees, occupied 3½ days which is only marginally longer than normal. But the consultation period for drawing up the capital programme and for introducing cash limited operating estimates, took considerably longer than in previous years.

All Heads of Departments and, where appropriate, Section Heads, attended the meeting to justify their budgets, offer savings and answer questions put by Members of the Committee.

Although some savings were made to the draft estimates of operating expenditure submitted by departments, not all the cash limits were reached. In summary the aggregate savings to achieve the cash limits amounted to £2m and the savings actually achieved, amounted to £1.6m, leaving a shortfall of around £400,000, which will need to be added to the Appropriation Bill. It should be noted that £½m of the savings achieved, represented transfers to the sinking fund and are therefore, not real savings

at all. An increase of £59,500 was made to the capital estimates in respect of adjustments made to items controlled by the Secretariat. A further review of revenue items resulted in an upward adjustment of £½m. In summary, the adjustments have marginally decreased the estimated deficit of £7.5m to £7.4m.

I can report that the major infrastructure objectives I announced in my budget presentation were confirmed.

The Select Committee approved the proposals I made in my budget presentation, which were:

- an increase in customs import duty;
- an increase in water charges and house rent, to reflect that increase;
- an increase in vehicle licence fees;
- an increase in Education Department fees;
- an increase in public service pensions;
- an increase in retirement pensions, ex gratia pensions and Christmas bonus;
- an increase in family allowances;
- an increase in student grants.

As a result of the recent reduction in fuel prices, the Select Committee agreed that the electricity tariff should be reviewed. I will ensure this review is presented to Executive Council at its next meeting.

It was also agreed that, as expenditure was unable to be contained at previously approved strategic levels, consideration should be given to raising additional revenue through taxation. It was confirmed that any adjustments would not come into effect retrospectively.

It was agreed that a further review of the economic options should be undertaken in connection with next year's budget process.

On the face of it, a lot of effort has been expended for little gain. However, the budget, which has just been agreed and is reflected in the Estimates, provides a balance of operating and capital expenditure, and a balance of essential and desirable expenditure. This in turn, has struck a balance between the provision of essential public services, social and welfare assistance, subsidies, investment in capital infrastructure and development of the private sector. Unfortunately a balanced budget is not among all these balances. Our economic situation will, of course, be kept under review, but in order to meet Councillors' objectives which are now the Government's objectives, expenditures are projected to exceed revenues for several years. The task of Heads of Departments and all public officers, is to achieve those objectives and in doing so, to obtain the best value for money. Once the major infrastructure objectives have been achieved it is intended to return to a balanced budget situation so that we can continue to live within our means.

I would like to thank all Officers and Honourable Members who took part in the Select Committee. In particular, I thank Una Wallace for taking the minutes, Peter

Woodward for his assistance in keeping an accurate record of the adjustments, Councillor Summers for his businesslike chairmanship and Mike Luxton and Linda Lyse for all their hard work behind the scenes. The estimates are the result of a lot of hard work, started by Heads of Department and their staff and completed by Treasury staff. In other words, a team effort. Thanks to all players on the team.

That concludes my report of the proceedings of the Select Committee on the 1998/99 draft Estimates.

His Excellency The Governor

The Honourable Financial Secretary, thank you very much for that. I would just like to add my own congratulations to all the members of the team who have been involved. I know it has been a bit labour intensive and so on, but it has obviously paid off and I am grateful.

The Honourable M V Summers OBE

Mr President, Honourable Members and members of the public. I hope that businesslike is not another euphemism for patronising. I think we got through our business relatively well in the last few days and I do thank everybody for their efforts. I am not dissatisfied with the budget that we have arrived at, indeed I am quite happy with it. It is, broadly speaking, somewhere close to the strategy that we adopted a little while ago in the Islands Planning Committee, and that itself we knew, was going to be an exercise in seeking what was possible and balancing that against what was desirable. I think it is important to stress that in this budget exercise, as the Financial Secretary has said, we have had to balance a great number of things, and I am pleased that we have been able to include, in the capital estimates this year, much of the work that will continue to provide work to the people of the Falklands, to the people in the public service and the private sector, because it is the capital budget which is the engine of economic growth. We have been able to include virtually all of the road projects that we would have wished to have included, but not always in the way that everybody would have liked, in that there is some compromise in some places. I am personally disappointed that, on the East, we are not taking the major construction work to the Lafonia area, but nevertheless there will be work in that area. There will be work on the roads, both in North and the Southern areas on the West, and I think that this is very desirable.

There are significant amounts of money being spent on the preparation of sites for housing, the completion of the existing East Stanley Development, looking at work for developing the next phase of Stanley and there are funds for the Dairy Paddock Project. There are also funds for the construction of housing, and a group consisting of Councillors Birmingham and Halford we know, will take that in hand to see what the most immediate requirements are going to be.

We have also made provision for the beginning of the school hostel and the beginning of the Police station project, which is so critical, I think, to the work that we have to carry out. Unless we have decent Education facilities and decent facilities for the Police, we can not expect the outrun to be what we might like.

I think what we must mention, because it is a very significant change, and I am not sure that it has been highlighted so far, that in the road section of the budget, the Mount Pleasant Road no longer features as a current element of the capital budget. It has been deferred until the years 2001 and 2003. The reason for this, is because it is not of the highest priority in our opinion. Clearly it does need to be done, but we have the ability to keep that road in good repair both in winter and in summer, and the Director of Public Works has assured us he will do that. It may not, in the longer term, be of the highest priority if we find that we have some success in the oil industry, and find that we have to build a new port somewhere to the North of Stanley, we might have another priority which would be putting a high quality road to that. I think it is a suitable deferral on two counts: a) It allows us to carry on with projects that we regard as being more important at the current time. b) It may well fall away in terms of our priority later on

For those folks who would have desperately wished to have seen the Mount Pleasant road black topped, we offer our apologies, but it is a necessary compromise and I think one which will benefit the larger amount of people in the Falkland Islands.

That is by and large the capital budget.

On the operating expenditure, I concur with the Financial Secretary that we are alarmingly close in the level of expenditure, to the level of income. We have been able to maintain at least, the expenditure profile in its current level. We do provide a good level of service to our people in Education, in Health and in many other areas and I think we are all delighted that we are able to maintain that. There will be a need however, to try and improve the revenue position and to provide a greater gap, in due course, between the level of income and the level of recurrent expenditure. That is an issue that we can carry on looking at, through the course of the planning process in this next year. I very much hope, and expect, that the economic planning process for the Falklands will in fact, be a continuous process and that we won't have to spend quite so much time in one lump just at budget time. Indeed, when we come to budget time, hopefully we will simply be able to confirm the work that has been done during the course of the year. We cannot of course, go on having deficit budgeting, as deficit budgeting ends up with reductions in the reserves and when you reduce the reserves, you reduce the next years income and you get yourself into a spiral that is insubstantial.

However, we all believe the deficit budget this year, which is to a large extent funded by carry forwards from last year anyway, is justifiable and is the right thing to do, but I look forward to having, balanced budgets for future contributions to the reserves in future years.

Sir, I commend this Bill to the House.

His Excellency The Governor

Would one of the other Honourable Members of this House care to second the Motion.

The Honourable D L Clifton

Sir, I rise to support the Motion. I rise to endorse the comments of the Honourable Mike Summers, who chaired the whole process we have been engaged in. I do salute him for the very businesslike attitude that did prevail throughout those two and a half days.

I think it was a shift of direction in the Islands Planning Committee, which started to focus the minds of newly elected Councillors in December, who later committed to putting a ceiling on capital expenditure at £11m. The Financial Secretary did mention this in his opening address and he also noted that the work of Councillors in the April sittings of the Select Committee, failed to achieve the appropriate goals set.

We have failed to cap capital expenditure to the level as agreed within the Island Planning Committee strategy and of course, I must accept partial responsibility for that. Unlike Emperor Hirohito of Japan, who in 1945 announced the developments had not entirely proceeded as planned, I think that the attained end result of our objectives and of our deliberations of the last few days, are still pretty impressive.

I say pretty impressive, because what the capital budget now does, is to detail exactly the capital works programmes which the Councillors agreed in December and that this works programme does allow for some flexibility, to draw back from expenditure if we need to do so. Furthermore, this philosophy of capping and restriction begins to seriously displace the downward spiral of previous years. I think that we should be reminded that, had this downward spiral continued, and it would have continued, on the basis of the constant fish revenue forecast, high and variable public investment, investment return at 8% per annum, an increased operating expenditure, then the nation would have become bankrupt in the year 2000 to 2003.

The Financial Secretary has referred to Councillors taking two bites at the Financial cake when preparing the Nation's budget. I've referred to the first. The second bite of course, was the long intense, if not microscopic inspection, of the operating budgets for this year. We have been very focused on the need to cap operating expenditure to an acceptable level. Some flesh has been trimmed from the operating expenditure to attain this goal, but as the Honourable Member has said, without affecting the overall service to the public. In other areas, we have pushed through a change of philosophy with regard to the sinking fund and I do ask that we see an overall strategy paper, on how to deal with the sinking fund and that philosophy at a future point.

The Financial Secretary has detailed the overall achievements. They are there for everyone to see. We have a restricted and capped capital and operating budget, but as the Honourable Mike Summers has said, with the ability to absorb roll over relief from unspent monies. I think that that too, is to be welcomed.

Councillor Summers coined a phrase, to which you referred last night Mr President, the 'hydrocarbon hype'. We should not get too excited about future barrels of dollars. They may come, equally they may not. What our economy must do until we can secure new revenues, is to live within our means.

Mr President, in your State of the Nation Address, you underscored the issue with no guarantee of oil and disciplined expenditure would quickly deplete the reserves we have built up over the last ten years. I have no wish to be irresponsible, and I am sure my Honourable colleagues would not wish this Council to become irresponsible. By checking the downward spiral, we have prevented bankruptcy in the year 2000 to 2003. We cannot continue to erode our investments, because we hasten along the road to bankruptcy.

It seems to me that we can only be sure of three matters:

- 1) Oil revenues are an unknown
- 2) Fisheries revenue is in decline and the continuing Far East financial and squid prices are unlikely, in my view, to achieve the estimated fish revenues for the next financial year
- 3) Agriculture which will receive, what I refer to as a triple whammy of capital injection over the next three years. Meanwhile we need to exercise financial caution.

I support the Motion Sir.

The Honourable the Financial Secretary

Your Excellency, Honourable Members. I thank the two Honourable Members for their comments and in particular, I thank Councillor Clifton for reminding me that a review of the operation of the sinking fund, was requested by the Select Committee.

His Excellency The Governor

I now declare the Council to be in Committee.

The Honourable the Financial Secretary

To move the Clause 1 stands part of the Bill, but the consideration of clause 2 be left until the Schedule has been considered.

His Excellency The Governor

The Motion is accordingly, that Clause 1 Stands as part of the Bill is there any objection? No objection. Clause 1 stands as part of the Bill.

Clerk of Councils

Schedule.

The Honourable the Financial Secretary

I would beg to move that the Schedule stands part of the Bill, with the amendments circulated to Honourable Members today.

His Excellency The Governor

The Motion is that the Schedule as amended stands as part of the Bill. Is there any objection? No objection. Schedule as amended stands part of the Bill.

Clerk of Councils

Clause 2.

The Honourable the Financial Secretary

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

Delete the figures “£46,497,500” and insert “£46,926,820”.

His Excellency The Governor

Honourable Members. The Motion is that Clause 2 stands as part of the Bill. Is there any objection? Clause 2 as amended, stands part of the Bill, and the Council resumes

The Honourable the Financial Secretary

I beg to move that the Bill be read a third time and do pass.

The Bill was read a third time and passed.

Clerk of Councils

The Finance Bill 1998

His Excellency The Governor

May I invite the Honourable Financial Secretary to report on the proceedings of the Select Committee on the Finance Bill.

The Honourable the Financial Secretary

Mr President, Honourable Members. I covered the report on the proceedings of the Select Committee on this Bill when I reported on the Appropriation Bill and Draft Estimates. It is confirmed that the Select Committee approved the provision of the Finance Bill, which provides for increases in vehicle licence fees, retirement pensions and contributions and family allowances, I reported the details of those increases in my budget presentation.

His Excellency The Governor

Thank you very much. Would any Honourable Member like to move that this report be accepted? Moved by the Honourable Mike Summers. And a seconder please? The Honourable Lewis Clifton. Would any Members care to speak on this report?

The Honourable D L Clifton

Mr President. During the first consideration of this matter, in the House several days ago, I flagged the question of perhaps the need to tidy up some of our back yard, in respect to derelict vehicles and perhaps the introduction of a vehicle licence fee, might actually stimulate people into a clean up campaign. The Attorney General did say that he would consider this matter and he has done so. He has copied a note to Councilloors in respect of the Finance Bill.

There is a suggestion that there should be a further subsection which would be 2(a), to section 4 of the Road Traffic Ordinance. Section-2(a) (for the purposes of subsection 1, would be the circumstances in which a motor vehicle or trailer is used on a road, including being permitted to remain at rest on a road.

I simply raise this for Honourable Members to debate. To either support or reject, but I think that we do have a problem and this would seem to be one way of, perhaps beginning to address that.

There is also a further amendment which is being proposed. That would be a new subsection 2b. In terms of the Finance Bill and the Road Traffic Ordinance, that 2b would read

‘Regulations made under this subsection may require there to be displayed on every motor vehicle or trailer in respect of which duty has been paid pursuant to subsection 1, a label or such like as is specified in those regulations. The owner or person in charge, for the time being of any motor vehicle or trailer, who fails to comply with any obligation imposed by those regulations, to display a label on a motor vehicle or trailer commits an offence and is liable on conviction of that offence, to a fine not exceeding the maximum level 2, on the standard scale.’

This of course, was an issue that the Honourable William Luxton also raised in this House a few days ago and I also put it on the Table for the consideration of Members.

His Excellency The Governor

Any other Member wish to speak? No? I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 and 2

The Honourable the Financial Secretary

I beg to move that Clauses 1 and 2 stand as part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 and 2 stand as part of the Bill. Is there any objection? No objection. Clauses 1 and 2 stand as part of the Bill.

Clerk of Councils

Schedule

The Honourable the Financial Secretary

I beg to Move that the Schedule as amended stands part of the Bill.

The Attorney General

Sir. Perhaps I could formally put the amendment, which would be to add wording to paragraph one, of part 1 of the Schedule which would read "Section 4 of the Road Traffic Ordinance, is further amended by the insertion therein, of the following 2 subsections and they would be :

Subsection 2(a) - for the purpose of subsection 1, the circumstances in which a motor vehicle or trailer is used on a road, including being permitted to remain at rest on a road.

That is the subsection 2(a) which the Honourable Lewis Clifton mentioned and:

Subsection 2(b)- Regulations made under this subsection, may require there be displayed on every motor vehicle or trailer, in respect to which duty has been paid pursuant to subsection 1, a label of such type as is specified in those regulations. The owner, or person in charge for the time being of any motor vehicle or trailer, who fails to comply with any obligation imposed by those regulations to display a label on a motor vehicle or trailer, commits an offence and is liable on conviction of that offence, to a fine not exceeding the maximum of level 2 on the standard scale.

Now I would add, that subject to Honourable Members approving those amendments, I would be intending to submit to Executive Council Regulations, in relation to the supply of labels, and to the affixing of labels and that those regulations come into force on the 1 July, at the same time as the amendments to the Road Traffic Ordinance, which increase the amount of road and vehicle tax, come into force.

His Excellency The Governor

Thank you. The Motion is that the Schedule should stand as part of the Bill. Any objection to that Motion?

The Honourable the Financial Secretary

I beg to move that the Bill be read a third time and do pass

The Bill is read a third time and passes.

Clerk of Councils

Resolution to increase customs duties, payable under the provisions of the Customs Ordinance.

The Honourable the Financial Secretary

Mr President, Honourable Members. This resolution will bring into force, with effect from midnight tonight, the increases in duty proposed in the budget as follows:

- On beer - from 18p per litre to 20p per litre
- On wines - from 47p per litre to 52p per litre
- On fortified wines - From 57p per litre to 63p per litre
- On spirituous beverages - from £3.88 per litre to £4.27p per litre
- On spirits - from £7.06 per litre to £ 7.77p per litre
- On cigars - from £85.97 per Kilogram to £103.16 per Kilogram
- On cigarettes - from £62.82 per Kilogram to £74.62 per Kilogram
- On tobacco - from £56.51 per Kilogram to £67.81 per Kilogram

The Honourable J Birmingham

Mr President. Could I ask the Financial Secretary, if he could tell me his thoughts on the increase? It says here 'it be resolved as with effect from midnight tonight'

Do I take it that people going shopping this afternoon and next week won't be expecting to see huge prices in the shops. Would I be right in thinking that this is import duty, so there is no need for retailers to be sticking up their prices immediately?

The Honourable the Financial Secretary

It will affect any of those dutiable goods that are withdrawn from the bond, with effect from midnight tonight. It won't affect stocks that have already had duty paid.

The Honourable J Birmingham

I thank, the Financial Secretary, this is for information, just in case some retailers forget.

The Honourable Mrs N Edwards

As the only smoker in the room, I have to declare an interest and apologise to my fellow smokers. As far as the duty on tobacco goes there is no argument for it and there is no doubt that there is a danger to peoples health. I don't think it will improve peoples health by putting the price up, I have to say that, but it is a valid argument for some people.

As far as the duty on spirits and beers and so on goes, in that, I would remind this House that this is duty. We don't pay tax, as they do in England on liquor. The vast majority of money that is accrued on whisky for instance, is a tax not a duty, so I think our charges are getting a little out of hand. Before long our spirits and beers, will be more expensive to buy here than in UK, so I would ask this House that when we come to this point next year, we don't look for another increase in this direction. Thank you.

The Honourable the Financial Secretary

Just to say that we haven't had an increase in duty on spirits since the 7 June 1993 and we have to look at next year in the context of next year's budget.

His Excellency The Governor

In that case, I am not entirely sure what the procedure is, but may I ask for a show of hands on this resolution. Those in favour would they show please?
All in favour. The resolution is therefore passed.

Clerk of Councils

The Supplementary Appropriation (1997/98) (No 2) Bill 1998

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill, is to authorise a withdrawal of the additional sum of £99,110 from the consolidated fund, to provide for supplementary expenditure, approved by the Standing Finance Committee. This additional sum has been authorised to be advanced from the Contingency fund. The Bill provides for the contingencies fund to be replenished to the extent of any advances made.

I beg to move the first reading of the Bill.

His Excellency The Governor

The Motion is that there is that the Bill be read a first time. Is there any objection to that Motion? No objection, the Bill will be read a first time.

Clerk of Councils

The Supplementary Appropriation (1997/98) (No 2) Bill 1998

His Excellency The Governor

The Clerk has just reminded me, that if this is not contentious then we could speed through the Legislative procedure hoops. Could I just invite Honourable Members who wish to speak to indicate now. If they don't wish to do so, then we will move on to the fast track and the Bill is therefore deemed to have passed.

Clerk of Councils

The Animal Health Bill 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move this Bill.

The Attorney General

Mr President and Honourable Members. This Bill is an important one for all people engaged in agriculture in the Falkland Islands. At present, and for many years, the Falkland Islands have been remarkably fortunate, in the fact that there has been little prevalence of any serious animal disease, which could affect agriculture economically, which has been experienced here. We have managed to eradicate those diseases which were present in the past, but there is no guarantee for the future. The occasion for the introduction of this Bill is, firstly the construction of the abattoir and an intended development of a meat industry, or a greater trade in meat and to improve the economic lot of farmers in the Falkland Islands. Secondly, the recognition to protect the very advantageous situation in which we are, that the Livestock Ordinance which was enacted in 1937, requires replacement with modern Legislation. We need to replace it because we wish to obtain the international recognition of our disease free status, in many respects, from the appropriate body in Paris. We also need to obtain recognition of that status, in connection with the operation of the Abattoir from the European community. Two Veterinary inspectors who recently visited the Falkland Islands and whose report will be submitted in due course, to the Council of the European Community, in connection with our desire to be one of the countries permitted to be able to export meat to the European community, on a permanent basis.

Mr President and Honourable Members, those are the reasons for the Bill. The Bill, as Honourable Members will be aware, adopts with modifications and exceptions the provisions of the Animal Health Act 1981 with the United Kingdom. It does so because we need to be able to satisfy international bodies very readily, that our legislation will meet the requisite international criteria. The United Kingdom legislation does of course do so and therefore it will be clear by adopting that legislation, that we will have legislation that satisfies all necessary criteria.

Honourable Members will note that there are multifarious regulations and orders under the Animal Health Act 1981. Some of those are hopelessly inappropriate to the circumstances of the Falkland Islands and we don't need them. They will note that the provisions of Clause 2 of the Bill, specifically provide that none of those pieces of subsidiary legislation apply, unless they are specifically applied by regulations or orders under the legislation of the Falkland Islands.

Mr President and Honourable Members, I ask you to give a favourable reception to this Bill which is urgently necessary in the economic interests of agriculture in the Falkland Islands.

The Honourable the Financial Secretary

The Motion is that the Bill will be read a second time. Would any Honourable Member wish to speak?

The Honourable W R Luxton

Mr President, Honourable Members. I will support this Bill, but I have discussed it with the Attorney General in principle and I don't like legislation being introduced to this House which is Gazetted, as this has been, straight from the English Law, with this whole series of amendments, it does make it incredibly difficult for the average person to make out just exactly what the Law is that we have finished up with. However, I have discussed it with the Attorney General and he has assured me, that within a reasonable time, he will publish a version of the Bill, incorporating all the amendments appropriate to the Falklands. Then you are not having to read through one document and cross reference to some fairly meaningless phrase on the legislation, that we are actually passing today.

The Attorney General

I confirm that I have given that assurance to the Honourable William Luxton and it would be my intention and hope, that we should be able, in a month to six weeks, to publish in the Gazette, that would of course be subject to the Bill having being enacted

and coming into force, a version of the Animal Health Act which shows the version which is in force in the Falkland Islands.

His Excellency The Governor

I would hope that the newspapers, the Department of Agriculture and perhaps also the Farmers Association, would take steps to ensure that the document is promulgated widely.

The Honourable DL Clifton

Mr President. The Honourable William Luxton has raised, I think, a very pertinent point, in that the Agricultural Management Committee has been through a long and consultative process, on the passage of this Animal Health Bill. The Agricultural Management Committee can only be advised by the members that make up that body and until very recently, there was no concern from those various farmers representatives in one form or another. There was indeed a concern. We delayed the passage from March to this month and I hope that it will now go through, because as the Attorney General has underscored, it is very necessary to advance our society if for nothing else. I would ask that where members of the community make up Management or other Committees that are required by Government, that they do undertake to give an exercise as wide as possible consultation with Members who they represent, otherwise we can find ourselves falling foul on many pieces of Legislation as they come before this House.

The Honourable J R Cockwell

Mr President, Honourable Members. Well, rising to support this Bill I think I have to support what the Honourable Lewis Clifton said, that we do have to make sure that consultative processes are taken very seriously indeed. We, the Councillors, in the Agricultural Advisory Committee were under the impression that these processes had gone through and it did cause certain problems and this is why the Bill was delayed. There was no intention on the other half of delaying the Bill, for any other reason other than just further consultation. One point which I think I may not have picked up correctly, but I am told that this is an enabling Bill, rather than bringing out all the regulations at once, but it enables us to bring these regulations into act whenever it is necessary. I believe that, this being the case, we should make sure that whenever any of these Clauses are enabled, that we have to make sure that the community who has to obey these regulations, are fully informed that this is the case and what action they have to take.

Sir I beg to support the Motion.

The Attorney General

There will be consultation through the Agricultural Advisory Committee on the Regulations that will be necessary, and there will be quite a number of them under the Bill if enacted. A point I have to make however, so there is no misunderstanding on this point is that, while the Bill is an enabling Bill and while I am myself a full supporter of consultation, one of the purposes of the Bill is to enable us to deal quickly in an emergency with an outbreak of a disease such as foot and mouth. There cannot be widespread consultation before an Order dealing, for example, with the outbreak of foot and mouth disease. It would mean that any Order that was necessary would have to be made within hours and implemented within hours, but of course farmers would be fully informed by the Department of Agriculture by every means available to us, including most importantly, the services of FIBS, of the impact and provisions of such a legislation. I believe that it is right that I should draw attention to those most important provisions of the Bill, but as the Honourable Member has said, no Subsidiary Legislation is automatic in effect it is, and I emphasise, the intention that the ordinary Subsidiary Legislation under this Ordinance will be subject to a full consultative process.

The Honourable M V Summers OBE

Mr President. I will of course support this Bill, but I just wanted to make one comment and it is this. In relation to both this Bill and the Fisheries Legislation we passed at a previous Legislative Council, which had the same effect in terms of the importation of fisheries products to Europe, I think that it is important to see the Europeans in this context as our clients and what we are in fact doing in this process, is putting into place what our client requires us to do. It is not an instance of either the European or the British or anybody else, interfering with our lives and placing upon us unnecessary Regulations, but if we wish to sell things to that group of people, they are our clients and they set the rules, so this is all eminently sensible.

His Excellency The Governor

Thank you. Any other Members? Well in that case the Bill will be read a second time.

Clerk of Councils

The Animal Health Bill 1998.

His Excellency The Governor

I declare this Council to be in Committee.

Clerk of Councils

Clauses 1 - 3.

The Honourable the Chief Executive

Mr President. I beg to move that Clauses 1-3 stand as part of the Bill.

The Motion was accepted.

Clerk of Councils

Schedules 1 and 2

The Honourable the Chief Executive

Mr President, I beg to move that Schedules 1 and 2 stand part of the Bill.

His Excellency The Governor

The Motion is that Schedule 1 and 2 stand part of the Bill. Any objection? No objection, Schedules 1 and 2 stand as part of the Bill. The Council resumes.

The Honourable the Chief Executive

Mr President, I beg to move that the Bill be read a third time and do pass.

His Excellency The Governor

So the Motion is that the Bill be read a third time and do pass. Is there any objection? No objection. The Bill is read a third time and passes.

Clerk of Councils

The Animal Health Bill 1998.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

Mr President, Honourable Members. I do beg to move that this House stands adjourned *sine die*.

The Honourable D L Clifton

Mr President. I rise of course, to support this Motion for Adjournment. I think that we would all agree that we have been sat down far too long this week. I shall only raise four points very briefly.

I believe there have been some pertinent concerns about the reintroduction of rates and taxes and that in part, has been highlighted on the front page of today's Penguin News. I don't think that we can afford to impose the reintroduction of house rates, or some other tax rates, because it will put an unnecessary brake on infrastructure and housing development therefore, I am putting down I think, an early warning to the Financial Secretary, that I would be unable to support any change in that regard.

The second point I would make Sir, is that you highlighted in your State of the Nation Address the increase in frequency of shipping incidents. I think we have fast approached the time when we need to re-investigate the establishment of a proper Harbour Authority, so that we can more effectively deal with the offshore development that is now proceeding apace. Even if we were not dealing with that new offshore development, I think we should be more involved in dealing with incursions as they do occur.

That brings me onto my third point, fishing and poaching. I am not convinced that we will generate Fisheries Licence revenues to the level that we have approved. There are I think, 3 points to be borne in mind. Continuing financial crisis in the Far East. It is not simply in Korea, it is within a whole number of other countries; there is a very depressed Illex squid market at the moment; we have let a great number of vessels poach this year.

The Director of Fisheries has raised some comment about depleting a resource which we can ill afford to deplete. The consequence of that is that next year, and I do declare an interest in this on both fronts, not only the fishing and the continued poaching that goes on, because parties that are interested in applying for licences next year are going to argue quite strongly against the Government that it did not do enough to combat poaching this year. The other secondary interest I raise of course, is my interest in the MV Dorada. I think we need to ensure that whatever rules of engagement are set out that we do look to preserve our own life on board fisheries patrol vessels. I would just make, if I may, Sir, reference to HQ BFFI, if there is some way that we can co-ordinate an effective anti poaching method that could involve the Commander and his resources, even at arms length, I think that would be very much welcomed.

The fourth point is trivial in a way, but somewhat philosophical. I stood on a platform of one Nation, I think that we must continue to go down that road and even I resent

the sort of colonial tone of Government clocks, either advancing or retarding on an annual basis and I wonder whether we couldn't introduce something that said we were moving into summer or winter time, rather than this 'sledge hammer to crack a nut' scenario. As I say, it is trivial, it's somewhat philosophical but I think that if we can begin to deal with some of those matters of trivia then I think that we can begin to create a society which is at one with itself.

Sir, I beg to support the Motion.

The Honourable J R Cockwell

Mr President. Honourable Members. Well, rising to support the Motion I feel there are one or two things that I should say.

The first thing is that this having been my first budget session, I must admit that I find that the whole process is quite an eye opener. I have been heard to say in the past that I believe that we should actually release a certain amount of reserves, in order to achieve capital projects and I honestly believed that this was the right way to go about things. However, having sat down and looked at the figures and looked at the future reduction in revenues and such like, I am afraid to admit that I was wrong. I believe that the budgetary process that we have set in motion over the last few days is the way to go. I do wish to see as much capital expenditure on our infrastructure which requires a lot of input as soon as possible, but unless we can find a way of ensuring that we can do this without the severe loss in our revenue and a loss in reserves, we will find ourselves in a position where we have to reduce services and that is one thing that we cannot do. We cannot afford to reduce services to the people of the Falkland Islands.

With regards to the camp roads, the Honourable Mike Summers already said that we are carrying on with camp road construction, not the way we would like it, not the way it was envisaged 12 months ago. However, I believe that what we are proposing to do is the only practical way we can proceed without setting in chain a process of capital expenditure that we can't stop. I very much regret this and I wish there was some other way of doing this and getting the road construction speeded up, but at this time I cannot find a way that we should be doing it.

The camp is being supported in various ways. We are looking at putting money into the camp for development, for fencing, for grassland improvements and hopefully for the first time there will be a system of incentive payments which allows farmers to put money back into their farms to develop, in any way that they wish, as long as it is approved by the Agricultural Advisory Committee, I take it.

Going onto fishing I think I should commend to this House the process which is going on where the Fisheries Department has circulated a document on the Fisheries Policy for comment by the fishing industry, which will be returned to the Fisheries Advisory Committee fairly soon and hopefully we will be able to firm up our fisheries policy into something which is what the industry is looking for.

The Honourable Lewis Clifton has mentioned the poaching. We have to make it very clear to any people who are perpetrating poaching within our fishing waters that next season no matter what happens, we will take very firm steps indeed to make sure that poaching is not allowed to carry on in the way that it has been carrying on this year. It is not fair on the people who are buying licences and the result will be that they will not be buying licences if they find that they can poach without being stopped, and so we will take every step that is possibly required to make sure that this poaching is stopped forthwith.

There has been a lot of talk about the 'hydrocarbon hype.' I think that we don't want to get too excited one way or the other. It is very easy to start going to the stage where there is nothing happening and there is no oil out there. We don't know and I think we just have to keep an open mind rather than getting excited one way or the other.

Mr President. There is one last thing in which I would like to touch on which is our relations with Argentina.

I believe that we have to make repeated statements that the Sovereignty of the Falkland Islands is **not** negotiable. There is hype within the Argentine press and within Argentina at the moment, where they seem to believe that we are softening our approach and that they are going to be able to achieve their magnificent aim. I am afraid that they must be disabused of this. If this is what they think is going to happen they have another thing coming. Our Sovereignty is not negotiable and never will be, Sir, I support the Motion.

The Honourable Mrs S Halford

Mr President, Honourable Members. I remember at this time last year I think, defending a much larger deficit if I am correct. I agree that we don't particularly like deficit budgets and we really must try and get out of this scenario, but it has been interesting. Some of the comments that people have been making over the last few days and when I say people I mean members of the public; I have had some people come up to me since the phone-in the other evening, saying they would like to be a test case for receiving the one million pounds because they didn't particularly agree with my theory. I have had others come along to me saying 'let's stop all the capital works'. As Councillor Summers said earlier, if we didn't have capital projects then we obviously wouldn't have a lot of the work that is going on now and I think that some of the people who are suggesting that haven't thought that if the work stopped, then so would their work.

On this one million pound thing and the oil. Yesterday we were very privileged and had a trip out to the Borgny Dolphin and I have to say it was very interesting to see around an oil installation. I never thought I would get on one and especially not here in the Falklands. I do think at the moment though, that perhaps they are very lucky and I think that they are having a very nice honeymoon period, if I may say so, weather wise and I think that they are yet to learn what the Falklands is all about. I don't think that we should go along with this hype scenario and all this we kept hearing the other night about us all getting a million pounds, what a load of nonsense.

Back to the budget again. I thought it was quite nice to read in the Penguin News the other day about the rates that had been agreed. I thought that they had only been proposed that day. They obviously knew more than we did at that time.

Going through this whole process, the one thing that has come out time and time again, and I think you raised the hype on this yourself Sir, was when you congratulated the Agricultural Department and put them top of your list. Yes I agree, as I am sure all other Councillors do, that that Department is doing a good job, but I don't think that we should forget that there are many other Departments in Government who are also doing good jobs. One that has been knocked for many years is the Public Works Department, but when I look over the budget at the moment and we keep saying that we have got this deficit and we haven't achieved this in the past or whatever, I am actually thinking historically the Public Works Department should in fact been praised for not achieving what they were set to do in years gone past. If they had of achieved it, we wouldn't perhaps have the money we have got now. However, this year I hope that they do achieve what we have set them to do.

I would like to endorse Councillor Clifton's comments on the poaching aspects and I think we really need to deal with that.

Finally, on a very minor point, I know I mention it most years, but I am very pleased to see that all the fitness fanatics who now run up and down the By-pass road in the dark wearing black are also wearing reflective gear. So obviously my comments must have gone home.

Sir, I support the Motion.

The Honourable J Birmingham

Mr President. In rising to speak to the Motion, I also have a few things to say. This Council has been in office for 9 months but only now has had the chance to have any influence over the financial position of the Islands. I make no apology for being one of the Councillors who wanted a more realistic approach to the financial well-being of these Islands and believe that it is our duty to make sure that as far as possible, we can maintain a high standard of living which the vast majority of us enjoy.

This week we have kept the operating budget under control as far as possible without cutting any of the services to which we have become accustomed. I would like to publicly thank all the Heads of Departments, especially the Financial Department and of course our leader this week the Honourable Mike Summers who kept us under control in his very businesslike way.

All Councillors have their goals to achieve and one of mine is housing, especially affordable accommodation for single people and people on lower incomes. It is hard to believe, but we still suffer from the hasty decision made in 1992 to slash the then budget. One area which suffered was house building and East Stanley Development. It would have been completed by now if they had not made that decision.

Mid way through the last Council, it was decided to start the East Stanley Development and this Council, it pleases me to say, has recognised the need to roll along at the end of the present phase 4 into phase 5 and beyond. We have also allocated moneys to increase the Falkland Islands Government housing stock. It has been agreed that as the Housing Needs Analysis has been completed, we now move onto the next stage and that is the putting together of a planned building programme for the future. As has already been said, a small task group has been set up to put this programme together.

Disasters aside, I can think of no reason why at the end of this Council, an impact on the current problem hasn't been achieved.

Sir, I am not the first in this house to mention the poaching around the Islands by the Taiwanese. I hope Her Majesty's Government are going to make a decision as to whether we can arm the patrol vessels as soon as possible. I don't wish to see anyone injured but it seems to me that the Taiwanese only respect a show of force. Perhaps gun boat diplomacy isn't such a bad idea on the odd occasion.

I was pleased to find out yesterday, that the Korean authorities are taking the problem of human rights abuses seriously and are investigating various incidents including the recent one here. Perhaps as Governor, you could pass on a word of thanks to your colleagues in Seoul for their help.

The visit later this year of the Argentine President to the United Kingdom I hope will go off reasonably. I happen to disagree with the views of many people and believe that the United Kingdom Government will continue to show its support for our rights, both publicly and privately and that there will be no surprises for us during, or indeed after his visit.

This has been quite a historic week with the first hole being drilled. I am going to give a brief rundown of the events since 1991 when it first started.

- There was the Continental Shelf Ordinance. This provided the framework for non intrusive exploration activities around the Islands.
- We started seismic surveys in 1993.
- The Offshore Minerals Bill was debated in 1994 and this provided a legal framework for both exploration and exploitation.
- In October 1995 after the Joint Agreement had been signed between Britain and Argentina, the Falkland Licensing round was launched in London and Houston.
- October 1996, saw the Production Licences awarded by Falkland Islands Government to five consortia and 13 Companies to explore in 7 tranches to the North of the Falklands.
- In May 1997 seismic surveys and data required for the companies enabled them to go ahead and start setting up the Falklands Offshore Sharing Agreement. Also in this year the first Falklands Environmental Forum was held in Stanley.
- In September 1997 Amerada Hess announced the securing of the Dolphin drilling semi-submersible on behalf of FOSA.
- This summer a Brit Survey carried out site well survey works.

- February 1998, Offshore Health and Safety Legislation became Law.
- 17 April 1998 the drill actually arrived here.
- 27 April 1998 the first well was as they say, 'spudded'

So for a small community to come so far since 1991 against all expectations is something that various people should be thanked for. Like you Sir, I will not pick anybody out but I believe that Mrs Rendell at the Department of Mineral Resources and the Attorney General and dare I say, even the Chief Executive deserve a large thanks for their achievement in getting the Falkland Islands prepared for a possible future in oil.

The radio phone in the other day was only, I hope, the start of discussions on our way ahead. In this House the phrase 'hydrocarbon hype' has been spoken about. How about 'hydrocarbon hope', and I hope that we can continue to handle it.

Sir, I support the Motion.

The Honourable Mrs J L Cheek

Mr President. Honourable Members. This, the first budget session in which I have been involved, has been a particularly interesting one for me. I would like to add my congratulations to the Financial Secretary and all his staff and to our very efficient chairman, the Honourable Mike Summers.

We tried to keep up the level of services and make clear priorities in the capital programme, but most of us are all too aware of the uncertainties in the Far Eastern economy and the fact that my Honourable Colleagues have already said that the level of licence take up in the first season next year, may well be affected by events of this year.

We were also aware as we worked of a need to prepare for the non-oil scenario as well as the oil scenario. The odds are still against finding oil however, that said, I was one of those privileged yesterday to take a trip out to the Borgny Dolphin and learn more about the whole process, the conditions in which people work in out there, the conditions in which they live, and you could not come away after that without taking on some of the sense of excitement of the people working there, not least because the drill was actually stalled when we arrived on board and the exultation (I can only describe it as that) on peoples faces when it got going again. I wish all the oil exploration groups good luck.

However, we must not lose sight, as again Honourable Colleagues who have spoken before me have said, of problems that are being exacerbated by oil exploration. House rents have been raised dramatically, high prices are being demanded when houses are being sold. It has been drawn to my attention by some of my constituents, a very disturbing fact that Government houses sold to tenants just a few years ago at a fraction of their real price and their real value, are now being sold at those inflated prices. While I am sure the intention in selling those houses was to ease the housing problem, it now seems to be making it worse. Of course I am not suggesting that

Government can dictate to whom a house should be sold and we cannot dictate to a private seller what price he can ask for that house.

Government should not be expected to house everyone. Of course we need to assist some people and of course we must house people we contract to come here, but the expectation that anyone who chooses to sell their own house, or walk out of a relationship and a house, should then immediately be housed, by Government, perhaps that expectation is too high. We have to be very careful about it.

I am purposely keeping my remarks brief today, because I am aware that some of my Honourable Colleagues have flights to catch but I can't let the meeting pass without mention of Argentina and the over excitement which we have seen in their press. We must not compromise in any way on our sovereignty. All the recent discussions of flags and all that they symbolise, may seem over exaggerated, but a flag is an important symbol. It is one of many important symbols of our sovereignty which, as other Honourable Members have said, is not negotiable.

Sir, I support the Motion.

The Honourable Mrs N Edwards

Sir, in rising to support the Motion for Adjournment I will be relatively brief, because I am one of those people who want to catch a plane and also because most of my colleagues have said a great deal of the things that I agree with. I will just touch on the most pressing problem for the West in particular at the moment, which is Camp roads and remind everybody that we hear so much about the lack of work force and the inability to produce two teams to work from the North and the South but there are people on the West who are quite capable and do, every year, work with the road gangs helping to build the existing roads and they are the farmers. They are there, and I am sure that they would be well pleased to earn a little bit of extra money working with the flying squad in the future. I have mentioned this beforehand and I would be pleased if that could be seriously taken on board and acted upon in the future. It would solve a lot of the current problems and disappointment for the people at Port Stevens if the Flying Squad were to continue.

I have to make mention of the Public Works Department. Councillor Halford said that they were terribly over crowded and I am sure they are. I do sympathise with them but we heard in the budget that the Director of Public Works has asked for 23 more filing cabinets and so I presume in future, that all the paper that is bogging them down at the moment will be cleared away and there will be a clear line ahead. Perhaps, get some of the projects working a little bit faster than they have been. By that I mean that School Hostels for instance, and I don't think that it is the fault of the Design Department, but we asked for design work to be started on those a year ago and I think that was done and we are now still waiting for the tender, or maybe it has just gone out, for the tender to design and build. It's little things like that that perhaps could be speeded up a little bit. Certainly the administration in the PWD has increased a great deal in the past year or two so I would hope to see a little bit more action from there.

Councillor Cheek mentioned housing and the great problem with housing. I think that our real problems, apart from the lack of housing, is that we should be looking at our policy and how we manage our policy because at the moment with the way it stands, it disadvantages Falkland Islanders, especially Falkland Islanders who have been away and are coming back to the Islands. By that I mean the students who have gone away to train and so on and they come back and there isn't anywhere for them to go. But if you are a contractor then that is okay because it is written into your contract. I really think that we need to take a long hard look at our housing policy. Perhaps not immediately but certainly when the present housing programme has gone forward and there are some houses to talk about.

Sir, I think that is all I have to say. I congratulate the Financial Secretary and his team for all the hard work they have done over the budget session, and beforehand preparing it.

I support the Motion, Sir.

The Honourable WR Luxton

Mr President, Honourable Members. I will be brief as well. I have supported the Appropriation Bill but I too am disappointed like my colleague on my left that we were unable to speed up the road construction programme. I would echo what she said, that one of the few areas where the personnel to do the job are available, particularly on West Falklands and I think we could have spent a little more money there. However, we will keep on pressing that.

I share the concern of my colleagues as far as the poaching is concerned. I think it is a very serious situation and the concept of a little more aggressive gunboat diplomacy, as somebody said, is one I would support. I would probably be taken to task again in the Penguin News but on that subject I am glad that some of my Colleagues also have said that we really have to take a very firm line with our neighbours across the water and keep on doing so. Any sign of moderation, I think, is taken as a sign of weakness.

The 'hydrocarbon hype' to which people have referred, is I suppose, something we could do without. I too was privileged yesterday to visit the Borgny Dolphin and I must say that it is difficult not to come back from that rig feeling excited at the activity going on there. It really is quite something. The trip out there also makes you realise the huge area that our fisheries patrol have to police and to be flying for about an hour and a half over water just gives you the idea of what a huge space it is, and what a task they have got, so I think we need to give them all the support that we can.

Finally, Your Excellency, I would add my congratulation to the treasury staff on the operation of the budget and all the hard work they have done and also congratulate Mr Summers on his chairmanship of the Committee. I do believe it is a good move forward in taking charge of the Government by this Council.

Sir, I support the Motion.

The Honourable MV Summers OBE

Mr President. Honourable Members. I thank my colleagues for their kind remarks and I most particularly thank the Honourable the Financial Secretary and his staff not only for their hard work but for the accuracy of their work and the depth of knowledge that they bring with them when we sit and debate the budget. Congratulations to all those involved and particularly those who are present in this room. I hope that during my association with the Honourable the Financial Secretary during these last few weeks, I have not become too Scrooge like. I think there is a very great deal to be proud and optimistic about in our community and I would just like to mention one or two of them.

I think that we should be very proud that we have reached a relationship with the United Kingdom Government that would have been un-envisaged in 1982. We have absolutely no daylight whatsoever between ourselves and the British Government in our attitude to the sovereignty of the Falklands. We are developing and have developed the mature partnership arrangement that the Secretary of State spoke about at the Dependent Territories conference and as his Minister of State reinforced when he was here just recently. It was I think, a good visit, a welcome visit and one that reinforces the strength between the two of us in the face of what goes on over the water. It is extraordinary, the issues that they continue to raise in relation to the Falklands. The flag thing we have talked about and suddenly it has begun to disappear. Now it appears that we have been licensing and proposing to take revenues from our waters without permission. My very goodness. Have they forgotten already that they signed a co-operation agreement with the British Government in which not only did they agree that they would allow us gracefully to explore our waters without interference in return for which we created a Special Co-operation Area. If they think they are going to start repudiating that agreement they'd better think about what they might lose in terms of the Special Co-operation Area and indeed the agreements that are in the special co-operation document that allows their companies to support and take part in the exploration activities in our waters.

I applaud the Vice President of Amerada Hess for his very robust response to what the Argentines have been saying and I assure his and all the other oil companies that we will give them every assistance we can, and I am sure that the British Government will give them every assistance that they can, in resisting in repudiating their unfounded claims on revenues from Falklands waters. The Menem visit will cause a great deal of excitement in the Argentine press, it will cause a great deal of activity in the British press when it arrives and leading up to it. We have to be prepared for that and I look forward to co-operating with all the Falklands lobbyists in the United Kingdom to put our case forward on a regular basis leading up to the Menem visit to make sure that the British public is fully aware of our story. I thank in advance, the Falkland Islands Association who I know are going to do a great deal of work on this. In a way, I think it won't be such a bad thing if Menem does raise the question of sovereignty while he is in the United Kingdom because I think that he will hear for himself, directly from the British Government what their view is of the sovereignty position in the Falklands and hopefully he will go away with a flea in his ear and bear that in mind.

On the question of fishing, the Falkland Islands Councillors have written to the owners of the Hin Sung, expressing our serious concern at the activities of that company in terms of human rights activities and urging them to contact the Korean maritime police to ensure that human rights abuse is stopped on their vessel. Let us hope that they will do that and that will be a lesson to others.

The poaching question has been mentioned and I too support very firmly, that action should be taken to deter poaching this year because if we don't do it this year folks might get the idea that they don't need to buy a licence next year. That would be most unsatisfactory.

The Honourable Richard Cockwell mentioned the new Fisheries industry policy that is now in circulation for discussion. I think that will be an important document. It was interesting, last evening, to see what can be done with a sensible fishing policy and sensible commercial approaches to this industry. Local companies are doing splendid things. They are making profits which is absolutely right and proper, from a resource which belongs to the Falkland Islands. I will give them every support to continue to do so. The first well is of course exciting and having coined the phrase "hydrocarbon hype" it was with a purpose, and that was to help to keep the hat on what is going on. We must not get over excited, but I do congratulate all those people who have been responsible for getting us to the current position. I congratulate all those people who have worked particularly hard on FIPASS in the last few weeks to make the drilling operation feasible and those people in Stanley CSM who have provided the logistical support to the people who are now working on the rig. I think they all deserve our congratulations.

One or two things finally. Everybody has mentioned housing and I do support the notion that we might take a look at our housing policy. I would just also appeal to any members of the public who may be sitting on a piece of land that they don't particularly want but have not got around to offering to anybody else, that they might think of the plight of some others who don't have places to build houses. If you have a piece of land then please make it known that it is available.

We have approved in the last few months the new Immigration Policy, and in Executive Council the other day agreed that it should be released to the public. I look forward to that being available during this coming week for it to be published in a user friendly form, for those people who are coming to the Falklands. There has been a lot of pressure on this from the public to see what the policy is. It will be available during the course of next week, at least I hope it will be out next week. I had better not promise in case Peter King is short of time next week but it will be out very shortly indeed.

Finally, during this coming year, not only do we look forward to the capital projects and the other things that we have talked about, but I look forward to the establishment of the Training Committee and in seeing a proper measured long-term forward looking training programme for the Falklands, to bring the skills to the Falklands that we need not only in our construction work, but also in agriculture, in fishing and elsewhere. It is an important piece of work and I hope it gets every support from Councillors and officials alike.

Sir, I support the Motion.

His Excellency The Governor

Thank you very much. All Honourable Elected Members of this Chamber have now spoken, so I turn to the Official Members and first of all the Honourable the Financial Secretary.

The Honourable the Financial Secretary

Mr President, Honourable Members. I note the helpful comments in relation to the Financial situation and economy. I am grateful for the gratitude expressed by Members to myself and Treasury staff. The qualifications for becoming a 'Scrooge' are a tight script but it helps if you are a natural, like myself. I think that Councillor Summers would have some trouble with his conversion.

I share the concern expressed about poaching because it has a detrimental effect on revenue. I note that Councillor Birmingham omitted any reference to the oil tax provisions inserted in the Taxes Ordinance when he gave his resume of the achievements so far in oil development. I look forward to a period when those provisions kick in and we receive letters from that Legislation.

Sir, I support the Motion for Adjournment.

The Honourable the Chief Executive

Mr President, Honourable Members. I too, I hope will be brief. If I have a theme for what I have to say briefly it would be balance. We have heard a great deal about the influence that the Islands Planning Committee has had on the budget that we have just been through and I can assure Honourable Members, that neither Emperor Hirohito nor his successors are in fact members of that Committee, but as the Honourable Lewis Clifton advised us, planners can sometimes get it wrong. I am a little bit concerned about the downward spiral in the level of optimism which has been mentioned in this House, because I do not believe in my heart of hearts that that reflects reality. This is my fourth budget Legislative Council and some Honourable Members have many more to their credit but each one that I have been at there has been a clear pattern. It is this time of year that pessimism takes hold. It happens every year. I know it happened in 92/93 before I arrived and I can remember very well, we were as members berated by Governor Tatham for irresponsible spending, in the same year in fact that we had a £17m surplus subsequently. In fact if we looked at our balance sheet growth within the last 4 recorded years, it goes something like this:

- 1993/94 - £17m +
- 1994/94 - £14m +
- 1995/96 - £17m +
- 1996/97 - £10m +

I would emphasise that the balance sheet is to me, the fairest way of actually getting a grip on what is really happening in our economy. This is the growth of our total assets picture. So that is £58m over 4 years. What is going to happen in the current year? The answer to that is that we are most certainly going to have a deficit in the balance

sheet, but nothing like as great as we predicted this time last year and even that slight down fall which may not even be there, but even that is caused by prudent investments and the very significant contribution to the funding of pensions of civil servants. I would compliment in that regard, the Fisheries Department, specifically in the way they dealt with the Korean situation and the lack of licence fees there because they were very inventive in the way they handled that. It does seem I think, worth recording this as I am trying to be a little more optimistic than some, that the damage to the fisheries revenue in the current year will not be as bad in the long term as we had envisaged. We won't know for some time because the payment is spread over into next year, but nevertheless I would be a little bit optimistic on that issue, than one could have been a few months ago. Congratulations to the Director of Fisheries and his staff.

Having said that, and been slightly optimistic, I believe that financial responsibility must be a major concern to us. We do need to plan, practically and not theoretically and a sensible balance must be struck. One way to do that is to be realistic about what is happening, by looking at previous experience and to be prudent, and I don't believe that talk of a downward spiral reflects the facts. In fact, in what we have just been through we are actually predicting something like a £7m deficit. If we look at the record of the previous years, that's about the level where if we had gone for that we would have been into a small surplus. I don't think we should be producing a surplus in the coming year, by underachieving on our capital spend. I hope we don't, but it would be wonderful if we could get near to a surplus by increasing our revenue and we certainly will make efforts to do that.

Also on the theme of balance, I think we have seen the congratulations that have rightly gone to Councillor Summers for his Chairmanship of the Select Committee. There is an increasing balance now, and I am sure those listening will realise that. I am not quite sure that Councillor Luxton is totally right when he is saying that Councillors are taking over the Government. I think Councillors always were the Government because they are the policy makers but nevertheless, I think we can see that there is a balance here. It is no longer adversarial. Councillors are answering questions and doing so very competently and I really welcome that. This responsibility for the portfolios is a real help in the efficiency of Government and I would once again thank both senior Officers, and Councillors for the degree of mutual trust that is ongoing there. Councillor Halford is strident, and very forthright in her judgement over her portfolio and I congratulate her on that too.

I think balance over this 'hydrocarbon hype' or is it 'hydrocarbon hope', is something that we have learned in this summing up debate. I would emphasise there is going to be, I understand, a public meeting on Wednesday 6 at 5pm, to take place here in the Chamber, where members of the public are invited to come and ask Councillors questions regarding the future and to express their views. This is a very important consultative process because although oil may not be there, it could be there, and if it is there in significant quantities, now is the time when we have got to think seriously about how the society is going to be organised. I can assure you that the Islands Planning Committee is doing that job, but in doing that job, and in making those recommendations to Executive Council, it really needs the views of the population. So I would encourage you all to come to that Councillors' meeting next Wednesday.

I agree with what the Honourable Councillor Cheek said about expectations. She was referring particularly to housing and that they are too high. I think that many expectations are too high and I would plead once again for balance on the part of the public. We have had enormous growth in standard of living and prosperity and that, we all know, cannot go on forever. I am not saying it is spiralling downward but we must be balanced in our thinking.

Lastly I would certainly add my thanks to those who have already been grateful for the visit to the Borgny Dolphin yesterday. It was a wonderful experience and one of the most poignant moments for me, and I think for the others, was when we went into a very small room, we could only go in two at a time, that had some television screens and on these screens were the pictures that was being relayed from a camera on the seabed, that was actually looking at the point where the drill pipe is actually going into the earth. There was this little hole and there was this drill pipe going in and there was mud welling up around it. You could see it live. It was all lit up. But even more poignant than that, which was very dramatic, was what was actually there as well. It looked rather like Councillor Luxton's tie, I would have to say. For those not here, Councillor Luxton is wearing a tie with a lot of fish swimming about on it. That is what was happening. There were some fish down there swimming around this drill pipe and there were squid there happily playing and that symbolised this economy for me. It is all about so many different things but there were two of the most important things together. I think there is nothing wrong with being excited. There is nothing wrong with being optimistic and there is nothing wrong with being pessimistic, but we have got to retain a balance and I would plead, as I move this Motion that we all do that.

I beg to move, Mr President.

His Excellency The Governor

Thank you very much the Honourable Chief Executive. Finally I would now like to call on the Commander British Forces if he would like to avail himself of the opportunity.

The Commander British Forces

Indeed Sir I would. Mr President. Honourable Members. There are two topics on which I would like to very briefly comment. The first is that raised by the Honourable Mr Mike Summers, the Stanley to Mount Pleasant Road. I use that road very frequently. It is a difficult road. It is not a bad road, and I choose my words carefully. It is bad driving on that road that causes accidents and we in the Mount Pleasant Community have suffered some 7 deaths and over 100 injuries since that road was opened. I concede in this House that I have a part to play, to ensure that my people are prepared to drive the difficult Stanley road.

If I may turn to the second topic and that is fisheries and fisheries protection. Before I get into the nautical aspects, let me just mention the Mount Pleasant Airfield which may seem rather perverse. We have, between the Ministry of Defence and the Falkland Islands Government, a Memorandum of Understanding which permits joint

use of that airfield and the resources. I regret to advise that I do not have a Memorandum of Understanding that permits joint use of maritime resources, fisheries policing or fisheries protection. That doesn't mean that we can not assist. Can I mention very briefly the commendable levels of achievement of the Falkland Islands Defence Forces, I think that Headquarters British Forces Falkland Islands, has been able to play some small part in the training of the FIDF. I am sure that training your own maritime police protection or whatever you come to conclude you need, can be assisted by the British Forces Falkland Islands. Also of course we do have a common interest in vessels around the Falkland Islands shores. Here we can play an important part and I feel we do, in that the identity of these vessels is of interest to all concerned. As we pursue our regular and routine patrols, right around the Falkland Islands of course, I am delighted if the collateral information that we have accrued and have passed onto you and you can make use of that in pursuance of licence dodgers and poachers and so on.

Just let me conclude by saying. Wherever we can we will assist but please do bear in mind the physical limits of the assistance that I can offer when it comes to fisheries and indeed the grey holes under my present rules, will have to be kept, as the Honourable Lewis Clifton said, at arm's length.

His Excellency The Governor

Commander, thank you very much indeed.

Before I declare the House adjourned, can I just pick up on six points which have arisen from this very interesting debate in the Motion for Adjournment?

The first is at risk of incurring any accusations of patronisation. I really would like to say that I think everybody who has been involved in this budget session, which has been a particularly rigorous one, has been absolutely commendable. I think that the result is pretty good too, as far as I can see.

The second is that I can see that I have violated a sort of fundamental tenet of Falkland Islands culture, in singling out one Government Department for an accolade. I hadn't realised that meritocracy really hadn't hit the Falklands yet, actually I believe it has. I was very careful to say the other day that in singling one out, I know I was being invidious in doing that, and I did not wish to say that that meant that I didn't think very highly of all the other Government Departments. They all do a wonderful job.

On poaching by Taiwanese or other vessels who do not have licences to fish in our waters, I endorse and I hear very clearly what members say and I support that. We do need to regulate this very carefully, because we are not the only Government in the world that can set its own rules irrespective of international law or practice, but the Foreign and Commonwealth Office are working at top speed to agree rules of use for a gun, and I am confident that we will get those agreed rules very soon and I very much heard what people said about wanting to make the gesture known, not only to deal with illegal fishing this year, but also with a view to deterring next year. Also for reassuring the companies that do pay up for their licences that we are not going to let the others play fast and loose.

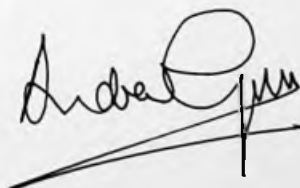
Fourthly, of course I will pass on the thanks of the Members of this House to the British Embassy in Seoul, for the work that they are doing vis-à-vis the Korean authorities over cracking down on brutality by certain fishermen in our waters.

On oil, my fifth point, I have said in another place and Mr Lloyd said very clearly when he was here, that the moves afoot in the Argentine Parliament cause concern and they do indeed. If the Bill that Senator Eduardo Menem has succeeded in pushing through the Argentine Senate were ever to become law, and that is a big if, because, apparently, there are a number of constitutional political hoops which need to be gone through with such laws in the Argentine Governmental system, if it passed through that would certainly represent a serious attack on the letter and the spirit of the Joint Declaration. I would like to reiterate Her Majesty's Government's formal rejection, made at the time of the Joint Declaration of any right by the Argentine Government to tax or levy, a royalty on oil being brought up in Falklands waters, let alone impose punitive penalties on companies which are engaged in drilling in our waters. I think the best I can say on that subject, is watch this space. I am sure there is a good deal of diplomacy going on about this at the moment.

Last, but very much by no means least, the question of Argentina generally, and relations. I hear, and will report to London, the sentiments that have been expressed by Honourable Members about current Argentine hype on flags and so on and so forth. I am sure that the British Government would wish me to repeat sincerely, the firm commitment that Mr Blair made in his New Year's address to the Falkland Islands, that the British commitment to the Falkland Islands will not change. Neither this Government nor its predecessor, and I am talking about the British Government, has never made any secret of its wish for good relations with Argentina, particularly on the commercial front, but it has made it equally clear that pursuit to that objective is not at the expense of the commitment of the Falkland Islands.

On that note I now declare this House adjourned. Thank you very much.

Confirmed 22 September 1998



Acting Governor

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RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
26 JUNE 1998

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 26 JUNE 1998

PRESIDENT

His Excellency the Governor
(Mr Richard Peter Ralph CMG, CVO)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Richard Cockwell
(Elected Member for Camp Constituency)

The Honourable Michael Victor Summers OBE
(Elected Member for Stanley Constituency)

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Honourable Mrs Janet Linda Cheek
(Elected Member for Stanley Constituency)

The Honourable Darwin Lewis Clifton
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr David Geoffrey Lang CBE, QC)

The Commander British Forces Falkland Islands
(Air Commodore Raymond Lawrence Dixon BSC)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

APOLOGIES:

The Honourable William Robert Luxton
(Elected Member for Camp Constituency) (absent overseas)

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

The Honourable Mrs Sharon Halford
(Elected Member for Stanley Constituency) (absent overseas)

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RECORD OF THE LEGISLATIVE COUNCIL HELD ON 26 JUNE 1998

His Excellency the Governor opened the Meeting.

Clerk of Councils

Papers to be laid on the Table by the Honourable the Chief Executive. Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34(1) of the interpretation in General Clauses Ordinance 1977.

Diving at Work (Correction) Order 1998.

Elected Councillors' Allowances (Amendment) order 1998

The Vehicle Licence Labels Regulations 1998

Administration of the State's (Amendment) Rules

The Attorney General

Mr President. I was asked by an Honourable Member just before we came into the Chamber, as to whether it was necessary for Honourable Members to declare an interest in the Elected Councillors Allowance Rules, and I was not able to answer his question before your entry. I would therefore do so now and the answer is no. The reason it is not necessary is because it is not a particular interest of a particular Member. It is obvious on the face of it that it must affect all Elected Members of the Legislative Council, and it would be foolish to require a declaration of interest.

His Excellency The Governor

Thank you very much for that helpful clarification.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to lay on the Table, the papers named by the Clerk.

Clerk of Councils

QUESTIONS FOR ORAL ANSWER

QUESTION No 21/98 BY THE HONOURABLE JOHN BIRMINGHAM

Can the Honourable the Chief Executive, please give an indication as to when the safety barriers will be installed at the junction of John Street and Villiers Street, for the safety of children leaving the Junior School?

The Honourable the Chief Executive

Mr President, Honourable Members. There is no fixed date for the erection of safety barriers at the Infant and Junior School, and it is unlikely that they will be in place before the end of September. No materials have been ordered to date. There is not sufficient, suitable railing available locally. It was originally envisaged, that the barriers would be erected for a distance of 15 metres in each direction, on the North West corner of the Villiers Street, John Street cross roads, the section of footway requested to be protected by Councillors. There has been investigation by the Public Works Department into the most suitable form of barriers, and in conjunction with the Environmental Planning Officer, consideration also of the minimum, sensible length of footway which should be protected. The issue is not straight forward, as there are risks created if only one line of railings is installed.

Children would be well controlled when on the protected footway, but might forget that they could not cross back from the opposite side of the street. For this reason railings will need to be erected around all 4 corners of the junction.

The railings need to be placed a minimum distance from the outer edge of the footway, to avoid there becoming an obstruction to passing vehicles, especially to those with overhanging bodywork. This reduces footway width, and seems from initial inspection, to require the widening of three sections of footway, and the moving back of the fence line at Lois Cottage. All of these works are possible, but increase the scale of works by a significant factor. Recent proposals made by the Police, which include a one way traffic system, are to be evaluated but in any event, the erection of railings is now considered to be almost certain to form part of what ever solution is finally agreed.

Reaction to this issue has been slower than at first glance might have been expected, but it is not as outlined above, simply the ordering and erection of a short length of railing. The ordering of suitable rails and their subsequent installation is however, currently being given some priority.

His Excellency The Governor

Thank you the Chief Executive. I wonder whether the Honourable John Birmingham would care to follow on?

The Honourable J Birmingham

Yes. I would like to thank the Honourable Chief Executive for his answer. In the League of Nations, we must be pretty high on the list when it comes to re-inventing the wheel. I believe there are tens of thousands of schools in the United Kingdom alone, many of which have barriers, so I am sure there are various rules laid down.

I wonder if the Chief Executive is aware of a letter, which if I may Mr President, read a bit from now. It is from the Junior School Management Meeting in the early part of this month, before any uproar about children's safety came up. It is asking the Public Works Department if there has been any progress on the barriers that were asked for

12 months ago, and were measured up more than 12 months ago. So I would just like to say, Mr President, there are people who are concerned about child safety. Sometimes we seem to get bogged down in evaluating and re-evaluating items that perhaps, have been sorted out else where and perhaps this is a 'sledge hammer to crack a nut' situation that we have here.

The Honourable the Chief Executive

Mr President, Honourable Members. I wasn't aware of that letter. I am quite sure that all of us on the administration side of Government are equally concerned about the welfare and safety of children. This is, I suppose in some ways, a very simple problem, but in other ways a very complicated problem, and what we didn't want to do, I know from speaking to the Deputy Director of Public Works, was to do the wrong thing and put a railing in a place that actually wasn't appropriate. You can be quite certain that if there are rules covering this sort of thing in the United Kingdom, then they are more complicated even than the answer that I have just given you, but I am confident, Honourable Members, that this particular question will at least have provided a shove in the pants, if not a kick and I do hope this matter is quickly resolved.

His Excellency The Governor

Thank you very much. I must admit that the "Yes Minister" series come ineluctably to mind when I consider the exchange that has just taken place.

Clerk of Councils

QUESTION No 22/98 BY THE HONOURABLE JOHN BIRMINGHAM

The Honourable J Birmingham

Mr President, Honourable Members. Can the Honourable the Chief Executive please confirm, that he will make sure that instructions issued by Executive Council will be carried out by officers, whether they agree with the decision or not?

The Honourable the Chief Executive

Mr President, Honourable Members. I can of course confirm that I do, and will continue to make sure, that properly issued instructions will be carried out by officers. Honourable Members will know that in our current work on modernising General Orders and their ramifications, we are particularly impressed by the civil service management code utilised in the United Kingdom, and I would read to you a very brief extract from 4.1 Annex A 13, which covers this point:

'Civil servants should not seek to frustrate the policies, decisions or actions of the Government, by declining to take or abstain from action which flows from Ministerial decisions.'

Of course decisions here are not made by Ministers. They are made, in fact, by His Excellency The Governor on the advise of Executive Council, but that being the case, I am sure that this particular phrase from the service code in the United Kingdom, should be applied here and indeed is being applied here.

The Honourable J Birmingham

Mr President, Honourable Members. I would like to thank the Chief Executive for his answer, and he has slightly taken the wind out of my sails, because the other evening at the Select Committee on Ethical Behaviour and Standards in Public Life, part of the Chief Executive's evidence brought this out. I was about to say 'everything' and quote it back at you, but you can't win them all and I thank the Chief Executive for his answer.

The Honourable JR Cockwell

Can the Chief Executive assure us, that the actual actions to be taken, based on these instructions, will not be unreasonably delayed by procrastination on the part of the Head of Department involved?

The Honourable the Chief Executive

Mr President, Honourable Members. Yes of course I can. I distinguish between procrastination, and doing things properly and I don't think that we can brook procrastination at all in the civil service.

Clerk of Councils

QUESTION No 23/98 BY THE HONOURABLE JOHN BIRMINGHAM

The Honourable J Birmingham

Mr President, Honourable Members. Some time ago, it was agreed that a pedestrian crossing would be placed on Ross Road, outside of this Town Hall. Can the Honourable the Chief Executive please tell me, at what stage of this project we are now at?

The Honourable the Chief Executive

Mr President, Honourable Members. This does read like, yet again another script, from "Yes Minister," but nevertheless, I am sure the Members will find this answer very interesting.

The pedestrian crossing on Ross Road, adjacent to the Town Hall, is awaiting the replacement of the concrete panels on which it will be formed. The existing surface is not suitable to hold the permanent marking it is intended to use. The replacement of these panels is to be carried out under a contract, including various road works, which was put out to tender in December 1997 but no award made. This has only just been

re-advertised, and assuming that there is a successful contractor, this work should be undertaken in the coming spring. Work on the crossing markings can then follow a relatively short period afterwards. Various options to provide reasonably durable temporary crossing markings have been considered, but rejected as likely to fail prematurely. It was not considered wise to replay the earlier 'zebra to nowhere' scenario at this location, with the crossing being on a busy section of road. So the question was, at what stage are we at? I think I could describe it as pre-realisation.

The Honourable J Birmingham

I would like to thank the Chief Executive for his answer and I think enough has been said. Thank you.

The Honourable JR Cockwell

Your Excellency. Could we rephrase it and instead of saying pre-realisation saying procrastination?

His Excellency The Governor

I think that that is a statement rather than a question.

The Honourable the Chief Executive

Mr President, Honourable Members. I actually used to work in a company who did produce zebra crossing material, and a zebra crossing is something which does come up rather quickly when traffic goes over it, and it does need to be durable, as we have seen from some of the temporary aberrations that we have had around the town, and I have no doubt in saying that we do need to have a sensible base on which to put this crossing, that that is the reason it has been delayed. I wasn't aware that it was being delayed for that reason I have to say. It does appear to me, speaking purely personally, that the sort of solution that was found in John Street might have been done over a couple of panels in that particular location so that the crossing could have been put down. If I had of been aware of that, I would have attempted to extradite that situation, but I wasn't aware throughout this period of delay.

The Honourable MV Summers OBE

Mr President. I wondered whether the Chief Executive could notice the parallel between the first and third questions asked in this House today, and the second question.

The Honourable the Chief Executive

Mr President, Honourable Members. Of course I notice the parallel. That's why I indicated at the beginning that it was like another Sir Humphry kind of answer. As far as the interpretation of the answer of the second question goes, I certainly take the Honourable Members point, and I know his understanding of the situation.

The Honourable J Birmingham

Could I just ask the Chief Executive if he would agree with me that, unlike the third question, nothing appears to be black and white?

The Honourable the Chief Executive

Honourable Members I laugh at the joke.

His Excellency The Governor

It is and it isn't a laughing matter. If I can just be permitted one comment. It is a good bit of folklore, and in a way some of us will be sad when there is a pedestrian crossing and we don't have anything to joke about any more, but the serious business is, let us all just pray that nobody gets run down trying to cross the road in that part of town, because it won't be such a laughing matter.

Clerk of Councils

QUESTION No 24/98 BY THE HONOURABLE MRS JL CHEEK

The Honourable Mrs JL Cheek

Mr President, Honourable Members. Will the Honourable the Chief Executive please state how much more has been paid to Hay Management consultants, since my last question on the subject. How much has been paid in total to date and how much more, if any, is to be paid in the future?

The Honourable the Chief Executive

Mr President, Honourable Members. The Honourable questioner last asked a similar question at Legislative Council on the 12 December 1997. Then I informed her that the cost to date was £775,000 and that the total cost would be in the region of £800,000 to £1,000,000.

In the Executive Council Paper discussed at yesterdays Executive Council meeting, it was shown that what had actually been paid to date is around £715,000, and that in order to meet current approved invoices, a further £220,000 has now been approved by the Standing Finance Committee.

As far as the future is concerned, I do not believe that with Hay there is a future. I know that one Honourable Member has put on yesterdays paper 'the end', and I believe that to be the case. We have no plans for any further payment to Hay, as there is no more work for them in the pipeline. However, should we need their advice in future, we will seek it, but not before attaining a fixed priced estimate in writing, for approval of Honourable Members.

The Honourable Mrs JL Cheek

I thank the Honourable the Chief Executive for his reply. Is it true that Hay have, in some instances, failed to deliver what was asked for and what was expected?

The Honourable the Chief Executive

Mr President. Honourable Members. That is an incredibly difficult question to answer because, as I said at an earlier Legislative Council when this was discussed, this whole thing has been very, very complicated. I believe there has been short fall on both sides, that in the clarity of definition, which is always very important with a major consultancy, we have been found wanting in some regards, and I think that they have been found wanting, in that they had not insisted upon clarity but have rather played on the lack of clarity in the definition, for their own advantage. If it comes to saying 'they haven't done what we asked them to do' which I think is the thrust of the question, I believe that a great deal has been achieved. I think certainly in our Human Resources Department, they have worked themselves incredibly hard to achieve a great deal. What we expected to get from Hay, was something that was cut and dry and then we could implement it. That was the anticipation. What was actually delivered in may cases didn't enable us to behave like that. We had to adapt it, we had to work with it, we had to change it, to make it fit and nevertheless, when we look back at the paperwork, and what they were actually asked to do, on many occasions they had produced what they had undertaken contractually to produce. I think there is a feeling, if you like, emotionally that we didn't receive what we wanted to receive and what we thought we might receive, but contractually, in most of the cases we actually got what we were contracted to get.

The Honourable Mrs JL Cheek

Thank you. I was prompted to ask that supplementary question, by the discussion this morning of a database which I believe was not expected.

Clerk of Councils

QUESTION No25/98 BY THE HONOURABLE MRS JL CHEEK

The Honourable Mrs JL Cheek

Mr President, Honourable Members. Will the Honourable the Financial Secretary please give the total annual cost of the Falkland Islands Government salary packages, including the recent increase, and say what percentage of the Illex licence revenue for the same period is represented by that figure?

The Honourable the Financial Secretary

Mr President, Honourable Members. For the 1998/99 financial year, the total costs of Falkland Islands Government salaries, including contract gratuities, over time allowances, and the recent increase is estimated at £11.2 million. This represents, approximately 112% of the estimated revenue from Illex Licence fees for the same period.

The Honourable Mrs JL Cheek

I would just like to thank the Honourable the Financial Secretary for his reply.

The Honourable MV Summers OBE

Mr President. Can I ask the Financial Secretary whether that figure also includes the pension contributions for the occupational pensions scheme? Also, does the Financial Secretary have to hand, the total costs of employment for the last five years and the percentage of total Falkland Islands Government income that that represents? If so could he advise them. In any event, will he include them in the information to be provided to the Island Planning Committee describing the Falklands economy, which will then be made public?

The Honourable the Financial Secretary

Mr President, Honourable Members. I can answer the first part of the question. That is that the occupational pensions contributions are not included in that £11.2 million, that would add another one million pounds if it was included. Unfortunately, I do not have those figures to hand, but will make them available for the Islands Planning Committee.

Clerk of Councils

Orders of the Day - Bills.

The Falkland Islands Status Bill 1998. This Bill has been published in the Gazette so therefore does not require a first reading.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to the Motion?

The Attorney General

Mr President. I wonder whether I might be permitted to give a brief explanation of the purposes of the Bill, before Honourable Members rise to speak in relation to it?

His Excellency The Governor

By all means. Please do.

The Attorney General

The Falkland Islands Status Bill is an important Bill, the need from which derives from amendments to the Constitution which were made last year. Under the Constitution in the form it was enforced, before 1 September 1997, a Commonwealth citizen who had been ordinarily resident in the Falkland Islands for a period of five years, and who is domiciled in the Falkland Islands, automatically became a belonger (a person belonging to the Falkland Islands). Under the Constitution as it is now, that is as amended with effect 1 September 1997, that provision is replaced by one which provides that a person who has been ordinarily resident in the Falkland Islands for a period of seven years, and who is a commonwealth citizen, who has been granted Falkland Islands status under the provisions of an Ordinance enacted for the purpose is a person belonging to the Falkland Islands. There are of course, transitional provisions in relation to the persons who required Falkland Islands Status under the old provisions, but for the future residence in the Falkland Islands by a commonwealth citizen, will only enable that person to obtain status if he is granted it under the provisions of an Ordinance. There is no such Ordinance at the moment and it is necessary for the Legislative Council to give effect to the provisions of the Constitution in this respect, by enacting one. This Bill has been prepared for the purpose of providing the necessary Ordinance.

A full explanation of the provisions of the Bill appears in the Falkland Islands Gazette, has been published in at least one local publication in full, and has been summarised in the Penguin News. I am quite prepared, if Honourable Members wish, to give an explanation at length, but I don't wish to occupy the time of the House unnecessarily. What I would say by way of summary, is that the Bill provides for applications to be lodged with the Principal Immigration Officer. Subject to them meeting the criteria for a valid application for the merits of the application to be considered by the Executive Council, for a reason to be given for an intended refusal of the application and for the applicant to be able to make representations, in relation to any intended reason for refusal. In other words, to provide a fair system that people will be told why their application is refused.

The Bill also provides that applications for Falkland Islands status, will be advertised in the Gazette and persons who object to the application being granted, will be able to make representations under the grant. There will be no obligation to disclose to an applicant the identity of an objector, but the substance of the objection must be disclosed to the applicant, so he can answer it and make representations to the Executive Council. Those, Mr President, are the principal provisions of the Bill.

His Excellency The Governor

Thank you very much Attorney General.

Well, this is indeed an important Bill and I am sure that Honourable Members will want to comment.

The Honourable MV Summers OBE

Mr President. I have two matters which I wish to raise. The first is to seek clarification under section 33b, or thereabouts, that people who would ordinarily be regarded as resident in the Falklands but are working on vessels outside of the Falklands, would still be covered, in respect of their residency, and that they are not disadvantaged in some way by this belt. That is a reasonably small technical matter.

The second I wish to raise, is the question of the reasons by which an applicant may be refused Falkland Islands Status. I wonder whether reasonable might include the view of the Executive Council, being that there were too many people already in the Falklands, or whether perceived or social behaviour might be a valid reason or whether lazy, and unproductive behaviour might be regarded as a valid reason. I note in the explanatory memorandum that it says, 'grounds on which an application for Falkland Islands status can be refused, must be reasonable. At common law the reason for refusal must be reasonable.' That, presumably, is the common law of the United Kingdom since there is no common law in the Falklands, to my understanding. I would like folks to be aware, that it is my understanding that in this instance, and in the instance of the issue of Permanent Residence Permits, although we are regarded as having internal self Government, on this issue in fact, we are not the determining authority as to whether a Permanent Residence Permit, or Resident Permit should be issued or not, but it is in fact, the Supreme Court of the United Kingdom.

His Excellency The Governor

Before you answer Attorney General, could I just raise a question of order. That is, since these are technical questions, though they are important ones, is it more appropriate for them to be dealt with when the Councillors are in Committee session, rather than at this stage when I would normally of imagined that Members would want to speak in more general terms? Is it simply a question about how we proceed?

The Attorney General

Mr President. These are points of great detail, but they are also questions of principle, which the Honourable Member is raising. They are not essentially matters of detail. I will try to remember the points he has raised.

First and most importantly, the common law of the Falkland Islands. The Honourable Member, with respect to him, is completely wrong. Absolutely and completely wrong. The common law of England, has always formed part of the law of the Falkland Islands, ever since 1833. It is specifically provided by the law of the Falkland Islands, in the Interpretation and General Clauses Ordinance, that it forms part of the law of the Falkland Islands. The common law is stated to be the heritage of every British citizen, and it would be extraordinary if the common law did not apply as part of the law of the Falkland Island. It is the common law which serves to guarantee, to a large extent, peoples liberty.

Secondly, we are not subject to the Supreme Court of the United Kingdom. What we are subject to, is the common law. The decisions of the Supreme Court of the United

Kingdom, (and we are talking about the Court of Appeal in a particular decision) as to refusal of applications of this kind, is not in itself, part of the laws of the Falkland Islands, except in so far as it forms part of common law, which is part of the law of the Falkland Islands. Similar decisions have, however, been made by the Privy Council, in relation to an appeal from a Dependant Territory. The decisions of the Privy Council are specifically, and as a matter of law, binding on the Falkland Islands.

To address the Members particular points. No grounds are given for refusal of an application. I can't quite remember all of the ground he sighted. One was, if a person was lazy. I think that it is very possible, that if somebody is regarded as not being capable of making a reasonable contribution to Falkland Islands society, and that were truly the reason for it, then that would be a reasonable ground to refuse an application. If there truly were a situation why there should be no more people in the Falkland Islands, one would have to look at the situation and ask 'why was the person still here if he was still subject to immigration control?' If there were too many people in the Falkland Islands already, we should have taken steps, I hope, to address that situation. But, if it were undesirable to have more people in the Falkland Islands, because of the inability of the Falkland Islands economically to support them, then I would think it was entirely reasonable to refuse applications to Falkland Islands status, because the Falkland Islands has a limit on the number of people it can support. Bare in mind first, that the filter of control is the Immigration policy, that a person that doesn't have Falkland Islands status, does not have a right to reside here. I can quite see the Honourable Members problem. The decision is a local decision, but it is a decision which has to be taken in accordance with the law of the Falkland Islands. This is not British law which we are making. It isn't British law which binds our hands. This is Falkland Islands law, the Falkland Islands common law, and the law applied by the Falkland Islands court. Let us be very clear about that. I do not want it said, because it would be wrong, that the manner in which applications for Falkland Islands status would be dealt with, are determined by British law. I am afraid that would be a total misconception.

The Honourable J Birmingham

Mr President, Honourable Members. Could the Attorney General please make clear to me, if a person was refused in the Falkland Islands, could he explain the procedures for right of appeal. If he was refused by the Executive Council, he would then be able to appeal to whom?

The Attorney General

If there is no right of appeal as such granted, may I make that absolutely clear, but there is a right, as there is in the case of any decision by an administrative body, including the advice of the Executive Council to the Governor, for a person to apply to the Supreme Court, under the process known as judicial review, to review the decision of Executive Council. On an application of judicial review, the Supreme Court can, if it considers that the decision of the Executive Council could not reasonably have been reached in all the circumstances, quash that decision. It can, if it considers that the Executive Council had been guilty of a procedural impropriety, require the Executive Council to consider the matter again. What it cannot do, and

this is the distinction between a judicial review procedure, and an appeal procedure, that what it cannot do is to reverse the decision of the Executive Council and insert its own decision. The Supreme Court, cannot grant Falkland Islands status, on an application for judicial review of a decision of the Executive Council. I do not believe, however, that it is very likely that there will be many applications, that could be successfully brought for judicial review, against decisions of the Executive Council. In my time here, there has not been one such case brought, and the reason why I think they cannot be brought, is because the Executive Council, in my experience, acts in a proper manner. That is why. I would be most upset, if I thought that we were going to face a number of applications to the Supreme Court arising out of decisions of the Executive Council, as to their advice to The Governor.

The Honourable J Birmingham

I thank the Attorney General for his answer.

The Honourable MV Summers OBE

Mr President. Could I refresh the Attorney General's mind as to the first part of my question, which was about seamen who might be out of the Islands for considerable periods of time.

The Attorney General

I am obliged to the Honourable Member. I regret overlooking that part of his question. The answer is, that under the common law which applies in the Falkland Islands, a person who is absent at sea from the Falkland Islands, on service on the ship, would nevertheless, be regarded as ordinarily resident on the Falkland Islands.

His Excellency The Governor

Thank you. That is reassuring. Well, I think in that case the Bill will be read a second time.

Clerk of Councils

The Falkland Islands Status Bill 1998.

His Excellency The Governor

I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 to 8.

The Honourable the Chief Executive

Mr President. I beg to move that Clauses 1 to 8 stand part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 to 8 stand as part of the Bill. Is there any objection to that Motion? No objection? Clauses 1 to 8 stand as part of the Bill. The Council now resumes.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg that the Bill be read a third time and do pass.

His Excellency The Governor

The Motion is, that the Bill be read a third time and do pass. Is there any objection to the Motion?

The Bill was read a third time and passed.

Clerk of Councils

The Education (Amendment) Bill. This Bill has not been Gazetted so therefore requires a first reading, and is being presented under a Certificate of Urgency.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the first reading of this Bill.

His Excellency The Governor

Are we going to have an explanation of the Bill?

The Attorney General

A very brief one, Mr President. This Bill seeks to do two things. First of all, to abolish the Scholarships and Training Awards Committee. The reason for that is simply that it is no longer necessary, having regard to the establishment of the Training Committee, and its other functions can well be undertaken by the board of Education, and the Director of Education, without the need for a separate Committee.

The second one is, because it had been decided by the Executive Council on the recommendation of the Director of Education, to provide that a child shall attend school compulsory, from the beginning of the school year in which his fifth birthday falls, instead of the beginning of the term in which his fifth birthday falls. This will get rid of a number of anomalies, and be in the interests of children. There has been the widest consultation, I understand, in general agreement, that this is a worthwhile and proper change to make.

His Excellency The Governor

Well the Motion is that the Bill be read a first time. Is there any objection to that Motion?

No objection. The Bill will be read a first time.

Clerk of Councils

The Education (Amendment) Bill 1998.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move that the Bill be read a second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak? If no Honourable Member does wish to speak I would like to move on to the fast track. It is really essential I give you one last opportunity to speak if you wish to, and if you don't, then I shall declare that the Bill be read through all its stages and is passed.

Clerk of Councils

The Road Traffic (Amendment) Bill 1998. This Bill requires a first reading and is also being submitted under a Certificate of Urgency.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to correct an error. The Finance Ordinance 1998 was intended to increase the vehicle licence fee, in respect of motor vehicles under 500 kilograms in unladen weight, by an amount equivalent to ten percent, rounded up to the nearest pound, above the amount previously charged. Inadvertently, this was thought to be £43, but was in fact £23. Thus the relevant fee should have been increased by the Finance Ordinance, to £26 not £48. The Bill, if enacted, will correct the error, from the date on which Finance Ordinance 1998 came into event.

I beg to move the first reading of the Bill.

His Excellency The Governor

Thank you. The Motion is that the Bill be read a first time. Any objection? No objection? The Bill will be read a first time.

Clerk of Councils

The Road Traffic (Amendment) Bill 1998.

The Honourable the Financial Secretary

I beg to move that the Bill be read a second time.

His Excellency The Governor

Well the Motion is that the Bill be read a second time. Does any Honourable Members wish to speak?

Again, lets move onto the fast track. Going, going, gone. The Bill is passed.

Clerk of Councils

The Supplementary Appropriation (1997/98) (No 3) Bill 1998

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to authorise a withdrawal of the additional sum of £308,620 from the Consolidated Fund, to provide for supplementary expenditure, approved by the Standing Finance Committee, for the 1997/98 Financial year. This additional sum, has been authorised to be advanced for the Contingencies Fund. The Bill provides for the Contingencies Fund to be replenished to the extent of any advances made. The most significant item, is £100,000 included to cover exceptional costs in connection with medical treatment overseas. I beg to move the first reading of the Bill.

His Excellency The Governor

Thank you Financial Secretary. The Motion is that the Bill be read a first time. Is there any objection to that? No objection? The Bill is read a first time.

Clerk of Councils

The Supplementary Appropriation (1997/98) (No 3) Bill 1998

The Honourable the Financial Secretary

I beg to move that the Bill be read a second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak? No, well we will do the fast track procedure again, and the Bill is considered to have passed. Thank you.

Clerk of Councils

The Supplementary Appropriation (1998/99) Bill 1998

The Honourable the Financial Secretary

Mr President, Honourable Members. I regret the need to present a Supplementary Appropriation Bill before the commencement of the financial year to which it relates, and in particular having regard to the deficit budget forecast. I also regret having to present an upward amended version, following the recent meeting of Executive Council and the Standing Finance Committee. The purpose of this Bill, as amended, is to authorise a withdrawal of the additional sum of £899,250 from the consolidated fund, to provide for supplementary expenditure approved by the Standing Finance Committee.

There are 3 significant items which ought to be mentioned as follows:

- £400,000 is included, to cover the cost of an approved 4% salary increase for civil servants, with effect from 1 July 1998;
- £220,500 is included to meet charges raised by Hay Management, to complete the Employment Consultancy work. This has been carried out over 4 financial years, at an estimated total cost of £955,000;
- £250,000 is included as a first instalment, of an agriculture incentive scheme, approved in principal, over the next three financial years, at a total investment, of £1.5m of public funds. It is anticipated that this incentive scheme, together with the already approved pasture improvement and fencing grant schemes, will mean that agricultural assistance, in its current form of income support, or subsistence payments, should no longer be necessary, beyond the financial year of 2003, 2004.

I beg to move the first reading of this Bill.

His Excellency The Governor

Thank you very much. The Motion is that the Bill be read a first time. Any objections? No objection? The Bill will be read a first time.

Clerk of Councils

The Supplementary Appropriation (1998/99) Bill 1998

The Honourable the Financial Secretary

I beg to move that the Bill be read a second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to the Motion? No, so we will go onto the fast track procedure. This Bill is passed.

THE MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move that this House stands adjourned, *sine die*.

The Honourable Mrs JL Cheek

Mr President, Honourable Members. My earlier questions were designed to highlight finance, in particular, the Hay funding and the salary increase which we, as Council, found ourselves, from the moment we were elected, effectively committed to. The latter, salary increase, on the promise which was believed to have been made against clear direction by Councillors of that day, that the increase, based on inflation, would be given. I am sure that the Chief Executive, I can tell by his expression, that he would disagree with that, but it is very clear to me, having read the papers over and over again, that that is the case. The direction came from Members of the Council at that time. Somehow we found ourselves in a position where we were, certainly morally and possibly even legally obliged to pay an increase against those clearly expressed wishes.

Civil servants would have to be aware, when they now look at their salary package, and we compare it with the Illex revenue which is the greater part of our income, that before too long, unless great caution is exercised, we will not be able to afford that whole package. I think it would be unrealistic to pretend that we could. There may be oil. If you listen to financial news regularly, as I do, you will know that the current oil price is around \$12 to \$13 a barrel. At that price we are not going to be run down in a stampede of companies wanting export that oil. So it will be many years, if ever, before that would be an element in our income. I stand as guilty as any other Councillor, of looking at the departments for which I take some responsibility, and saying they need extra staff to do the job they have. We are going to have to look very hard, I suspect, over the next two years, to up these levels without planning, without firings and retirements, and very carefully make use of what resources we have, and not allow the whole public sector to become a monster which we cannot feed.

Another element in this, with which we will have to look at, and this was touched on briefly in the discussion of the Falkland Islands Status Bill, is our new Immigration policy. It should be implemented stringently and of course fairly. Random immigration can have the effect of overloading our educational services. It only takes a few families with children of junior school age to come in, to push class size above the 30 level (which we regard as reasonable) you increase, not only the number of staff but the class needs to be split, and then you need the space to house that class. That is just one small example.

Medical services, and housing are equally overloaded and very sadly, in some cases, there is a drain on welfare. It could even ultimately affect the calculations of our long awaited Occupational Pensions scheme.

Moving from that gloomy note, I welcome the move we have made today, to begin to change the emphasis on agricultural assistance, from subsidy to incentive. I think that is long, long overdue.

Finally, this is our last opportunity to speak, on the record of this forum for several months. We now find ourselves, I think we already did to some extent, under pressure, some subtle, some not so subtle, some from Argentina, some from other quarters, to compromise our position on sovereignty. I think there is no harm to restate it at regular intervals, that our sovereignty is not negotiable and that we will not give up the position that we have taken on the relations with Argentina, until their claim is permanently dropped.

I beg to support the Motion.

The Honourable DL Clifton

Mr President, Honourable Members. I have absolute empathy with everything Councillor Cheek has said, and in particular with regard to the Hay and pay scenario. I would have to say that I thought along the way we had prepared something, that quite frankly, I wished not to inherit and really has cost us a great deal. I am tempted to ask the question whether in the light of a few lost sheep in the National Stud Flock, and the outcry in the subsequent enquiry, whether it would be appropriate to have an enquiry as to the value for money in this whole Hay and pay exercise.

I also have empathy with Councillor Cheeks statement with regard to the farming community. The farming community is in a desperate time. There is no doubt about that and the prices are heavily depressed and we have to do something for that community to continue, but by providing another tranche of funding through that incentive scheme, we must not allow the way of life to continue in vain, that we will always require subsidy for the agriculture community to continue. There is a need for a deep philosophical change in certain attitudes in the Camp, in that Camp life, agricultured life, is a business and we have to begin to grasp that. I am saying this as a physical warning, because during next week we have the farming community in Stanley, and with the decision taken in Executive Council yesterday, and endorsed and supported financially by Standing Finance Committee, again we will have ramifications throughout next weeks meeting, as indeed will another paper that Executive Council has said can be released, in terms of the information paper on the possible creation of a Falklands full-time woolboard.

There is only one other issue which I would raise Sir, and I raise it because we are on the subject of deep domestic concern. This is the issue of the invasion of our airspace by the lonesome Argentine Pilot. I can accept the need to gather all the details and work through all of the issues, so that a suitable outcome can be arrived at. Councillors, whether they like it or not, are invariably at the sharp end when it comes to not being privy to information, perhaps as quickly as it could be provided. I know there were certainly some safety implications to be addressed, and I know there is a lot of folk who are working quite quickly in preparing all that information, so you Sir, were able to brief these Executive Councillors. Indeed I hope there isn't, but if there is a future incursion of this sort, that we can't some how be brought into the full

picture just that little bit more quickly. It did happen out of the blue. These things tend to happen that way. As I say, we are at the sharp end and there is a need for Councillors to react to any snippet of information, that filters its way down the road from Mount Pleasant at the time the incident occurs.

Sir, I support the Motion.

The Honourable JR Cockwell

I completely agree with the two previous speakers, and there is no point me going back over things they have said.

The Hay situation has been inherited, as the three of us are new Councillors, and I must admit I realise that there was a problem with Hay before I came on Council, but since I have been on Council I am absolutely astounded. I really can't say more than that. The information that came to us today to say that they had supplied us a database without informing us, so they could use us, well the implication was that they could use us as a cash card and that we would have to go back to them for the information, for which the charge is absolutely ridiculous. I am very glad to hear that this is coming to a speedy conclusion.

The situation in the camp, particularly regarding wool prices, has reached a crisis situation. I look forward to being in town next week, to discuss with farmers the proposals, which were put into Executive Council yesterday, and the way that we can find solutions to some of the problems, that are besetting the whole camp community. I think the time has come, for someone to actually stand up in this Forum, and actually say something that may still be considered to be heresy in the past of the Falkland Islands and it certainly was. We cannot continue to rely on wool for support in agricultural community, it has to be said. I am sorry to be the person to say it. I may be the first person to say it in this forum, but we have to realise that. Wool will not support the agriculture community in any large form. It will always be a very significant product of the Falkland Islands. It is a superb product from the Falkland Islands, but the world prices of wool are not going to support people, and encourage young people to move into the Camp and work in the Camp. It is very difficult to find a way that you can encourage the sons and daughters of farmers to go to Camp with the farmers relying on wool as a sole product. That has to be looked at very carefully. The incentive scheme, hopefully, will be set up in such a way to encourage farmers to be able to diversify, and look at that farm as a business, rather than a way of life.

While on that subject, one of the problems that is besetting the Camp community, and not only the Camp community, but the community in Stanley, is housing. One of the problems is, that because Camp school leavers can not find themselves a viable way of life in Camp, they have to come to Stanley, which is the only place they can find themselves viable employment, and the 16 year olds, are finding it very difficult to find accommodation in Stanley, so we have to make sure that there is housing made available.

Just to close, two other things. I would like to congratulate the young people of the Senior School, who recently won an international prize, in a newspaper competition. I

think the efforts of these young people, really must be commended, and I think that we should be extremely proud.

Before I close, regarding Mr Barcella, I think his name was, who flew in here the other day, I would like to associate myself with the remarks that Councillor Clifton made about this. I would also like to point out to everybody, in case anyone is concerned, and I know some members of the public are concerned, that we didn't treat him as harshly as they may have wished, that I believe it was not appropriate, at that time, to make an international incident over somebody who is an eccentric. However, it has been made perfectly clear to the Argentine authorities, that if there is a repetition of this sort of thing from an eccentric, a patriot or whatever, that we will be absolutely adamant, that he will be treated very, very firmly.

Sir, I support the Motion.

The Honourable J Birmingham

Mr President, Honourable Members. In rising to speak to the Motion, I am also aware that this will probably be the last Legislative Council before October, so will speak on a few issues that are a concern, not only to me, but also to others.

You, Sir, said earlier on this afternoon, safety is not a joke. I agree. The safety of children around the school is a concern to me. Not only as a Councillor, or as a school Manager, but also as the parent of a five year old. I would like to assure the public, that the problem of traffic congestion in this area, is being taken seriously. With that the FIDF will be moving soon, and there is a possibility of getting some offstreet parking organised for staff to the rear of the school, there is also a possible one way system being looked into. We, as a community can also help and I know there are drivers who surely don't have to go along John Street, or up and down Villiers Street at lunch time. The provision of a Policeman has been a great help, and as the school Manager, I would like to thank the Police for their co-operation.

Plot sizes for house buildings has come into discussion lately. The Planning Committee were instructed by an Executive Council of two years ago, not to allow every green area in Stanley to be built on. Although I am no longer on that very popular Committee, I know that they have been as consistent as possible. If this Council wish to change the rule, then do so, but please look out for a flood of applications, not only from those who are looking to build at the moment, but also those who were turned down in the past. The design for the next stage of the East Stanley Development is progressing well, and these plots will be of various sizes, and there will be between 60 - 65 more plots, on East Stanley, phase five.

It is nice to see some proper road markings going down around the town. I wonder who is changing the road signs. Some 'stop' signs are now becoming 'give way' signs and it would be interesting to know who is giving the orders to change them around.

There are now less than 130 homes in the Islands, that are burning peat as a primary source of fuel, so diesel and kerosene are items that attract a fair bit of discussion, and that's not just the price. On occasion the quality of some batches of fuel seemed to be

questioned. I wonder if the company with the monopoly over the importation of fuel for domestic burn, keeps a book of complaints about dirty diesel and kerosene. Maybe the company chairman will let on, at some time in the future.

I wish to wish Councillor Clifton well with his Millennium group, and I look forward to seeing a very large sheep across the narrows, before the end of the two years.

May I also congratulate the Community School who produced the Falklands Focus, and won the first prize for the second year running. This competition, as we said the other day, attracted over 30,000 students world-wide, and I think it is a fine example of what can be achieved, given the right conditions and commitment.

As the Councillor responsible for Mineral Resources, may I just say a few words on what is happening to the North of the Islands at the moment? The Exploration Drilling Programme has gone very smoothly to date, due to good logistical planning by all concerned in the industry, and of course the excellent weather we are enjoying at the moment. It is early days yet to tell if hydrocarbons that could lead to any activities beyond the present exploration stage will be found. We mustn't lose sight of this. The North Falkland basin, where drilling is taking place, is a huge area, and it will take time to test it all. However, it is important to plan for the future, and a debate about the impact that development could have on the Islands, if there is any, should be well worth going for. Public opinion is valued by Councillors, and will help us make decisions when we are faced with them. The community should be assured, that the oil companies are not planning to bring any oil they might find, ashore. They expect to use floating storage production and off-loading vessels to process any hydrocarbons, and then tank the ship away to market place. The Chief Executive's paper on the likely scenarios is worth reading, if people have not yet done so, and the Department of Mineral Resources can provide information about the industry. In fact, the oil production should be no more than we have had now, if that is the way the majority want it. After some very inaccurate press speculations surrounding the drilling of the first well, it is good to see that things seemed to have settled down, and the industry are being left to get on with their work, and the Islanders theirs.

The recent visit by the "tea bag man," as he is now known, Mr Barcella, caused quite a stir here. I support the decision by Councillors to go ahead with sending him back, to be punished in his own country. What we are now waiting for is to see whether punishment will be given out to this man or not. I agree with Councillor Cockwell, that at the time it did seem the right thing to do, and looking back now, I am certain it was the right thing to do. The Argentines must, surely be aware, and I am sure that the Foreign Commonwealth Office are telling them, that we expect them to do something. If they fail to do something, things might be different if anything happens again.

Carlos Menem is visiting Britain later in the year. It is an interest for us all in the Islands, and I for one am confident that the Labour Government in London, who has been there a year, (a year after taking office on one of their election platforms, ethics for a part of foreign policy) and I am sure that they haven't changed their minds. I am sure that there are Members around this Table who would agree with me, that it would

be very unethical if the Falkland Islands were on the main agenda during the Presidential visit.

Today could be a very special day in the sporting calendar, not only for these Islands but also the United Kingdom. I wish the England team well when they kick off in fifteen minutes time, as we all do.

Mr President, just one more thing. I would like to thank everybody, absolutely everybody, who is involved in the Sudar Havid disaster to the South of the Islands, and I fully agree with the sentiments in this weeks Penguin News Editorial.

Sir, I support the Motion.

The Honourable MV Summers OBE

Mr President, Honourable Members. I have attempted, this afternoon, to say a little about the Island Planning Committee, and something about Foreign Affairs, but I just want to pick up firstly, on the comments of my Honourable Colleague, Councillor Jan Cheek, in relation to the economy. This is one of the principal activities of the Island Planning Committee. I think the situation that we have arrived at with the economy, is not yet satisfactory. I thank the public servants for their patients in allowing us to rectify the error that was perpetrated, when suggesting that there was a firm linkage between the INS curve in the United Kingdom and local pay. It could never have been the case. I was somewhat taken back during those discussions, to find that some members of the public service actually believe that the economy is in a very healthy state, and we have got bits and pieces of money stashed away all over the place that we can take out and spend at will. We are not in desperate straits and we have not been in desperate straits for an awful long time, and we don't intend to become in desperate straits, but we do have to be careful. The role of the Island Planning Committee in the next few months will be to make sure that we are careful, and to advise Executive Council to adopt a careful path, to set a broad economic strategy, within which we can optimise our spending for the benefit of the whole community, whilst enabling our reserves to continue to grow. That is a fairly fine line, and to achieve it we will have to achieve improved levels of income, from agriculture, fishing, tourism, hydrocarbons (if there is any or the exploration process), and other activities that are the firm view of the Development Corporation in many instances (retail, construction and other Stanley ventured activities). The Islands Planning Committee will seek the involvement of all of these groups of people, to put together their plans, their proposals, and their industries, and then work with that. Through that, we hope that there will be the very widest of public consultation with those groups. I know there has been a lot already in Agriculture. I look forwards to seeing it in the Fishing industry, and the tourist industry has had high consultation, and so should the other bodies who are advising the Island Planning Committee, because the Committee can only work on the information that is brought up to it by those groups of people. It is not some kind of communist state planning mechanism. What it is, is an organisation that will ensure that we have co-ordination between all the activities that we pursue in the Falklands. After we have dealt with that element of the plan, (the income element) we can then move to the next stage, to consult with the principal expenditure department, particularly the Medical Services and the Education

Department, to see what their long term plans are. In the other service departments, several of them in the Government, ensure that we have maintained, a cohesive economic plan for the forming of spending patterns. That is the purpose of the Island Planning Committee and no other, and input from the widest of areas will be sought, from all elements of the public, at various times.

I would like to say just a couple of words on foreign policy. The reported potential reprimand by the Alliance Party in Argentina, (were they elected next year), and the oil agreement between the Nation of Argentina and the United Kingdom, and the lauding in some parts of Argentina of the rogue pilot, I think, provides further evidence to us, of lack of respect for International law, in some parts of the Argentine community. When they are looking around to find reasons why we the Falkland Islanders are so unreasonable towards them, and can't understand as they are 'such nice people,' perhaps they would just like to look inwards, as Dr Di Tella suggested in a recent article, and look at what they are doing. If they don't respect International law, they have no reason to ask us to respect them as a people, or them as a Government.

Finally, Sir, I would just like to send our congratulations to Ted Clapp MBE, who was honoured in the Queen's Birthday Honours recently, for services to this community over many, many years, both for when he was here working for British Antarctic Survey, when he did a lot in the community for the voluntary services, and more recently his work for the Falkland Islands Association, in which he is a tireless worker on our behalf. I congratulate him on his well deserved Honour.

Sir, I support the Motion.

The Honourable the Financial Secretary

Mr President, Honourable Members. I share the concern expressed with regard to our economic situation, which reflects the situation in those parts of the world that are essential to our economy. I believe the main protection is to live within our means, to distend all public expenditure, including that which is staff related, and we must continue to be scrutinised and controlled. It is not just an exercise that is reserved for the annual budget, and the monthly meetings of the Standing Finance Committee assist in this monitoring process.

I beg to support the Motion.

The Honourable the Chief Executive

Mr President, Honourable Members. I will try to be brief. I feel that I must comment on this general strain that Members opposite me have been pushing out this afternoon, and I think it would be wrong of me not to say something, for the record if nothing else, because there are two implications here. The first one being that the Councillors were somehow tricked into providing an annual salary increase, either by Hay, or the officers, or a combination of both.

The second one is that the civil service is somehow a monster, that is on a growth pattern that is out of control. If I can comment briefly on both of those.

Firstly, as far as Hay is concerned, throughout, I believe that the officers have acted upon instructions and minutes of Executive Council. I can well remember the debates in Executive Council over this issue. If we take the issue of the choice of an index, we debated long and hard about whether it should be New Zealand, or the United Kingdom. The reasons for the United Kingdom were, at that time, very clear. We actually wanted people here to have a pay structure that was linked to the United Kingdom. We aspired to that and we said "No. New Zealand is not the place, the United Kingdom is the place." It is amazing how times change. Now, after those decisions I would have to agree that there was some misunderstanding by some individuals regarding the mechanism, but there was never a plot to mislead Politicians, or anybody else. I do believe that Councillor Summers' remarks were indeed well made, that the Unions are to be congratulated on being involved in sorting the situation out. In making sure that there is no longer a misunderstanding.

If I can also deal with the other point, the question of this monster growing out of control. It is a fact that every new post is approved by Executive Council. You do not just create jobs to expand the civil service. Executive Council must approve all new posts. Not only that, but if we look at the growth job by job, that there has been over the last few years, it is in two areas. It is either in the area related to hydrocarbons, as we have some more lawyers and we have the Mineral Resources department, we have another person in the Tax department in order to cope which, in terms, is a sort of investment against the future. Then we have improved services in health, in education, in agriculture and in Public Works. Now, if we want to reduce this monster, there are only three ways we can do it:

- we can do it by increasing our efficiency. In other words, we get more out than what we put in and dare I suggest it, the Performance Management techniques that Hay have enabled us now to begin to employ, to give us one of the leavers to pull, if you like, to actually achieve Performance Management. We are in the process of actually doing that, however, it is not a very rapid process. It takes time because it requires something of a cultural shift;
- the second way to reducing the monster is actually to reduce services, to cut back. Lets cut back on dentists, lets cut back on doctors lets have fewer teachers, lets not build so many houses, lets not build so many roads. These are the ways of actually cutting back on services; and
- the third, is to privatise. Lets put it into the private sector. Now whether or not that saves the community money in the long run, is a good point, but as Honourable Members will be aware we have a programme for actually privatising, and we are working hard to make sure that something happens within that sphere.

Having said all that, which I think I really had to say to try to reset something of the balance as it is fallen to one side, but I must agree with the comments regarding financial prudence. I think it would be irresponsible to do anything else, but I would warn Honourable Members, it's all very well to talk about these savings, but they are

actually political decisions. They are very hard decisions to make politically, as I think you are aware. I would also say that the Union negotiators from my experience often, and I am sure that Councillor Clifton will agree, also believe in financial prudence when it is necessary. One of the reasons they agreed to the new definition was in fact, that very belief that they too are responsible people, and they are concerned to ensure that the future is a secure one, and that the civil service is efficient, and that we are delivering services into the community, services that the community is looking for and deserves.

Having said that Sir, I beg to move the Motion.

His Excellency The Governor

Thank you very much Chief Executive. Could I just take the liberty of making one or two points just before we wind up? Let me start with the points in relation to the economy. I think a lot of very good points have been made in this Adjournment Motion. I listened with particular interest to what the Honourable Mike Summers said, and indeed what the Honourable the Chief Executive said. I know when I first came here I could probably have been accused of being a spending Governor, in that I wanted to move forward projects that seem to have got stuck. I can't resist observing that two and a half years on, a lot of those projects are still stuck and show no signs of happening. Maybe the situation we are in now isn't such a bad thing, because we do have to be very rigorous about spending. It is terribly important, and it has been said here, not to panic or over react. Of course the prospects are not that rosy necessarily, but I think it provokes us all to be prudent and self disciplined, and that is not just Government, but society as a whole, in the demand that we pass on the budget we have got. I very much endorse what he said in that respect, and I think that that nasty word 'prioritisation' seems to be an important watchword today, as it was a few years ago, and no doubt as it will be in a few years time.

Since it is farmers week next week, but in any case because of the importance of farming in agriculture and wool history, and the tradition and the culture of the ethos of the Falkland Islands, I just want to say that I will be saying some things in my Executive Council broadcast which some members of the community may listen to later, about the two issues that came for consideration by Executive Council yesterday, that is the Incentive Scheme and another scheme for a possible wool purchasing body. I think they are very imaginative ideas. They are quite radical and they have still got a bit of thinking to be done about them, but it will be very interesting to talk about this next week. I am not an Agriculturist as everybody knows, but I certainly follow these issues with close intention and great sympathy, because I do understand the plight of a lot of farmers in the Falkland Islands.

May I also add my congratulations to those which have been offered today, to Ted Clapp on his MBE. I am really very pleased about that. I wrote to him to say so. I didn't, as in the case of a previous honour, issue a press release from Government House to say that, but that doesn't mean anything, nevertheless I am extremely pleased about that.

That brings me to the last general theme, which is Argentina. On the question of the crazy Argentine pilot, and I am in little doubt that he was eccentric, and if not a bit more than that, I would like to reiterate that it was agreed by the Government of the Falkland

Islands, including the Councillors who were consulted about this, that he could return with his aeroplane, only on the understanding that the Argentine authorities would take action against him, and we expect them to do so. I can't imagine that they wouldn't, but if they don't, then obviously the next joker who tries this on will not receive such easy treatment.

The second thing, in relation to this, is that if Councillors were not consulted as soon as they would have liked, I can only apologise. I think we have all learned lessons for the future, and it was certainly no intention of mine to lead them out of the blue.

Members have noted, and as members of the public will be only too well aware because the Argentine press made such a bali hoo about it, President Menem will be going to the United Kingdom, and the dates have now been set for the very end of October, beginning of November. It is not a state visit, it is a guest of Government visit which is something different. We are going to read and hear an awful lot about Argentina and the Falklands in the run up to and during that visit. May I just simply repeat what I have said a number of times to Members of the Council, but also publicly here. The Falklands are not on the British Government's agenda for that visit, and the sovereignty of the Falklands, which Her Majesty's Government has no doubts, is not up for discussion during that visit, to coin the phrase 'please read my lips'. So the sorts of things that you will hear and read about, and of course we all see translations of articles in the Argentine press, if you are worried about it, please do not take Argentine press as being the authority on the British Government's position on that. If you are worried, ask me what is going on, and I will tell you.

That concludes my remarks. Thank you very much indeed. This House stands adjourned.

Confirmed 22 September 1998
Andrew Gums
Acting Governor

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 22 SEPTEMBER 1998**

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 22 SEPTEMBER 1998

PRESIDENT

His Honour the Acting Governor
(Mr Andrew Murray Gurr)

MEMBERS

Ex-Officio

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

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

The Honourable Mrs Sharon Halford
(Elected Member for Stanley Constituency)

The Honourable William Robert Luxton
(Elected Member for Camp Constituency)

The Honourable Michael Victor Summers OBE
(Elected Member for Stanley Constituency)

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Honourable Mrs Janet Linda Cheek
(Elected Member for Stanley Constituency)

The Honourable Darwin Lewis Clifton
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr David Geoffrey Lang CBE, QC)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

APOLOGIES:

His Excellency The Governor
(Mr Richard Peter Ralph CMG, CVO)(Absent Overseas)

The Honourable John Richard Cockwell
(Elected Member for Camp Constituency)(Absent overseas)

The Commander British Forces Falkland Islands
(Air Commodore Raymond Lawrence Dixon BSC)(Absent on duty)

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THE RECORD OF THE LEGISLATIVE COUNCIL HELD ON TUESDAY 22 SEPTEMBER 1998

His Honour The Acting Governor

It might just be appropriate for me to explain why this Legislative Council is actually taking place now, and why these elections are being held now which is rather unusual. It is because the number of Councillors, who will be away on business next month, is such that it was felt appropriate to have this election one month early. As a Legislative Council was necessary for that, this brief Legislative Council is being held now.

I have been asked to act as President in His Excellency's absence and I am honoured to do so. I would thank Honourable Members for constraining their questions later on in this Legislative Council to each other.

Clerk of Councils

The Election of Elected Members to Executive Council.

His Honour The Acting Governor

I would like to appoint the Attorney General and the Honourable the Financial Secretary as tellers for the purpose of this Election. Ballot papers, I believe, are on the Table and have been distributed to the Honourable Members. I think now I would ask Honourable Members to vote for the representative for Stanley please.

If I can ask the Clerk to collect the papers and give them to the Tellers.

The result of the Election for a Stanley representative is that the Honourable Mrs Jan Cheek is elected to represent Stanley on Executive Council.

We now move to the Election of a representative for Camp. Can I ask Honourable Members please, to fill in their voting forms for the Member for Camp?

The Honourable Richard Cockwell is elected as the representative for Camp.

Can I now ask the Honourable Members to vote for a representative from either Stanley or Camp?

The Honourable Mike Summers OBE is elected for the representative for the whole Islands, both Stanley and Camp.

I think it behoves me now to announce all three names.

They are:

The Honourable Mrs Jan Cheek

The Honourable Richard Cockwell

The Honourable Mike Summers OBE

I would congratulate all three of you. Well done. The first time you will take your seats for the new session will of course be in the October Executive Council, and not the one that follows in this month.

We now move to the confirmation of the records of the meetings of Legislative Council held on the 29 April, 1 May and 26 June 1998.

Do I have any amendments to those minutes?

The Honourable MV Summers OBE

Mr President. The meeting of the 29 April, 1 May 1998 I have one amendment of substance. It is on page 45 in the 4th paragraph. The final word says "insubstantial" and it ought to say "unsustainable." The meaning is quite different.

His Honour The Acting Governor

I take it that is accepted by Honourable Members?

Thank you Councillor Summers.

The Honourable MV Summers OBE

There is also a minor amendment on page 66. I believe the spelling of the vessel in the second line is not quite correct. I believe it is called the "In Sung" and not the "Hin Sung".

His Honour The Acting Governor

Any other amendments?

The Honourable J Birmingham

Yes Mr President. On page 28, the question by The Honourable Mrs JL Cheek, question 15/98, I can't quite read the month. It says 'The earliest these works can commence is.....' I can't quite read what it is. Could you tell me please?

Clerk of Councils

September 1998

The Honourable J Birmingham

Sorry?

Clerk of Councils

September 1998.

The Honourable J Birmingham

September 1998. Oh okay.

His Honour The Acting Governor

I think that the Honourable Member is making a political point under the guise of an amendment of the minute.

The Honourable J Birmingham

Certainly not Mr President, certainly not.

His Honour The Acting Governor

Are there any other recommended amendments to those minutes, that is the 29 April and 1 May? I will sign them then.

The other meeting held on the 26 June 1998.

The Honourable MV Summers OBE

Mr President, I have a number of amendments which I have passed to the Clerk.

Page 10 paragraph 1 line 5. The word "belt" to be replaced by "Bill."

Page 10 paragraph 2 line 2. The word "reasonable" to be replaced by the word "reasons."

Page 10 paragraph 2 line 4. The word "or" is to be changed to "anti."

Page 22 paragraph 5 line 1. The words "have attempted" to be replaced with the word "intended."

Page 22 paragraph 5 line 6. The word "patients" is changed to "patience".

Page 22 paragraph 5 line 8. The letters "INS" to be replaced with "I&S".

Page 22 paragraph 5 line 9. Replace "back" with "aback".

Page 22 paragraph 5 line 13. Replace "awful" with "awfully"

Page 22 paragraph 5 line 20. Remove the bracket after "exploration process" and replace after the words "if there is any".

Page 22 paragraph 5 line 21. Replace the words "firm view" with "purview."

Page 22 paragraph 5 line 22. Replace "ventured" with "centred".

Page 22 paragraph 5 line 24. Change the word "and" - in between "proposals," and "their" with the word "for".

Page 22 paragraph 5 line 32. Change the word "department" to "departments".

Page 23 paragraph 2 line 2. Replace the word "reputriation" with the word "repudiation."

His Honour The Acting Governor

Thank you Honourable Councillor Summers. I take it we will accept those amendments and I will sign those as a true record of that meeting.

Clerk of Councils

Papers to be laid on the Table by the Honourable the Financial Secretary.

Copies of Subsidiary Legislation Published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34(1) of the Interpretation and General Clauses Ordinance 1977.

Coinage Order 1998

Electricity Supply (Amendment) Regulations 1998

Fines Increase (Speeding) Order 1998

Fisheries Products (Hygiene) Regulations 1998

Legislative Council Disqualification from Election Order 1998

Commencement and Approval of Volume 1 Order 1998

Fisheries Products (Hygiene) (Fees) Regulations 1998

Commemorative Coins World Wildlife Fund Order 1998

Co-operative Societies Exemptions Order 1998

Fishing Licenses Applications and Fees Order 1998

Coins Commemoration of the Life of Diana, Princess of Wales Order 1998

Coins Anniversary of the Falkland Islands Government Air Service Order 1998

Coins Royal Heritage Coin Collection Order 1998

Coins Commemoration of the Life and Times of Her Majesty The Queen Mother Order 1998

Coins 450th Anniversary of the Death of Henry VIII Order 1998

Disapplication of Enactments (No 2) Order 1998

Law Revision Order No 1 of 1998

Commencement and Approval of Volume 2 Order 1998

Annual Accounts and Auditors Report in Relation to the Media Trust (Penguin News) for the Year Ending 30 June 1997 and laid on the Table pursuant to Section 9(2) of the Media Trust Ordinance 1989

The Honourable the Financial Secretary

Mr President, Honourable Members, I hereby lay on the Table the papers named by the Clerk.

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The Honourable the Financial Secretary

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Clerk of Councils

QUESTIONS FOR ORAL ANSWER

QUESTION NO 26/98 BY THE HONOURABLE MRS SHARON HALFORD AND THE HONOURABLE LEWIS CLIFTON

Would the Honourable John Birmingham outline the disciplinary procedures to be followed when public officers are believed to have knowingly, wilfully or carelessly damaged Government Vehicles? Are, for example, public officers responsible for all or any of the costs relating to damage incurred to vehicles whilst in their care?

The Honourable J Birmingham

Mr President, Honourable Members. I am advised that in relation to public officers other than Police officers, wilful or grossly negligent damage by an officer of Government property would constitute a disciplinary offence under General Orders D701 - Proceedings for Dismissal - or D702 - Proceedings for Conducts not Warranting Dismissal. I am advised that in relation to Police officers such conduct would constitute a disciplinary offence under Regulation 5 of the Police Regulations 1969.

The question of recovery of costs does not form part of the disciplinary procedure, but Government can recover these from the officer under the ordinary law relating to negligence by an employee, in relation to his employers property. Alternatively, the public officer, whether or not a police officer can be surcharged by the Financial Secretary with the cost of damage under section 65C of the Finance and Audit Ordinance 1988.

The Honourable Mrs S Halford

I thank the Honourable John Birmingham for that. Could he tell me please what Regulation 5 is, which applies to Police officers?

The Honourable J Birmingham

Mr President, Honourable Members. I would love to give the Honourable Sharon Halford the answer to her supplementary, but unfortunately I don't have the information with me at present.

Attorney General

Can I perhaps assist Honourable Members? Regulation 5 is Regulation 5 of the Police Regulations 1969. It sets out a list of over a dozen disciplinary offences against police discipline by Police officers.

His Honour The Acting Governor

Any further supplementaries on that question?

QUESTION No 27/98 BY THE HONOURABLE MIKE SUMMERS

Would the Honourable Lewis Clifton please update this House on progress since his Motion to the House on 25 March 1998, on the subject of protecting the safety and basic human rights of fishermen working in Falklands licensed waters?

The Honourable DL Clifton

Mr President. I am grateful to the Honourable Member for asking this question. This question is of course timely because on the one hand the Falklands is actively engaged in seeking applications for fishing in 1999, while on the other hand certain organisations have supported, and indeed continue to support our desire to see some tangible, follow through action to protect the safety and basic human rights of fishermen working in Falkland licensed waters.

When the incident of the "In Sung" arose earlier in the year, influential fishing newspapers highlighted the gravity of the affair and stories were additionally carried on the internet. This press gave world attention to the plight of foreign fishermen and fish workers in our licensed waters. I personally took up the matter with Moritaka Hayashi, the Assistant Director-General of the United Nations Food and Agricultural Organisation. He offered support by taking a message into a wider international audience. The matter was also brought to the attention of the International Collective in Support of Fish Workers, and my Honourable friend Councillor Richard Cockwell, received support and advice from the Centre for Seafarers' Rights. Honourable Members will of course be familiar with the Centre's formal representation.

While in London in late July I had a fruitful discussion with Jon Whitlow, the Assistant Secretary Seafarers and Fisheries of the International Transport Federation (ITF). Coincidentally, our meeting provided for the Philippines International Transport Federation Representative, who was on training in London, to attend. We now have firm links established with the ITF both in London and the Philippines. The ITF has been cataloguing human rights abuse in the South West Atlantic fishery generally for some time, but lacked a formal contact point in the Falklands. This is now done, and its permanent representative to the International Maritime Organisation undertakes to make formal representation to flag States.

I received legislative information from New Zealand which specifically deals with Foreign Fishing Crew Wages and Repatriation Bonds that must be entered into by a foreign flagged vessel before it can fish in New Zealand waters. Adoption of similar legislation in the Falkland Islands would seem to have some positive advantage, certainly in respect of guaranteeing that in future, the Falkland Islands Government would not bear any unnecessary repatriation expenses.

Mr President. The Honourable Member is, I suggest, looking for a more substantive reply. I shall try and give him one, but I need to qualify what I am about to say by indicating that I am not a lawyer. I do, however, have a general understanding of the underlying principles of the United Nations Convention of the Law of the Sea, and other recently agreed international instruments.

International law does not in my view, prohibit the Falklands from establishing the minimum standards for labour and social conditions, for foreign fishing vessels seeking permission to fish within our zone. Such measures would seem advisable giving last season's record of human rights abuses. I am advised by the International Transport Federation, that the United Nations Convention of the Law of the Sea (UNCLOS) contains the primary international law in this regard.

I have also been assured that the new international standards, as defined in the Code of Conduct for Responsible Fisheries, requires states to ensure that fishing activities allow for fair working and living conditions. The Code not only protects fishermen and fish workers from Masters and Officers charged with any offence relating to the operation of a fishing vessel, but coastal states may prohibit Masters and Officers from serving within coastal State waters. Some coastal States, for example the United States of America have very stringent requirements as defined in the Magnusson Act. We cannot, however, regulate fishing activity on the high seas.

Under UNCLOS, coastal states may regulate foreign fishing vessels operating within their waters. UNCLOS is, in effect, the controlling law in the Falkland Islands because the United Kingdom is responsible for our foreign affairs, and the United Kingdom has acceded to the Convention in 1997. Her Majesty's Government apparently extended that accession to cover the Falklands. Accession - at least my understanding of it - obligates the Falklands to adhere to the rules set out in the Convention, and the Convention allows us to regulate all vessels engaged in fishing operations within our waters.

The Code of Conduct for Responsible Fisheries asks states to ensure that "all fisheries activities allow for safe, healthy and fair living and working conditions, at the internationally agreed standards, adopted by relevant international organisations." In this respect, the International Labour Organisation would be one such organisation. Article 6.17 of the Code would, I am assured, authorise the Falkland Islands to establish minimum standards for social and labour conditions in fishing permit requirements.

Mr President, it would seem that the Falklands has several international tools at its disposal. Writing law is possibly more difficult than putting it in place. The Honourable the Attorney General may have an opinion on the provision and scope of such law, but law is only as good as the controlling enforcement and compliance mechanisms put in place. When one considers the practicalities of compliance and enforcement, then I believe we are dealing with a very different agenda, perhaps the provision of port state control. What is absolutely clear is that if new law is requested along the lines I have indicated, then all, and I repeat ALL licensed vessels would, in my view, be subject to the provisions of that law. It would not be possible to single out individual vessel nationalities.

The Honourable MV Summers OBE

I thank the Honourable Member for that necessarily lengthy and informative reply. I wonder whether he has yet had the opportunity to see the information provided by the research service of the House of Commons library, which largely supports that view given to us by the ITF?

The Honourable DL Clifton

Mr President, I am not fully up to speed with the report that the Honourable Member has referred to, but I certainly have some background of that arrangement.

His Honour The Acting Governor

Any further supplementaries from any other Honourable Members?

QUESTION 28/98 BY THE HONOURABLE MV SUMMERS OBE

Would the Honourable Jan Cheek please advise the House if she is aware that there has been recently expressed concern, about the increasing incidents of use of illegal drugs in our community? Does she agree with me that we should implement an awareness campaign, particularly amongst young people, of the dangers of drug and alcohol abuse and ensure that our legislation is adequate to deal with this menace?

The Honourable Mrs JL Cheek

Mr President, Honourable Members. Over the last few months there has been growing concern in the Medical department of a developing drug problem in the community. This concern is based on discussions with patients and on drug testing carried out. The problem seems to be one of soft drugs only at the moment, but the time has passed when we could ignore this matter. The serious effect that alcohol has had on the community, leads one to fear that if drugs were to become more readily available here, then we could be faced with a very serious problem indeed.

The Medical department have discussed matters with the Police and they share our concern. The problem of drug taking was recently raised at the Board of Education and at the Infant and Junior School Managers' Meeting. There was a unanimous view of all those present, that an awareness campaign, aimed at drugs and alcohol and conducted within the Education department, was very important, but it was felt that a unified Islands-wide approach to this problem would be best. The Medical department was asked by the Board of Education, to submit a paper to Executive Council suggesting the formation of a Working Group perhaps consisting of Police, Medical, Education, Legal, Customs, Media, public and youth groups, to develop a concerted approach to attacking this problem. As a community with only two real routes of access for drugs - Mount Pleasant Airport and the sea - it gives us a tremendous advantage, in that it would be relatively easy to control importation using, for example, a sniffer dog. We already accept the need for X-ray screening of all baggage to defeat terrorism. A sniffer dog would represent less of an infringement on civil liberties. New laws may need to be drafted to enable us to combat this menace.

The Honourable Mrs N Edwards

Can the Honourable Jan Cheek tell me what the Police are specifically doing to address this problem in Stanley? I have been told that drugs are available in Stanley. I am not sure whether the Police are aware of this, I don't know whether it is true, but what are they doing to combat this problem?

The Honourable Mrs JL Cheek

I believe I am right in saying that the Police cannot act on hearsay, but should they have any real evidence then they would act upon it.

The Honourable Mrs N Edwards

Thank you.

His Honour The Acting Governor

A further supplementary?

The Honourable J Birmingham

May I have your permission to bring to attention a previous question in this House?

His Honour The Acting Governor

I think it is in order for you to do so, yes Councillor Birmingham.

The Honourable J Birmingham

Mr President, Honourable Members. For interests sake, would Honourable Members and the Chief Executive like to look at question number 21 of 1996, from the April Legislative Council? It might be of interest to some people.

TEXT FROM THE MEETING OF LEGISLATIVE COUNCIL OF 23 APRIL 1996 RELATING TO QUESTION NUMBER 21 OF 1996 BY THE HONOURABLE JOHN BIRMINGHAM.

“Your Excellency, Honourable Members. Can the Honourable the Chief Executive advise me of how many incidents there have been during the last twelve months of controlled substances being brought onto the Falklands, both in the mail and by persons, and whether there has been an increase in such incidents compared to the previous twelve months?

The Honourable the Chief Executive

Mr President, Honourable Members. During the past twelve months there have been six incidents involving persons importing or attempting to import controlled substances by mail in contravention of the Misuse of Drugs Ordinance 1987, four of

which resulted in convictions and the offenders being removed from the Islands. The quantities of controlled substances seized where applicable were as follows: The first person it was 1.376g of cannabis resin and 1g of heroin; the second it was 1.2g of heroin; the third it was 2.1g of herbal cannabis; the fourth was 1g of opium; the fifth was 0.45g of cannabis resin; the sixth, there wasn't any actual quantity involved because the individual was convicted of attempting to procure. Over the period there was an enhancement of customs controls on imports in general as a result of information received from various sources and which is reflected in the number of seizures made. The last known seizure prior to the aforementioned was 30g of cannabis resin destined for the Falkland Islands which was intercepted at Brize Norton on the 6 October 1994.

The Honourable J Birmingham

I thank the Chief Executive for his answer and I know that in the town of Stanley there are certain people who consider that there is a major drug problem and I wonder if the Chief Executive could see any merits in holding some kind of a seminar to try and educate the youth of Stanley and the Falklands?

The Honourable the Chief Executive

Mr President, Honourable Members. I think that's an excellent idea, I think it is worth asking a group of Police and others to meet together, Customs and people from the Health and Welfare departments to look into that.

The Honourable Mrs N Edwards

Can I ask the Chief Executive if he knows whether that these incidents of substances being brought in were by itinerant visitors or residents?

The Honourable the Chief Executive

Mr President, Honourable Members. I can give some more details in this area, two of the offenders were Spanish crew members on board fishing vessels, one was a contract employee resident at Mount Pleasant, and one was a British crew member who had been associated with the Islands for over six years.

The Honourable Mrs N Edwards

Thank you.

The Honourable Mrs C W Teggart

I'm not at all sure if you will be able to answer this question but I was a bit baffled on a recent court report on someone who was deported from the Islands for having a controlled substance or trying to import or whatever, that the name wasn't mentioned. My concern really was that if someone drinks and drives then their names are

mentioned, I mean it might only be a minor point and the name might not mean anything to people but it does worry me slightly that if we are going to have an increase in this sort of incident that the identity of the people is going to be kept quiet as a matter of policy.

The Honourable the Chief Executive

Mr President Honourable Members. I would think that's probably a matter for the Media Trust, the media themselves rather than Government to determine."

END OF TEXT FROM LEGISLATIVE COUNCIL OF 23 APRIL 1996

His Honour The Acting Governor

Any further supplementaries?

The Honourable Mrs S Halford

I wonder if the Honourable Jan Cheek could tell us whether or not the legislation that was introduced not so long ago, to deal with under age drinking has had any Effect in that area or not?

The Honourable Mrs JL Cheek

I am not aware of any cases being brought, but I can pursue the matter and get that information to you at a later time.

QUESTION 29/98 BY THE HONOURABLE JAN CHEEK

Mr President, Honourable Members. Will the Honourable Sharon Halford please indicate an approximate start date for the building of a temporary FIDF quarters, which will free the site for the proposed Junior School extension?

The Honourable Mrs S Halford

Mr President. Design work is in hand and following tendering of the work, it is envisaged that a start on site will be made either late this year, or early next year. The duration of work on site is projected as 6 months. This provisional programme will not interfere with the extension of the Junior School, where design work is in its very early stages, and construction work is not scheduled to commence until sometime towards the middle of the next financial year at the earliest.

The Honourable Mrs JL Cheek

I thank the Honourable Sharon Halford for her reply.

His Honour The Acting Governor

Another supplementary Councillor Clifton?

The Honourable DL Clifton

Mr President. I am conscious that the Honourable lady wears two hats. Indeed she is dealing with both of those departments, but I have recently had representation made to me from residents on John Street who had recently returned from vacation, who indicate very strongly the parking arrangements outside their residential properties has gotten much worse during the winter, and I wonder if the Honourable lady wearing her Falkland Islands Defence Force hat could give some assurance to the residents of John Street outside, or nearby to the Falkland Islands Defence Force Hall, that the FIDF have some parking capacity that they could utilise in the front of those gardens, and not necessarily on the street. Thank you.

The Honourable Mrs S Halford

Mr President. I am pleased that the Honourable Lewis Clifton has actually asked this question. Certainly recently when people returned from leave the parking on John Street was particularly bad, this was due in fact, to training being carried on in the FIDF hall by Military, and that did increase the amount of vehicles outside. Up until recently, the FIDF were parking on the land in front of their buildings, but have been told to shift off that land by another Government department. Obviously this needs to be looked into, because I believe it is important for them to park on that land whilst it is not currently being used for anything else. I shall pursue that matter.

QUESTION 30/98 BY THE HONOURABLE JAN CHEEK

Will the Honourable Lewis Clifton please state what technical and practical assistance and advice is available to farmers who wish to develop their businesses, using the recently introduced Incentive Scheme?

The Honourable DL Clifton

Mr President. The Department of Agriculture can offer a great deal of technical and practical assistance and advice to farmers, in relation to the recently introduced Incentive Scheme. Departmental staff possess a broad range of skills to aid in the servicing of the agricultural community, and are particularly strong in the technical areas, such as improving pasture, grazing management, sheep and wool technology, beef production and animal nutrition. These are of course supported by laboratory and veterinary services. The department is also strengthening its farm extension service by:

- a) where possible, increasing the number of staff visits on a one to one basis so the individual farmers can discuss their long term goals as to farm business improvement; and
- b) increasing the number of farm orientated study courses that target better biological understanding of farm processes, in order to facilitate whole farm planning.

In this particular case, the department has recently successfully trialed a course. I think there was something like 12 farmers involved in that course, which linked increased farming knowledge to greater farm profitability.

Then there is further training of its own staff. One staff member recently returned from a Farm Business Management course in Australia, and another is currently on a short course in the United Kingdom studying Computer Technology and Farming Enterprises. Furthermore, 2 staff members have successfully undertaken enterprise development and business planning courses in Australia, and their skills and experience are available to any farmer. Where the department is unable to provide advice or assistance directly, it has access to, and co-operates with other organisations within the Islands, especially where suitable expertise may exist - for example the Development Corporation. It can access other Agricultural organisations and/or Universities overseas, to help with a particular enquiry or problem.

The Honourable Mrs JL Cheek

I thank the Honourable Lewis Clifton for his reply.

QUESTION 31/98 BY THE HONOURABLE JAN CHEEK

Will the Honourable John Birmingham please detail the problems which prevented the mini bus ordered for the Education Department being used, and how much the vehicle has cost the Falkland Islands Government to date, including man hours spent on inspections and other works, since it arrived many months ago?

The Honourable J Birmingham

I thank the Honourable Member for her question. I am sure she wouldn't like me to read every scrap of paper I have here, but I shall just outline a few of the basic problems. There are problems with the prop shaft, the brake system, the ride height, the ride stability, the rear engine main seal leaking, jumping out of low range, and various minor items such as interior lights missing. To date I have been informed that the PWD labour costs have been 33.5 hours, at £9 per hour - nice and cheap. Plus a welding bill which hasn't been received yet. It is estimated that the whole bill, to return the mini bus to a satisfactory condition, will not cost more than £350. A similar amount will be charged for the removal van which also had similar difficulties.

I happen to know that the hostel and the Camp Education Managers have declined, at this moment in time, to take delivery of the bus until they have a written statement by a qualified vehicle examiner.

The Honourable Mrs JL Cheek

I would like to thank the Honourable John Birmingham for his reply. Further, he may not know the answer to this but I will ask him anyway. I would like to ask why such a hybrid vehicle was ordered when there is so much 4-wheel drive expertise locally?

The Honourable J Birmingham

I didn't bring my male rabbit with me, but I am more than happy to pass the buck. The decision was made well over a year ago by the previous Council when the Education department insisted that they required a 4-wheel drive vehicle, and the committee of the day - the Vehicles Working Group - insisted that it had to be an LDV, who don't actually make 4-wheel drive vehicles. This is why we have ended up with a 'Walt Disney' type machine. I don't know whether that is a satisfactory answer or not?

The Honourable Mrs JL Cheek

I thank the Honourable John Birmingham for that.

The Honourable DL Clifton

Mr President. I think this issue begs consideration of what should be an underlying principle of who vets equipment before it is dispatched on the high seas, and can we be assured that vehicles in this particular case do meet our requirements, prior to their transit to the Falklands?

The Honourable J Birmingham

I thank the Honourable Lewis Clifton for that. I am assured by the Gallagher company that they had the vehicle checked over, and they were happy. It had been driven on motorways, it had been driven on rough ground. They were happy that the vehicle was user friendly, if not very pretty.

QUESTION 32/98 BY THE HONOURABLE WR LUXTON

Will the Honourable Mrs J Cheek please advise if any disciplinary action is to be taken following the single vehicle accident on Friday 4 September, involving a police vehicle driven by a uniformed Police officer, in which the vehicle suffered serious and expensive damage? Is it anticipated that the costs of the damage will be recovered from the person concerned?

The Honourable Mrs JL Cheek

Mr President, Honourable Members. I am advised that in the case to which the Honourable Member refers, any decision whether or not to institute disciplinary proceedings was deferred, pending determination of criminal proceedings. A Police officer automatically commits a disciplinary offence, contra to regulation 5/16 of the Police Regulations 1969, if he is convicted by a court of a criminal offence. I am advised that as the officer was found guilty of an offence, the administration will seek to recover the cost of the damage from the officer.

The Honourable WR Luxton

I thank the Honourable Mrs J Cheek for her reply.

The Honourable DL Clifton

Mr President. It seems this is the second such incident within a relatively short space of time, and I wonder what assurances this House might be given that we are in effect getting value from our management in the Police department, in respect of what I would regard as frequent right-off of vehicles, from that department?

The Honourable Mrs JL Cheek

I don't have specific information with me but I am sure that incidents such as these are taken very seriously.

The Honourable DL Clifton

I am grateful to the Honourable Member for that reply.

QUESTION 33/98 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members. Can the Honourable Sharon Halford confirm that the materials for the Junior School toilets have been ordered, and can she give me an approximate date for the works to commence?

The Honourable Mrs S Halford

Mr President. The Director of Public Works does admit that this project had not been one of PWD's best. Originally a start date of April 1998 was stated. In retrospect this date should never have been given as the Design Section was not resourced to meet that date. However, specialist materials with a long lead time have now been ordered. Other materials are being ordered to meet the October sailing. A start date of 9 December has been agreed with the Department of Education. However, if at all possible, an earlier start will be made.

The Honourable J Birmingham

I thank the Honourable Member for her answer. Does she agree with me that perhaps in the future when small projects such as this, that apparently are technical, when we don't have the resources in the Islands, perhaps we could put them out to sub-contract in the United Kingdom, where there are various companies who deal with these very technical building projects, although personally I would have thought it was pretty bog standard, but apparently it takes a fair bit of time to organise. Does she not feel that time and effort could be saved if we don't have the resources in the Islands?

The Honourable Mrs S Halford

Mr President. Bog standard or not I am sure that the Honourable Member must realise having seen various projects go out for bids, that one does not attract overseas contractors for minor projects. This, I think as projects go would be seen by an outside contractor to be exceptionally minor, and therefore I don't think that you would find anyone from outside. Small projects, I do believe need to be done within the Islands.

The Honourable J Birmingham

I think the Honourable Member misunderstands me. I am talking about the design of the project, and as long as we have technology on our side I should think that it doesn't matter whether the sub-contractor is next door or seven thousand miles away.

The Honourable Mrs S Halford

Mr President. I believe we now have the Design Section up to speed, where they can do many projects, however I do agree that where it is out of their ability, then we should look elsewhere.

The Honourable MV Summers OBE

Mr President. Is the Honourable Member aware whether the project will be finished during the time that the school is in recess over the Christmas break, or will there be interruption to classes when they return?

The Honourable Mrs S Halford

Mr President. I am not aware of how long the work is expected to take, but one would certainly hope that it could be done within the school holiday. However, I could give no guarantee of that.

QUESTION 34/98 BY THE HONOURABLE JOHN BIRMINGHAM

Will the Honourable Mike Summers please tell me who is looking into the ongoing traffic problems, in particular around the Junior School at lunch times?

The Honourable MV Summers OBE

Mr President, Honourable Members. The Environmental Planning Officer and the Director of Public Works, together with officers within the Public Works Department, have met several times recently to formulate a proposal for dealing with traffic problems in Stanley. Measures to alleviate traffic problems at the Infant and Junior School have been included in those discussions, and in earlier discussions with the Royal Falkland Islands Police. A draft proposal has been drawn up by the Environmental Planning Officer and was copied to the Chief Executive, Director of Education, Chief Police Officer, Director of Public Works, and other interested parties, to facilitate a constructive discussion at a meeting called by the Chief Executive on 18 September 1998. Following further discussion a draft Traffic Management plan will be drawn up by the Environmental Planning Officer, for consideration by Executive Council on 29 October 1998.

The Honourable J Birmingham

I thank the Honourable Member for his answer.

The Honourable Mrs S Halford

Mr President. Would the Honourable John Birmingham not agree that perhaps one easy and swift way of sorting out the traffic problems around the Junior school which, at lunch times we do have to appreciate is caused by parents who undoubtedly do wish to pick their children up, could be alleviated by the introduction of a school bus service?

The Honourable J Birmingham

The Honourable Councillor Halford is probably aware that school buses have been tried in the past and the problem is that one bus is no good. You have to have more than one because it takes so long to get around the town. I will suggest that the major problem is not caused by parents, it is caused by Government employees parking on and around John Street.

QUESTION 35/98 BY THE HONOURABLE JOHN BIRMINGHAM

Can the Honourable Mike Summers please tell me how many times a year Falkland Islands Government employees are to be assessed under the new performance management scheme?

The Honourable MV Summers OBE

Mr President, Honourable Members. Four.

The Honourable J Birmingham

I thank the Honourable Mike Summers for his answer for what has to be one of the briefest in this Council. Would the Honourable Member please expand on that? I wonder, for example, what the ladies who wash the dishes at the hospital will have to discuss four times a year.

The Honourable MV Summers OBE

Mr President Honourable Members, the number of assessments is necessary so department heads can talk with their staff on a regular basis and it is my understanding that some of the discussions that will be now described as quarterly assessments, would in fact have taken place anyway, so I think perhaps if the Honourable Member has some concerns about the amount of time that would be taken, it is in fact simply good management practise for managers and staff to be talking with each other.

For the information on all Honourable Members and all members of the public, documents have been produced by the Human Resources Department on the operation of the Performance Assessment Scheme, and they are available for everybody to see.

The Honourable J Birmingham

I thank the Honourable Mike Summers for his reply. I believe that all employees will have to agree targets with their line Managers, so does he agree with me that these particular ladies in the hospital will have some very interesting targets that they will have to meet on a quarterly basis. Thank you.

The Honourable MV Summers OBE

Mr President, Honourable Members. It is to be hoped, I think, that everybody has interesting targets to meet.

QUESTION 36/98 BY THE HONOURABLE LEWIS CLIFTON

Mr President. Will the Honourable Mike Summers make a statement of the progress of the Immigration Policy?

The Honourable MV Summers OBE

Mr President, Honourable Members. I thank the Honourable Member for this question. The commencement of exploratory drilling and public discussion about what to do with oil wealth, should it ever materialise, has stimulated many members of the public to express concern about the numbers of people either currently, or potentially, coming to the Falklands to work, and our ability to control that access. This Council, irrespective of oil, shares this concern, and we started a year ago to review the immigration controls in place, and strengthen where required.

Due to the lack of labour in the Islands and the continued demand for capital works and community services, there will be a continuing need to employ a proportionately large number of temporary workers, in the public and private sectors, and in the Ministry of Defence. Some of these are seasonal, others are present for much longer periods.

In respect of temporary workers, we have clarified and strengthened the Immigration Policy in several respects. To come to the Falklands, all temporary workers must meet the following criteria. They must:

- have a job;
- have adequate accommodation;
- provide a police clearance certificate;
- provide a statement of good health; also
- their employer must sign a bond guaranteeing their repatriation of the expiry of their permit: and
- their employer must satisfy the Immigration Department that there are no suitable residents to do the work

Temporary Residence Permits are normally issued for 1 or 2 years, or related to the completion of a particular contract. All temporary workers must leave the Falklands on the expiry of their permit, and it is the duty of their employer to ensure that this is the case.

Temporary workers may change employers whilst in the Islands, but their bond must be taken up by the new employer. They are still obliged to leave at the expiry of their permit, and the new employer must have satisfied the Immigration Department, that there is no suitable resident employee for the job.

To further strengthen our control over the employment situation, Executive Council has also directed that a Work Permit will be introduced for all persons who do not have Permanent Residence Permits or have Falklands Status. This will now include all Government contract staff, and their spouses and children if they wish to work. There will be a duty on employers to ensure that their employees have the necessary permit to work.

The purpose of this is not to discourage people who may have useful or essential skills from working, but to ensure that our young people and other locally resident persons are not overtaken in the labour market by temporary residents.

For your information, the current statistics for temporary workers in the Falkland Islands are as follows.

At Mount Pleasant there are:

- 308 who come from St Helena; and
- 256 who come from other countries

In Stanley there are:

- 69 temporary workers from St Helena; and
- 220 from other countries
(Plus 117 spouses and children)

No temporary worker may acquire Permanent Residence Status other than by application to Executive Council which can normally only be made after 3 years.

We have clarified the rules for the acquisition and loss of Permanent Residence Status and are continuing to work on the grounds for application and refusal of Permanent Residence Permits. Clearly we must be conscious of the need to balance between encouraging those to stay who have the skills we require, with the potential for economic downturn, and reduced means to support a larger population.

We are aware of the anomaly experienced by some United Kingdom citizens in respect of possible loss of Permanent Residence Status if they leave the Islands for a period of time, and are continuing to investigate ways to make the rules equitable.

A points system for potential immigrants has been drafted and will soon be finalised, though I have to say contra to some popular opinion, we do not receive any quantity of applicants to immigrate. However, we realise that this could change in other circumstances.

Legislation to tidy up the Immigration Ordinance, and to implement in law, those policies that need to be backed by the law, together with the necessary regulations, are currently being drafted and the target date for completion is 31 December 1998.

In the meantime the Principal Immigration Officer and the Immigration Department have revised several of the forms and procedures, and produced substantial amounts of public information. This information is freely available to all from the Immigration Office.

The Honourable DL Clifton

Mr President. I thank the Honourable Member for his very necessary and lengthy reply.

His Honour The Acting Governor

Any supplementaries on that? That then concludes the Questions for Oral Answer.

Clerk of Councils

Orders of the day - Bills.

The Supplementary Appropriation (1998/99) (No2) Bill 1998

His Honour The Acting Governor

May I ask Mr Mover if you have a seconder for your Bill?

The Honourable MV Summers OBE

I'll second it.

His Honour The Acting Governor

Right okay, thank you.

The Honourable the Financial Secretary

The purpose of this Bill is to authorise a withdrawal of the additional sum of £3,391,330.00 from the Consolidated Fund to provide for Supplementary Expenditure, approved by the Standing Finance Committee for the current financial year. The greater part of this additional sum, amounting to £2,766,310 was approved in respect of re-votes of the previous financial year's Appropriation. These re-votes are required because it is anticipated that the incidence of expenditure will occur in this financial

year, to honour commitments and meet the costs of deferred projects. Out of this additional sum, £302,200 has been authorised to be advanced from the Contingencies Fund. The Bill provides for the Contingencies Fund to be replenished to the extent of any advances made.

I beg to move the first reading of the Bill.

His Honour The Acting Governor

Does the seconder wish to speak?

I think it appropriate that we invoke the short procedure and under that I have to ask if there are any amendments to the Bill. There are no proposed amendments to the Bill, and under those circumstances I believe I can declare the Bill to be read a third time and do pass.

Clerk of Councils

THE MOTION FOR ADJOURNMENT

The Honourable the Financial Secretary

Mr President. I beg to move that this House stands adjourned *sine die*.

The Honourable WR Luxton

Mr President. I will be brief because of constraints of time. I do wish to touch on two widely different matters which are of immediate concern to the community at the moment.

Our invitation to an Argentine reporter to visit the Falklands has produced some pretty strong words of comment. I would like to take this opportunity to explain my own position on this. I do not regard this in any way as weakening my determination to exclude Argentines from our Islands until they drop their claim. It is a calculated risk to try to promote our view to those who make the decisions in Argentina. It is Councillors' hope that the gentleman concerned will report things as they are, and that it will serve to show his countrymen that their aspirations are rather futile. To those who have accused Councillors of betrayal, I would say that those who elected me obviously agreed that it was right to support the effort we made in the last Council at the Chevening meeting. Equally, I hope they will trust me, and other Councillors, to support what I think is the best decision, from time to time in the tactical war of words, knowing that in the long term - this Councillor at any rate - would never agree to Argentina having any sway over our lives.

There is another matter of deep concern to me. Recent events have brought to a head, what has been for some time a feeling of deep unease at the conduct of the Police Force.

(Hear, hear.)

Members of the public talking to me have used such phrases as “totally out of control” and “the place is becoming like a Police State.”

To me it is greatly worrying that the Police Force have managed to alienate a considerable percentage of the community from all age groups. I have heard such comments from youngsters, and even from the Justices of the Peace. There appears to be a culture developing, based on watching too many cop TV programmes. The persecution and prosecution of the motorist is carried to ridiculous lengths. To me, it is very wrong that a person can be prosecuted on very flimsy or even non-existent evidence, and that he or she virtually has to plead guilty, because they cannot risk the financial penalties should they lose, and of course the system is stacked against the victim.

I believe, Mr President, there is an urgent need for an improved reporting system, and that the community needs to have ultimate control, over those who they pay to regulate their lives. At present this is not the case. Councillors and the Attorney General are aware of other disturbing matters that are not yet in the public domain. These need to be addressed.

As a final comment, Mr President, it is interesting to compare the size of the Force with that of another small Island community, Alderney has almost the same population of the Falklands and I believe that they have about 4 or 5 policemen.

Mr President, I support the Motion.

The Honourable Mrs N Edwards

Mr President. In rising to support the Motion for Adjournment I would like to touch on just two subjects.

One is Cable and Wireless, because I have been approached by so many of my constituents lately.

The Honourable J Birmingham

Phoned up?

The Honourable Mrs N Edwards

Hardly! Approached I said. Since the upgrading of the Camp system I think it is true to say that it is generally speaking, a lot better than it was - when it is working - but things haven't changed too much, and we still suffer break downs in the system which are most frustrating, and pretty expensive for the customer. It seems that whenever there is bad weather the system in the camp tends to break down. In the old days we would have said “oh that's snow on the line ché” but in this age of high technology we can hardly give that as an excuse. No one expects a fault free system and at times there are bound to be glitches, we all accept that. We are now dependent on the phones, faxes and e-mail in the Camp for a great deal of our communications, and lately - on the West anyway - they have been unusable at times. Conversations are cut

off mid call, faxes alarming at almost every fax which means at least twice as much fax paper being used, and so much noise and crackling at times that conversations are impossible. I really don't think this is good enough. I think Cable & Wireless originally agreed to provide the Camp population, with a system that would be comparable to the Stanley phone system. We are still waiting for that to materialise in Camp, Mr President.

Councillor Clifton answered questions on the new Agricultural paper which urges us to supplement our farm income with new Incentive Schemes. Well I just hope that whatever new business ideas that the farmers come up with, they won't be dependent on the phone, fax or E-mail to conduct that business. In fact, I would venture to suggest that if Cable & Wireless had to depend on their existing Camp system to ply their trade, they wouldn't be around for much longer.

The mail to us always gets through though, and the phone bills are always on time! There is never an offer of a reduction for an ineffective service (at times), even though I am told that Cable & Wireless stated at Farmers Week that they were suprised at the amount of business there was for them in the Falkland Islands, so they can't be doing too badly out of us all. All I have to say is "come on Cable & Wireless, Summer is on the way, lets see if by next Winter we can get it right."

I have to say though, it's a funny thing but I have never had a phone call yet from Argentina that didn't get through - loud and clear!

The last one was from a lady journalist bewailing the fact that she hadn't been invited along with Senor Godzilla, I beg your pardon, Senor Grondona to visit the Islands. I am afraid that I am the wrong person to approach on that front. We have spent a great deal of our time telling Argentina persistently over the years, exactly what the position is. I will repeat it yet again, just in case they are in any doubt: "You recognise our right to self determination and give up your claim to sovereignty over us Argentina, and your citizens will be welcome to visit the Falkland Islands. If you don't do that, apart from visits by relatives to the cemetery at Darwin, you will not be welcome."

It is 16 years now since the conflict, and I haven't seen any real change in Argentinean attitudes towards us. They have said that they won't resort to Military action again in the future, and that is a relief, but their aims are the same as they ever were. A form of condominium of some kind or complete Argentine control. If they are not resorting to military might they will use any other means they can to weasel their way in, and I find it strange to say the least, to reiterate our position at every opportunity only to find that the rest of my fellow Councillors are willing to let an Argentinean in to our country. Not just allowing him because he has asked to come, but to actually invite him in. I am sure that Senor Grondona is a very nice guy. Perhaps he will write a very constructive article, but if you think that whatever Senor Grondona writes is going to change the Argentine attitude towards the Falklands, then you must all keep your brains in your back pockets and sit on them. In my opinion, the only thing that will come out of this will be that Argentina will perceive this gesture of ours as a weakening of our position, and they will work on it. As Councillor Clifton says in the Penguin News "the blanket denial policy frustrates the Argentine side because Councillors hold the key to the door which can be unlocked and permit entry."

(Hear, hear.)

He is quite right, and I aim to hang on to that key, and you would all do well to do the same in the future, until Argentina sees sense. I really don't care how frustrated that makes them. My fellow Councillors, Mr President, I think would do well to remember what they have said about Argentine passport holders entering the Islands over the years. Many of them in their election speeches, Councillor Summers being the exception, he was clever enough to leave himself a bolt hole in his election address for such an occasion as this, and I sincerely hope that for the rest of the life of this Council, we won't be making exceptions to the policies we have set and agreed to regarding Argentina. I also sincerely hope that once you have locked your door again, that it remains locked.

Mr Chairman, I support the Motion for Adjournment.

His Honour The Acting Governor

Thank you Councillor, especially for the pithiness of you comments. Any others?

The Honourable J Birmingham

Mr President, Honourable Members. It's a hard act to follow. In rising to speak to the Motion, I also have a few points. May I first congratulate the new Executive Council. I am sure they will continue the now established pattern of team work with all Councillors, or most Councillors.

I think it is probably time for an update on the oil situation, and at present the oil companies operating in the Falkland Islands are mid way through their exploration drilling programme. Discoveries were never expected to be made in such a large area at an early stage in drilling, and the presence of traces of oil in 2 wells is very encouraging. The data from the wells gives the industry and Falkland Islands Government's consultants BGS, a vast amount of information that takes time to evaluate. We are hopeful that the well being drilled for by IPC and those for Amerada Hess and Shell to follow, will yield yet more positive indicators and encourage the companies to plan further drilling programmes. However, the community needs to be aware that onshore activities during the evaluation stages will reduce considerably. Low oil prices are also likely to influence the operators programmes. The search for hydrocarbons in the Falkland Islands waters, is at an early stage and it will take some years of exploration before we know if there will be a production phase or not.

I also say that today, sections of the Argentine press are talking about a deal to be fixed during President Menem's visit to the United Kingdom. My understanding from the highest levels is that this isn't just press speculation, it is sheer fantasy time yet again.

There have been some interesting comments in the local media this past week. Some are bulging with emotion, and one so lean as to make you think the writer has to pay for each word. On reflection I believe it is a sign of a healthy community when the Elected Councillors are constantly questioned by their electorate. This is why I

support the group of people who are funding their own telephone survey. But why stop at asking about the impact of oil? It would be interesting to know if this Council, or the majority of this Council, really is out of step over the visit of the Argentine journalist.

In the same edition of the newspaper there was a correction as to who invited this journalist. Some in the Administration seemed to be making a point, that not all of this Legislative Council were consulted. That is true. But I see no reason why non-Elected Members of this Council should have been consulted. After all it was a political decision by the Elected representatives of the community, and as such has got nothing to do with anyone who sits around this Table by virtue of the job they are currently doing.

There is a purely domestic issue that crops up very often and this is housing. It has been said before in this House, and I am sure it will be said again, that there can be nothing without serviced plots. The East Stanley Development, phase 5, will give us 60 more plots, and in the near future a project will be going to Council to build a number of single units. This will, I hope, be the beginning of a rolling programme of starter homes for those at the bottom end of the housing ladder.

As is now known, a meeting was held last week on the subject of the abattoir. I think and hope that we are now going to get a facility that suits, not only our needs, but also our pockets, but with the potential to grow if we ever find a true market overseas for our expensive meat. I do hope that FIDC can sort out the problems that have arisen with the land around the proposed site to the satisfaction of all. Especially the dairy who, after all, provide us with a very good service, and don't have that much land to give away.

(Hear, hear.)

Going Back to the Penguin News editorial of last week, and 'pet hates.' One was the term 'something must be done' - and then nothing happens. The last time this House sat I stated that something was going to be done about the traffic problems around the Junior School at lunch times. So it seemed, when I left to go on holiday, everyone from the head of the Education department through the Planning department, the Police and most importantly the Public Works Department who had the men, the machines and the time, were of the opinion that, although by no means the perfect solution, the project behind the Upland Goose, would have got staff vehicles off the roads and helped with the congestion in the area. I still don't understand why it was deferred, but I am sure that everyone around this Table would agree with me when I say 'something must be done.'

It is 18 months since the FIDC fire. Just after that incident, there was much talk about all the Government buildings being looked at with a view to having a centralised system of fire alarms put into place. Last week I suggest we had a close call with the incident at the Secretariat. I asked the Chief Executive to review the situation, including the Museum, which I am not alone considering to be nothing less than a tinder box. Perhaps advice should be sought from FIGAS who have got their act together on this one, and have installed a system already.

Although I am not a civil servant, I am mystified by some of the rules under which they work. How does the Attorney General decide which book of potions and spells to go by? Is it General Orders, Hay or the Colonial Regulations? Perhaps it is time that the whole thing was looked at, dare I say, yet again. Surely what the civil service needs is an understandable set of rules to work to, suitable for the needs of today's service.

To finish, I am sure I am not alone in starting to wonder when we are going to get a new Governor. It will be interesting to know when we are going to be told.

Mr President, I support the Motion.

The Honourable Mrs S Halford

Mr President, Honourable Members. In rising to speak to the Motion, I would like to touch briefly upon my portfolios.

Firstly I would like to mention the FIDF, who have grown in strength over the last year, and who now regularly exercise with the British Forces here in the Islands. These exercises are an essential part of their training, and help to build on their knowledge and experience. I would like to thank all the members of the FIDF and their partners, who give so much of their own time to making the Force what it is today, and ask that they soldier on during the impending move of their headquarters, which undoubtedly at some point, will prove to be disruptive to their routine.

Secondly, I would like to mention the Public Works Department. It is a large department covering many areas, and therefore one which many departments feel they must moan about one way or the other. I will not mention specific sections, as I believe that all sections play a vital part in one way or another. As our expectations grow, so do the demands on this department. The PWD have now moved to a position where they have been tasked to deal with a significantly increased capital works programme, which has around 45 projects this year, varying in size from £10,000 to over £1 million. The new School Hostel, the disabled accommodation and the re-location of the FIDF are already in hand. Last year the capital works expenditure was £7.5 million compared with between £4 million and £4.5 million average, from 1992/93 to 1995/96. This was spread across many areas, from the new quarry equipment, through roads to new infrastructure for houses.

The remaining plots at East Stanley will be coming on stream from the end of November onwards. Fourteen houses are being built for Government, which should all be completed before Christmas. A programme for the repair of Stanley roads is underway, with John Street being a good example. Similar work on Brandon Road has already commenced but has been slightly delayed due to the recent bad weather.

In accordance with the department's current philosophy of doing jobs right the first time, there have been improvements in quality of work. The black top paving at East Stanley being an obvious and visible example of this. Whilst on roads it wouldn't hurt to mention that the camp roads will continue to grow this year as our expectations require. As these roads grow and give us greater access to the Islands, I think that

those of use who drive along them should bear in mind yet again, that that land is privately owned, and where as many of the farmers are quite happy for us to roam over their land, I am sure that they are not all happy to let us go out and let our dogs loose, or go shooting at will. I would please ask the public to remember this, and ask permission before they embark upon these exercises.

On more than one occasion at public meetings, I have mentioned on various topics that we could be seen as being on a par with other places in the world or even, perhaps, better placed, only to be reminded that we are not and should not be likened to other places. We are the Falkland Islands. No bad thing obviously. Perhaps then this should be borne in mind by all those who are trying to turn the Falklands into another welfare state, not unlike that of the United Kingdom

(Hear, Hear.)

That said, and as a member of the Housing Committee I would like to comment upon some of the correspondence we have seen over recent weeks about housing. The one thought that much of this brings to mind is that families appear to be no more, and parental responsibility has gone down the drain. I know it is frustrating when you would like somewhere different to live, but stop for a moment and look about you. How many of the house owners in the Falklands today, had their houses handed to them? Very few I suspect. Most had to leave school, but not necessarily home, get work and earn for several years before they could afford to either buy or build a house. They had to wait, just as many people do today. Government did not change their policy recently, but merely re-stated what it was. Back in June 1992 Councillor Terry Peck reiterated this same policy in a Motion for Adjournment, and then said 'People must not take it for granted that they can demand accommodation willy nilly.' I would like to congratulate all those who are planning for their future, and are looking to either buy or build and are not insisting on being a burden on the State forever.

I believe I should reiterate my stand on the current policy of not allowing Argentine passport holders into the Falklands. As time moves on, because of the general trend towards peace, we will come under more pressure to abolish this policy. However, it is my firm belief that this policy should remain, despite many other places in the world disagreeing with it. On the subject of the Argentine journalist Mariano Grondona. He did not ask to visit the Falklands, we invited him. I agreed to this as I believe it is in our National interest to do so. Some people are unhappy with this decision, and others believe it should have happened sooner. It is all very well for us to be complacent and not worry what the rest of the world may think, but remember, everyone needs friends and supporters. I hope those of you who talk to him will be able to do so in a dignified manner, thereby showing our maturity whilst not weakening in our resolve.

As many of you already know, I shall be leaving on Saturday for New Zealand where, with Councillor Cockwell I shall be representing the Falklands at the 44th Commonwealth Parliamentary Conference in Wellington, and will try to enlist more support for the Falklands from some of the other Commonwealth countries.

Finally, I would like to wish the new Executive Council Members well in their deliberations. They have an onerous and often thankless task ahead.

Mr President, I support the Motion.

The Honourable MV Summers OBE

Mr President, Honourable Members. I will be relatively brief. I would like to associate myself with the remarks made by the Honourable Councillor Halford about the Welfare State. We often pride ourselves in the Falklands of being self-sufficient. Self-sufficient means that you do things for yourself and you don't expect someone else to do them for you. I think that is a trait that Falkland Islanders have held up very well under over many years, and I hope we will continue to be that way. On that very theme, I think the fact that the Legislative Councillors have decided to invite an Argentine passport holder into our midst, actually demonstrates our self-sufficiency and our confidence in our own ability to make the right judgement.

When I wrote my manifesto, I didn't include within it any "bolt holes", but I showed what I thought to be a considered approach to the Argentine matter. I said that I thought that politicians should not meet with Argentine politicians. I said that I thought that Government Officials should meet with Argentine Government Officials, and inevitably politicians because of their system, because there is a need to discuss some issues rationally and sensibly in our own interest. I also said that there should be no general admission for tourists, businessmen or other general visitors from Argentina until they drop their claim to sovereignty. I also said that I thought that we should retain the right to invite anybody here, if we thought it was in our own interest. So, I pride myself in my manifesto as having thought the issue through, not simply hid behind some odd preconception.

I hope too that everyone will treat the man with dignity and respect when he comes. I have spoken with a lot of people in the community about whether it is the right thing to do or not, and I am actually quite suprised at the lack of resistance to this visit. I hope it goes well.

I have one or two other comments to make about foreign policy, that still reflect on our neighbours in the unpleasant and unreasonable way in which they behave. Not only have they still been jumping up and down about our oil, but they have recently been jumping up and down about our fish. If they think that they can bully us then I think they will find it as difficult now as they did before. I think that they will find that our resolve strengthens the more they bully. I was astonished to hear the other day that a part of the Argentine Government - I don't yet know which - wrote to the organisers of a tourism seminar recently held in Guayaquil in Ecuador, saying that they thought it was unreasonable to allow Falkland Islanders to be there since they didn't want to be part of Latin America. What a load of tosh! Who do they think they are? What do they imagine they are up to? It is astonishingly childish to take that sort of attitude. So we will have to continue to treat them as children if that is how they are going to behave.

The best we can do, is to try in our own small way to educate the Argentine public and the Argentine Government a little bit about who we are, what we do and how we live our lives. I hope the visit of Grondona will help to do that.

One final comment, Mr President. I congratulate our athletes and sportsmen at the Commonwealth Games who performed, I think, well under very difficult conditions, and I hope that we will be thinking now about sending a decent strong team to the Commonwealth Games in Manchester in 2002, where I am sure it will be a good deal less rainy. Thank you.

The Honourable DL Clifton

Mr President. Just one comment I would make in terms of supporting the Motion for Adjournment and that is to express my support for the comments that Councillor Bill Luxton made about the Police department. I think it is wrong to unnecessarily point fingers, but the sheer number of complaints I have received from the general public over the past few weeks, seems to be symptomatic of something much deeper and perhaps much more severe. Lest there be any danger of Councillor Luxton being ostracised for what he has said in a particular quarter of the community, I wish to make it very clear that I am in support of what he has said because I think there are some very grave questions to be asked, and some very deep and well thought through answers to be given.

Sir, I support the Motion.

The Honourable Mrs JL Cheek

Mr President, Honourable Members. In nearly a year since this Council was elected, I've learnt a lot personally, but as a Council I think we have learnt a lot on human rights. A very important issue. We have found, through our studies, through trying to pursue the cause of people we saw being abused, who have learned we no longer have to stand by, hold up our hands and say we can do nothing. We perhaps can do something and make a difference.

On the Argentine journalist, no doubt I would be one person clearly in the line of fire of the critics. I have to say a few critics have spoken to me. The majority of people I have spoken to at least think the visit is worth a try, and that is why I agreed to it. I believe that if we can educate even a small number of the Argentine public with the facts, rather than some of the extraordinary rubbish we have seen in the Argentine press in the recent months. We carefully selected this man. He wasn't knocking on the door. He wasn't waiting to come in. We selected him. We invited him.

I am sorry that I won't be here when he visits and I reiterate what some of my fellow Councillors have said. I hope he is treated with courtesy and that people take an opportunity. Here is a man who is held in high repute as a journalist. He will be listened to. Make sure that he does get the facts. You don't get across the facts by haranguing people. You get across the facts by telling them politely and firmly.

Moving on, I would like to support the remarks of the Honourable John Birmingham regarding the abattoir. I said some months ago that I feared we might be trying to build a Cadillac when a little 2 CV would do. I also reiterate his remarks on the effect that it is having on the dairy. This is a business that runs 365 days a year. They never let us down. We shouldn't be messing around with their boundaries and making their

lives more difficult for them. I would hope that this would be taken into account. When asked about it before, we were told it was all settled and fine. Clearly it is not.

I have perhaps, one of the least enviable portfolios at the moment, in that I am the Councillor responsible for the Police Force. I think it would be a great pity if the conduct of a few members of the Force, could bring the name of the whole Force into disrepute. I hope that the problems we have seen recently will be dealt with firmly and won't recur. I would like to say that most of the members of the Force that I meet through other responsibilities, such as visiting the prison, do a good job. They do it quietly and they do it in sometimes very difficult circumstances. Most of them are hard working and courteous and have earned my respect.

Moving on to housing, still one of our greater problems. I have not seen a copy of the letter recently sent out on housing, but from a description given to me on the phone the other night it was unnecessarily curt, if not downright rude. The fact is that while Falkland Islands Government is not obliged to house any one, it does house a large number of people, and those quietly waiting on the housing list may feel disadvantaged when someone makes a lot of noise, or manages their life badly and is housed ahead of them. I know the Housing Committee are fighting an uphill battle to house those who are unable to help themselves, but I believe that a letter that explained the situation, rather than simply issuing an edict, would have been a better way to go about it. That said, I support the remarks of the Honourable Councillors Halford and Summers on our Falkland Islands trait of self-sufficiency.

Finally, I will be absent for all of next month. First of all I will be representing the Islands on the stand at the Party Conferences and secondly taking some holiday. However, I can be reached, people can give messages either to my daughter or through the Councillors Office and they will have somewhere that I can be reached on any of the days I am away.

I would like to support the Motion.

The Honourable the Financial Secretary

Mr President, Honourable Members. I have nothing to add to that. I support the Motion for Adjournment.

His Honour The Acting Governor

Well it simply remains therefore for me to thank the Honourable Members for the Adjournment debate, which I consider to have been passed. I will resist the temptation to make any comments. It would be inappropriate from the Chair, but I can give an assurance that those matters that have been raised that are for the Administration, I have noted and will action. Also that those that will require relaying to His Excellency The Governor, I have also noted and I will do so on his return. The House will now rise, and is adjourned accordingly.

Continued on this day 19 NOVEMBER 1998

[Signature]
GOVERNOR

Authentic Q14#9

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 19 NOVEMBER 1998**

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 19 NOVEMBER 1998

PRESIDENT

His Excellency The Governor
(Mr Richard Peter Ralph CMG, CVO)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Honourable Mrs Janet Linda Cheek
(Elected Member for Stanley Constituency)

The Honourable Darwin Lewis Clifton
(Elected Member for Stanley Constituency)

The Honourable JR Cockwell
(Elected Member for Camp Constituency)

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

The Honourable Mrs Sharon Halford
(Elected Member for Stanley Constituency)

The Honourable William Robert Luxton
(Elected Member for Camp Constituency)

The Honourable Michael Victor Summers OBE
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr David Geoffrey Lang CBE, QC)

The Commander British Forces Falkland Islands
(Air Commodore Raymond Lawrence Dixon BSC)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

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THE RECORD OF THE LEGISLATIVE COUNCIL HELD ON 19 NOVEMBER 1998

His Excellency The Governor

I would like to let everybody know, being creatures of the media as we are in the modern age, that this session of Legislative Council is also being broadcast live until half past twelve, and if we go on beyond that time the remainder will be broadcast in a recording, I believe, later this evening for the benefit of devotees of these followings out there in the real world.

Clerk of Councils

Confirmation of the record of the meeting of Legislative Council held on the 22 September 1998.

His Excellency The Governor

May I invite Honourable Members to let me know if there are any amendments that they would wish to suggest to the record, either typographical, spelling or more importantly factual errors?

I expect that Members may actually have communicated any already to the Clerk. In that case, if there are no further amendments, I will duly confirm these as correct.

Clerk of Councils

Papers to be laid on the Table by the Honourable the Chief Executive.

Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34.1 of the Interpretation and General Clauses Ordinance 1977.

The Narrows Sanctuary Order 1998
The East Bay Sanctuary Order 1998
The Fishery Products (Hygiene) Designated Vessels Order 1998
Stanley Common Birds Eggs Regulations 1998
Fishery Products (Hygiene) Designated Vessels No 2 Order 1998
The General Development Order 1991
8 James Street Direction 1998
The General Development Order 1991
4A Ross Road West Direction 1998

The annual accounts for the financial year 1997/98 and the retirement pensions fund financial statements for the period ended 31 December 1997, and laid on the Table in accordance with Clause 55(C) of the Finance and Audit Ordinance 1988.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to lay on the Table the papers named by the Clerk.

His Excellency The Governor

Thank you very much.

Clerk of Councils

Questions for Oral Answer.

QUESTION No. 38/98 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members. Can the Honourable Sharon Halford please give a brief outline of the terms of reference for the deep water jetty survey that the Falkland Islands Government have just commissioned, or have commissioned?

The Honourable Mrs S Halford

Mr President, Honourable Members. This was actually the subject of an Executive Council paper yesterday. Until the minutes of that meeting are available I am unable to answer this question. However, I can undertake to give a written reply to the question when I see the minutes.

His Excellency The Governor

Thank you very much. Any Supplementaries?

The Honourable J Birmingham

No, but I thank the Honourable Member for her reply.

QUESTION No. 39/98 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members. Can the Honourable Richard Cockwell give an update on the arming of the fisheries protection vessel, and can he state whether the rules of engagement will be in place in time for the next high season?

The Honourable JR Cockwell

Your Excellency, Honourable Members. The Fisheries Department is hopeful, and desires at having a weapon placed on board a fishery protection vessel by the beginning of March 1999. The rules of engagement are approved in principle but will need final ministerial approval at a later date. You may find the following useful as ancillary information.

A 20 mm weapon is now the favoured option. The Ministry of Defence (MOD) did look again at the 0.5" option and concluded that it could be used but the 20 mm weapon would be the preferred option.

At present the plan is to obtain an ex-MOD Royal Naval weapon which will be significantly cheaper than a new weapon. Nonetheless the total costs have not yet been ascertained and may reach anything up to £100,000 once training and installation work are accounted for. All contacts with Taiwanese confirm the view that a serious deterrent is necessary if they are to become interested in licences and pursuing legal fishing opportunities, and I think all Honourable Members know this is the reason why we have actually decided that we have to arm one of our fisheries protection vessels.

Finally there is the intention that the Falkland Islands Defence Force (FIDF) would be involved in the operation of whatever weapon is chosen.

His Excellency The Governor

Thank you. Supplementaries?

The Honourable J Birmingham

I thank the Honourable Member for his reply. Would he agree with me that his answer confirms that the Falkland Islands Government's commitment to a more active policing policy on the seas is within our control, and that the licence dodgers will be pleased to take note?

The Honourable JR Cockwell

I thank the Honourable Member for the supplementary. Yes I will agree that that is the case. I think we have to make it perfectly clear to any perpetrators of offences within our territorial waters and our economic zone will be followed up vigorously, and this is the reason why we are intending to arm a vessel.

The Honourable Mrs N Edwards

Can the Honourable Mr Cockwell tell me the range of this gun and the speed of the patrol vessel. Is it going to be able to go fast enough to get near enough to catch these people? Over!

(Laughter)

His Excellency The Governor

But not out! Come in the Honourable Richard Cockwell.

The Honourable JR Cockwell

Your Excellency, Honourable Members. I thank the Honourable Member for that rather interesting supplementary. Personally I am not aware of the range of this weapon. I have been assured that the patrol vessel in question can actually achieve sufficient speed to catch the vessels which are poaching. The thing that needs to be remembered is that we are not intending to have to use the weapon. It has to be there in the case of an emergency if we are not able to prevent the poaching. It is a prevention measure. Not a measure to actually sink whoever we are trying to catch. This needs to be made clear but it also needs to be made clear to any perpetrator, that we are very focused on the fact that we will use the weapon if it is necessary. If we give any other indications we will have a problem, so we are making it perfectly clear that we are prepared to use the weapon.

The Honourable Mrs N Edwards

I thank the Honourable Richard Cockwell for that reply. I didn't mean to imply that we should take an aggressive attitude in the way that we might shoot them out of the water, but my concern is are we are going to be able to get close enough to present a threat to them?

The Honourable JR Cockwell

I am assured by some of the individuals on the patrol vessels that they have been right along side of the vessels before now and not been able to stop them. This is why we need to be able to show that we can stop them if necessary.

His Excellency The Governor

Thank you so much. Any other Member wish to chip in on this important question? Next question please.

QUESTION No. 40/98 BY THE HONOURABLE J BIRMINGHAM

Mr President, Honourable Members. Can the Honourable the Attorney General please confirm, that under the changes made to the Constitution which came into force in 1997, there is provision for a person to stand for a constituency in which he or she does not reside?

The Attorney General

By oversight the change to the Constitution which the Honourable Member mentions was omitted from the changes which came in on 1 September 1997. It was, however, made later by the Falkland Islands Constitution (Amendment) No2 Order 1997 which came into force on 1 February 1998.

The Honourable J Birmingham

I thank the Attorney General for his answer.

His Excellency The Governor

Thank you for that useful clarification.

QUESTION No. 41/98 BY THE HONOURABLE MV SUMMERS OBE

Can the Honourable Richard Cockwell please advise when funding was first approved for the Falkland Islands Government Air Service (FIGAS) spray paint booth, when it was ordered, whether it has been delivered, and if so when, and what arrangements are in place to have it installed and commissioned?

The Honourable JR Cockwell

Your Excellency, Honourable Members.

Funding was first approved to purchase a spray paint booth for FIGAS in the 1997/98 budget. The unit was ordered on 8 April 1998 and delivered on site on 5 August 1998. As the project would over-run the financial year, approval was sought to re-vote the funds in the 1998/99 financial year to complete the project. The unit is presently being installed with the assistance of Mr T Clifton and his gang, and supervised by Mr R Wilson of High-tech Spray Limited the manufacturers. The spray booth will be commissioned on 11 November 1998.

The Honourable MV Summers OBE

Thank you for that answer.

Does the Honourable Richard Cockwell share my astonishment that I was advised in November 1996 that this item of equipment was already committed?

The Honourable JR Cockwell

Your Excellency, Honourable Members. Yes I have to agree I was astonished as well.

The Honourable J Birmingham

Mr President, Honourable Members. Can the Honourable Richard Cockwell assure me that as there is a major spray booth in the private sector, the Government spray booth won't be in any way used for doing private jobs?

The Honourable JR Cockwell

Your Excellency. I am in a fairly difficult position here because obviously I have no control over the usage of the FIGAS booth, but as a Councillor I would be very displeased if I got to hear of the fact that the Government facility was being used to compete with a private enterprise such as this, and I do not believe that there is any intention of this happening, in fact I am sure there is every intention that this won't happen.

The Honourable the Chief Executive

Just some information Mr President, Honourable Members. An assurance was given, I clearly recall at the time, albeit there may be a dispute as to when the time should have been, but assurances were given that no private sector work would be done. In fact there was an assurance given that this particular work, in this particular spray booth could not be done in the private sector booth and that it is exclusively for the use of FIGAS, and I would be horrified if it was used for anything else.

The Honourable J Birmingham

Do I take it that I have the Chief Executive's word on that?

His Excellency The Governor

I am sure that must be implicit.

The Honourable J Birmingham

Well that is good enough for me.

The Honourable Mrs S Halford

Mr President. Could the Honourable Richard Cockwell please advise us - as this booth is being commissioned at the moment under the supervision of Mr Wilson - why it has been necessary for Mr Wilson to make two trips to the Falklands to commission this booth?

The Honourable JR Cockwell

Your Excellency. I am speaking off the cuff now because I haven't been informed officially as to why he made two visits, but I understand that the first visit was to actually ascertain exactly what work needed to be done, and to make sure that whatever equipment and preliminary works needed to be done were done before he arrived. I understand - this is only my understanding - that this actually saved a considerable amount of his time waiting here while the preliminary work was being done.

His Excellency The Governor

Well others have professed themselves astonished and horrified, I just profess myself intrigued that this question has generated so much interest. Obviously it is one of those subjects. Next question please.

QUESTION No. 42/98 BY THE HONOURABLE MV SUMMERS OBE

Mr President. Given recent editorial criticism in a local newspaper of Councillors spending too much time on foreign affairs matters, would the Honourable Jan Cheek please indicate the level of press interest, in the Falklands' point of view, surrounding the recent visit to the United Kingdom of President Menem? Is there any evidence this has in fact been time well spent in the defence of our country?

The Honourable Mrs JL Cheek

Mr President, Honourable Members. It is important to remember that we rely on the support of the British Parliament and people, both for the physical defence of our Islands and to uphold the principle of our right to self-determination. Anything we can do to keep people informed and to correct misinformation must be worthwhile.

Argentina undertook an extensive press and public relations campaign in Britain before, during and after the Menem visit. Councillors, anticipating this, agreed some months ago that those of us that were passing through London on Government business would be available to ensure that our side of the story would be heard.

Interest in the Falklands' view of the visit was intense. This can be demonstrated by the fact that between the 19 and 28 October I took part in more than 25 separate interviews and press briefings, this was in addition to those done by Sukey Cameron (our representative in London), and by the Honourable Mike Summers and the Honourable Lewis Clifton when they arrived.

Of course Falkland Islands Government Office (FIGO) can handle routine enquiries and work with Keene to keep us in the public eye throughout the year, however, the level of interest generated at this time would have seriously over-stretched their resources. News stories require immediate responses, particularly when inaccurate and potentially damaging statements are being made. Even with modern communications there would have been inevitable delays had we been responding just from here. By being on the spot we were able to convey accurate information to a large audience through radio, television and newspapers. We were in a position to respond promptly to any negative comment, thus limit any damage.

Incidental to this, we had a number of opportunities to talk to the Argentine press and possibly counteract some propaganda. I firmly believe that it is always worth spending the time and effort required to present an updated image of a thriving, forward looking community, in which good education and medical services are given high priority. Just telling the simple truth can be very effective. I believe that overall press coverage last month was favourable to us. I hope the presence of elected Falkland Island Councillors contributed to that.

His Excellency The Governor

Thank you very much for that helpful answer.

QUESTION No. 43/98 BY THE HONOURABLE JAN CHEEK

Mr President, Honourable Members. Can the Honourable Sharon Halford please indicate whether those who had reserved a plot on the Dairy Paddock site may now receive some priority in East Stanley?

The Honourable Mrs S Halford

Mr President, Honourable Members. As your previous question addressed to me, this too was a subject of an Executive Council paper yesterday and I will be quite happy to answer this in written form once I see the minutes from that meeting.

The Honourable Mrs JL Cheek

I thank the Honourable Councillor Halford for her reply.

His Excellency The Governor

I have a request, Honourable Members, from the Honourable Lewis Clifton to ask a question without notice. My general temperamental wish is to grant such a request, but there is a stipulation in Standing Orders that this should really only be done when there is some manifest urgency, and I would be grateful if the would be questioner could assure and convince me that this is an urgent question that can't wait. Perhaps in the public interest.

The Honourable DL Clifton

Mr President. I would contend, because the question which I would wish to raise is a subject of some very considerable debate in the community, and not least within the community that utilise the Infant and Junior School in particular, but more so in terms of assurances that were given in this House on the 22 September. It would appear that Council is still waiting for an answer to that assurance. Given the heightened public interest and concern about the whole issue of a traffic management plan for Stanley, I believe it is appropriate that this matter is re-addressed at this point.

His Excellency The Governor

Thank you. Well in that case I would be prepared to allow the question, but I would equally accept it if the Honourable Mike Summers, who is down to answer, felt that he wasn't necessarily in a position to give a very detailed answer to this question given the lack of notice.

The Honourable MV Summers OBE

Mr President. I am prepared to take the question.

His Excellency The Governor

Thank you very much. Well in that case let's proceed. The Honourable Lewis Clifton please ask your question.

The Honourable DL Clifton

Mr President. Will the Honourable Michael Summers, in the light of the assurance he gave to this House at the last sitting - for listeners reference that was tabled under question 34/98* - advise us as to the status of the introduction of a traffic management plan for Stanley?

The Honourable MV Summers OBE

Mr President, Honourable Members. I did give an assurance in this House at the last meeting of Legislative Council, that a traffic management plan for Stanley would be provided to Executive Council in November of this year. I did so on the advice of the Environmental Planning Officer. Such a report was not presented to Executive Council this month and for that I apologise to the House. The reason for it I am not aware, although, at the last meeting of the Education Board I became aware that the Infant and Junior School Management Committee, which was due to meet with the Traffic Management Committee to discuss this issue, had not yet done so. That was only last week. I will pursue this matter and I will provide written information to all Members in due course.

His Excellency The Governor

Thank you very much. The Honourable Lewis Clifton, would you like to follow on?

The Honourable DL Clifton

Mr President. I am grateful for that assurance.

His Excellency The Governor

Thank you. Any other Members? I think that brings us to the end of question time.

*** QUESTION No. 34/98 BY THE HONOURABLE JOHN BIRMINGHAM**

Will the Honourable Mike Summers please tell me who is looking into the on going traffic problems, in particular around the Junior School at lunch times?

THE FIRST REPORT OF THE SELECT COMMITTEE ON ETHICAL BEHAVIOUR AND STANDARDS IN PUBLIC LIFE BY THE CHAIRMAN, THE HONOURABLE MV SUMMERS OBE

Mr President, Honourable Members. This is the first formal report to the House from the Select Committee on ethical behaviour and standards in public life. It will be brief because I gave a full account of the works of the Committee to the House on 29 April 1998. Much of what has been reported is contained in two Motions to the House which follow.

Since the April report we have met on two further occasions. Once in public at which we took evidence from Your Excellency and Senior Government Officers. The second was to review all information submitted, including that from previous public submissions and to agree the way forward. In this first report we deal with standards for Members of the Legislative Council and the Attorney General. In future reports we will deal with the Civil Service so far as it is within our authority to do so, since under our current constitution the conduct of members of the civil service is a matter for the Governor, and we will deal with the membership and conduct of Government Committees.

The Motions that are before the House propose the adoption of the seven principles of public life devised by the NOLAN Committee, and subsequent amendments to the Standing Orders of Legislative Council in respect of the registration and declaration of interests and the prohibition of advocacy. I will describe these more fully when the Motions are debated.

We do not, at this stage, have proposed rules as to how breaches of the new Standing Orders will be dealt with. Whilst we have firmly agreed that sanctions will apply, we are waiting sight of the United Kingdom draft legislation on misuse of public office which will give the Attorney General guidance on how best to approach such legislation. The draft is expected in the new year and we will move to implement suitable rules shortly thereafter. In the meantime, we considered it important to move forward with the adoption of the seven principles and the amendments to Standing Orders.

This report, as I said, deals only with Legislative Council. However, we consider that these rules are equally applicable, at least in their underlying principles to Executive Council. Conduct in Executive Council and by Executive Councillors, is a matter for the Governor, and we therefore invite the Governor to consider the adoption of these rules suitably modified if necessary for Executive Council.

That concludes this brief report, though it will be necessary to make some further comments on our deliberations in the context of the Motions which follow.

His Excellency The Governor

Thank you very much. I think the procedure is for the two Motions - 3/98 and 4/98 - to be seconded if I am not mistaken and all Honourable Members then have the opportunity to speak to or against the Motion if they so wish, at the end of which we will vote. The Clerk has reminded me that we would, in normal circumstances, read out the full text of the two Motions. I hope that I have the agreement of the House and indeed of the public, that we shouldn't do that in this case because while the first Motion is only one side of an A4 page, the second is necessarily long and very detailed and it would take a very long time to get through it. I would, however, like to inform members of the public that the Motions are freely available to the public. I am not quite sure how that would be. Through the Gazette? No, through the office of the Clerk of Councils. I know that this is a matter of considerable public interest so they are invited to apply.

May I now call on the seconder to speak to these two Motions?

The Honourable DL Clifton

Mr President. I rise to support both Motions

His Excellency The Governor

Forgive me but apparently, formally speaking, I should have called on the proposer to introduce the two Motions. I assumed he had just done that but if you would like to say more Mike Summers then please do so. I apologise.

The Honourable MV Summers OBE

Mr President. I would like to introduce the Motions so I can give the public some idea of the content of the Motions and I will, if I may, introduce both Motions together since they cover the same subject area.

The first Motion accepts and adopts the seven principles of public life nominated by the NOLAN Committee, I will not read the whole Motion but they are:

- selflessness;
- integrity;
- objectivity;
- accountability;
- openness;
- honesty; and
- leadership.

The Motion commends the seven principles to the attention of all persons serving in public life, in any capacity, in the Falklands. It requests the Governor to agree that the attention of the civil service and the police be drawn to the seven principles in a suitable way, and that they be reminded from time to time of those principles. These Motions have in fact already been distributed in draft to members of the public, and interested people have seen them.

The second Motion goes on to propose certain amendments to the Standing Orders of Legislative Council, and it does so by deleting in whole Standing Order number 18 and replacing it with three major provisions.

1) Register of Interests

This sets out in considerable detail the categories of registerable interest that have to be set down by members of the Legislative Council. They include the likes of directorships, land ownership, business interests, sponsorships, gifts, land and property and so on. There are 10 categories in general culminating with one which requires that any relevant interest, not covered by one of the main categories which falls within the main purpose of the register, should also be registered if the member believes that members of the public might expect that their behaviour were influenced by that particular interest.

2) Prohibition of Advocacy

That is that no member may raise questions in the House for which they are paid to do so. There are provisions in the United Kingdom legislation which allow that, providing the source is declared. We have decided that that should be forbidden in the Falklands context.

3) Declarations of Members Interests

This is not only registration but then declarations in this House, in Executive Council and in Committees of the Government.

Sir, I beg to propose the Motion. The two Motions in fact.

His Excellency The Governor

Thank you indeed. The Honourable Lewis Clifton as seconder. I apologise for interrupting earlier.

The Honourable DL Clifton

That is fine Mr Chairman. I am rather grateful for the, shall we say 'sanitised version' which my Honourable Colleague has presented, because the actual Motions themselves, to coin your own phrase in fact, at the presentation of your own evidence here, are somewhat magisterial if not exhausting for our listeners.

The whole question of shall we say sleaze, or the need to bring back into public life a decency much as was the centre of debate in the United Kingdom was a necessary thing to do, particularly in the light of all the hype in the run up to the General Election of October last year, and I believe we should congratulate ourselves in having come a very long way since that time. I would commend the two Motions to the House. I think the contents of the Motions are necessary, in terms of exercising good governance, although there is not a whole lot terribly wrong with the way the Islands are governed. Certainly the place is not rotten, but in the light of a recent editorial in a local paper, it does further provide for an enhanced degree of transparency and clarity in the way that good governance is exercised in the Falklands. I support the Motion.

His Excellency The Governor

Thank you very much indeed. Well now it is open to other Honourable Members of this House to speak to these two Motions. Who would care to go first? If anyone would care to speak that is. In that case I would like to call on the Honourable Mike Summers as proposer of the Motion to wind up the non-debate that has taken place.

The Honourable MV Summers OBE

Just to wind up, Mr President, I don't think this is a controversial issue. It has been very very open in its procedure. There have been many public sessions, many public consultations, and I think that the result that we have arrived at, as far as I can tell, is wholly acceptable to the public. I would like to thank those members of the public who have contributed to this exercise. It has been very valuable and I would like to thank the Attorney General for his voluminous contribution to this work.

(Hear! Hear!)

Thank you.

His Excellency The Governor

Thank you very much indeed. May I just pick up on two points that the Honourable Member made?

One is that he asked me to consider adopting a similar set of rules for Executive Council. I am only too glad to consider adopting them. I don't know if they will need some slight modification for the modus operandi of Executive Council, but I am happy to do that.

The second point was that he asked me to draw the attention of the civil service and the police to these principles of conduct in public life, and although, as he rightly pointed out, the principles have been widely circulated and promulgated so that there can be few people in public life who won't be aware of them, I shall be glad to do so formally because I think it is a matter of great importance in good governance terms.

Having said that, could I.....

The Honourable MV Summers OBE

I'm sorry. Could I just make a point of information?

His Excellency The Governor

Yes of course.

The Honourable MV Summers OBE

May I just say that in asking you to draw the attention of the civil service and the police to the seven principles, there was no purpose in identifying the police separately, it simply was that police are not generally regarded as civil servants and nothing should be interpreted by having nominated the Police particularly, as opposed to any other department.

His Excellency The Governor

Thank you. That point is well taken and I would endorse it myself.

May I just ask for a show of hands now for these two Motions please by voting members? So it is carried unanimously. Thank you very much indeed.

Clerk of Councils

ORDERS OF THE DAY: BILLS

All Bills to be taken today have been Gazetted so do not require a first reading.

The Registration of United Kingdom Patents (Amendment) Bill 1998.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

The Honourable the Financial Secretary

I second the Motion.

His Excellency The Governor

Thank you very much indeed. The Motion is that the Bill be read a second time. The Registration of the United Kingdom Patents (Amendment) Bill 1998, does any Honourable Member wish to speak?

The Attorney General

Mr President, Honourable Members. I think I ought to explain for the benefit of the listening public, that the Bill merely increases the fee which would be payable in the Falkland Islands on the registration of a United Kingdom Patent. It has no other effect.

His Excellency The Governor

Thank you. Following that explanation do no Members wish to speak? In that case I would like to invoke the fast track procedure which I shall remind myself of before I do invoke it. Here we are. Would any Honourable Member wish to propose any amendments to the Bill? None, good in that case I declare this Bill to have been read a third time and to have passed. On to the next one.

Clerk of Councils

The Family Allowances (Amendment) Bill 1998.

The Honourable the Financial Secretary

Your Excellency, Honourable Members. Currently the family Allowances Ordinance contains provision for the payment of a monthly allowance of £49 per child, plus a monthly allowance of £40 payable only to a single parent. This Bill would abolish the single parent allowance with effect of 1 January 1999, and thereby eliminate the existing discrimination in favour of single parents. I beg to move the first reading of the Bill.

His Excellency The Governor

Thank you very much. Do I have a seconder please?

The Honourable the Chief Executive

I beg to second.

His Excellency The Governor

The Motion is that the Bill be read a second time.

The Honourable Mrs N Edwards

I would like to suggest an amendment to the short title and commencement of this Bill, Sir. It should read that it comes into force in April 1999, rather than January, if I can just explain why. At the moment we are busy recruiting a new Social Worker for the Islands. He or she will not be in place before January and that department in future will be dealing with applications for assistance from single parents. I would like to see this person properly installed before this Bill is enacted. Thank you.

The Honourable the Financial Secretary

I have no objection to the amendment that is proposed by the Honourable Member.

His Excellency The Governor

Any other Honourable Member wish to comment on that? So then the amendment is accepted in that case. The Bill will be read a second time.

Clerk of Councils

The Family Allowances (Amendment) Bill 1998

His Excellency The Governor

I now declare this Council to be in Committee.

Clerk of Councils

Clauses 1 to 2.

The Honourable the Financial Secretary

I beg to move that Clauses 1 and 2 stand part of the Bill with the amendment suggested to Clause 1 by the Honourable Mrs Norma Edwards.

His Excellency The Governor

As you have heard, the Motion is that Clauses 1 and 2, plus the amendment proposed and accepted by the Honourable Norma Edwards should stand as part of the Bill. Is there any objection? No objection so all of that stands part of the Bill.

There isn't a Schedule so the Council now resumes.

The Honourable the Financial Secretary

I beg to move that the Bill be read a third time and do pass.

His Excellency The Governor

So the Motion is that the Bill be read a third time and do pass. Is there any objection? No objection so the Bill will be read a third time and passes.

Clerk of Councils

The Family Allowances (Amendment) Bill 1998

The Defamation (Amendment) Bill 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

The Honourable the Financial Secretary

I second the Motion, Sir.

His Excellency The Governor

Would the Attorney General or some other Member care to give a short explanation of this Bill?

The Attorney General

Yes, Mr President. An explanatory memorandum has of course been published in the Gazette. This Bill will bring into Falkland Islands law so that it can be readily available to be seen what is, in fact, already the law of the Falkland Islands, but by virtue of legislation of the United Kingdom which at present is in force here. It is a most important legislation, because it relates to the freedom of the press and the broadcasting services to publish information of public interest, without being liable to proceedings for defamation. The amendments in the United Kingdom law which this reflects, were the subject of major consideration by the law of commission and implement recommendations by human rights lawyers. They will not of course have a noticeable or staggering effect here, because they already form part of our law, but it is important and particularly in relation to legislation which affects human rights and rights of peoples freedom of speech, that the legislation should be readily available to be consulted by people in the Falkland Islands, which is the reason that this legislation has been prepared and submitted to the House.

His Excellency The Governor

Thank you very much Attorney General. The Motion is that this Bill should be read a second time. Does any Honourable Member wish to speak to the Motion?

The Honourable MV Summers OBE

Mr President. In his explanation of the Bill, the Attorney General didn't make any reference as to whether the information, that may be provided in the public interest, had to be correct or not, and I wonder whether he could clarify that for us.

The Attorney General

I am not quite sure what the Member is driving at, so if I answer and have not addressed his question correctly then I hope that he would point that out.

Truth is a defence to libel. If there is correct information it is impossible, I think now, to say that the information is defamatory. It used to be an adage of the law, that the greater the truth, the greater the libel, but all that meant was that if one made an accusation which appeared as if it might be accurate, the more damaging it was because if it was one that people might believe because of what they thought was the truth, then the greater the damages you might be liable to pay. But truth is a defence to libel so that I don't think that something which was published in the public interest, if that is the case and is true, is liable to be caught by defamation proceedings.

There may be other pieces of legislation which it would contravene. There are, of course, obligations as to secrecy under various pieces of legislation and as part of a public officer's duty, but what he would not face by publishing information which was true would be defamation proceedings.

The Honourable MV Summers OBE

Mr President. I take the Attorney General's response to confirm that the publication of gossip which turned out not to be true, would in fact be defamatory.

The Attorney General

In broad terms yes. Provided it was damaging and had done damage it would be, but one has to make a distinction. I should, as a lawyer, make the distinction between libel and slander. Slander is only actionable on proof of damage, and that is the spoken word, whereas libel - the written word, or the more permanent form including broadcasts, and films - those are liable to defamation proceedings without proof of damage. Gossip is usually only in the spoken form and therefore it is not actionable unless damage to the person defamed can be proved.

The Honourable Mrs N Edwards

Can I assume then, by what the Attorney General has said, if gossip or innuendo has been cited as in the public interest, then whoever is making these allegations would get off scott free?

The Attorney General

I didn't say that, and I wouldn't say that. We are getting terribly close to asking me for opinions of law on hypothetical questions. I am quite prepared to try to expand broad principles, but it sounds to me as if somebody is trying to induce me to give a legal opinion on a question of which the facts are not being put. I decline the temptation.

His Excellency The Governor

The Attorney General declines to be drawn much to our chagrin, I hasten to add, but since our procedures support you, if it is not entirely out of order I would like to ask you a question, and that is the relevance of this to a right of privacy and how that bears on this and perhaps the Attorney General could just say a few words about that. If it's deemed to be irrelevant I wouldn't want to prolong the debate but it seems to me it is at least of some interest.

The Attorney General

There is no such right known to English Common Law, or to Falklands Common Law, of privacy. There have been suggestions that such legislation should be introduced, and my recollection is that last year, when there was some considerable publicity in relation to this, as a result of the unfortunate death of Diana, Princess of Wales, it stirred up quite a controversy with the media because it was felt that such a law, unless very carefully drafted, could operate as a gag on the freedom of the press. Also that it would be argued by many that information which the press publish at the moment, and which is in the public interest for them to publish, could not be published because it would contravene a privacy law. The matter is not closed. It is still under considerable debate in legal circles in England and other parts of the United Kingdom. I watch the matter with interest, and if at any stage it appears that I can make proposals in relation to sensible legislation, which would not operate as a gag on press freedom and the freedom of speech, I will so advise Honourable Members.

His Excellency The Governor

Thank you very much. Well I think we can now move on and the Bill will be read a second time.

Clerk of Councils

The Defamation (Amendment) Bill 1998

His Excellency The Governor

I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 and 2.

The Honourable the Chief Executive

Mr President. I beg to move that Clauses 1 and 2 stand as part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 and 2 stand part of the Bill. Is there any objection to that Motion? Causes 1 and 2 stand part of the Bill.

Clerk of Councils

Schedule.

The Honourable the Chief Executive

Mr President. I beg to move that the Schedule stands part of the Bill.

His Excellency The Governor

That is the Motion. Is there any objection to it? No, so the Schedule stands part of the Bill and the Council now resumes.

The Honourable the Chief Executive

Mr President. I beg to move that the Bill be read a third time and do pass.

His Excellency The Governor

The Motion is that the Bill be read a third time and do pass. Is there any objection to that Motion? No so the Bill is read a third time and passes.

Clerk of Councils

The Defamation (Amendment) Bill 1998

The Court of Appeal Bill 1998

The Honourable Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

The Honourable the Financial Secretary

I second that.

His Excellency The Governor

Attorney General would you like to have a word?

The Attorney General

I am afraid the public would find the thing, I think, rather boring, but I will explain what the Bill is about.

Our legislation at present in relation to the Court of Appeal dates from 1966. It is out of date, and it needs replacing. The present Bill before the House would make more modern provision in which it is necessary for a number of detailed legal reasons to make. There is a full explanatory memorandum published in the Gazette in relation to the Bill for those who are interested. I would explain that the Bill results from detailed consultations between me and the previous Chief Justice, the present Chief Justice and legal advisors in the Foreign and Commonwealth Office, and represents a reform necessary in the law of the Falkland Islands to bring law, in relation to the right of appeal, up to date and particularly because some of the provisions of the Appeals Ordinance 1966, are in fact inconsistent with the provisions of our Constitution relating to appeals to the Court of Appeal.

His Excellency The Governor

I infer therefore that this is largely a technical tidy up which is necessary, but that it doesn't affect the steps up which one would go if one were appealing.

The Attorney General

No it doesn't do that.

His Excellency The Governor

Thank you very much. The Motion is that this Bill be read a second time. Does any Honourable Member wish to speak to the Motion? The Bill is read a second time. In fact I think we can invoke the short track procedure. Does any Honourable Member wish to propose an amendment before I move on? No amendments proposed. The Bill is therefore read a third time and passes.

Clerk of Councils

The Equal Employment Rights Bill 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

His Excellency The Governor

A seconder please.

The Honourable J Birmingham

I second that.

The Honourable the Chief Executive

Mr President, very briefly. There is an explanatory memorandum surrounding this Bill published in the Gazette, and it is a Bill which is essentially twinned with the eighth Bill that we will be taking, in three Bills time. It is a Bill that, in principle, I am sure will be most welcome to all in the Islands, and there is a sense in which I think it is felt that at the present time it may not be strictly necessary. In Government, which represents a significant proportion of the employed people of the Islands, the principles embodied in this Bill are already applied. Basically they are equal treatment in pay and conditions for equal work, indiscriminate of sex, and the Bill assures that it actually applies both ways. Men can be treated equally with women, and women will be treated equally with men.

It spans both the public and the private sectors, and of course it deals with any special cases that will arise. I believe that the Bill accommodates all of those that can be envisaged. We anticipate that there should be a lead in period and so the actual beginning of the application of the Bill in strict terms, will not be until 1 July 1999, so any employer who may have a learning curve to go up between now and then will have time to do so. I believe that this Bill guarantees social justice in this area and I commend it to the House.

His Excellency The Governor

Thank you very much. The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to it?

The Honourable DL Clifton

Mr President. Just a point of clarification as I am re-reading this. In terms of Clause 5 - the meaning of employment establishment - paragraph five has specific regard for installations offshore but then in Clause 5 it also deals with aircraft or ships registered in the Falkland Islands and includes some allowance for the territorial sea. What happens in terms of other vessels that may operate within the Falklands, perhaps where the beneficiary ownership of the vessel, for example, may be in the Falklands but may not be Falkland registered. I just wondered how this, or perhaps how it doesn't deal with the renewable resources offshore rather than the non-renewable.

His Excellency The Governor

Attorney General, can you enlighten us please?

The Attorney General

Yes. It simply doesn't apply to foreign flagged vessels.

His Excellency The Governor

Thank you. The Honourable Mike Summers, I think he wanted to speak.

The Honourable MV Summers OBE

A question of clarification Mr President. As has been noted, this Bill goes together with the Sex Discrimination Bill that was discussed yesterday at Executive Council and approved, and we agreed at that time that there should be the lead in period that the Chief Executive mentioned, to allow people to conform with the provisions of these two Bills. Therefore, I believe it is necessary to propose an amendment to the date on which the Bill comes into force. Is that correct?

The Attorney General

Yes. I believe that the Honourable the Chief Executive was going to deal with that at the Committee stage in relation to Clause 1 of the Bill.

The Honourable the Chief Executive

I intend to deal with it at the final stage.

His Excellency The Governor

Thank you. Any other Honourable Member wish to speak? In that case the Bill will be read a second time.

Clerk of Councils

The Equal Employment Rights Bill 1998

His Excellency The Governor

I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 to 5.

The Honourable the Chief Executive

Mr President. I beg to move that Clauses 1 to 5 stand part of the Bill and the amendment referred to by my Honourable friend, Mr Summers. Could the Attorney General please give me the words of that now?

The Attorney General

The wording of the amendment is:

for the words '1 January 1999' appearing in Clause 1 sub-Clause 1 of the Bill substitute the words '1 July 1999.'

The Honourable Chief Executive

That stands part of the Bill.

His Excellency The Governor

Thank you. Well the Motion is that Clauses 1 to 5 and the amendment which has just been read out, should stand as part of the Bill. Is there any objection? No objection, so Clauses 1 to 5 and the amendment stand part of the Bill.

Clerk of Councils

No Schedule.

His Excellency The Governor

No Schedule. Council resumes.

The Honourable the Chief Executive

Mr President. I beg to move that this Bill will be read a third time and do pass.

His Excellency The Governor

Well that is the Motion and this is your last chance to speak on it if you wish to do so. The Bill is read a third time and passes.

Clerk of Councils

The Equal Employment Rights Bill 1998.

The Cruise Ships Bill 1998

The Honourable the Financial Secretary

Your Excellency, Honourable Members. The purpose of this Bill is to impose a conservation levy in respect of passengers aboard cruise vessels which arrive at a designated port, with effect from 1 October 1999.

Vessels on which less than 100 passengers are carried would be exempt from the levy. For the purposes of the Bill, a designated port means Port William and Stanley Harbour and any other Port designated by order. The conservation levy would be paid by the owner or charterer of the vessel, irrespective of whether the passenger disembarks or not. The Bill does not specify how the conservation levy, which would be paid into the Consolidated Fund, shall be expended, however, the Falkland Islands Government currently expends more on conservation matters than it anticipates it would receive from the imposition of the levy. I beg to move the first reading of the Bill.

His Excellency The Governor

Thank you very much. Can I have a seconder please?

The Honourable the Chief Executive

I'll second that.

His Excellency The Governor

Well the Motion is that the Bill be read a second time. Does any Honourable Member wish to speak? Since you don't and there is no objection, the Bill is read a second time. I propose to invoke the short track procedure. If Honourable Members wish to propose an amendment, this is their opportunity to do so.

The Honourable DL Clifton

Mr President I apologise. I wasn't quite listening as I was re-reading the Bill just to satisfy my solution. I couldn't recall that the Financial Secretary mentioned the coming into force of the Bill. If you did my apologies.

The Honourable the Financial Secretary

The Bill should come into force on the 1 October 1999.

His Excellency The Governor

Thank you. Any amendments to propose? No amendments, no further comments so the Bill is read a third time and passes.

Clerk of Councils

The Merchant Shipping (Amendment) Bill 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

The Honourable the Financial Secretary

I second that Motion.

His Excellency The Governor

Thank you very much. Can we have a brief explanation please?

The Attorney General

Yes Mr President. This is a technical Bill which is necessary against the background that section 47 of the Merchant Shipping Act 1894 provides that the name of a ship can't be changed without the permission of the Secretary of State, that is the Secretary of State for the Department of Environment Transport in the Regency in the United Kingdom. Section 50 of the Merchant Shipping Act 1906 says that the Secretary of State may refuse registry of the name of a ship. Both of those sections have been repealed in relation to the United Kingdom itself, but remain, in effect, in all Dependent Territories, and indeed the Falkland Islands unless they have been repealed in local legislation. What this Bill does is repeal those sections. The effect of that will be that the name of a ship will be under local control, rather than controlled under the Department of Environment, Transport in the Regions in the United Kingdom.

His Excellency The Governor

The Motion is that this Bill should be read a second time. Does any Honourable Member wish to speak? In that case I will invoke the fast track again. Any amendments to propose? None, so the bill is deemed to have gone through all stages and is passed.

Clerk of Councils

The Sex Discrimination Bill 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

The Honourable DL Clifton

I'll second this.

His Excellency The Governor

May I have an explanation please?

The Honourable the Chief Executive

As I indicated earlier, the Equal Employment Rights Bill and this Sex Discrimination Bill actually form together a code of law relating to sexual discrimination, and they apply not only to places of work but to other places as well. They underline and enforce the provisions of our Constitution. Fundamentally what this Bill does is to ensure that one cannot treat a person differently because of their sex.

There are, as I mentioned before, exemptions in this Bill as are dealt with and they are eminently sensible. Such things as insurance matters where clearly there are different life expectancies and so men and women will be treated differently. Ministers of religion, where certain religions would not welcome female Ministers. That is allowed. Certain jobs are also dealt with here as indeed the issue of private clubs, which I understand is not affected. They will also apply here the lead in period referred to earlier starting on the 1 July 1999.

This Bill is the second linchpin of fair treatment irrespective of sex, and I beg to move it.

His Excellency The Governor

Thank you very much. Well the Motion is that this Bill - an important Bill - should be read a second time. Would any Honourable Member wish to speak to the Motion?

The Attorney General

Mr President. I just ought to mention perhaps that it is proposed in relation to this Bill in the committee stage to provide that it will come into force on 1 July 1999.

His Excellency The Governor

I thought the Chief Executive had mentioned that point but thank you....

The Honourable the Chief Executive

Nobody listens!

The Honourable J Birmingham

Mr President, Honourable Members. It seems strange to me that, after their long drawn out battle, the MCC have just agreed to accept the admittance of ladies into their club. Would the Attorney General please confirm to me that we are still going to have private clubs who will be able to bar members of the opposite sex from joining?

His Excellency The Governor

Pertinent question thank you.

The Attorney General

This Bill does not have the effect of requiring clubs which are male clubs or societies to admit women. Nor does it require, of course, certain clubs which are womens' clubs to admit men. If it were desired to provide that, to that effect by Honourable Members I would prepare such Legislation, but at the moment emphatically it does not require those local clubs which are men only clubs, or those local clubs which are women only clubs, to admit members of the opposite gender.

The Honourable J Birmingham

I thank the Attorney General for his answer. I would like it noted that I object to that part of the Bill.

His Excellency The Governor

That is noted. Does that mean we have to have a vote on it?

The Attorney General

The Honourable Member may wish to vote against the Bill.

The Honourable J Birmingham

I will be in trouble at home if I did.

His Excellency The Governor

(Laughter)

Fine. We certainly don't want to cause any domestic discord! Maybe we should call a vote on that particular proposition?

The Honourable Mrs N Edwards

Yes can I ask the Honourable John Birmingham, has he got a burning desire to join the spinners and weavers?

The Honourable J Birmingham

Mr President, Honourable Members. Whenever I look at you Councillor Edwards, I always have a burning desire.

(Laughter)

His Excellency The Governor

I suppose just to maintain the decorum I ought to call for order here.

The Honourable the Chief Executive

Just to clarify the point Mr President. Because it is not dealt with in the Bill, it seems to me that there is nothing for the Honourable Members to actually vote against. If this provision were to be in it would be in addition to what is here.

His Excellency The Governor

It would presumably be open to an Honourable Member to propose an amendment which would have the effect of including such a provision. If that is what the Honourable Member wishes to do, perhaps he should say so.

The Attorney General

Mr President. Hesitate as I do to correct the Honourable Chief Executive, it is perfectly in order for the Honourable Member to vote against the Bill on the basis that it does, as a whole, in his opinion, make satisfactory provision. That is why I enquired whether the Honourable Member wished to vote against the Bill, and it is frequently done in Legislatures elsewhere, to vote against a Bill - not because they object to its provisions as they stand, but because as a whole the Bill still doesn't make satisfactory provisions. The other way of course, is for the Honourable Member to propose an amendment to the Bill, but if he does so then I would have to ask this House to withdraw this Bill and it would then create a problem in relation to the Equal Employment Rights Bill, because those stand together. There would be consequential amendments, so I would plead with him, that if he wishes to make that provision then he ask me to draft an amending Bill which would be presented to the House on a later occasion. Otherwise legislation of which he is in favour, will not come into force as soon as he wishes it would.

His Excellency The Governor

If I may say so, I was just going to propose that that would be the natural pathway.

The Honourable J Birmingham

That is a very satisfactory way ahead for me, Sir.

His Excellency The Governor

Thank you very much. I am grateful to the Honourable Member for not holding us up.

The Honourable MV Summers OBE

Mr President. Lest the Attorney General should waste his time preparing legislation which others do not support, may I ask that before he drafts any such legislation, he gets a consensus from the other Councillors as to whether they are likely to support such a legislation. I for one would not.

His Excellency The Governor

I think that is a fair point.

The Honourable J Birmingham

I would find that out before I approached the Attorney General.

His Excellency The Governor

Thank you very much. That sounds to me as though good governance is alive, well and kicking in the Falkland Islands. Would any other Honourable Member wish to speak? In that case, if they don't, the Bill will be read a second time.

Clerk of Councils

The Sex Discrimination Bill 1998

His Excellency The Governor

I declare this Council to be in Committee.

Clerk of Councils

Clauses 1 to 54.

The Honourable the Chief Executive

Mr President. I beg to move that Clauses 1 to 54 stand part of the Bill, as well as the timing change which the Attorney General, I am sure, will now tell us about.

The Attorney General

Rising to my cue, it is to substitute in Clause 1 the words "1 July 1999" for the words "1 January 1999."

His Excellency The Governor

The Motion is that the Clauses 1 to 54 and the amendment substituting 1 July 1999 for 1 January 1999 stand part of the Bill. Is there any objection? No objection.

Clerk of Councils

No Schedule.

His Excellency The Governor

The Council resumes.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move that the Bill be read a third time and do pass.

His Excellency The Governor

That is the Motion. Does any Honourable Member wish to speak? No objection so the Bill will be read a third time and passes.

Clerk of Councils

The Sex Discrimination Bill 1998

The Taxes (Amendment) Bill 1998 - second draft

The Honourable the Financial Secretary

Your Excellency, Honourable Members. This Bill, together with an explanatory memorandum published in the Gazette (Supplement number 29) on 9 November 1998 which replaces the previous Taxes (Amendment) Bill published in Gazette Supplement number 21 on 19 August 1998, makes a number of amendments to the Taxes Ordinance 1997.

There are two main amendments:

- Clause 4 allows certain donations made on or after 1 January 1998 to registered charities, to qualify for tax relief. For the purposes of the Ordinance, a registered charity means any charity which is registered as such under the charities act 1960 as it applies in the Falkland Islands, and any body of persons or trust, the name of which appears on a list of eligible charities, to be prepared by the Attorney General and approved by the Governor.
- Clause 6 provides that shares listed in any company which is admitted to the alternative investment market of the London stock exchange, are to be treated as quoted for the purpose of the Ordinance. Dealings in shares in companies listed on the alternative investment market, will therefore no longer be within the charged taxation on capital gains contained in part six of chapter two of the Ordinance. I beg to move the second reading of the Bill.

His Excellency The Governor

Thank you. Could I have a seconder please?

The Honourable the Chief Executive

I beg to second.

His Excellency The Governor

Thank you very much. The Chief Executive has seconded. The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak?

The Honourable DL Clifton

Mr President. For the sake of transparency and clarity, as I have done so through every other House, is to register my declaration of interest in this Bill.

His Excellency The Governor

Thank you very much. That is duly noted. No other comments? In that case I think we can invoke the fast track procedure, an opportunity for amendments if anybody wishes to propose any last minute ones. No amendments so the Bill is deemed to have been read in all three stages and to have passed.

Clerk of Councils

The Animals Scientific Procedures Bill 1998.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill.

His Excellency The Governor

A seconder please?

The Honourable the Financial Secretary

I will second.

His Excellency The Governor

Thank you very much. As a matter of curiosity is it open to any Member of this body to second a Bill like this?

The Attorney General

Yes.

His Excellency The Governor

So although people tend to rise to my right to do that, it could - for example - have been the Councillor with the Agricultural portfolio who did so if he had wished.

The Attorney General

If he wished.

His Excellency The Governor

Thank you so much. It was just a point. May we have a brief explanatory word about this Bill please?

The Attorney General

Yes Mr President. This is a Bill which is necessary to enable certain procedures in relation to research into the feeding habits of sheep. That is the occasion which has given rise to this which requires an incision and a tube so that the sample can be taken of the sheep's stomach which is research that is going to be carried out by the Agricultural Department, and causes a minimal amount of suffering to the sheep which might otherwise be unlawful. Equally, the Bill would cover certain research carried on in relation to feeding habits of penguins where it is necessary to pump their stomachs to obtain information as to what they have eaten. It adopts the legislation of the United Kingdom and it contains a number of safeguards and is legislation which is necessary for the reasons I have mentioned.

His Excellency The Governor

Thank you for that. The Motion is that this Bill be read a second time. Would any Honourable Member wish to speak to it? In that case let's go for the fast track. Any amendments? None, so the Bill has passed through all stages and passes.

Clerk of Councils

The Agricultural Subsidies and Incentives Land Charges Bill 1998

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the second reading of this Bill, and in doing so I would indicate to Honourable Members my intention to introduce an amendment at the Committee stage under the title "waiver of obligations to re-pay."

His Excellency The Governor

Thank you very much. How about another seconder just for the sake of variety. The Honourable.....

The Honourable DL Clifton

I rise to second.

His Excellency The Governor

I think actually, with all respect, that the Honourable Richard Cockwell raised his digit first. So the Bill is seconded and the Motion is that it should be read a second time. Does any Honourable Member wish to speak? Explanation please?

The Attorney General

Mr President, Honourable Members. The purpose of this Bill is to provide a mechanism for the registration and enforcement of obligations, of those who may receive subsidies and grants under the recently approved scheme to be enforced, without having to go to every farmer to ask him to sign a very lengthy piece of paper and which would require a great deal of administrative work. It is a piece of legislation which is proposed basically for the purpose of administrative convenience, and to set down clear rules. As the Honourable the Chief Executive has mentioned, he proposes to move at the Committee stage a Clause which would enable the obligations of farmers to be waived by the Governor - that is on the advice of Executive Council in particular cases or in certain classes of case. It is in fact a Bill for administrative convenience, and it forms part of the Agricultural Grants Scheme which is just coming into force.

His Excellency The Governor

Thank you very much. Well the Motion, as I said a bit prematurely, is that the Bill should be read a second time. Does any Honourable Member wish to speak to this Motion?

The Honourable WR Luxton

Your Excellency, Honourable Members. First of all, of course, I should declare and register an interest in this Bill as a farmer, and a recipient of this aid. I just have some reservations about this Bill and I think other farmers do as well, in that I wonder what would happen to someone who has received assistance under this scheme, who for some unforeseen reason, illness, or something, has to retire, give up the farm and sell it. I am slightly apprehensive that the effect of this could be that he will finish up with virtually nothing as a result of the sale. I take on board the proposed amendment, but again that is something that has got to be at the whim or discretion of Executive Council. I have only had a brief glimpse of one of the documents that are being circulated by the Agriculture Department, and combined with this obligation to re-pay anything that may be received (the subsidy is one aspect, the other incentive assistance is another, but particularly if that money has been spent, and there is no guarantee that the project that it has been spent on will work) I fear that there will be feeling in the agricultural community of apprehension and reluctance to take on board these obligations. I am just apprehensive that the complexities of the documents that are being circulated by the Agricultural Department - I have only had a brief glimpse of one - and combined with this obligation to re-pay anything that may be received, the subsidy is one aspect of it, the other incentive assistance is another but particularly if that money has been spent, and there is no guarantee that the project it has been spent on will have worked. I just fear that there will be a feeling in the agricultural community, of apprehension and reluctance to take on board these obligations?? I hope it doesn't have the effect of making people think twice about joining in the scheme.

The Honourable MV Summers OBE

Mr President. To address those fears raised by my Honourable Colleague, we had a lengthy discussion yesterday in Executive Council on the consideration of this Bill for exactly those reasons, and it is for those reasons that the waiver was proposed. The very purpose of this Bill is to encourage people to stay on the land, and to re-invest in hopefully profitable projects and if this Bill or any part of the proposed scheme had the effect of discouraging people from doing that, then it would be wholly contrary to what the members are trying to achieve. Throughout the history of agricultural grants and subsidies, there has been this difficulty of how to deal with the recovery of moneys from farmers who have changed their circumstances during the currency of the project, having received either grants or subsidies. There used to be a bond system which was relatively informal. In the past it has led to one or two disputes, indeed one or two that may not have been resolved wholly to the satisfaction of the farmers concerned, but we did feel in Executive Council yesterday that this waiver, given that

in any individual circumstance the matter would have to come back through Executive Council to be approved, would have the effect of making sure that any farmer, particularly of the type you were referring to - somebody who might wish to retire, for instance before the expiry of the date mentioned in section four - wouldn't in fact be unduly economically disadvantaged. I was satisfied that the application of this waiver would give us that discretion.

His Excellency The Governor

Thank you very much. Would the Honourable William Luxton like to go back on that? No, fine thank you.

The Honourable Mrs N Edwards

I have to say I have the same reservations that Councillor Luxton has expressed and I am pleased that this waiver is going to be operated. Having seen the whole farm plan, I still have reservations about whether people will take this incentive scheme up. It is a big commitment to say 'yes I will go for this,' knowing full well that if you're not successful you're liable to have to pay back part, or maybe all of the money that has been suggested, and that has been waived now has it?

(Hustle, several people talking at once)

His Excellency The Governor

Attorney General. Would you care to speak then?

The Attorney General

The Honourable Member I think is concerned.....

The Honourable Mrs N Edwards

Maybe I have misread it.

The Attorney General

The Honourable Member may be a little abated by reference to Clause 3.3 of the Bill. The obligation to repay, whether or not it is successful expires after five years after the receipt of the payment. That coupled with the waiver Clauses, so that if you receive money and it is not successful, and you have gone five years, you have no obligation to repay anyway.

The Honourable Mrs N Edwards

I beg your pardon. I misread it then, because the way I read it was that after five years if you weren't successful you were liable to repay the amount.....

The Attorney General

I rather thought the Honourable Member might have misunderstood.

The Honourable MV Summers OBE

Mr President. The obligation to repay is not related in any way to success or failure of any project. It is purely to do with a change in circumstances, effectively, sale of the farm. It is not to do with success or failure of any project.

The Honourable Mrs N Edwards

Right.

His Excellency The Governor

So does that mollify the Honourable Member?

The Honourable Mrs N Edwards

It mollifies me a bit.

His Excellency The Governor

A bit? Not entirely?

The Honourable Mrs N Edwards

Not entirely no.

His Excellency The Governor

Well that was probably too much to ask for anyway!

(Laughter)

Would any other Honourable Member wish to speak?

The Honourable DL Clifton

Can I just rise to pick up on the point the Honourable Bill Luxton has mentioned to which my Colleague, the Honourable Mike Summers, has replied. I am happy to see the waiver of obligations to re-pay, and I think it is one step further from where we in the Agricultural Advisory Committee concluded the debate a couple of weeks ago, and I would hope that any further uncertainty will now be put to one side. I would also say at this point, that this whole new emphasis of a Subsistence and Incentive

Scheme running together, and hopefully the Incentive element taking over the Subsidy element towards the end of the five year period, will be a good thing for the Islands, and certainly insofar as the make up of the Agricultural Advisory Committee is concerned. The bulk of the members are farmers, and I have looked very much to them to lead the debate in all of this. I am assured, and have been reassured that they find the arrangements very acceptable. I would hope that there is no further dissent to this. I know there are one or two small items that arise from time to time but by and large the consensus from all of the representatives who purport to represent the entire agricultural community, has been that they believe this is a good thing for the future of rural development.

His Excellency The Governor

Thank you very much for that. I was going to say that I am well aware from my own conversations with people in the Falkland Islands, especially those who live in camp, that this is a matter of considerable concern at what is for many farmers a particularly difficult time. So I think we must all welcome the intent of this Bill and indeed of the scheme and look to the Agricultural Department and the authorities generally to implement it in a flexible and forthcoming way. I believe that is the purpose of this Government. So would any other Honourable Member wish to say anything before we move on? In that case the Bill is read a second time.

Clerk of Councils

The Agricultural Subsidies and Incentives Land Charges Bill 1998

His Excellency The Governor

We are in Committee.

Clerk of Councils

Clauses 1 to 7.

The Honourable the Chief Executive

Mr President. I beg to move that Clauses 1 to 7 stand part of the Bill, and I do have in front of me the recommended amendment, which is indeed an addition to the Bill which would stand as Clause 8. I don't know whether Honourable Members have this in front of them as well do they? In which case, although it is only six lines, I probably don't need to read it, Sir.

His Excellency The Governor

Well unless it is particularly of interest to listeners, in that case please do.

The Honourable the Chief Executive

Okay. I would be very happy to do so.

Sub Clause 1 of Clause 8 is:

“The Governor may waive or reduce, in whole or in part, the obligation of an owner to make payment under section 3 or 4, or both of this Ordinance, either unconditionally or subject to conditions to be performed or observed by the owner.”

Sub Clause 2 of Clause 8 is:

“The Governor’s powers under sub section 1 may be exercised in respect of a particular case or a class or classes of cases.”

Sub Clause 3 of Clause 8

“Sections 3 and 4 have effect subject to this section .”

Sir, I beg to move that amendment.

His Excellency The Governor

Thank you. Well the Motion is that the Clauses 1 to 7, plus another one, making it 1 to 8, stand part of the Bill. Any objection to the Motion? No objection. Clauses 1 to 8 stand part of the Bill.

Clerk of Councils

No Schedule.

His Excellency The Governor

No Schedules. The Council resumes.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move that the Bill be read a third time and do pass.

His Excellency The Governor

That is the Motion. Any objections please? No objection. The Bill is read a third time and passes.

Clerk of Councils

The Agricultural Subsidies and Incentives Land Charges Bill 1998

The Falkland Islands Pension Scheme (Amendment) Bill 1998

His Excellency The Governor

Proposer please.

The Honourable the Financial Secretary

Your Excellency, Honourable Members. This Bill makes a number of amendments to the Falkland Islands Pensions Scheme Ordinance 1997. The amendments are set out in a Schedule to the Bill which allows for a shorter, more direct Bill. Some of the amendments are to correct typographical errors but some are more substantial in their nature and all of them are explained in the explanatory memorandum, which was published with the Bill in the Gazette (Supplement number 29) on 9 November 1998.

An important change which the Bill will effect, is to allow scheme members to defer their pension and lump sum entitlement under the 1997 Ordinance until they are 70, if they so wish. At present, the benefits cannot be deferred beyond the age of 64. I beg to move the second reading of the Bill.

His Excellency The Governor

Thank you very much. May I have a seconder?

The Honourable MV Summers OBE

I rise, Mr President, to support the Bill but also to ask the Financial Secretary if he could confirm that following the passing of this Bill and the regulations which are to follow, can he confirm that the new occupational pensions scheme for both public servants and for other people in the Falklands will in fact come into effect on 1 January of next year (1999)?

The Honourable the Financial Secretary

Your Excellency. I can confirm that the scheme will become available for the private sector to participate early in the new year. I hope it will be 1 January but we hope that it will be available for the private sector participation sometime in January 1999.

His Excellency The Governor

Thank you very much for that clarification. Would any other Honourable Member wish to speak or ask a question, object? No, so the Bill will be read a second time. There are no amendments. In that case I propose to invoke the fast track procedure. Going, going, gone. The Bill has passed through all stages and passes into law.

Clerk of Councils

THE MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

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

His Excellency The Governor

Honourable Members. Looking at the clock I see that we have about 22 minutes left of live broadcast time and a bit longer than that until lunch, but of course we can go on as long as we need to. May I open the floor to Honourable Members to speak to this Motion? Who would like to go first? I am very much in your hands. Just in case Honourable Members were not aware of it or had forgotten, may I just remind them that this happens to be the last Legislative Council which will be attended by Commander British Forces before the end of his posting to the Falkland Islands. That isn't actually until late January 1999, but we don't have another Legislative Council before that so I am sure that all Honourable Members will want to thank him for his service down here. I would certainly like to start by saying that. The Honourable Mike Summers. You have the floor.

The Honourable MV Summers OBE

Mr President I don't mind starting. I think we need to clarify our protocol on this issue of talking in the adjournment debate. We were having a short discussion before we started this meeting and agreed that the business of starting from one end and finishing at the other every single Legislative Council is not necessarily the best way to proceed, and we will work out some kind of rotation and advise you in due course. I will be brief, I only have two or three matters.

Because the matter was raised in the body of debate today - but I didn't wish to pursue that debate any further just on the question of sex discrimination - I wish to make it perfectly clear that I support wholeheartedly the two Bills that have passed today, but I do not as a general principle agree to legislation which unnecessarily intervenes in people's right to live in freedom. I think that the right for any number of ladies to get together in a club whether it is a sports club or a private club should be defensible, as indeed I think the right of any number of men to do the same is equally defensible.

(Hear! Hear!)

Therefore, I don't think that we need to go to some of the absurd lengths that have happened, particularly in the States, and is happening in some parts of Europe. Just to clarify that.

Two important points which I generally make on these occasions. One is the economy. I have become conscious, over the last few weeks I suppose, that there seems to be an assumption - in economic terms - that either we are in nirvana or in crisis. Neither is the case.

(Hear! Hear!)

I wish to make that perfectly clear. I think that the economy is strong and stable but we have to be sensible. This Council is firmly resolved not to exceed the budget that it set in the early part of this year, and from what I have seen so far during the meetings of this year, it will not do so. We will take a firm approach, I think, next year because that is what is required in the current circumstances. When times change, when we can raise income again, then we will look at the possibility of raising levels of expenditure in services, but not until we can be more satisfied about the levels of income that are available to the Falklands. At the public meeting in two weeks time we do propose to provide information for the public on the economy and I hope as many people as possible will come to that meeting because it is one of the two most important subjects in our lives. That and foreign policy. What we intend to do at that public meeting is to make people fully aware of what the economic position is, so that they can see that there is no crisis, but there is a need to be prudent and that will be the purpose of most of that meeting.

The second issue is foreign affairs. We have had the visit from a prominent Argentine Journalist. It provided us as a community with an opportunity to speak to a very large number of people in Argentina, and I think the results of that we have found largely satisfactory. The reaction was probably more positive than we might have dared expect. I think that we managed to note that there is a body of opinion in Argentina, not in the Government of Argentina I would hasten to say, but amongst the Argentine people that thinks that we should actually be left in peace. The task for us now as time goes by in our foreign affairs, is to build on that if we can.

I think that the visit of President Menem to London has done no harm in that process. The United Kingdom and Argentina talking together and acting in a friendly and civilised manner is to our benefit without any doubt at all. Trade relations between the United Kingdom and Argentina continuing to grow is clearly important to us, because it reduces any pressure from business people and the like to seek a solution where we feel it is not necessary. President Menem indeed wrote to us all the other day extending the hand of friendship. We all take that, I think, with a pinch of salt but nevertheless, if extending the hand of friendship means that he will procure the withdrawal of economic sanctions against the Falklands, then that is to be welcomed.

What of course we shouldn't do is to say 'what a nice man. You threaten to beat us around the head and now you're not going to.' I mean clearly that is not a way to go on but I think we need to approach the subject of Argentina as much as we can in a positive fashion, and I hope to continue the dialogue with my colleagues over the next few weeks on exactly this basis, that we will see what can be done to educate the people of Argentina, to get them to understand that we do have the right to live in peace in the Falklands.

Finally, I would like to thank Ray and Kay for their contributions to Falklands society during their time here as I know all my Honourable Colleagues will, and I wish you well in your future. Sir, I support the Motion

His Excellency The Governor

Thank you so much.

The Honourable J Birmingham

Mr President, Honourable Members. When first elected to this House it was a fight not to be the last one to speak. Now it seems to be a fight not to be near the front, so I am sure we will sort that out at a future date.

As we meet here today, the Royal company Shell is completing work on its second well called Fitzroy. This could be the last well to be drilled in the present exploration drilling phase, depending on future plans for the rig. We can expect to see the Borgny Dolphin in Berkeley Sound next week while some repair work is carried out before being towed to a new location. Where that is, we have no idea, and it will be a commercial decision I am sure. At least two hydrocarbon sources seem to have been found in the north Falklands basin, but reservoirs of oil in large enough quantities to exploit were not found in the six wells drilled since April. Companies are planning to take up to six months to analyse the data and oil samples from the wells and will then decide what their future work programme will be. Their licences include a five year initial exploration phase followed by two additional exploration phases and a production phase. Work to date has been carried out in only two years and this is a remarkable achievement.

Now that the first drilling phase is ending it is time to take stock of what has been achieved. All the people involved in the operational effort to drill wells in the Falkland Islands should be congratulated, for carrying out such a successful programme with a minimum of environmental and social impact on the Islands. In fact we will be sorry to see them leave, but we trust the companies will be back once oil prices improve. We always knew that the search for oil was a long term project and it will take time to understand the geology of the area. So far, so good.

One of the duties of a Councillor is surely to promote debate in the community and perhaps now is a time. As we approach not only the end of the year, but also the end of your time in the Islands as Governor, Sir. I mean you no disrespect but as we

approach the end of the 20th century, and as we appear as wanting to be taken seriously in the big world, but more importantly as we want to shed the image of the poor, downtrodden colonial, do we really want the next Governor, who after all will leave these Islands into the 21st Century, to be wearing a 19th Century outfit that looks more as if it has come from a Hollywood remake of the mutiny on the bounty? To me it gives an image, not of a small but progressive country moving towards a new era, more of a small inward looking place harking back to days gone by. Some say it is history. I say put history where it belongs which is in the past. Maybe it is too late. Maybe the new Governor has already been kitted out.

At the last meeting of this House I mentioned one or two items which I was of the opinion warranted action. One was some kind of centralised fire alarm system. I haven't heard a thing about any serious consideration of putting in place any kind of alarms not only for Falkland Islands Government's main assets, but as in the case of the museum, which after all is a tinderbox full of irreplaceable items, a system of alarms and sprinklers. As it is now the 100th anniversary of the fire service and I can congratulate the Brigade's members both past and present on a job well done, I hope that it isn't a question of resources holding up any progress. If it is then Councillors should be made aware of the problem.

The second point was the rules under which civil servants work. Is it stuff and nonsense, or is it spells and potions, is it HAY rules or General Orders, or maybe when it suits certain administrators Colonial Regulations?

We have often heard the phrase in the past 'the wishes of the Islanders.' When at the public meeting of six weeks ago I suggested that maybe we should have a referendum on the question of Argentine passport holders entering the islands, I wanted to promote discussion amongst the electorate on the issue. What I have been getting is mixed opinions and to be honest I don't know how the majority of the electorate feel about it. This Council is after all only 13 months into a four year term, on a mandate of no relaxation of entry for Argentine passport holders.

The Grondona visit was a big risk and a major step which I consider to have been worthwhile, but I am very uncomfortable with the idea of going too far, too fast and too deep into waters that no Council has gone into for 16 years.

I would be very, very uncomfortable without some sort of consultation with the electorate as a whole. I repeat the phrase, 'the wishes of the Islanders.' How ironic, if it turned out that it wasn't the evil mandarins in the Foreign Commonwealth Office, or the British Government who went against the Islanders' wishes, but their very own Council.

A member of the public accused me of lying last night, when in answer to a question about the cost of translation services, I said that that kind of information wasn't generally made public. I may well be wrong and if so I apologise to the lady but ask the Chief Executive to publish the costs to date this year of the translation services that we are getting from Argentina. By the way I do support the service, and feel that

we have to keep up with the events in the country that for the foreseeable future will still claim these Islands.

I also would like to thank Commander British Forces for his help, his guidance and his good humour - most of the time.

(Laughter).

Sir, I support the Motion.

The Honourable DL Clifton

Mr President. In rising to support the Motion I will be brief. I would like to echo my support of everything that the Honourable Michael Summers has said. There are some of the fruits that we need to respond to in the short and the long term. I am afraid I am duty bound, my philosophy requires me to do so in terms of going too deep and too fast but of course, what Chris Patten did when he went to Hong Kong, he decided not to wear the good old Governors feathers, and we now know where Hong Kong is, it is part of dear old China.

(Laughter).

So I hope the Honourable gentleman on my left is not suggesting that we go down that road. I firmly welcome your successor, Sir to be attired in the manner in which you have during your term of office. I believe that sends the right signal and we need to send that sort of signal for a great many years to come.

I would just like to pay tribute to Commander British Forces. I think we tend to see each other down at either end of a long road and it wasn't until I was, shall I say, drawn the short straw to accompany Members of Parliament out on a visit to the Garrison for a briefing earlier on this week that I suddenly realised that there is a process of evolution underway at Mount Pleasant and that I saw and appreciated many things which I had not previously been aware of. It was in effect a privilege to be there and to accompany the MPs but I think that we, perhaps, from time to time pay too little regard to what is perhaps going on at the end of that road, and the evolutionary process which the Commander finds himself in. Indeed I suggest his successors will find themselves in as well so I would like to pay tribute to him for all his contributions to Falkland Islands affairs during his term here and wish him and Kay well for the future.

The Honourable Mrs N Edwards

Sir, I too will be brief, partly because I think I am getting the flu and don't want to hang around, and partly because most of the things that I had planned to talk about have already been mentioned. I will say though, that I believe that Mr Grondona's visit will be discussed by Councillors shortly and how they see the outcome of that visit. I would just say to my fellow Councillors, be careful. Don't get overcome and

start thinking that this was a wonderful success. I listened to it on the radio and it sounded like a real dogs breakfast but our own people, when they managed to get a word in, did very well. I think the programme was very imbalanced. However, if it changes Argentine opinion well and good. My own feeling is that the only way that you are going to change Argentine opinion properly and permanently regarding the Falklands is if the children are taught the history of the Islands properly in school. Until such time as that happens then you will have constantly the same attitude in Argentina for generations.

Therefore I would say to my fellow Councillors, if you are thinking of spending any extra public relations money in Argentina, think again. I think you would be well advised, all of us would be well advised, to spend any extra money we have in Britain making sure that we have got the continued support of the British public because that is what we are going to need in the future, in my opinion.

Your uniform, Sir. Well I have to disagree with Councillor Birmingham. I would hate to see the Governor's uniform come down to a pair of welly boots and a bobble hat or something.

(Laughter)

I much prefer the feathers and all that goes with it. I think it is a symbol of our Britishness and I don't want it to disappear. Hopefully we will not tell your successor that he does not need to bring a uniform.

Mineral Resources. Well we have come to the end of the first drilling round. My fear is that it may be a long time before the oil companies even think about coming back to the Falklands, and it will depend, I would think, on the analysis of the material that they now have. In the meantime what will we do with our Mineral Resources Department? We will have to think carefully what the future of that department is and scale down accordingly maybe. If there is to be no more drilling and no more oil activity for many years to come then we will have to think carefully about that.

I think Councillor Birmingham mentioned fire alarms for the Museum. I am on the Museum Committee and I will most certainly follow it up and make sure something is done on that front.

I had intended to put a Motion to this Council but I am afraid that shearing and sheep work got in the way and I missed the date, so I will be giving you notice that it will be going to the next Legislative Council for support, to offer to the Royal Engineers Ordinance Department the Freedom of Stanley. I think these people have served us well over the last 16 years. Many of them have been down to the Islands many, many times, they have looked after our minefields well. They have saved us from being maimed or indeed killed by the mines in the minefields we have around here and I think that they deserve some lasting recognition from this community. So I hope my fellow Councillors will think about what I have said and support it when it does come to Motion.

Just one other small thing which is dear to my heart. I fly into Stanley quite often, and when I pass over Megabid I see all the stone crushing equipment sitting there. I have spoken with the Director of Public Works and I suspect that any real commitment will have to wait until the next financial year, but I would like to think that if there is any stone crushing equipment sitting there that can be used on the west, it will be seriously thought about, seriously assessed before somebody decides to ship it off to Chile as scrap.

May I add to everybody else's comments, my support for what they have said about Commander British Forces and his wife. I wish you well in the future and it seems only yesterday that you arrived. I can't believe that you will be gone in January, but good luck in the future and we hope maybe we will see you again one day.

I support the Motion.

His Excellency The Governor

Would you mind if I put a lady first? The Honourable Mrs Jan Cheek.

Most Honourable Members

Equality.

His Excellency The Governor

The old fashioned courtesy dies hard. Chivalry is not dead.

The Honourable Mrs JL Cheek

Mr President, Honourable Members. I would like to join my Colleagues in giving good wishes to Commander British Forces and his wife Kay, thanking them for their work while they have been here.

Turning to the very important matter of the economy, I would like to support what the Honourable Mike Summers has said and simply reiterate what I said through my election speeches and on every occasion since. We could not rely on there being oil revenues at any time in the near future, therefore the greatest caution is needed and I support all efforts to handle our economy in such a way that we don't have to resort to any kind of panic measures but simply by containing expenditure rather than curtailing it.

Something that has caused me great concern lately, and I have to make a brief mention of it, is the implied allegations in last week's editorial in Penguin News. It is difficult being a Councillor as any of my Colleagues will tell you, but when any member of this Council is subjected to implied allegations of some kind of wrong doing without being given the right of reply in that same edition, then they are not getting the same treatment as others do. If any individual, or any member of the press have a concern regarding the conduct of any Member of this House, they should first make contact with that Member. If they don't get a satisfactory answer from that member, then of course it is only right they should pursue the matter further, possibly by speaking to other Members of the House, or other people, but let's be treated with the same fairness as everyone else should be.

The editorial I refer to was written in such a general way for obvious legal reasons, that it could have referred to any Member of this House and it could be very misleading to people overseas, as well as people here, and somehow suggest that we have a corrupt Council. I don't believe we have one corrupt Member on this Council so I would hope that we get a chance to reply properly to this.

Turning to foreign affairs matters I think in my question I made clear that I think it is important that we have our voice heard. In terms of the process of educating Argentineans, I think the process will be a very, very long one. There are ingrained emotional feelings which are fed by the kind of indoctrination they get in school about the Islands being Argentine, and you do not remove something like that in a month or three. Possibly not even in one decade or three, but it doesn't mean that we should stop trying. We should continue trying to change that attitude.

On the much lighter matter of the Governor's uniform, I have to say I support what the Honourable Norma Edwards said about the symbolism of that uniform. It brings a certain dignity to ceremonial occasions, and it is only worn on ceremonial occasions after all. It is also something which makes the Governor stand out in a crowd. He is here as the Queen's representative and should be noticed and should not disappear into a mass of grey suits.

In a matter not unrelated to the kind of press coverage Councillors have been getting lately, I would like to say that none of the three Councillors in England at the time of the Menem visit were there solely for the purpose of countering the kind of press coverage that we received then. All were involved in other work and chose either to extend or slightly change their itineraries in order that they could be available to do it.

Press criticism simply doesn't take into account, the fact that there is even in England a lot of misinformation about the Islands. I lost count of the number of people at the Party Conferences who said to me "you'll be all right now, you have got oil." This is because they have read one tabloid headline, several months before but that is what had stuck in their memory. We have to work constantly against that kind of thing, to make sure there aren't these total misapprehensions about the state of the wealth of the Islands.

It is an appropriate moment to put on record, the appreciation of the hard work done by the people in Falkland Islands Government Office (FIGO) and at Keene during that period, and the work of the Representative and the FIGO staff, the organisation of our stand at the Party Conferences. You cannot ever underestimate, and should not ever underestimate, the importance of this work. It doesn't mean that we are not aware of what is going on in our back yard. It means that we are going to keep our back yard so that something may go on in it.

I support the Motion.

The Honourable WR Luxton

Mr President, Honourable Members, I will be brief. First of all I would like to support and echo everything that the Honourable Mike Summers said on the subject of the economy. I have always been fairly reluctant to go for too deeper cuts until we knew what the situation would be as far as oil was concerned. I think we do now know, and I think that in the next few years we are going to have to cut our coat to fit the cloth available. Compared to some people we do have a healthy economy, and I think many people in the town forget just what a serious state the farming industry is in. Not only here but all over the world. Even the British Government which is not being notorious to supporting farmers, has just allocated something like £120 million to assist the most serious cases in Britain. I have got a newspaper cutting here which shows that the US defends its farmers with 9.6 billion pounds, that's 9600 million, just to keep them afloat this year.

I am afraid a lot of farms in the Falklands are going to be facing horrendous problems and I hope that Councillors will keep the situation under view as we attempt to sell this year's wool clip with the wool market the way it is at the moment. It is desperate. At times you wonder whether wool is going to be unsaleable, and I wonder whether there is a germ an idea that we should get the Treasury to look at whether Falkland Islands Government might give farms the option of purchasing the wool, and holding it in store in the United Kingdom in conjunction with the two regular buyers of Falkland wool, whether some sort of scheme like that might be worth looking at if sales simply don't take place. I will leave that one in the air as an idea.

On the subject of our friends across the water we welcome the letter in the Penguin News from President Menem, but it was addressed to "Dear brothers and sisters". It is neither very brotherly or sisterly to claim your brothers and sisters house. Maybe he can persuade his Government that we should be left to keep our own house in order and that we don't need any assistance from them.

I have little else to say except also to say thank you to Ray for all he has does for us. I hadn't realised that it was going to be his last session of Legislative Council. Time seems to have gone incredibly quickly. It has been nice having you both with us and may I add my best wishes to you both for the future. Thank you, Sir. I support the Motion.

The Honourable Mrs S Halford

Mr President. I too would like to thank the Commander for his contribution to all the Legislative Council work, and in addition to that I would also like to thank him and Kay for all the social aspects that they have helped with around the Islands. It is not just the Commander that we should thank for that. He allows the troops at Mount Pleasant Airport (MPA) to get involved in all sorts of social activities and I think we should welcome that contribution and long may it continue.

(Hear! Hear!)

Sir, I would like to pick up on something Councillor Clifton said. Regardless of what the Governor wears, whether it be he or she, I would not like to think that the outside world would hinge on the fact that he would go along the lines of Hong Kong because we are a totally different case to Hong Kong. That was an agreement and we knew where that was going to go. I would not like the Falklands to be slotted into that category.

Earlier today we passed the Cruise Ships Bill - a Conservation Levy - and I noticed that the Financial Secretary said he was not sure how the revenue would be expended in the future. Well let us hope that if we are going to take this money from visitors to the Islands for conservation or whatever, let us please hope that we will give them toilets and they will not have to keep using the fresh air ones on the sea wall.

(Hear! Hear!)

Also I returned recently from a conference in Rio and I would like to add to what Councillor Cheek said. I was quite horrified at what I read in the Penguin News. The Penguin News which, I think, incidentally must have been available in Argentina before it was available here because the copy I had read had in fact been faxed to Argentina. I travelled down on a Saturday so it obviously got there very quickly. What also concerned me was a letter which I think was in the same issue or maybe a previous one, where it was talking about Councillors going off and booking their next holiday. I think for all those people who have been abroad attending conferences or on stands know that it is no holiday and it is no picnic. They are long, hard days and I think at the end of the day they are worthwhile because whoever is manning those stands is representing the Falklands, and the more word we can spread about the Falklands the better. I know we need to educate the Argentines, but we also need to educate people in the United Kingdom, or keep them aware of what is going on here, but in addition to that we need to make people in the world in general know what is happening here and what we are about, because there is still an awful lot of ignorance out there as to what is really happening.

On the issue of the Argentine, I would like to actually agree with what Councillor Birmingham said. I was not here for the Grondona visit and I have heard differing view as to its success, or not as the case may be, but whilst in Rio I found it very interesting to be approached by quite a number of Argentines who were horrified at

what had come out of the talk that was on the television from their own people. They were actively apologising for what was said. They were saying that it was not generally the view held there, so hopefully we are making inroads into their education.

Sir, I support the Motion.

The Honourable JR Cockwell

Your Excellency, Honourable Members. Rising as the last elected Councillor to support this Motion, most of what I had jotted down to say has already been said and all I can do really is associate myself with the sentiments initially expressed by the Honourable Mike Summers, particularly regarding the economy and foreign affairs. Also the points made by the Honourable Jan Cheek and the Honourable Sharon Halford regarding the conferences that we visited. I attended the Party Conferences with the Honourable Jan Cheek and the CPA in Wellington with Sharon Halford, and it was very interesting for me, being my first venture into these exhibitions and conferences to actually see, although people are fairly well informed on the Falklands on a very superficial basis, they are very unaware of the issues which are really concerning us, and I believe that it is absolutely essential that these contacts are kept up, possibly even accelerated. I quite agree with what everybody said about the educational process that we need to go through with Argentina, but we have to look at ways of not only educating the Argentines but also educating our friends, to make sure that they do understand what the issues are. At the Commonwealth Parliamentary Association (CPA) I was absolutely astounded by the amount of people who didn't realise that we didn't have self determination, we didn't have the right to self determination for our future. There were very few people who really understood, other than the Gibraltarians who have the same situation that we have, most of them felt "well of course you have got self determination, you are part of the British Commonwealth." They did not understand that. So I really think that that is something that we have to push every place we can, to make people realise that we do have a problem here.

To revert to the point regarding fisheries protection and poaching in our waters. I say this quite frequently but I need to reiterate it, and that is that from this country we must make it perfectly obvious to any person who intends or may wish to poach in our waters, that we will not allow it. We have to make this very clear. We want to make it so clear, that we don't have to use our weapon. The weapon is, as far as I am concerned, the last resort. The first thing we have to do is to be very firm, and all of us have to be firm. We cannot go on saying "Well of course we can't do it" and anything else. We can and we will. This is the message we have to put out to the fishing vessels that wish to fish in our waters. We need every penny we can from our fisheries and we cannot afford for people who buy our licences to see people poaching alongside of them. I wish to make that quite clear.

I think the fisheries licensing policy needs to be mentioned. The fishing companies have been asked for their comments regarding the policy and in some ways I believe through one reason or another, we have actually lost the focus on this and I think

within the next few months, we in the Fisheries Advisory Committee are going to have to look at the policy and become much clearer and much more focused in ourselves on how we are going to implement the policy.

There are one or two other things which I would like to mention quite quickly. I think I should commend to this House the progress that the road builders, both on East and West Falklands, have made this year. The amount of progress they have made is very commendable and I also hesitate to say to this House that in order to keep the road building programme going, we may have to look for some money towards the end of the season to make sure that we build as much road as we possibly can, because our builders are being so successful.

I would like also, as a fairly regular visitor to Stanley these days, to commend the tarmac gang. I think that the roads which have been tarmaced are good. I was on Brandon Road the other day and I wondered where I was. I think we really should commend the work that they are doing.

FIGAS. 50 years. That is an amazing achievement. I have been asked to write the foreword to the booklet that they are going to produce. I've only seen it for 36 years but the changes in those years are amazing, and the service which they give us people in the Camp I think is extremely good and we should really congratulate them.

Finally Sir, I would just like to associate myself with all the good wishes that have been expressed to the Commander British Forces and his wife, and we look forward to seeing them again in the future. We will look forward to seeing them again for the next couple of months but also in the future.

Sir, I beg to support the Motion.

The Honourable the Financial Secretary

Your Excellency, Honourable Members. I fully support the comments made by Councillor Summers on the economy. I confirm there is no crisis. The public finances are sustainable with continuing responsible attitude by all who can influence it. The budget process is serious business every year, to ensure amongst other things that there is a proper balance between all public sector funded activities.

This year I will attempt to ensure the budget is managed on the basis of starting the reverse of declining public reserve funds as currently projected in the published estimates. The suggestion made by Councillor Luxton to alleviate the continuing hardship faced by farmers will receive due consideration by the Treasury. No doubt it will be raised at the Agricultural Management Committee if it hasn't already been considered by them before.

I would like to extend my best wishes to Commander British Forces and his wife for the future.

I support the Motion, Sir.

Chief Executive

Mr President, Honourable Members. Of course I too would like to extend my best wishes to Ray and to Kay. There will be other fora where we can extol his many virtues, one of which strikes me as being that he really isn't a man who is hesitant to express his views, and that is much welcomed in these Islands. Also of course, he did reveal to me yesterday that he did once play for the North of England at cricket, so I hope he leaves sooner rather than later!

(Laughter.)

I will just respond to what Councillor Birmingham said. I believe that the alarm system in Government buildings is under consideration. I can't give you a clear response here Councillor, but I will come back to you on that as soon as I can.

On the matter of the publication of the cost of the translation services, I believe that I will need to take advice about that, as I think it is quite unusual to publish that much detail of public expenditure, but I will look into that. If it can be done, obviously it will be.

There has been a lot of comment, Sir about your splendid uniform and personally I feel quite strongly that it does have a very genuine positive public relations value. It isn't just the feel it gives us for the tradition and the history here, which is worth something, it is actually much photographed and it does get us into the news, and gets us into a situation where I trust we are not perceived as looking backwards, but enjoying some of the pleasant things, the historic things, about our past as well as looking to the future. It is also my personal view which hasn't been mentioned that we should reinstate the taxi.....

(Hear! Hear!)

Well thank you members. Maybe when we do have a new Excellency in the not too distant future, we could raise that with him.....

The Honourable J Birmingham

There are two taxi companies now.

The Honourable the Chief Executive

On the question of oil, as clearly we have reached the end of the first exploration round, I would just like you to cast your minds back to the scepticism that there was within the community, and remind the community that the forecasts that have been made in this chamber as to what might happen, have actually been pretty correct. What we needed in terms of administration we put in place. There were those who said it wasn't nearly enough. It turned out to be pretty well balanced. What we said the impact of drilling would be on the Islands and the number of bodies that would be

involved, is pretty much what did happen. We were within a very small margin of error, and indeed the probability of there being a big strike was said to be rather remote, and it didn't happen. I think we have been well within the bounds of forecasting error in being correct in what was said, and I would congratulate the Oil Department and all others concerned in that. I would assure Councillor Edwards that our planning of future reduced activity will be equally sensible and I am sure, equally well managed.

I also must add my voice to the Councillors who have stressed that the economy remains healthy and is not in crisis, but I also agree with the requirement for prudent and sound management of the economy, and although argument and debate is healthy, and I don't think we would have it any other way, I can assure Honourable Members of the full co-operation of the Administration in the process that we are now in. Not just as a job but as something with which I know senior officers, are in philosophical agreement.

I am very grateful to Councillor Cockwell for his comments on roads. I know they will be conveyed through the media, but I will convey them through to those who are actually involved in the building. I myself have had to put on many a flak jacket to stand in this House when roads have been an issue, and it really is quite heart warming to know that at last progress is being made. Having said that Mr President, I beg to move the Motion.

Commander British Forces

Mr President, Honourable Members. Kay and I have been both delighted and privileged to have had the opportunity of a second year in the Falklands. It is sad as we now look towards leaving but it has been a thrill to be back amongst you and maintain and make many more friends.

It has been an honour to take part in this House. I have been very grateful to have been so well received and so well informed throughout the proceedings and indeed, at times, have been delighted to be - due to the incisive wit of members - to be so well entertained. But on my departure I must give you just one little bit of Military advice. I have now been in the Royal Air Force for over 25 years, and as a result I have become somewhat of an expert in wearing a formal uniform, and with that expertise in mind I advise your successor to build in a little bit of slack, (Laughter) because uniforms seem to shrink the longer we stay in the Falkland Islands.

Thank you very much indeed.

His Excellency The Governor

Thank you very much. I would just like to make a comment on five points. I must admit I approached this Legislative Council today as I approached Executive Council yesterday - with a sense of dread that we would be there for hours and hours and

hours but we have done it at a cracking pace. I don't think we have cut any corners. I think the public business, if I may say so, has been done extremely thoroughly and well, so thank you very much. It is a model of how meetings ought to be held.

The second point is, if I may just comment on the question of Argentina, I am on record in the Penguin News as having welcomed President Menem's letter as a welcome and friendly gesture which ought to be taken and accepted in a spirit in which it was sent. I know your feelings and obviously you will read the fine print and probably apply infusions of buckets of salt and that sort of thing but it seems to me that the change of tone and the friendliness is to be welcomed in itself. Let's hope that that can be built on for the benefit of everybody in this part of the world, principally of course, the people of the Falkland Islands.

May I go on to say, and I often wonder whether it is really necessary to say it but if I don't say it people will ask why I didn't. The Prime Minister spelt out very, very clearly the other day in Britain, both to President Menem and in Parliament, that the British Government's position on the fundamentals of the Falklands issue remain unchanged. They have not changed as a result of the Menem visit, welcome though that was, and that is that sovereignty remains not a matter for negotiation but your right of self determination in the Falkland Islands will be firmly upheld and defended by the British Government that your security will be assured and that there will be no change in the status of the Falkland Islands unless and until that is what the people of the Falkland Islands wish to happen.

The third thing is that I speak about the economy with great diffidence because it is your economy; it is your money, and I am only the bloke from the evil mandarins on detachment from the Foreign Office. If I may I would like to associate myself with, and support the remarks that were made in the first instance by the Honourable Mike Summers and then echoed by everybody around this table. The British Government does have a responsibility for good governance and that is manifest in the spirit of the remarks that were made today and I applaud that. I thought that the mantra "containing not curtailing" was a good way of putting it, if I may say so.

My fourth point refers to the proposal made I think by the Honourable Norma Edwards about awarding the Freedom of Stanley to the Royal Ordnance Corps. It is a very generous proposal. It will need to be considered. I don't know what the procedure is. I know that at least one other Military formation - The Royal Marines - already have the Freedom of Stanley and maybe one or two other prominent individuals and of course most notably Mrs, now Lady, Thatcher, but if it is the sense of this body that you would like to proceed with that proposal then please let us know and we can do whatever is necessary, presumably through Executive Council.

May I just mention in this context, a proposal which I know is out in the public domain and which flowed from the reunion of the Paras in Britain earlier this year which I know was attended by a number of prominent Falkland Islanders, including a former Councillor, Eric Goss, that the Paras Colours should be laid up in Stanley Cathedral and a formal proposal that that should happen has now been received from

the Para Brigade and was welcomed by Executive Council yesterday so I think we will go ahead with that. It will be, I think, welcome to the people of the Falkland Islands and rather a privilege that they should have chosen us as the repository for their very distinguished Colours.

The fifth point refers to uniforms, taxis and successors to me. Before I came here I asked the idiot boy question "would I have to wear a uniform" because I am not a great one for them to be honest, or haven't had to wear them for most of my life and I was told very firmly that I would have to, so I dutifully did and I must admit that I have grown to see the symbolic importance of it here. That doesn't mean to say that we shouldn't revisit this question whenever there is a change of Governor. It sounds to me that if I was to do a nose count that the vote is pretty solidly in favour of the new Governor having the uniform. No dissent to that view, well one dissent I know. Well I will so advise.

I will also pass on the comment, which for a moment I was about to bristle at, but then I realised it is just practical in the Falkland Islands, about building in a little slack.

(Laughter)

You may not look at my girth as I walk out of here.

The taxi is another matter. Again, I don't know whether this is something that is a serious question but I have to tell you that the Range Rover is beginning to sort of show its age a tiny bit. It looks great, but after three or four years they begin to start rattling around. It is not something I want to do anything about but probably in the next year or so you will want to look at the question of a taxi then. By the way, new taxis apparently come very expensive.

The Honourable MV Summers OBE

Second hand ones are cheap.

His Excellency The Governor

They are not that cheap actually. Anyway that is something for somebody.

Lastly since nobody else has leapt to the defence of the Foreign Office I really have to say, we are not all that evil and I don't know that anyone believes we are mandarins anymore.

The Honourable J Birmingham

I never said that you were evil, Governor. I just viewed what everybody else said. Not you personally.

His Excellency The Governor

Of course I know. When one comes down here as you know one sees the light or whatever it is.

My last point is may I associate myself also, very warmly in this body, though there will be other opportunities to say this, with the generous remarks directed at Commander British Forces, one doesn't make comparisons between Commanders British Forces. I have now seen three and about to see my fourth, but Ray and Kay, I think everybody agrees, have been particularly Islander friendly. That has been very welcomed and we very much hope that your successor, Ray, will be every bit as friendly and co-operative and helpful and generous with the resources and staff you have at Mount Pleasant Airport for civil and other projects as you have been, and I would formally thank you for that.

On that note I declare this House Adjourned.

Continued this 24th day of
March 1999
R. M. M.
Governor

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**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 22 DECEMBER 1998**

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The Guarantee Indemnity Bill 1998

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**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 22 DECEMBER 1998**

PRESIDENT

His Excellency The Governor
(Mr Richard Peter Ralph CMG, CVO)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Honourable Mrs Janet Linda Check
(Elected Member for Stanley Constituency)

The Honourable JR Cockwell
(Elected Member for Camp Constituency)

The Honourable Mrs Sharon Halford
(Elected Member for Stanley Constituency)

The Honourable William Robert Luxton
(Elected Member for Camp Constituency)

The Honourable Michael Victor Summers OBE
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Attorney General
(Mr David Geoffrey Lang CBE, QC)

The Commander British Forces Falkland Islands
(Air Commodore Raymond Lawrence Dixon BSC)

CLERK: Claudette Anderson

PRAYERS: Monsignor Agreiter

APOLOGIES

The Honourable Darwin Lewis Clifton
(Elected Member for Stanley Constituency)

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

**LEGISLATIVE COUNCIL MEETING
HELD ON 22 DECEMBER 1998**

His Excellency The Governor

This meeting, which should be a short one, is hereby declared open.

Clerk of Councils

ORDER OF THE DAY: BILLS

The Guarantee Indemnity Bill 1998 is being presented under a Certificate of Urgency, has not been published in the Gazette and requires a first reading.

The Honourable the Chief Executive

Mr President, Honourable Members. I beg to move the first reading of this Bill.

The Honourable the Financial Secretary

I second the Motion.

The Honourable MV Summers OBE

Mr President I am a Director of Stanley Services Limited.

The Honourable JR Cockwell

I am in the same situation.

His Excellency The Governor

Two declarations of interest duly noted. Thank you very much. And the Chief Executive. No advance on three? Attorney General you have the floor.

Attorney General

Mr President, I rise to explain the purpose and the need of the Bill. The purpose of the Bill is to authorise the Governor to enter into an indemnity in favour of Standard Chartered Bank, in respect of a guarantee which the bank has agreed to give to the European Investment Bank, in relation to a loan of 1.5 million ECUS as it is at the moment, or European monetary units as it will at the time the loan is made. The need for the Bill, as Honourable Members will see from the indemnity agreement between the Government and the Standard Chartered Bank, which

forms a Schedule to the Bill, it is hypothetically possible that the Government could be required to pay a large sum of money to Standard Chartered Bank, in a fulfilment of its obligations under the guarantee at short notice. This means that we must have legal authority to be able to withdraw the money from the Consolidated Fund, without the need to enact the Appropriation Bill - which would be necessary to authorise the withdrawal in that worst hypothetical case - at short notice, when there may not be a quorum of Legislative Council. I would say that there is no reason to believe that Stanley Services Limited would default in its obligations to the European Investment Bank, thus triggering a payment by the Standard Chartered bank, and a call by Standard Chartered Bank upon Government, but nevertheless we could not possibly, lawfully enter into this obligation without having the assurance that we can fulfil those obligations to the Standard Chartered Bank, at the notice which the indemnity agreement (with the bank) will provide. That is the whole background to the Bill.

If any Honourable Member has any doubt or any question in relation to the indemnity agreement, or any questions they might wish to ask of me in relation to the legal elements of the transactions, then I will endeavour to answer it Mr President.

His Excellency The Governor

Thank you for that helpful explanation. The Motion is that the Bill be read a first time. Is there any objection to the Motion? The Bill will be read a first time.

Clerk of Councils

The Guarantee Indemnity Bill 1998.

The Honourable the Chief Executive

Mr President, Honourable Members, I beg to move that the Bill be read a second time.

His Excellency The Governor

The Motion is that the Bill be read a second time. One Honourable Member does indeed wish to speak. The Honourable Jan Cheek, you have the floor.

The Honourable Mrs JL Cheek

I would just like to ask for clarification, so that the public can clearly understand. I believe other shareholders will also be providing some form of indemnity. Could the Attorney General confirm that please?

Attorney General

Mr President. That is absolutely correct. Executive Council has, subject to the enactment of this Bill, authorised the indemnity in favour of Standard Chartered Bank, strictly on condition that the other shareholders in Stanley Services enter into an agreement with the Government, to repay their share of any sum the Government may pay to Standard Chartered Bank.

His Excellency The Governor

Thank you very much. Would any other Honourable Member care to speak?

The Honourable WR Luxton

Mr President, Honourable Members. I will support this Bill of course, as agreed originally, but I would just like to make a comment as a long suffering fuel purchaser and member of the public, that with oil prices at their present lowest point for many, many years, in view of the fact that the Government is taking on this obligation on behalf of Stanley Services Limited, I trust that we may see some benefit to the public in due course, in terms of oil prices. We understand why prices are at a higher level of course, but when you pay 24 pence, I think it is, for a litre of fuel at the pump, which I believe is available for 9 pence in the United Kingdom at the moment, it doesn't go down very well. That is fuel that is not taxed at either end. So I do hope that we may eventually see some benefit of these very low oil prices coming back to the colony which is of course suffering from very low wool prices as well. Thank you Sir.

His Excellency The Governor

Thank you very much. Would the Chief Executive care to speak?

The Honourable the Chief Executive

Mr President, Honourable Members. I note what the Honourable Member said, and I know that that particular topic will be a subject of discussions that will be held with partners in the company during February.

His Excellency The Governor

Thank you very much indeed. Would any other Honourable Member wish to speak at this stage? Does any Honourable Member wish to propose an amendment? Since they don't, I propose that the Bill be fast tracked through. So without further ado, one last chance. No further amendments, no opposition? The Bill is considered to have been read and passed.

Clerk of Councils

THE MOTION FOR ADJOURNMENT

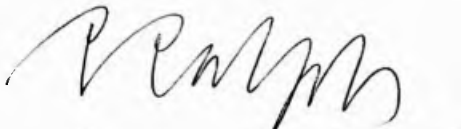
The Honourable the Chief Executive

Your Excellency, Honourable Members. I understand that Honourable Members do not wish to have a debate on the adjournment today, and in anticipation of that, I move that this House now adjourns.

His Excellency The Governor

May I just have confirmation perhaps? Any Honourable Member who disagrees, and would wish to take advantage of the opportunity to speak, raise their hand. In that case the House is adjourned *sine die*.

Confirmed this 24th day of March
1999


Governor