



RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON FRIDAY 23RD FEBRUARY 2007

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THE SPEAKER OF THE HOUSE
(Mr Darwin Lewis Clifton OBE)

MEMBERS (Ex-Officio)

The Honourable Chief Executive
(Mr Christopher John Simpkins)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable Dr Andrea Patricia Clausen
(Elected Member for Stanley Constituency)

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

The Honourable Dr Richard Andrew Davies
(Elected Member for Stanley Constituency)

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Mike Rendell
(Elected Member for Camp Constituency)

The Honourable Janet Robertson
(Elected Member for Stanley Constituency)

The Honourable Richard James Stevens
(Elected Member for Camp Constituency)

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

PERSONS ENTITLED TO ATTEND

The Acting Attorney General
(Rosalind Catriona Cheek)

The Commander British Forces South Atlantic Islands
(Brigadier Nicholas Roy Davies MBE, MC)

CLERK: Claudette Anderson MBE

PRAYERS: Reverend Kathy Biles

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**The Record of the meeting of Legislative Council
held on Friday 23rd February 2007**

PRAYERS

Clerk of Councils

The confirmation of the record of the meeting of Legislative Council held on Friday 15th December 2006

Mr Speaker

You have received the record of the last meeting, is it your wish that I sign them as a correct record?

Agreed

Clerk of Councils

Papers to be laid on the Table by the Honourable Chief Executive.

Laid on the Table pursuant to Section 5 of the Census Ordinance:

- The Acting Attorney General's Report on Census Patterns shown by the 2006 census

Annual Public Accounts laid on the table in accordance of the provisions of Section 57 of the Finance and Audit Ordinance for the year ended 30 June 2006:

- Falkland Islands Government Currency Fund,
- Pensions Old Scheme Fund
- Insurance Fund
- Capital Equalisation Fund

And for the year ended 31 December 2005

- The Retirement Pensions Equalisation Fund.

Questions for Oral Answer

Question 01 of 2007 by the Honourable Ian Hansen

The Honourable Ian Hansen

Would the Honourable Richard Cockwell please inform this House if construction of the road to the west of Port Howard Settlement to enable heavy goods vehicles access

to the proposed ferry head on West Falkland is on time? And, if not, what further work needs to be undertaken and what is the estimated cost?

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, I am very pleased to have the opportunity to reply to this question, which, although the questioner is a member of the Transport Advisory Committee, I think it is a useful thing that these issues are actually put clearly.

The road west of Port Howard was constructed along similar lines as the rest of the Camp Track Network with a basic specification being a road suitable for light 4-wheel drive vehicles all the year around. This section of road along with the rest of the Camp Road Network should be limited to a maximum of 15 tonnes during winter months. It is most likely to be from the middle of April to the beginning of October, depending on the weather conditions. The first objective to improve the West's Ferry head is considered to be to cap the road from Port Howard to Harps Farm - a process that will take a fully geared up team approximately one season. The order of cost is likely to be £300,000.

These works on West Falkland have not yet been programmed, as capping current programme has been concentrated on the MPA ROAD, to be followed by sections of the North Camp Road on East Falkland. Usage on un-surfaced roads is always going to be weather dependent and, even once capping has been carried out, this will continue to be the case.

The Honourable Ian Hansen

I thank the Honourable Member for his reply.

Clerk of Councils

Question 02 of 2007 by the Honourable Janet Robertson

The Honourable Janet Robertson

Could the Honourable Richard Davies advise what are the current policies on in-fill plots that are currently used for grazing horses in Stanley and whether there are plans for providing grazing plots as opposed to grazing rights on the common exist?

The Honourable Dr Richard Davies

Thank you and could I also thank the EPO, Crown Council and Public Works for assisting with the answer.

The current policy of encouraging the development of housing for privately owned in-fill plots within Stanley does not take account of grazing issues. However, it is not anticipated that in-fill plots suitable for such development would be used for horse

grazing other than on an infrequent basis. However, as you know, the Lands Committee is currently reviewing several areas of government owned land within Stanley, which may be released for housing development if their release does not impact unfavourably on green space provision within the town.

One of these areas being considered by the Lands Committee is currently being used for house raising and that is the 10-acre plot near the junction of Sapper Hill and Bypass Road. It was advertised for housing development in early 2006 and no bids were received. That is the area adjacent to but not part of the Stanley Common and it is used for horse grazing as part of the Common at the minute.

Executive Council have also invited Officers to consider a further four-acre plots currently leased by Government as a private grazing plot could be considered for housing development. At present this is not form part of the Lands Committee's review and that's the area near the old butchery. No proposals have been put forward for the creation of grazing plots other than grazing rights on Stanley Common, anyone interested in leasing a plot from Government is advised to consult the Attorney General's Office at Malvina Gardens and, anyone interested in grazing their horse on the Common should contact the Department of Agriculture.

The Honourable Janet Robertson

I thank the Honourable Richard Davies for that answer. Could I clarify then that there are areas that people could apply to for grazing plots. Is that what I understand correctly from that last bit of your answer?

The Honourable Dr Richard Davies

As far as I recollect, some of the grazing plots which were tendered a few months ago were not taken up. Furthermore, if somebody with a horse or if somebody identifies a plot who thinks it belongs to Government and could be used for grazing they should then go to the Attorney General's Office and find out whether it is available or would be available.

The Honourable Janet Robertson

Just to clarify again does this applies to areas of the Common as well that somebody could feasibly identify a suitable area and then fence off or not?

The Honourable Dr Richard Davies

No. It is not policy to fence off areas of the Common for private grazing. Grazing on the Common is administered by the Department of Agriculture. Rights to graze on other areas of Government land are administered by the Attorney General's Office. I think just to summarise what I said earlier, it is not anticipated that there will be a conflict of interest between the development of in-fill plots and horse grazing but some of the larger Government plots, which may turn out to be suitable for housing would be suitable for grazing as well.

The Honourable Janet Robertson

Thank you to the Honourable Davies for his excellent answer.

The Honourable Mike Summers

Mr. Speaker, I have two questions if I may, the first is a brief one. Does the list of plots available for application for grazing include the Triangle? My second question is, where can anybody refer to this alleged policy of in-fill plots and has it in fact, been approved by Executive Council as an amendment to the Town Plan? Was it widely discussed in the Planning Committee? Has there been any public consultation about the issue of in-fill plots, I know that large numbers of the community are concerned about the extent of in-fill plots development and possible over-development?

The Honourable Dr Richard Davies

Thank-you, the Triangle, I don't think is part of the properties which are available or the areas which are available for grazing. That is because it is currently, I believe, administered by Government House, with the permission of the Falkland Islands Government.

Regarding the in-fill plots policy, I think it is fair to say that's been widely publicised and discussed. It is part of the draft housing strategy although it has not been formally ratified by Executive Council.

The Honourable Mike Summers

So, this is not, in fact, the current policy?

The Honourable Dr Richard Davies

It is part of the draft housing strategy, yes, not part of the current policy.

The Honourable Janet Robertson

I'd just like to ask when in devising the in-fill plots, whether sites were identified with the permission of the owners or whether some owners might find that part of their property has actually been designated as a potential in-fill plot without them being aware of it?

The Honourable Dr Richard Davies

A study was undertaken about eighteen months ago for the identification of in-fill plots by the Environmental Planning Department, which showed over 200 potential in-fill plots within Stanley. These were not done with the owner's consent. Indeed, I think half my garden is probably identified as a potential in-fill plot. Quite a large

number of those plots would not currently be suitable and some have actually come before the Planning and Building Committee for outline Planning Permission development and have been refused for reasons like lack of road access. I think it would seem to me it was a reasonable exercise to undertake to get a feel for the potential number of plots within Stanley. If your plot has been marked or shaded in as a potential in-fill plot it does not imply that you have to release it or any pressure on you, far from it. It was a helpful exercise to name the number of houses that might be put in Stanley. I am well aware of the public concern about the development of in-fill plots.

Clerk of Councils

Orders of the Day: Bills

The Taxes and Duties (Special Exemptions) (Amendment) Bill 2007. This Bill is being laid under a Certificate of Urgency

The Honourable Financial Secretary

Mr Speaker, Honourable Members, the Taxes and Duties (Special Exemptions) Ordinance was amended in 2006 in order to ensure that certain persons in "relevant employment" could not benefit from tax exemptions granted under Section 9A.

"Relevant employment" means employment to provide a service to the British Regular Armed Forces or to the Ministry of Defence an amendment that came into force on 01 January 2007.

However, a review of the law by Executive Council determined that the amendment to the law went further than was intended by Honourable Members and may have had undesirable affects as the exemptions are granted or denied on the basis of the person's place of origin.

This Bill, as approved by Executive Council yesterday, amends the Ordinance with effect from 01 January 2007 by replacing the 2006 amendment with an exclusion of the following persons from the benefit of an exemption under Section 9A:

A person who was present in the Falkland Islands when they were engaged for relevant employment or a person who was present in the Falkland Islands in the three months before being engaged for relevant employment.

The Bill also provides where these exclusions do not apply to a person who is present in the Falkland Islands in the course of relevant employment immediately before being engaged for a new form of relevant employment.

That means that a person will not be excluded from the benefit of an exemption simply because the person is moving immediately from one relevant employment to another.

In relation to a person who has been present in the Falkland Islands and who leaves for a period of three months or more, provided that in the view of the Commissioner of Taxation the principle reason for leaving is not to enable the person to qualify for the benefit of an exemption under 9A, the Bill has the affect that if the person were then to apply from outside the Falkland Islands for engagement for relevant employment, the person would be entitled to the benefit of an exemption in the same way as a person who had never been here.

The Bill also amends the Ordinance to remove references to old age pension contributions under the Old Age Pensions Ordinance 1952 and replaces them with references to Retirement Pensions Contributions under the Retirement Pensions Ordinance 1996.

I beg to move the first reading of the Bill.

The Honourable Mike Summers

I second the Bill.

Mr Speaker

The Motion is that the Bill be read for a first time, is there any objection to the Motion? There is not objection to the Motion, the Bill will be read a first time.

Clerk of Councils

The Taxes and Duties (Special Exemptions) (Amendment) Bill 2007

The Honourable Financial Secretary

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

Mr Speaker

The Motion is that the Bill be read a second time; does any Honourable Member wish to speak to the Motion? No Honourable Member wishes to speak to the Motion.

The Honourable Janet Robertson

I would just like to clarify with the Attorney General if under this Bill it will still be the case that people residing in Stanley and benefiting from the community of Stanley, who, however, were recruited overseas will remain exempt under this law.

Acting Attorney General

Mr Speaker, I can confirm that that is correct.

Mr Speaker

May we adopt the fast track?

Clerk of Councils

The Taxes and Duties (Special Exemptions) (Amendment) Bill 2007

The Honourable Financial Secretary

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

Mr Speaker

The Motion is that the Bill be read a third time and do pass. If there is no objection, the Bill will be read a third time and passed.

Clerk of Councils

The Taxes and Duties (Special Exemptions) (Amendment) Bill 2007

The Motion for Adjournment.

The Honourable Chief Executive

Mr Speaker, Honourable Members I beg to move that the House stand adjourned *Sine Die*.

Mr Speaker

The Motion is that this House stands adjourned *Sine Die* does any Honourable Member wish to speak to the Motion?

The Honourable Mike Summers

Mr Speaker, Honourable Members, I intend to address two issues, I hope relatively briefly. The first is the publication of the Mental Health Strategy. Councillors had an opportunity during the course of this week to attend a presentation of the Mental Health Strategy given by the Medical Department, the Chief Medical Officer and the Community Psychiatric Nurse and, very interesting it was. I commend to anybody who has an interest or who thinks they may have an interest in mental health issues including stress issues, the strategy that's been put forward.

The issues I raised in the course of that discussion are: why is it that this community seems to have much more of an issue of mental health than you might imagine it should have? What is it that causes the level of stress that apparently exists in this community? I think it is something for us to think seriously about when we propose changes, when we propose developments, when we think about our own ambitions for

this country, are we sometimes pushing too hard? Are we over-ambitious to the extent that we are causing an awful lot of people more stress than we reasonably would wish?

I do not have an answer to this question but I think it is a question that is worth raising and worth reflecting on when we as a group and, indeed the Government as a whole sits around and proposes developments, new ideas, things that we might think are a good idea but in fact might create a good deal more stress and angst than we otherwise may have thought of so, it's a thinking issue.

Mr Speaker, I am now going to go where angels fear to tread. I want to talk about the quality of justice. I accept that in any democratic society there has to be a very clear division between politicians, elected members, call them what you will, the executive and the judiciary. That is the case in this country and, so it should be.

However, I don't think that should preclude Elected Members from commenting on the way that justice is carried out and the quality of the justice that's being delivered in our community. It is, after all, our duty, our responsibility to make sure that citizens in this country are treated properly, fairly and well by the justice system. I think we are entirely free to comment on that.

My comments don't relate only to the recent case of the Police but they do draw heavily on the experience from that. They draw also on other experience over a number of years from watching the justice system at work here.

I think by in large it is a good justice system but I think those that are responsible for it need to think about what they are doing and why they are doing it.

Perhaps the biggest issue about the Police Trials was one of time. Somebody much wiser than me once said that justice delayed is justice denied. In the case of the police trials, I think we are aware of the affects that the timescale had on not only the people directly involved in that case but also their families, their friends and people close to them.

I think it's had a much more devastating effect on a number of people than most would realise. So, I would ask those involved in future cases of assault or an entirely different case, think about what you are doing when you are delaying things, putting things off, we can't do this, we can't do that, it is not convenient for this person, that person or the other person. It is not a good thing to delay justice.

I was disturbed on a number of occasions that I had to remind some pretty senior people in Government, including two pretty senior people in Government House that the objective of the Government in terms of the police trials was not to achieve a conviction. It was to achieve justice. That's our objective and, I am not sure that was always in everybody's mind.

Certainly there were a number of occasions when I was disturbed about things that were being said or things that were being done or not done that lead me to believe that

actually the objective was to achieve a conviction, not to deliver justice. That can't be right and, everybody who is responsible for the justice system should think about that.

There are some other issues I think that still surround that case, that perhaps pertain to that. I think we are aware that there are a number of issues that were quietly put away because they might have interfered in the process of that case. That cannot be right.

There are still some issues around, particularly issues to do with bullying that I am convinced were not properly investigated and were possibly just swept away because it was not convenient to deal with them at the moment. That cannot be right.

None of this pre-supposes that I support corrupt, criminal or bad behaviour because clearly, I do not and, if people have made mistakes and have broken the law then they will be duly punished but they should be punished in proportion to what they have done and, that is a very important issue.

I wish also then just to touch on an issue that will be raised or has been raised in the context of the Constitution. It is not clear from our Constitution, or from the Police Ordinance, who is responsible in this Government, in this community and in this society for the management of the Police Force. That is intolerable. It cannot be right. It has to be absolutely clear. It is my view and I said on a number of occasions in Select Committee, that the Police Force ought to report to the head of the Civil Service the Chief Executive like all other Civil Servants. I know that is not necessarily the view of the previous Governor or this Governor but it is certainly my view and, I think it is also the view of a number of other people. That issue needs to be buttoned and it needs to be absolutely clear and, I am not convinced, I have to say, in terms of what we have seen in the last several months, that the custodians of Government House are not necessarily the best custodians of the management of the Police Force.

On that note, Mr Speaker, I support the Motion.

The Honourable Dr Richard Davies

Mr Speaker, Honourable Members, our economy relies on our fishery and we are rightly proud of the way that we manage it in a sustainable and effective manner, but we should not forget that this work relies on the labour of hundreds of men working on the ships over the horizon. Anyone who has ever been onboard a jigger will know what the conditions are like on many of them. They are not all bad but some of them are pretty grim. They have small cabins, overcrowded, not much food, long working hours and fresh water and washing facilities are extremely limited.

The sea around here is, in itself, a harsh, unforgiving and dangerous environment and life is going to be hard on the best managed ships. Nonetheless, young men from poor countries get a living and we get our fishery.

What is intolerable is that we get cases where men have been tied up, imprisoned, beaten and otherwise abused. It is also intolerable that life is made worse by unsafe

working practices and lack of basic safety equipment, which would cost little or nothing, to correct.

At the beginning of this week, as you all know, on the eve of the 20th anniversary of our fishery, ten young men jumped off a Taiwanese Jigger in the harbour in an attempt to swim ashore. Two of them did not make it and are missing presumed dead. I am given to understand that they were either non-swimmers or weak swimmers. They did not wear life jackets so one can understand the desperation that drove them to jump into our bitterly cold water.

I saw the survivors in Hospital. They are bright, pleasant, courteous and grateful people mourning the death of their two sea-mates.

Once again the community responded quickly and decisively and I would like to thank the Police, the Fire Service, the launch and the helicopter crews and our hospital staff who looked after them, interpreters and everyone else who was involved. We will take every means within our power to deal with this properly and to ensure that any wrong doing is dealt with.

It is extremely commendable that FIG takes a robust stance when flagrant human rights violations come to light as we did in 1998 with the case of the In Sung 101. Criminal incidences, which occur within our territorial waters, must be dealt with by the force of law and, it is commendable that we can afford to be moderately generous with medical treatment and repatriation where the costs can't be recovered.

I would ask if this is enough. I don't believe that there is any shred of consistent concern to protect rights to pro-actively protect human rights in the Fishing fleet. Although individuals are concerned about the issue, there does not appear to be any great enthusiasm for investigating the core problem or taking effective and pro-active action.

It is true that international law makes it difficult to respond effectively to instances which occur in our zone but outside our territorial waters.

Some progress has been made in that the new Falkland Islands Licensing Ordinance has been broadened to include basic safety standards so there are provisions for checking safety equipment as part of license conditions. This is a step forward but we do need to make sure that it is properly implemented.

So, what could be done to reduce the toll of death and injury in the fleet? If we are to improve the situation, we need a clear idea of the working conditions and accident rates. Most of what we know is piecemeal and anecdotal as this week's Penguin News editorial pointed out. It occurs out of sight and over the horizon. I would put it to you that making a distinction between non accidental injuries, between beatings and these very gross violations of human rights that we have seen, from time to time distinguishing them from the instances of this complete lack of proper safety precautions is perhaps less important than trying to reduce the instance of injuries and deaths in general.

We know a bit about what goes on and most of the injuries are the result of accidents rather than attacks but I would put it to you that these can in themselves be violations of human rights. The majority of them appear to me to be entirely preventable and to rise from the appalling safety standards and a very casual attitude to human life and health, in some parts of the fishing fleet and I would stress some parts.

We hear about sea anchors parting, causing some of the severe injuries we see in the hospital and it is said that these lines are in often very poor condition. We see men with head injuries where squid blocks have fallen on their heads during transshipping and they have not been wearing hard hats. One has to compare the costs of one night's stay in hospital and a launch trip against fitting out a crew with proper hard hats and, you can get hard hats which are suitable for use in freezer holds. Improvements cost nothing. We see men with frostbite on their hands from working too long in the freezer holds and, it's a simple matter to do shorter shifts and higher turnovers, so they don't get frostbite.

There are things we can look at and these are not the rambling of a bleating heart liberal. I think there are good reasons for us to do something more proactive.

I think as I have alluded to the rare incidents of gross violations of human rights. I think it brings our whole fishery into disrepute and it is unfair for the majority of responsible companies. I think there is a potential for the companies to benefit by reduction in medical and insurance costs and in fishing time lost when a crewman is injured. Control of risks makes good business sense and, a recent initiative in Alaska reduced commercial fishing deaths by 64% using fairly straightforward mainly voluntary measures. I would suggest that a healthy fishery needs healthy companies as well as healthy fish stocks.

It would also be good for our international standing to be seen to take a proactive approach and Legislative Council's proposal in 1998 to deny licences to ships involved in human rights abuses was picked up immediately by the International Labour Organisation so that it makes us look good in international eyes.

If we do lose occasional revenue so be it. My belief is that as long as the squid come into our waters, the ships are going to follow it and it is over fishing and climate change that threatens our fishery, not the defence of human rights

In summary I would say that progress could be made at relatively little cost by perhaps for example developing a voluntary accident prevention programme perhaps with some judicious incentives.

I would like to suggest that we celebrate our 20th Anniversary of the Fishery not only with our record of a well managed fishery but with a determination to take a more proactive approach to the welfare of the men, who bring in our revenue.

That is enough on that and I am sure you are aware of my feelings.

Just in brief, once again I will mention Cape Pembroke. We are justifiably very proud of our unique environment in the Falklands and Cape Pembroke perhaps to us does not seem very special when you compare it with places like WestPoint, Carcass and Sea Lion. I say that environmentally it is the most important site. I put it to you that if you cannot look after Cape Pembroke, which is on our doorstep, what hope is there for the rest of the Islands? I would also say again, look at it through the eyes of a visitor. There is an extraordinary amount packed to Cape Pembroke. I don't suppose there is a capital city in the world that has a penguin colony right on its doorstep or with plants that are so rare there are only known in a handful of other places. Where else can you go and see dolphins, sea lions and if you are lucky a whale while walking along the shore and where you can see a square rigger laying on the beach and the wreck of a tug that brought her in a few hundred yards out. We have got fantastic white sand beaches; crystal water and we need to value it.

We have made progress and protection from overgrazing has allowed the tussock to come back and the clearance of rats on the offshore two tussock islands has allowed white chin Petrels to start nesting again. In spite of these successes it is also very vulnerable with more visitors each year and we have to ask ourselves if the Falklands are the place where nature is in charge or whether the 4-wheel drive is in charge.

The point I am coming to is that I am delighted to say that the Military have taken a strong line on this and taken the decision to stop non-essential driving by their vehicles on the area of Cape Pembroke. I would like to ask Brigadier Davies to pass on my thanks to those concerned for this responsible attitude and express the hope that the rest of the community will take the same responsible attitude.

Finally and very briefly I would like to echo the point made by my Honourable colleague, Mike Summers about the Mental Health Strategy. I think it's an interesting point. If there are apparently high levels of stress in our society related in some way to the pressure that we as a Government put on individuals and I think it is certainly well worth thinking about.

Thank you Mr Speaker. I support the Motion.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, I have just a few things that I would like to talk about. The first is something that most people in the Islands will be pleased about that the Government is going to employ Dr Chris Doyle to work on a number of telecommunications issues and from reading recent Penguin News it looks that Cable & Wireless feel they are giving relevant information but Dr Doyle feels that he needs more to do the job. There is a gap between the two parties which hopefully will narrow and close for this work to be carried out.

Our telecommunications in Camp is always a current topic and very important to all that live there. You cannot go down to the pub to meet friends and you cannot easily nip to your neighbour in many places. So all forms of communication, whether its radio, TV or just plain telephone, Internet it is very important in isolated areas like

Camp. I would like to say that Government is working hard to bring something to Camp in all these areas.

I think one of the hardest things for me to accept is how Cable & Wireless see Camp as nearly a separate part of the Falklands and always look to improvements or work in that area to be funded by FIG. I believe by FIG giving Cable & Wireless permission for protecting their core business, we should receive something in return like sharing commitment to the financially less desirable parts of the business.

Moving on to the roads, we seem to be linking up a few more parts of the jigsaw and another very important one for the East Falklands was the joining up of the roads. There is now a road that goes all the way around the East. The road from San Carlos has now met up with the road just past Greenfield Farm and this will be great for anybody who works in that area and anybody on the North Camp who wants to access to Goose Green or even MPA. It's probably a lot quicker to go via Greenfield than to go all the way up to nearly Stanley and back down again. I would like to congratulate Peter McKay and his team for really cracking on with a very important part of the Road Network. I am not quite sure what we have got in mind for the San Carlos River, is it a bridge? Great, it is a bridge.

Finally, I would like to thank David Higgins and, to a degree his wife for letting him come for all the great work he has done past and present. Again, in the Penguin News, everybody can see that he has got great respect from his staff. He seems to have a lot of respect from students and, equally, he has got a lot of respect from parents. Certainly my recollection, not in this time obviously but when our children were under his stewardship, he seemed to be at Parents' Evenings just as interested in our children as Toni and myself were to be, which is, I think what every parent would like to see from anyone in that position. David has come and worked for us in the last few months in probably what is has been a challenging time but I spoke to him recently and he says it is been an enjoyable time as well. I thank him again and I wish him an enjoyable retirement.

Mr Speaker, I support the Motion.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, we have had three people talking fairly lengthily on very serious matters and I do associate myself with everything that's been said. There are one or two other things which I would like to mention, if I could just start off with reminding the Honourable Dr Davies that the Falkland Islands Defence Force had the largest contingent of men on the beaches when they were searching for the unfortunately lost seamen. I think we really should recognise their contribution.

It is 20 years since the establishment of the Fishery and I am not going to say too much about it because I am sure that the Honourable Andrea Clausen will have something to say about it being in her portfolio. But having held the portfolio for eight years I do wish to remind everybody in the Falkland Islands that virtually everything that we have today which enhances our way of life is solely due to the establishment

of the fisheries, the farsighted work that was done 20 years ago. The Falklands as they are now would be a very different place if it were not for the establishment of our fisheries regime. I do recommend everybody to recognise that.

Just on a slightly lighter note on the 2007 Committee if I could just possibly put in something in public to them. People have actually asked about the coloured lights on Ross Road. I am assured by the Power and Electrical Department the reason they were removed was because they were having problems and they are hoping to get them set up again before the 14th June.

One thing that came out in discussion with one of my colleagues today which I think is an extremely good idea, the town now is beginning to look smarter, the buildings are being painted up and there is one monstrosity right behind the monument which really needs something done to it and that is the Secretariat. Could we not actually paint it to match the Town Hall, I think it would be a much more attractive looking building and I think we should look at it as a matter of urgency.

Mr Speaker, I beg to support the motion.

The Honourable Ian Hansen

Mr Speaker, Honourable Members, I will be very brief today. In fact Honourable Councillor Cockwell and I made a pact to speak very briefly today but I think I will probably beat his time. Issues that normally affect my portfolio have been relatively quiet and I have nothing to say on those matters. My colleagues have already spoken on important issues and I am sure the Councillors who have not spoken have things to say so therefore I will move on very quickly Mr Speaker and refer to the adage "if one has little or nothing to say the wisest course of action is to say little or nothing."

I support the motion.

The Honourable Mike Rendell

Mr Speaker, Honourable Members, I want to touch on a number of issues that have been already raised and bring a few more in and I'd like to start with recalling to you all the pleasure I had several weeks ago to attend the opening of the Port Edgar Road and to see the visible delight on the faces of the Alazia Family when they at last had their road right through to their door. There are some things that happen within our duties as Councillors which are not necessarily very enjoyable but that was particularly enjoyable. There is now one less road to be done and the number left to be done are getting fewer and fewer all the time and I really hope that the Dunnose Head connection is made this season and again anticipate the quality of life improvements that it will bring to people living in that part of West Falkland.

But in all this we need to take into account the quality of the machinery that our road gangs are working with. The road gangs in my opinion, and I am sure in all our opinions, are doing a really good job, but they are working with old machinery. They are working with machinery that was probably due for the scrap heap in some cases

five, six, seven or eight years ago with a working life of 10 years. I think that is the normal criteria that is used and here we are 18 or 19 years later in some cases. So I just want to bring to your attention the fact that there will be a need for some focus on the need for new machinery. That, I think, can be justified in one very simple way and that is the down time that results from people standing there, twiddling their thumbs whilst the bit of equipment is repaired. We are paying these guys to be out there doing the work. If they cannot work because the machinery is not working, that is not a very sensible way of using our money.

I think we all need to focus on that a bit more than we have in the past. It is fair to say in all this it was expected that beyond perhaps next year there would be very little more work to be done on roads and road building. That is not now the case and new roads are going on the list on an almost daily basis. At Transport Advisory Committee we were given a long list of new requirements following the completion of the basic system and, there is going to have to be some careful examination of how far down that list we go.

I would also like to join the Honourable Richard Stevens in commending Peter McKay for the work that has been done on the Greenfield link. It was one of the things in my manifesto. I am really pleased it's happened as quickly as it has. I would want to confirm to him also that it is in the plans for a bridge to be built over the San Carlos River next season. Having said that, there are a number of projects in the pipeline for next season we will just have to hope and pray I think that's the only way I can put it given all the other things that are there that it is done this coming season and although one of the Honourable Members whispered to me that the best thing we can do with the San Carlos River is fish in it, I would like to see us fishing off the bridge.

I would also like to touch on the issue of the Fisheries incident early this week. It is a great pity that it happened this week of all weeks but it is just an indication of the vagaries of the industry which I think we all in the back of our minds know exist and we have to just do what we can to support them in this very difficult business when we can. I take fully into account the comments made by the Honourable Richard Davies and, whilst it is totally commendable that we try and do what we can to support the fishing industry and to introduce legislation, if we can, to improve working conditions. It is a fact that it would require international agreement and, I think this is where, in the past, we have found obstacles to stop us from doing this. But I would also like to join in commending the fishing industry for all that it has done for the Falkland Island over the last 20 years and to recognise that contribution.

The last point I want to make is about the smoking ban, I listened avidly to the phone-in on Monday night, and it brought a few more points out in the open. However, I would agree with the Honourable Dr Andrea Clausen that we seem to be moving off the principle of the reasoning behind that working group. I would like to comment that voluntary schemes, which have been tried in other places, in which some Members here believe is the way forward, do not work. They are about comfort rather than public protection and, our duty is towards public protection. I therefore hope that the final report of this working group will be back on the line with the principle

involved which is finding ways of banning smoking in public places. I know that all those people, who filled in their questionnaires - their public health questionnaire, 77% of them, I think it was, who agreed with that. I know that they would be very disappointed if we don't keep on that line.

Mr Speaker, I support the motion.

The Honourable Janet Robertson

Mr Speaker, Honourable Members, I have been listening with great interest this morning to many serious and sombre subjects brought to us and there is food for thought there.

I would just like to comment a little bit on the reference Councillor Summers made to the cause of the levels of stress that seem to be appearing in our community. It is worrying and I am sure that he is absolutely right that to a certain extent that the expectations the pressures we have put on ourselves, on our community, in order to try and achieve evermore far reaching goals has had its affect. I would suggest that perhaps we are seeing to some extent years of budgetary pressures and the affect that had on the staffing in Government.

I think that probably there is an issue of expectation and I think it is expectation that is not just down to the individual's expectations. It is a fairly common occurrence in affluent societies where that very affluence can give rise to greater expectations and causes depression, if those expectations don't match the reality. But it's also to some extent our expectation, our corporate expectations, if you like, of Government.

Just listening to the wonderful ambitions and absolutely vital ambitions already expressed around this room today. Human rights protection for our entire fishery, the very valid comments that Councillor Rendell made about the need to replace some capital equipment, the condition of the Secretariat these are all aspirations these are all things that we want to achieve and, we will carry on trying to achieve them because we must because that is what we must do. But they are all pressures that probably have its effect eventually on the number of people being referred for stress related conditions.

I was just going to talk very briefly about the economic report that's going to be released to the public today. It makes some interesting reading. It is probably the sort of thing we will put to one side while we find a good reason to quote from it to back up our views and, I think to a certain extent that is exactly what I am going to do.

There was reference made into it about the level of risk aversion in the private sector and I do not want everyone in the private sector to be now lobbing rotten apples at the radio at me, it is not really necessarily a comment on them but a comment as much on that as it is on the messages that Government gives out. There are concerns about this, not just in terms of the level of infrastructure the development that does not take place because of this tendency towards risk aversion. But also there are other dangers over

public sector involvement and inflationary pressures and essentially taking away the incentives from the private sector to develop.

We need to look at that. We need to look at the environment that we create and what we do to encourage greater incentives for the private sector to develop. That is something we are all conscious of and we have to work on that but I think it is something everyone in the community should be aware of to try and move a little bit from what is Government going to do about it to what are we going to do about it. My husband every day says to me, what is this Government going to do about it, whether he's talking about the weather or the state of the squid fishery. Well frankly, I have got to have a better answer.

Finally, just one last thing, I just wanted to make public I know I have already expressed it to my colleagues but that we have had the journalists visiting many, many journalists visiting during the course of January. We had the media centre up at in the Argos Building, which was attended by Pippa Lang and by Sarah Clement of SeAled PR, who gave an absolutely excellent impression of the Islands. There are lots of very, very positive comments made by the journalists and I would just wanted to congratulate the journalists on that, we hope that this is the sort of impression they are going to have all the year around. I would remind people that what we are wanting to do is give a very favourable impression of the Falklands. It is our bound and duty to assist in that but Pippa and Sarah and everyone else involved in the media centre have started that process fantastically and I would like to thank them on behalf of all of us.

Finally, just my very, very last comment is to echo Councillor Stevens' comments about David Higgins. He came here at a fairly critical time in the Education Department. He has not had an easy ride for the last three or four months but he has approached it stoically and with good humour and I know there are a lot of people who are sorry to see him go. I hope he enjoys his retirement and gets a little better weather than we are having this summer.

Mr Speaker I support the motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, firstly I would like to comment on some of the things that have been said today in this room. Firstly, in terms of the smoking or the "Working Group on the Possible Prohibition of Smoking in Enclosed Public Places", which is an awful mouthful and I apologise for that. I think the working group will, indeed, pick up on the comments that you have made and certainly members of the public have made. I do not control the working group I merely chair the working group and a report will come back to Executive Council. We have been sent terms of reference and, if we wished to move away from those terms of reference then we must seek Executive Council approval to do that and so I certainly as chair would hope that when we go back to Executive Council with proposals that Executive Council can make judgments in due course as to whether or not they support those changes.

Regards the events of earlier this week, the comments have been made in terms of abuses of human rights, I absolutely support the comments that have been made but I will refrain today from commenting further because we are in the middle of a police investigation. I believe in the past the Falkland Islands Government has done as much as it has been able to do to mitigate against such abuses but I would like to see that we look further at this and look at potential things that we may do to improve the situation but after this current episode has concluded.

The main subject I wish to talk on today is that of the 20th Anniversary of the Fishery. I know some colleagues have already commented. I feel very proud to be involved and to stand today to speak about it because when I left school at 16 just a few years ago it was almost the start of the fishery. Actually I left school and went to work in the newly established Fisheries Department which was actually some dodgy Portacabins on the edge of the sea wall and there was a very young John Barton there as a fisheries scientist and you just have to think about that and the fact that I at least have grown through my key years alongside the growth of the fishery and watched it and been involved on and off in the fishery.

So today I would just like to make a few comments about the period from the start of the fishery until now. We must be very proud of what we have achieved here. I have been made aware at least that it took some time for the fishery to be established despite political will in the Islands in the 70s and early '80s and established it was in the Mid 1980s and apparently it exceeded initial expectations while contributing millions to the economy.

It was very rewarding to hear last night at the public presentation that actually, in terms of at least Government revenue, the fishery had contributed in excess of £400Million to date over the last 20 years.

I think we have to comment on the very careful fiscal policy that we have had in place, which have allowed us not only to invest in our infrastructure and our services and to provide the community at large with a reasonably high standard of living, but have also allowed us to build security in terms of the investments we now have, which amounts to a little shy of half of that total.

In terms of the way the fishery has developed from a Government prospective in the early days of course we had to bring in a lot of expertise because there was little here and it is very rewarding to see that 20 years on, we now have all of that expertise in house.

I would like to extend my thanks and recognition for this team of people down the road in their dodgy, grey building, as they pointed out last night, for the work that they do. It is very valuable and nice to see that it is in house.

I would like to mention the industry as well because we would not have a fishery without the participation of the private sector and, they have responded over the years to the current fisheries policy as it is today and have developed from a largely brokerage arrangements in the early days in joint ventures with varying levels of local

control to what we have today. Which is the new long-term property rights system which actually one of the key goals of the system is to maximise the local control and of course we have 100% ownership and I think it is very rewarding to see how the private sector has grown and responded in response to the policies of the day.

Other than that, I would just like to say that we are, this week, celebrating the 20th Anniversary. The first event was last night, a very well attended presentation, which was of excellent standard from the Department of Fisheries and representatives of the industry and, I would like to commend them on an excellent presentation. I actually would like to encourage them to give it again because I think we can go some way to encourage the people on the street to be more involved in what is going on.

We have had comments and I will say it again from people in the public, who do not know what the fishery has done for them. I find it amazing they would think like that considering the entire life that they enjoy or almost entire life they enjoy today would be a result in some way to that fishery. I would like to see the presentation given again perhaps later on in the year and bring in some more of the public.

I will just plug tomorrow as well the official open day for the fishery. There will be three vessels tied up at FIPASS one from each sector of the Industry, a jigger, a long-liner and a trawler and there will be tours available on the vessels and, I understand some food to try, too. I encourage everybody in this room and in the public to come along and see what the fishery is and to see the cutting edge of the fishery because these are the people who work on these vessels. They are the cutting edge of what we have built around us and of course I must not forget stamp and coin issues which I expect everybody to rush out and purchase in order to support this very important 20th Anniversary.

Sir, I support the motion.

Commander British Forces South Atlantic Islands

Mr Speaker, Honourable Members, I am very pleased to be here today at the beginning of an important year for the Islands one in which I hope everyone can feel reassured and confident about the future.

I am grateful to Councillor Davies for his kind comments and we are very pleased to do what we can to help protect and preserve what is a unique environment here and we look forward to doing what we can in the future to work very closely with both FIG and the Community to take that forward.

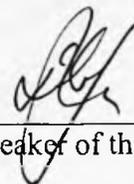
I note Councillor Summers' comments about stress and, I think that this is probably a subject worthy of closer examination for the future.

I support the motion.

Mr Speaker

Honourable Members the Motion is carried, the House stands adjourned accordingly.

Confirmed this 24th day of May 2007



Speaker of the House



RECORD OF THE BUDGET MEETING
OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY

ON THURSDAY 24TH AND FRIDAY 25TH MAY
2007

**RECORD OF THE BUDGET MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON THURSDAY 24TH AND FRIDAY 25TH MAY 2007**

THE SPEAKER OF THE HOUSE
(Mr Darwin Lewis Clifton OBE)

MEMBERS (Ex-Officio)

The Honourable Chief Executive
(Mr Christopher John Simpkins)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable Dr Andrea Patricia Clausen
(Elected Member for Stanley Constituency)

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

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Mike Rendell
(Elected Member for Camp Constituency)

The Honourable Janet Robertson
(Elected Member for Stanley Constituency)

The Honourable Richard James Stevens
(Elected Member for Camp Constituency)

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

PERSONS ENTITLED TO ATTEND

The Acting Attorney General
(Rosalind Catriona Cheek)

The Commander British Forces South Atlantic Islands
(Brigadier Nicholas Roy Davies MBE, MC)

CLERK: Claudette Anderson MBE

PRAYERS: Reverend Kathy Biles

APOLOGIES The Honourable Dr Richard Andrew Davies attending C24 seminar in Grenada
(Elected Member for Stanley Constituency)

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The Record of the Budget meeting of Legislative Council
held on Thursday 24th and Friday 25th May 2007

Prayers

Mr Speaker

Good morning Honourable Members, Ladies and Gentlemen, I declare this meeting of the Legislative Council open.

Clerk of Councils

His Excellency the Governor

His Excellency the Governor's address to the Nation

His Excellency the Governor

ADDRESS TO THE LEGISLATIVE COUNCIL BY HIS EXCELLENCY THE GOVERNOR

Mr Speaker, This year we mark the 25th anniversary of the liberation of the Falkland Islands from Argentine invasion. It is a time to commemorate those who died in the conflict, in a respectful and dignified way. It will allow us to remember the courage and professionalism of all those in the British Armed Forces and civilian support services and Falkland Islanders - who helped to secure the freedom of these Islands. We shall recall with appreciation the political will of the Prime Minister of the day, then the Rt Hon Margaret Thatcher MP, in taking the difficult decision to send a task force to return these Islands to democracy in the face of unprovoked aggression.

It will also be an opportunity to showcase the Falkland Islands as they are today - a modern, thriving society, self-sufficient in all matters except the cost of defence. Those veterans who return here will see how much the Falklands have changed. The population has grown by 31%; we have a sustainable economy, good quality public services, a vibrant private sector and modern arrangements for governance and democracy. Islanders can be forgiven for the occasional smile of self-congratulation. Whilst our current economic success is built upon our fisheries' natural resource, it owes much to the hard work and initiative of the Islanders themselves and to the careful management of the Islands' economy by successive Falkland Island Governments (and the civil servants concerned). Revenues have been put to good use in the development of education and health services, roads and communications and much more. And the Islanders have retained the essential characteristics of their forebears, hard-working, persevering, and self-reliant.

The conflict, paradoxically, proved to be a turning point in stimulating the development of this society. It will be our privilege therefore to turn in gratitude to those British

veterans who return to the Islands in this commemorative year to say thank you, and to hope that they will feel that the effort and sacrifice on their part was worthwhile. Certainly, many of the media commentaries this year have remarked on the advances made since 1982. The evidence is all around us. Islanders have a right to be proud of what they have achieved and are still achieving.

In June, we shall host a large group of distinguished visitors from the UK - His Royal Highness the Prince Edward, Earl of Wessex, as representative of Her Majesty The Queen; the Rt Hon Adam Ingram MP, Minister for the Armed Forces, as representative of Her Majesty's Government; Dr Liam Fox MP, Shadow Defence Secretary, as representative of Her Majesty's loyal opposition; Sir Nicholas Winteron MP, Chairman of the All Party Committee on the Falklands; Lord Parkinson, as representative of Baroness Thatcher's Cabinet in 1982; Bishop Stephen Venner, Bishop for the Falklands; the Vice Chief of the Defence Staff - and of course Sir Rex and Lady Hunt.

We shall also be host in June to British veterans, invited here by the Falkland Islands Government to participate in the 25th anniversary commemorations, together with representatives from Ascension Island, St Helena, the States of Jersey and the Cayman Islands, who did so much to support our cause during the Conflict. We should give them, and the veterans who follow in November, a great welcome as Islanders have always done. I am conscious, Mr Speaker, of the great deal of hard work that you and many others are devoting to making these events a success, which all Islanders can enjoy and in which the community can take part.

The presence of these senior representatives, along with the ceremonies that will be held in London and elsewhere in the UK, demonstrate clearly the depth and closeness of the link between Britain and the Falkland Islands; the continued commitment of the British Government to the Falklands; and the importance that the British people attach to the principle of self determination. Successive British Prime Ministers have consistently made it clear that the UK Government has no doubt about British sovereignty over the Falkland Islands, and that there can be no change in that sovereignty or discussion of sovereignty unless and until the Islanders agree - and currently I see no indication that Islanders wish any such change.

But both the British and Falkland Islands Governments seek to maintain good working relations with Argentina. We have previously been able to co-operate well on various matters of common interest, such as the conservation of shared fish stocks, by putting to one side the issue of sovereignty (under the sovereignty umbrella). Unfortunately, the approach of the current Government of Argentina seems to be to narrow seriously these areas of co-operation. President Kirchner has made it clear publicly that what he wants is discussions about the transfer of sovereignty to Argentina - and on that there can be no meeting of minds.

The Argentine Government has recently taken action to put pressure on the Islanders and on businesses which have contributed to economic growth here. In March, Argentina withdrew from the 1995 Joint Declaration on Hydrocarbons and announced a ban on oil companies working in Argentina from also operating under a FIG licence on the Falklands continental shelf, with retrospective penalties. In April, the Argentine

Chamber of Deputies passed draft fisheries legislation designed to penalise fishing companies in much the same way: the legislation is now before the Argentine Senate. Argentina has also stalled co-operation in the South Atlantic Fisheries Commission, and continues to block any progress on the establishment of a multilateral high seas fisheries agreement, which would further protect fisheries stocks.

I leave it to others to judge whether such measures are likely to improve the scope for understanding between the people of the Falkland Islands and Argentina. They are certainly in marked contrast to the efforts of the UK and Falkland Island Governments to be constructive towards Argentina.

I hope that the invitation to the Argentine Families' Commission to bring next-of-kin and relatives of those Argentine servicemen killed in 1982 to a commemorative service at the Argentine cemetery in Darwin in November this year will begin the process of healing. Whatever the relationship with Argentina at a political level, Islanders have always welcomed and assisted visits by Argentine next of kin. But memories of the Argentine invasion and occupation are still very stark here. The Argentine Government, whilst it may be democratic and has eschewed pursuing its claim by military means and has disowned the actions of the military junta, cannot ignore the fact that the invasion occurred and that it changed the situation completely for Islanders and Her Majesty's Government alike. It will be important, therefore, in agreeing with the Argentine Families' Commission the arrangements for this group visit, that Islander sensitivities are respected. This has not been helped by the inappropriate actions of the Argentine veterans who visited the cemetery recently. They did not receive widespread support in Argentina for what they did and Councillors were able to put across their views about the incident in the Argentine media. Most Argentine visitors act sensitively and sensibly. So we should not overreact but be prepared to receive the Argentine visiting group with our usual hospitality and courtesy.

Mr Speaker, about three years ago, the Government published its second Islands Plan. The Plan sets out a series of aspirations linked to the Government's Mission "to protect and improve the quality of life of Falkland Islands people and community." Today, I shall break the practice of reporting on the activities of Government departments over the last twelve months in favour of highlighting some of the achievements against Government's objectives in the Islands Plan.

The first chapter in the Plan is on self-determination. Islanders have an opportunity now to look again at the constitutional arrangements for their government.

In 1999, the UK Government invited Overseas Territories to examine their constitutions to identify whether any changes were required to reflect current circumstances. Since then, elected Members have undertaken a review of the 1985 Falkland Islands Constitution and, following extensive public consultation, the final report of the Select Committee has now been published.

It is for Councillors rather than me to explain their proposals but I think it wholly proper that any new Constitution should seek to advance internal self-government and clarify the role of the Governor. I am a firm believer in Councillors having more responsibility

and being accountable for their decision-making - and, in my time here, I have made it clear that on most issues affecting domestic policy, it is a matter for Councillors not the Governor to decide. I recognise Councillors' concern that such matters should not be left to the whim of individual Governors - that will be for the drafters of any new Constitution to resolve.

I have forwarded the Councillors' report to London. This will trigger discussions, initially at official level, which should lead to an agreed new draft Constitution. I should make it clear that London may not necessarily accept all the proposals. The UK Government will wish to ensure that key democratic principles are upheld - on human rights, the independence of the judiciary, the impartiality of the administration of justice including the police, and protecting the freedom of the civil service to give advice without fear of penalty or improper interference. London will also look closely at any proposal which restricts the overriding power of the UK Government to intervene, if necessary, when things go wrong or when the principles of good governance are compromised. Whatever the case, there will be full public consultation and transparency on any new Constitution.

There will be some complex issues to resolve, not least the issue of status and citizenship, which affects the fundamental principles of democracy, such as the right to vote and to stand for election. Many outsiders find it difficult to understand the nature of the Falkland Islands' link with Britain - British yes and with a right to British citizenship but not part of the UK and with no automatic rights for British visitors to settle here - and with a separate Government largely responsible for domestic affairs, with control over immigration. What some do not acknowledge is that many islander families have been here for generations - and that it is right of the Falkland Islands community to decide how the Islands should develop and who should live here.

It is as well, however, to nurture the relationship with Britain. Raising awareness of the Falkland Islands in the United Kingdom, and indeed elsewhere, is a primary function of the Falkland Islands Government Office in London, which maintains a remarkable range of contacts. FIGO does wonderfully well in securing the support and understanding of Parliamentarians and key opinion-formers to the unusual circumstances that Falkland Islanders face and in dispelling some of the myths about life in these Islands. In this regard, the Falklands Forum, held in Westminster on 18 April, was an outstanding success. I should like to acknowledge the generous sponsorship of the local business community in supporting the Forum.

Mr Speaker, it is a primary responsibility of Government to promote sustainable growth in the economy. We are doing well. The latest figures available show that our gross domestic product now exceeds £75 million per annum. Back in 1982, Lord Shackleton reported GDP in 1980 to be £4.4 million. Public expenditure was correspondingly lower at £2.48 million but now stands at £41.8 million. The main contributor to our economic success is the fishing industry. Some claim that they have received no benefit from the income which the fishing industry generates. That is, of course, nonsense. 40% of Government income is generated by the fishing industry and the industry represents 44% of our gross domestic product. Government spending, and therefore the services that we enjoy, depend upon the contribution that the fishing industry makes.

Tourism is now easily the second largest contributor to the economy representing an estimated £10 million per annum and growing. Agriculture has slipped into third place but will always be important. Government policies, not least in relation to continuing to encourage business improvement on farms through the Department of Agriculture's Ten Year Plan, including support for the meat industry and the new wool marketing company, will continue next year.

We have a low tax economy that has helped business confidence and investment to remain high. We have an active Chamber of Commerce with over 90 members. The last business climate survey conducted by the Falkland Islands Development Corporation revealed that 90% of businesses were anticipating growth even though typical businesses are very small. A sample of company tax returns undertaken by the Tax Office reveals that the profits of 18 out of 31 companies had increased by 10% between 2001 and 2005. There is real business confidence in the Islands' future.

Mr Speaker, the future success of our economy depends, to a large extent, on the investment that the Government makes in education. We have a teacher/pupil ratio that is the envy of many but we still aspire to levels of achievement to compare favourably with the UK. The Director of Education is pursuing various initiatives aimed at securing improvement. The public consultation on the structure of the Education service should result in changes for implementation during the next financial year. The objective is to improve the quality of the education service in order to improve the success of our students.

The Government usually supports about 55 students a year to pursue their studies overseas, at a cost of £1 million or 20% of the Education Department budget. Education is an expensive business but, as someone once said, "If you think education is expensive, then you should try ignorance." It is an investment in our future. We are about to benefit from the UK Government's decision, albeit after much lobbying effort, to treat OT students as "home students" for the purpose of tertiary level fees. For the coming financial year, the cost of fees per higher education student in the UK is set to reduce significantly, and the Government will consider carefully how to use these savings to best advantage.

The Training Unit has also responded to areas of skills shortage identified in the Training Needs Analysis conducted in 2005. Over 80% of the areas of need have been met. Of course, many school leavers, for various reasons, do not continue their education overseas. Discussions are underway with Chichester College to explore the possibility of an Annexe of the College being sited here in the Islands. This is an exciting possibility, which I hope will be pursued vigorously.

Good communications remain vital to our future success. The Integrated Transport Study has been completed this year and is guiding future investment in transport infrastructure. The Islands Plan target of 95% of the population on East and West Falkland having access to the main road network within 30 minutes drive has been achieved. Investment in roads will continue but the emphasis will shift towards higher standards of maintenance and capping. The new Coastal Shipping Service, including a weekly cross-Sound ferry using new terminal facilities which are to be constructed at

Port Howard and New Haven, is expected to begin in December and a review of the service offered by FIGAS has begun. FIGAS and Coastal Shipping freight rates are also in the process of being examined in anticipation of the introduction of the Coastal Shipping Service.

FIPASS has been the main civilian marine port of entry for the Falkland Islands since 1988, but there is growing recognition that its facilities are restricting economic potential. The Government has commissioned a series of studies on different aspects of port development – the latest being undertaken by Royal Haskoning. This should take us a step forward but there can be no doubt that both the fishing and tourism industries need better facilities if they are to develop - as will the next hydrocarbon exploration round when it arrives, as we hope it will.

Modern communications must include modern telephony and electronic communications. We now have broadband and mobile phones, courtesy of Cable and Wireless, even if expectations go further. The Camp telephone system must be replaced. Detailed proposals are being formulated which, it is hoped, will include the ability to deliver television signals. And we are preparing for the digitalisation of BFBS.

Access to the Islands by air is also vitally important to the development of the economy. Whilst many people moan about the Airbridge, it has with the weekly LAN Chile flight proved an essential lifeline to the Islands. There is recognition that the MoD, the Foreign and Commonwealth Office and the Falkland Islands Government need to work together to review the service. It's no easy task with a whole series of objectives that are not always complementary. Nevertheless, we are exploring improvements to the Airbridge without compromising its primary function in support of the British forces. We hope this financial year to negotiate a new Joint Policy Statement that will set the parameters for an improved service.

Mr Speaker, perhaps the service most highly valued by the community is our excellent health service. Expectations of the health service are very high. But it comes at a high price – well over £6million per annum - and expectations may have to be tempered by budgetary realism (or by agreement to contribute more to costs). The Government has increased investment in dental services. There are new dental surgeries under construction and extra staff. And, separately, Government has recognised the importance of mental health with the recent publication of our first Mental Health Strategy.

I shall not get into the no-smoking debate except to say that smoking has wider ramifications than an individual's health, just as the risks involved in not wearing a seat belt and talking on mobile phones whilst driving have wider health and safety implications – than just the effect of one individual.

The Government remains committed to investment in agriculture as an essential element of the Falkland Islands economy. A viable Camp is a central theme of Government policy. The census carried out last year shows a further reduction in the number of people living in Camp occurred. This is not necessarily a disaster. Modern agricultural

practice needs fewer people than in previous generations; so, perhaps, the measure of a viable Camp should be one which measures the economic success of life in Camp rather than simply the number of people. From the Government's perspective, it is better that those who choose to live in Camp can do so successfully and in a sustainable way rather than requiring continuous support from Government. It's therefore pleasing to see that in 2005, 77% of Camp businesses recorded a profit. We'll see what the figures for 2006 bring but the various FIG initiatives, including the introduction of the weekly ferry service later this year, should create business development opportunities and generate more on-island tourism. I know that the Development Corporation plans to establish a regular presence on West Falkland to work with business there to exploit the opportunities offered by improved communications.

The Development Corporation is also hosting the Aquaculture Development Project. This is very much a demonstration project working with the local fishing industry. With European Union support, £600,000 has been earmarked for the project over a three year period and preparations are well in hand. If it shows that aquaculture is viable here, then it will represent another good opportunity for economic diversification.

Global warming is the catchphrase of the day. For us under the ozone hole and reliant on fisheries that are susceptible to changes in water temperature, it is an issue not to be ignored. So, it is good to point to two projects. First, the recently completed project to recover waste heat from the power station to heat the Community School and the hospital and secondly the Wind Farm currently under construction at Port Harriet. Taken together, these projects are expected to reduce fuel consumption by 1.1 million litres per annum and to reduce carbon dioxide emissions by 2,800 metric tonnes per annum. If the wind farm project is successful, I hope that the government will think about a second phase – not least because the current project is predicted to pay for itself in 6 years.

Conservation of the environment, essential in itself, is also crucial to our tourist industry. The Falkland Islands are a world leader in identifying and implementing, with the fishing companies, measures to prevent the needless slaughter of Albatross and Petrels. FIG is a major sponsor of Falklands Conservation in the effort to protect our exceptional natural environment. Greater emphasis is also being placed on the preservation of the built environment. But we need a proper tourism strategy to guide public and private investment. Should we, for example, protect our battlefield sites from trophy hunters and improve the facilities and attractions for tourists? We must ensure that the success of the industry does not actually damage the very things that attract our visitors. And so I for one hope that a dialogue can be opened with the cruise ship operators to achieve a sensible pattern of itineraries that does not see Stanley flooded with thousands of visitors one day and then no one for several more days before the next tsunami-like wave arrives. This is far from ideal for local traders and cannot leave our visitors with the right sort of lasting impression of our country and its capital.

Another theme of the Islands Plan is the commitment to maintain a vibrant and safe community. Crime remains low and detection rates high but the criminal environment is changing, with new forms of crime, such as internet paedophile pornography. We need to review the training and staffing needs to equip the RFIP better to meet such new

challenges. The plans to provide a new prison and to address the long overdue refurbishment of the police station are now well advanced and, all being well, work will begin within the next few months. The Force has had a difficult year - and we shall appoint a new Chief Police Officer soon - but I have been impressed by the professionalism and commitment of its members to get on with the job. Being a police officer in any small community is not easy. We should lend them support, not criticism, and take care not to allow standards to drop, either within the Force or more widely within the community. It might, for example, be considered by some fair game to remove items from a stranded ship but it is stealing and that should not be indulged.

This year, we shall have a new Chief Justice, Senior Magistrate and Attorney General. I must acknowledge the considerable contribution of our outgoing Chief Justice, Judge James Wood, and Senior Magistrate, Clare Faulds, to the administration of justice here. I also want to thank Robert Titterington for returning to the Islands as Attorney General for a few months and to thank the government of the States of Guernsey for permitting him to do so. I would like to acknowledge the great contribution made by David Lang over his many years of service as our Attorney General.

Still on quality of life issues, FIG has approved its first comprehensive housing strategy following public consultation and, arising from this, has announced a review of the Stanley Plan. The strategy aims to provide the climate in which a wider range of house types will be provided and to generate more activity in the private sector by promoting the release of private sector owned land for housing development. A new mortgage scheme has been developed with Standard Chartered Bank and a shared equity mortgage scheme is being developed to provide access to home ownership to people for whom the purchase of a home may currently be little more than a pipe dream.

Our young people will ultimately determine the future success of life in these Islands. The Falkland Islands have now produced an action plan on how to improve our compliance with the UN Convention on the Rights of the Child. An inclusive steering group has been established, tasked with implementing action. The aim should be to ensure that all children and young people in the Falkland Islands are safe, healthy and confident and have the opportunity, through education and recreation, to develop and make a positive contribution to the community.

This brings me to the final strand of the Islands Plan. The government is responsible for the prudent management not only of public expenditure but also of the economy as a whole. Last year, the FCO Overseas Territories Economic Advisor, and a consultant from Oxford Policy Management, visited the Islands to undertake a review of government's fiscal management. Their report endorsed government policies and made no recommendations that would suggest a major departure from established financial strategies. The Consolidated Fund stands at 2.7 times annual operating expenditure and public expenditure is under firm control despite the pressure and demands placed upon it. Nevertheless, one of the government's main strands of income is from the Illex fishery, which is highly susceptible to external influences beyond our control. I am pleased to note, therefore, that the government is beginning to think about preparing its financial plans on the basis of treating income from this fishery as a bonus or windfall rather than relying upon it as we currently do to the tune of about £6million a year. This

will be quite a challenge in a budget of just over £40million for all government expenditure. It could be done but would probably take several years to achieve and would require a mindset change about what government should spend its money on. Quite simply, something would have to give; consumer expectation and demand would have to be managed far better than they are now. But perhaps that's what we should be doing in any case?

One of the issues to which London attaches importance is disaster management. Recent disasters elsewhere have shocked the world - and there are all too many disasters that could happen here. We are not immune. The Capability Review team that visited last month should give us a clear view of what we should do - and the Fire Service review has also given food for thought. We are fortunate in being able to rely on assistance from the military but we need to refine our crisis response plans and ensure that they are regularly practised.

Finally, I have to express some surprise that Helen and I have been here now for 9 months. Time has just flown by. We have seen and experienced much in Stanley and in Camp and have been touched by the welcome and hospitality that has been shown to us. There are many more places to visit and people to see before I can begin really to understand the issues facing these Islands. I have certainly been impressed by the range and complexity of policies and problems coming to Executive Council - and I pay tribute to the dedication and commitment of Councillors and also to the high standards and professional qualities of our public servants who work on our behalf. I am deeply conscious too of the selfless dedication of those who work in the voluntary sector, in our youth groups, and those involved in supporting charities. There is a lot of hard work going on in this community, often by people who don't seek the limelight. The success of the Falklands today is a tribute to you all

Mr Speaker

Your Excellency, thank you very much for your State of the Nation address, I would like to welcome you to remain in the Chamber, if you will, so Honourable Members may respond to your address

Clerk of Councils

The Motion of Thanks to the Governor on his address

The Honourable Mike Summers

Mr Speaker, Your Excellency, Honourable Members I have just a few words to say in thank you to His Excellency for his address. I thoroughly approve of the new form this year. I think it is more relevant, more appropriate and I am very pleased to see that it reflects the themes of the Islands Plan because that is how we can construct our approach to Government here. We are in our second iteration of the Islands Plan. It took some years to get it up and running in the first place. The second Islands' Plan I hope has been a useful guidance both to the public and the private sector to keep carrying us forward in a consistent manner; consistency of policies is critical. The Chief Executive

won't thank me for reminding him that we need to create the next generation of the Islands Plan because this one runs out in 2007. I hope that by the end of this year we can have it well under way if not completed. My hope would be that the next Islands' plan should be perhaps for four years so that it can run for two years between elections because one of the issues about the Islands Plan here is that in the absence of party system, party doctrine, party mantra, the Islands Plan forms a sort of structure if you like around which we can hang our policies and our democratic developments.

A few words about the Constitution; I am delighted to have finished the final report on the Constitution. It has taken a long time but I have previously said in the House that I don't apologise for that. There is no need to rush constitutional development; it has to be appropriate. I think the things that underpin the development of our Constitution are very positive things. We have a Constitution that by and large works but needs developing. We have a very cooperative relationship with the UK Government and we do genuinely work in partnership. That doesn't make us any more colonial than anybody else it perhaps makes us stronger than anybody else. We have the self-confidence and belief to be ourselves but still work with somebody else; with the UK Government, I think that is a great thing.

We do still need to keep developing the democracy and strengthening internal self-government but I am personally very happy by the development of attitude at Government House in terms of encouragement of internal self-government. I thank the Governor for his approach to democracy for the support of internal self-government and for recognising the necessary boundaries between democratic government and the legitimate interests of Her Majesty's Government. I think that is all very positive.

A few words about the economy and our society; it has been a source of enormous pleasure to many of us to see the growth and the strengthening of the fishing industry and having been associated with it in various ways over a number of years it is great to see a new excitement and a new dynamism in the fishing industry just now; as a result of the passing of the legislation giving property rights to fishing businesses. There really is a genuine shift, I think, of attitudes of fishing businesses in the commercial sector and we in the government look forward to reaping the rewards of that in future with increased corporation taxes.

The tourism industry is vitally important to these Islands not only because of the revenue that it brings which is important but because of its political place and value to us. The number of people coming here and seeing who we are, what we do and how we behave is very important and so the structure and development of tourism and looking forward is going to be critical. We all appreciate of course that the industry has been through a little bit of a difficult period in the last two or three months. I don't think it is going to be that difficult to put that behind us and to work cooperatively between Government and private tourism interests to make sure that we have the right structure; the right approach to the strategy of the development of infrastructure to carry on taking the tourism industry forward. I am equally delighted to see some positive developments in agriculture industry with improved wool prices this year. And hopefully light at the end of the tunnel for many of those farms that have been struggling for many, many years.

I would also like to pay tribute, because we talk about our industries, but I would also like to pay tribute to those other people within the economy who make it work. These are the retailers who have been investing over the years to improve the quality of retail services to their customers; the construction industry, who have been doing a lot to keep improving the infrastructure around Stanley; and also the many other services that support our economy.

I am glad Governor that you mentioned the youth groups; civil society is a critical part of any community and this community in particular. How we hold together is important given the pressure that there is from outside. So the activities of the youth groups and their leaders and supporters; the sports clubs, conservation and all those sorts of people who make contributions to the community is very much appreciated. And it is interesting and fine balance that we have to work with to ensure that we can maintain the freedom of the individual in this society and still work together cohesively and make sure that we are presenting a united front to the outside world and continuing to move forward with economic success. And freedom of the individual is a very valuable thing and one of the issues that we have talked about, obviously in terms of the Constitution, but I would just like to say that it doesn't give anybody the right to indulge in vandalism of the sort that we recently heard about in the Memorial Wood which is an absolute disgrace. Nor does it give anybody the right to disregard the law. We have had a number of discussions recently about the passing of new laws and whether we can police them. We shouldn't be passing laws if we can't police them; I think that is a fundamental principle. But I hope that the appointment of a new Chief Police Officer gives us the opportunity to reflect on the reality of community policing and making sure that community policing really works, because the best policing is policing by consent. I hope that the community will indeed support the new Chief Police Officer when appointed and will support the concept of community policing which I think is essential to underpinning the way that we run this society.

Finally just a few words about the commemorations coming up in June; 1982 was not only about liberation but it was also about defence. And it was also about what the community did. I know that there have been a number of comments recently about whether Naval Party 8901 and Falkland Islands Defence Force should have their names carved on the Liberation Memorial; and there are pros and cons. But there was a very active defence activity in the Falkland Islands in 1982 and I think it is appropriate that we recognise that and ultimately I think it is appropriate that the FIDF and 8901, although they may not have been under command during the course of the occupation and the liberation, contributed in their own ways a huge amount to the liberation of the Falklands and it is entirely appropriate that it is recognised.

I would like to pay my personal tribute to the very hard work of the Speaker in organising the events of June. I am not sure that it is possible to see from outside what a huge amount of work has gone into it and I would like to personally thank him for that. We look forward to a number of exciting and interesting events for the June week and again in November. I would like to stress just once again that this is for the community; it is not for the government, it is not for the guests. We've invited the guests on behalf of the community and we hope to have as many members of the community involved in

as many of the events as we can and we certainly encourage all members of the community to come out and support the commemorations of those activities in June.

There will of course be veterans and we hugely appreciate the sacrifices given by those veterans. I was enormously struck last night watching the television, by the interview with John Philips who lost his arm in an accident in San Carlos waters. Many of us know John very well, have known him for a number of years, but his final statement was what made it worthwhile for me in the end. He said 'I would do it all over again', and I think that is what most veterans would do. Our duty in June when the veterans are here, and in November, is to make sure that they still feel that.

By the time we have finished in November if anybody still has the appetite for organising yet more commemorations I would just like to remind our friends over the water that next year in 2008 it will be 175 years since the setting up of the British administration in Port Louis.

Mr Speaker I support the Motion of Thanks.

The Honourable Ian Hansen

Mr Speaker, Your Excellency, Honourable Members I too would like to extend my thanks to you Sir for an interesting and forthright address which comprehensively covered many issues important to the Falklands, both internally and externally. I also agree that the format of the address is indeed a good one. I would just briefly focus on some of the internal issues and responsibilities that I am directly involved with.

This is an annual opportunity to reflect on individual portfolios and what has been achieved over the past year and perhaps just as important and if not more so, what has not been accomplished. The fortunes of my own portfolio responsibilities which comprise agriculture, Falkland Landholdings, transport, FIGAS and tourism, have been mixed to say the least. Your Excellency you mentioned the contribution of tourism to our economy and also the need for proper tourism strategy to guide public and private investment and with this I agree totally. Tourism and its future, as Councillor Summers mentioned, has taken a bit of a beating from all quarters at some stage or other over the past couple of years in fact. And it is quite difficult to actually pinpoint a particular reason for the ups and downs within the industry. There are those that would advocate that there have been only downs but I think that is fairly pessimistic when you consider the amount of people still coming to our shores both off cruise ships and also land based visitors. I think the exemplary job that the Jetty Centre staff have done over this past season has to be a huge plus. I would like to take this opportunity to publicly thank them for their excellent and enthusiastic support and input.

I think what makes the situation more complex with Falkland Islands Tourism is the fact that it is a limited company and therefore it is different to other industries within the Islands. There are those that blame FIG for having too much power and thus causing the apparent lack of direction; but there are also those that believe that FIG should perhaps have more sway than they currently hold. This isn't an easy balance to achieve and especially when there seems to be confusion among the members of Falkland Islands

Tourism as to the role of its Directors. Some members are adamant that Directors are responsible only to the paying membership; and to a certain extent I suppose that is correct. While there are others that think that tourism in the Falklands, membership of Falkland Island Tourism or not, has to be considered. I have to say that I am of the latter persuasion. Directors should be responsible for the whole of the wellbeing and the development of tourism in the Falklands. If not how does a non-member obtain representation? For instance a farmer doesn't have to be a member of the RBA to benefit from FIG funded pasture improvement scheme. I guess the bottom line is after all, is it not, that without FIG funding the FITB a limited company would cease to exist.

The future of FIGAS is of course an important link with not only tourism but also serves to supply to West Falklands and in particular the outlying islands. And we do need to make a decision as soon as possible on replacement airframes. I recognise this won't come cheap but the clock is ticking on the lifespan of the remaining airframes and with another busy season ahead of us we are already looking at some locations suffering loss of service. Because even if we were to act now in ordering replacement aircraft the time scale for those arriving will be many, many months away.

As for transport I will just briefly touch upon the new Coastal Shipping Service and the proposed ferry service between east and west. I still fully support the concept of this and I believe with common-sense and realism it will be beneficial to the Islands. But I would reiterate that we must not let our outer islands suffer any loss of service at all and we must look carefully at our road system. To be absolutely certain we get the best value for money when the schedule for the new vessel is decided.

I am reasonably content with the progress made by Falkland Landholdings and its recovery plan, in fact probably more than reasonably content; because we are meeting almost all, if not all the targets, that we have asked so far.

I hope for the remainder of its term, this council will continue to fund agriculture through the Pasture Improvement Scheme; and will look at other ways that the rural community can be best aided in not just surviving but actually expanding and this will of course include communication etc.

As there is another opportunity tomorrow to speak at the Motion for Adjournment I think that is probably enough from me and I will let colleagues continue.

Mr Speaker I beg to support the Motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Your Excellency, Honourable Members, in standing to offer my thanks to His Excellency on his address I would like to add to my Honourable colleagues comments regarding the new format of the address. I too think it is a great step forward in making the Address to the Nation. Looking back over the past year and more importantly forward at achievements against the Island Plan - which is our key strategic document outlining short-term objectives and longer term goals - I feel, is entirely the right way to report on our progress. I would, however, like to ask that in deliberations

on the next iteration of the plan that we give careful consideration on how we are going to complete measurements against objectives if we feel this is the best way to monitor our progress. A lack of resource has resulted in many of these measurements not being recorded over the past three years. I also think a significant step has been made today in that the address acknowledges the achievements of not just the government departments but also the community as a whole. We all have a part to play in the continued development and success of these islands and so I believe that those who make significant contributions should be acknowledged wherever they slot into our society. Following the example set by the Honourable Ian Hansen I too would like to briefly reflect on the achievements and also looking forward a little into my portfolio areas.

Firstly in Minerals it is has been a very busy year yet again and many of you will recall from the various press releases from our operators that significant progress is being made in acquiring further seismic data in particular 2D, 3D and electro-magnetic. Much of this is now being processed in particular for Rockhopper Petroleum and for Falklands Oil and Gas Ltd. And we look forward to hearing the results in due course. Of course Desire Petroleum are still looking at securing a rig and I appreciate this must be entirely frustrating for them but we at least are sitting watching and waiting with them. They have ticked all the necessary boxes including providing an excellent environmental impact assessment so we look forward with them to their progress.

Onshore we have seen the move of operations by Falklands Gold and Minerals Ltd. From East to West Falklands continuing to provide a positive benefit to Camp by their presence and activities and I think that is to be especially commended. The company is systematically working through its work programme amassing an impressive collection of cores for anybody who has seen them, that will in due course be analysed and reported on.

I must mention one negative point in the minerals area and that is the recent action taken by the Argentine Government this year. Again in keeping with its current stance of making every effort not to cooperate with the Falklands by denouncing the 1995 Hydrocarbons Agreement in April, although this action has no practical effect on the Falklands it further highlights the irresponsible behaviour of the Argentine Government that seems at times to be somewhat schizophrenic in its approach to peace and progress. On one hand hosting a conference on this very subject recently, whilst remaining anything but peaceful and progressive with the Falklands.

Looking forward I must mention the joint operators meeting, which will be held in Stanley this year. The purpose of this is to bring representatives of all our operators together with the administration and the local private sector to look at issues relating to offshore exploration collectively. I think this is a very positive move and progressing exploration programmes of all our operators and will give people here on the ground a chance to interact directly with the group.

Moving on to the Development Corporation, the Corporation has had a rather hectic year also in particular with regard to staffing. There have been some significant changes and the ability of the team to maintain a continually high standard of output during the three-month gap between General Managers was a credit to them all. I would like to

welcome Mark Brunet who took up the post of General Manager in January. Mark and his team have had a busy year moving forward on a number of projects some old some new and some inherited. I do believe that the team have done a fantastic job of operating the Coastal Shipping and Ferry Service; something completely out-with their remit and so they should be forgiven the odd hiccup if indeed there have been many. I must also comment on one of the most important projects that the Corporation has been involved. It is important to the country as a whole and that is port development. Yes, it might have been a long time coming and too many reports as far as some are concerned, but I really do believe that the Falklands is only now ready to seriously move ahead with port development issues. This came about in the main as the result of a new-found security provided through the new property rights fishery. The ever-increasing number of cruise vessel visits and the move into containerisation, I don't think anyone is now under any illusion that the issue of port development is not crucial to the future development of a number of sectors across our community. So when the Royal Haskoning report arrives in the near future it really is time to start making some big decisions and some very likely tough ones moving forwards.

Finally, and by no means leastly, Fisheries; we are of course still in the 20th year of operation and the events held on the 24th February this year to celebrate the anniversary was a credit to all involved – both in the industry, the support services and the administration. I think it is very fitting that in this anniversary year the implementation of the recently adopted property rights system is well underway and should hopefully be completed by the end of this calendar year. The new Falkland Islands Fishing Companies Association has held two meetings and has so far agreed the basis for a draft constitution. This new association will ensure that all sectors of the fishing industry have representation in accordance with its constitution. Fishing industry members will continue to have direct access to government policy through representation of the elected association members onto the Fisheries Advisory Committee.

On to somewhat sadder matters; the tragic events which have taken place over recent months resulting in the loss of five fishermen has resulted in us taking stock of the often harsh and dangerous work that is carried out by the fishing industry in our waters. In order to try and address some of the circumstances that may have lead to these events a working group has been established which will in the next few months look at possible practical and where necessary legislative ways in which we can improve the working conditions on fishing vessels operating within our waters. I look forward to being able to provide some positive outcomes from the groups deliberations in due course.

It has been reassuring this year to see illex back in such high quantities; disappointing though that we seem further away than ever from resolving issues of cooperation with our neighbours on this valuable fisheries resource. Unfortunately these high volumes of catch have a bad impact on market prices. For both conservation and commercial reasons it is sensible to operate in a climate of sustained lower level catches. Interesting that fishermen in Argentina are bemoaning the fact that the markets are flooded and the abundance of Illex is resulting in falling prices and some of them facing bankruptcy. There is and always has been a solution to this dilemma which is consistent with international law and that is the establishment of a regional fisheries management organisation which can objectively look to the sustainable management of the South

West Atlantic Illex Resource. So long as this does not exist and the Argentine government continues to ignore the situation there will be both commercial and environmental repercussions. I too will save further comments until tomorrow.

Sir, I support the Motion.

The Honourable Richard Stevens

Your Excellency, Mr Speaker, Honourable Members, I would like to speak to your address in a slightly different angle and perhaps the view-point of 25 years. It is events like the war of '82 and then significant anniversaries that give us a snapshot of then and now and it is clear that as a country we have developed from '82 to present day in leaps and bounds.

The Education Department 25 years ago was run by enthusiastic and dedicated teachers, but in a totally different climate from today. Many students and parents saw the limitations of that time and questioned the value of education versus opportunity. 25 years on from that expectations and opportunities are at the other end of the scale and students can strive to match their demands and their dreams with many possibilities. The route to a good education in and around the time of the conflict was limited. Today there are a number of pathways both academic and vocational and it is not a boast to say that we have something for nearly everyone.

A snapshot of our community up to the conflict had a road to Pony's Pass on the East Falklands and little else. In the early '80's a trip to Sussex this time of year would take many hours picking the right track through Bluff Cove ploughing through the flats towards Goose Green negotiating the hills and ditches, wading through creeks after turning West at Burnside and a high tide diverted you to many more hazards and a great chance of getting bogged. Today forget the tides, the bridging planks, rope, bumper jack, a leisurely run from Sussex to Stanley even in the height of winter and the pothole season is under two hours.

Certainly communications has come on from '82, the "we" who have got broadband and mobile phone does not include a significant part of the Falklands population, mainly most of Camp. There is still a lot of work to be done in the whole of the Falkland Islands but especially in Camp to bring in modern telecommunications in its broadest sense for everyone. Perhaps today's snapshot is too early and the 26th anniversary, although not such a milestone, will see many improvements island wide.

The snapshot of Camp then and now is harder to interpret; population-wise it has been a disaster, equally it is true that today's farm economics could never support the same numbers as then. I am a little bit wary of the 77% of Camp businesses making a profit – perhaps from a government perspective the number paying tax would be a better measure. I know that the Agriculture Department are working on identifying the improvements that have been happening over the last ten or so years and what it has meant to the farms in financial terms.

The next big date will be the 30th and then the 40th and 50th and as we commemorate the human loss but celebrate our liberty and look at the progress we have made to date I would like to speculate on what councillors will be saying to better the feats that we are talking about today. Maybe it will be the comments of this council's children or grandchildren. Will our professional jobs be held by our returning students? Will the legal travelling time from Sussex to Stanley be down to an hour because of road improvements and the regular link that the ferry provides raise property prices and opportunities throughout Camp? Will a councillor be talking about the quality and equality island-wide with telecommunications services? Perhaps the Agricultural portfolio holder will be pontificating about how the simulated grazing trials of now which demonstrates how grass can perform three times as well has been developed by farms into seriously consistently increasing production.

Many of the returning servicemen have spoken about coming back and laying their ghosts to rest and talking of Falklands' hospitality but the thing that comes up time and time again is their recognition that we have made something from the opportunity that their sacrifice gave us.

Mr Speaker I support the Motion of Thanks.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members you will be relieved to hear I am not going to speak for very long. I too would like to thank His Excellency for a very interesting and stimulating speech and I think the new format is a great improvement.

Just to pick a few things out, regarding your comments on relations with Argentina I too find it disappointing that they cannot find a way of resolving the issue in a way which is acceptable to us. If we could live as good neighbours with Argentina I think both countries would receive huge benefit and save an awful lot of stress and agony, particularly in Argentina where I think there are a lot of people who get very stressed about it as do people here. I think the sooner a bit of common sense comes in and we can live as good neighbours I think it will be so much better.

Regarding constitutional development again I welcome the approach that we are taking moving towards more robust internal self-government while recognising the fact that we are a British Overseas Territory and we have our relationship with Britain that we always have to respect.

Having been involved in the new fisheries legislation I can remember many hours sitting in committees working on the legislation, it is encouraging to see that the industry has taken up the challenge and opportunities and we're already starting to see movements towards a lot more development of the fisheries and as Councillor Clausen says, it certainly appears, in fact I think it is certain that we will have to do something about shore facilities for them and particularly a port that they can use to ship their products overseas in containers without any problems.

Two days ago I was lucky enough to be invited to a reception at the Foreign Office commemorating St. Helena Day and also the hundredth voyage of the new *RMS St. Helena*. It was also a privilege for me to be able to present coins to members of the crew who actually came to the Falklands on the *RMS St. Helena* in 1982. I think it is difficult to express how much we appreciate what not only the people on the *RMS* did but the people of St. Helena; the sacrifices by the people in St. Helena losing out on their communications so that their vessel could come and help us in the Falkland Islands, it was a great honour to be able to present the coins to those people and I would like to formally recognise their contribution here at this meeting.

It is customary to mention one's portfolio and obviously mine as public works. I have held the public works portfolio for two years now and I find it extremely interesting and stimulating and I hope that my contribution has been useful; both within Camp and Stanley. It is interesting that I still say Camp and Stanley having been a traditional camper I still think of it as Camp and Stanley rather than Stanley and Camp. The Director, Manfred Keenleyside has been doing a sterling job I really do appreciate the work he has done and how he is managing to get a very large work programme put together and actually achieved. The heads of departments have to be congratulated on this and also the staff. It is interesting that some members of staff of PWD are never mentioned. Somebody spoke to me the other day and said there's a sector of the public works who you never hear congratulated and that is the funeral crew. They do a splendid job and I really would like to see them recognised. It is a difficult job in very difficult circumstances and they do it superbly.

You mentioned the youth groups and I am involved in one of them working on the United Nations Convention on the Rights of the Child. One of the things that I am finding difficult within that working group is that we have to actually produce reams of paper for the United Nations and we don't actually get enough time to work on the real issues of the Falkland Islands and I along with Councillor Robertson feel that we must try and address this and get more action within the Falklands.

Sir I have nothing else to say other than I beg to support the Motion.

The Honourable M Rendell

Mr Speaker, Your Excellency, Honourable Members a number of us have already touched on some of the issues which I am going to address but I don't apologise for that because they all need reinforcing.

I would like to look back, as did Councillor Stevens, at what has happened in the last 25 years. And we must take note of the upcoming anniversary events which will offer us all the opportunity to give thanks to those veterans who played a direct part in liberating these islands, and to those who gave assistance in other ways and this will all be happening in the next few weeks. Without all of them we would not be here today and the very least we can do is commemorate the supreme sacrifice made by so many. It was a chilling reminder, I was watching breakfast TV the other morning, and there was a first Gulf War veteran, there was a discussion about actions that had been taken recently in another area and he reminded the audience that in the Falklands War 255

British servicemen died where as so far in the Iraq War, that day, 155 had died. 255 here 155 so far in the Iraq War that we hear so much about every day. So this surely illustrates the sheer intensity of the battles that took place on our soil 25 years ago and we must never lose sight of the sacrifice made by the fallen.

Many Falkland Islands residents have since 1982 striven to make that sacrifice worthwhile and to achieve goals which hitherto would have been impossible without this policy of ploughing revenues back into building long term infrastructural improvements which has proved to be a very wise strategy and one from which our children and their successors will surely gain even more benefit than we currently do. Who would have ever thought back in 1982 that a road network would have reached out so as to bring 95 % of the population of the Camp within 30 minutes of a road. Who would have thought in 1982 or even in 1992 for that matter that a weekly ferry service would be eminently established between our two main islands. Without the supreme sacrifice made by those who liberated us none of this would have been possible and we owe it to them relentlessly to build on this year by year, decade by decade, century by century.

Your Excellency I have to support your remarks concerning cruise ship visitors because our ability to attract satisfied customers will inevitably become untenable if we continue along our current path. Why should we not be giving notice to operators that in say three years time we will no longer accept each and every cruise ship that wants to arrive on any particular day. Why should we not be making informed estimates of how many passengers we can sensibly offer hospitality to on any given day, so as to ensure they will all board their launch for the return trip having had a really satisfying shore excursion. Satisfying not just for the visitors but also for our traders. And for all those involved in marketing our product – The Falkland Islands, with the objective of enticing just a few of those 55,000 that passengers came this year, 1% (550) is just a few of them, to come back for a long-term stay. If we carry on much longer on our current strategy if it could be called a strategy of blindly taking all we can get regardless, then we may well live to regret it.

You touched on the Island Plan with regards to the commitment to maintain a vibrant and safe community. The RFIP, instrumental in this sector, has had a difficult year and all things considered has pulled through remarkably well. The pressures have been severe at times but the force has found its feet and is moving on. The appointment of a new Chief Police Officer will play an important role in shaping the future for the force and while there are many facets that will come into play in shaping that future I join the comments that the Councillor Mike Summers made previously that we need to make a really conscious effort to concentrate on community policing. There have been so many areas that have been up for discussion in recent weeks which all point to the need for much sharper focus on community policing.

Over the last year a number of changes have taken place on our health services; some of them giving immediate benefits to patients and some of them being rather less tangible. One of the least popular has probably been the policy change requiring patients travelling overseas for elective treatment to contribute towards the cost of their treatment and other expenses. And while this has inevitably created some unhappiness

nevertheless it has been accepted with good grace by most. If costs were not going to mushroom out of control something had to be done about this and we hope that the measures taken will be recognised as important and necessary.

On a more positive note the really good news is that refurbishment and upgrading of the three dental surgeries are due to be completed within the next few days; they look extremely impressive. The true benefits of this upgrade will be recognised later this year when permanent dental officers as well as the not quite so permanent dental therapist are in post. We should then truly be able to see, to coin a phrase, the light at the end of the tunnel.

Both of these changes as well as many others have only come about because of the hard work and dedication of the many hospital staff. While many of these staff continue to work at the KEMH year in and year out, with the impending departure of Nicki Osborne, Director of Health Services, I want to give recognition to the professionalism and dedication that she has brought to the job. She will be a very hard act to follow.

Mr Speaker I support the Motion.

The Honourable Janet Robertson

Your Excellency, Mr Speaker, Honourable Members, I don't have a lot to say, I will save it for tomorrow but I will endorse the comments made by some of my colleagues regarding the format of the speech. I like the concept of using the Island Plan partly because I think it needs to be a live document and if we are not constantly referring to it, and if it is not constantly in our minds, then we tend to forget what the point of it all is. It does underpin our strategy and our democratic processes but it has got to be something that is kept in mind permanently and we have to review the targets on a fairly frequent basis as well because quite clearly we can be in danger of trying to exceed what we can possibly deliver.

You mentioned the Falklands having a modern thriving society; we are indeed that and something that we are proud of, but of course and we have said this before there is an issue that comes with it. One is the management of expectations; one of it is the concept of asking not what your government can do for you but what you can do for it. I think that is something we tend to forget about, that a government is not just about people on top telling everyone else what to do, a government actually includes a whole society and it is the responsibility of the individual as much as it is the responsibility of the people on top that make for a good government and a good society.

One of the other that can come from it is the level of bureaucracy that can arise from even a well run and efficient government. Councillor Cockwell referred the rights of the child group absolutely noble in its intentions and we will get there but it is true that it highlights the dangers of talking permanently about what you are going to be talking about and not actually achieving what you really need to achieve and what you set out to achieve. Sometimes you have got to cut through the need for making everything pretty and just get on and do it.

I would also like to comment about those who claim they receive no benefit from the fishing industry, of course that is nonsense, everything that we see as we look around us has either arrived there, or been improved by the wealth that has come out of the fishing industry. We would not be buying tomatoes from Chile in the West Store if it wasn't for a fishing industry and we wouldn't be being sent to Britain for treatment if it weren't for the fishing industry, so I think that everyone needs to acknowledge that they have all benefited from it.

You mentioned about the Police, that we must lend them support, not criticism. I endorse that but I also think it has to go the other way round. People today have talked about community policing, that the concept of community policing is an understanding between the police and the community, and that is a relationship that has got to work both ways. So it is the responsibility of the Police as well to try and develop that relationship with the community.

Just briefly on Argentina, whilst I have no truck with the current Argentine government I can only presume that having got to the stage of wanting to claim our methane emissions they are verging on the desperate. But leaving that aside, just to talk a little bit about the incidents earlier this year. I know there are a lot of people in this community understandably that wished we had acted with greater degree of force against those who chose to do what they did in the Argentine cemetery. I agreed with the approach that we should not use any force to try and deal with this sort of situation. I would just like to say that from my point of view, and I know there are other people in the community who think this as well. Nothing could be a better response to that than what they can do with one flag we can do with many, and that is use our flags in response to theirs. I do see some British flags hanging up and I would like to say that I would prefer that they were Falkland Island flags and I think that if we want to respond it should be like with like and it probably causes more irritation than any use of force we could possibly choose to use.

Finally just a few thanks as I mention my portfolios. I do always feel sorry for the Customs Department, because by nature it is a department that is not going to necessarily be liked and so the people in it do have to spend an entire year trying to possibly justify or explain why they do what they do. But those of us who know why you have to do it are very much appreciated for all the efforts that have been put in.

I would also like to thank Robert Titterington for coming to us in our hour of need and also to thank Ros very much for her hard work, the Attorney General's Chambers has had a very difficult year and I think they have responded with good humour and efficiency and we are all very grateful for that. I would just like thank Clare Faulds as well, she will be leaving us soon and anyone listening to her on the radio last night would have felt a great deal of regret that she is leaving. She has obviously enjoyed her time here, has loved the Falklands and has been very well liked. So we are very sorry to see her go.

Other than that I would like to thank my colleagues for all their support and exciting debate through the year and I look forward to the next one.

Commander British Forces

I think the only aspect that I would like to look at to my view would be the security provided by British Forces in these islands goes much broader than just trying to prevent a repetition of 1982. I would like to think that actually we are here as a visible sign of continuing UK commitment to the islands and also I would hope provides reassurance and confidence to the Islanders that allows development economically, politically and to encourage wider tourism and give wider security to the very important fisheries industry as has already been alluded to.

The Governor spoke of the importance of wider engagement in the management of potential disasters in the South Atlantic area and also the importance of links to UK particularly the airbridge. I would very much support that particularly from the perspective that with increasing fisheries activity around the islands and increasing numbers of tourist liners both coming to the islands here, to South Georgia and down to Antarctica there is great potential in the South Atlantic in what is still a very remote part of the world for things to go wrong; and indeed over this last year there has been examples of that, fortunately things that have not gone too disastrously wrong.

The area of search and rescue and as well and saving life in the South Atlantic is actually an area where there is good cooperation between, between the Argentine authorities and also the Chileans and other people within the region. And it would be nice to think that in the future that area of cooperation could be expanded into other areas of cooperation as well which is of wider benefit for security within the region for everyone's benefit.

Finally the airbridge – an area that is clearly of great concern to Islanders –it is obviously vitally important for me for my business of providing that security to the Islands – but I fully understand that it is also important for the future development of the islands as well. With a secure link with the UK provided by the airbridge for both communities here, the military and the civil community that indeed opens up greater opportunities to develop regional communications as well as knowing full well that link is secure back to the UK.

Mr Speaker I support the Motion.

Mr Speaker

Your Excellency the Motion is carried.

His Excellency the Governor left the Council Chambers.

Clerk of Councils

The Confirmation of the record of Legislative Council held on the 23rd February 2007

Mr Speaker

Honourable Members I have before me the minutes of the meeting of the 23rd February 2007, would you agree that I may sign them off as a true and accurate account.

Agreed.

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 Section 34 (1) of the Interpretation and General Causes Ordinance 1977.

Immigration Exemption Order 2007

Coins Order 2007

Registration of Charities Exemption Order 2007

General Development Amendment Order 2007

Conservation and Wildlife and Nature Ordinance Correction Order 2007

Immigration Suspension of Issue of Permanent Residence Permits Order 2007

Immigration Visa Exemption Order 2007

Coins Number 2 Order 2007

Capital Equalisation Fund Order 2007

The Honourable Chief Executive

Mr Speaker Honourable Members I hereby lay the aforementioned papers on the table.

Clerk of Councils

Questions for Oral Answer:

Question Number 3 of 2007 by the Honourable Dr Andrea Clausen

The Honourable Dr Andrea Clausen

Mr Speaker, could the Honourable Ian Hansen please provide this House with the following information. The number of farms as a proportion of the total that currently

participates in the pasture improvement programme for the sole purpose of providing improved pasture? What proportion of those farms are using their funding to invest in long term pasture changes as opposed to short term fixes? And lastly does the Department of Agriculture have a planned exit strategy from the pasture improvement programme following on farm changes?

The Honourable Ian Hansen

Mr Speaker, Honourable Members, I would initially like to thank the Director of Agriculture and the Senior Agricultural Advisor for supplying this information.

The number of farms participating in the Department of Agriculture's Pasture Improvement Programme in 2006/7 was 55 out of 80 farms eligible for funding. To qualify for funds farms are required to have stock numbers equivalent to or exceeding 2000 dry sheep or a farm turnover exceeding a minimum of £10,000 per annum. The number of farms participating in this scheme varies from year to year depending on circumstance. The allocation this year amounted to £5,900 per farm and a proportion of this money as set out in the scheme guidelines may be used for sheep genetics. The Department has been working with farmers for several years on the development of whole farm, whole year, management systems. Work undertaken has varied greatly from farm to farm depending on individual farm priorities and individual farm circumstances. The key point however is that all of the work proposed on any farm is examined to ensure compliance with overall PIP scheme guidelines. Some farms have included annual cropping activities in the PIP work, some through genetic activity, some sub divisional fencing and some reseeds while others have not. The Department of Agriculture is working with farms seeking to establish annual crops to ensure that the role of the annual crop is recognised as a starting point rather than the end point in the longer-term land development. Annual crops are viewed by the Department of Agriculture as an excellent first year crop in new ground, the cultivated ground in many cases has a greater likelihood of being converted into a profitable reseed than land on which reseeds are established in the first instance.

The department is also now working with farmers on grazing management strategies to achieve highest levels of pasture and animal productivity and profitability from farming land including annual crops, reseeds and native camp.

In response to the last part of the Honourable Member's question the Department of Agriculture has not planned an exit strategy from the PIP; the department believes that many farmers are reliant on PIP funds to develop their farms and farmers have made it absolutely clear at Agricultural Advisory Committee meetings, Farmer's Week meetings and at Farm Workshops that they would be extremely limited in their scope to effect the change needed to make their farms profitable without this funding at this stage in their restructuring on farms. As Honourable Members have committed their support for PIP funding for the life of this council the Department of Agriculture believes that there will be a need for continuation of further funding for a number of years to bring about the change required on farms to develop a meat industry as well as higher income from finer wool. Excellent progress has been made on farms already but

there is a requirement for continued support for some time to extend sustainability. I hope that answers your question.

The Honourable Dr Andrea Clausen

I understand the point you are making about annual cropping perhaps being a spring board into longer term change but I was trying to get a handle on how many people because the PIP has been around for quite some time, are actually have moved on from that spring board and are now into significant on-farm long term change rather than the annual cropping I don't think I heard any figures on that although obviously you provided me with how many people are actually in the programme in terms of the long term change that is not just annual cropping I wondered whether or not that data was present?

The Honourable Ian Hansen

No, I am sorry I don't have that information as such but the norm is that it would probably take about three years of annual cropping before a farm moves on to actual reseed, two or three years. I can however, obtain those figures I'm sure.

The Honourable Dr Andrea Clausen

Thank you very much, very grateful for that. I think what my point is that I am just trying to get a handle on, how the programme is moving and perhaps we can come back to this at a later date.

The Honourable Richard Stevens

Just a point of clarification could I ask slightly unfair perhaps the Honourable Ian Hansen where the 80 comes from, whether this is 80 farms that are able to take PIP funding or does it include for instance the 3 farms of FLH? Does it include the combinations where certain people are farming a number of farms? Is it historic where it would include farms like perhaps Weddell? I just wondered for point of interest and to understand the figures where the 80 comes from.

The Hon. Ian Hansen

Again I am sure I can obtain those figures although they are not actually here in front of me. It states here that there are 80 farms eligible for funding, that may be farms such as Weddell. Sorry it would not, it is exceeding 2000 dry sheep or farm turnover exceeding a minimum of £10,000 per annum. I can obtain this information if you wish.

The Hon. Mike Summers

Can I ask the Honourable Dr Andrea Clausen in posing this question what assumption she had made about long-term agricultural commodity prices? What view she had taken for the potential for EU subsidies to agriculture continuing forever, what assumptions

she made about US subsidies to agriculture continuing forever and similar massive institutional support in Australia and New Zealand?

The Honourable Dr Andrea Clausen

Well thank you for that impressive list of questions. Of course I hadn't thought about all of those areas but I am concerned here and I must preface that my question was never about trying to undermine the PIP. I fully support the PIP and the purpose of what it is there for but what I do think is important that it is not there for these changes not to take place. I support it on the premise that the changes, the long-term changes that are required actually take place. I would like to see the evidence that that is happening. So while I completely appreciate that perhaps I do need to get a grasp on some of the other countries and the EU funding etc. What my big concern is about, is the money that this government is putting in to supporting long term change on farms in the Falklands, and I think that is what is important here for us.

The Honourable Richard Cockwell

Will not the success of the PIP be the exit strategy?

The Honourable Andrea Clausen

The success of the PIP, yes will be the succession of it and everybody will be viable and making profits in agriculture in camp.

The Hon. Ian Hansen

Just perhaps a point of clarification. Perhaps I didn't make it quite clear to the Honourable Member that there are successes out there, I just didn't have the figures, but there are successes for the long term.

Clerk of Councils

Orders of the Day – Bills:

The Appropriation Bill 2007

The Honourable Financial Secretary

Mr Speaker, Honourable Members, the purpose of this bill is to authorise the withdrawal of £42,018,490 from the consolidated fund for the service of the financial year beginning 1 July 2007. The schedule to the bill summarises the appropriation under three headings: firstly, £32.4 million is allocated to the operating budget, which represents estimated expenditure net of internal charges of £1 million and capital charges of £3.3 million. Secondly, £4.8 million is allocated to fund transfers and thirdly, £4.8 million is allocated to transfer payments.

In this 25th Anniversary of Liberation year I would just like to reflect on the appropriation approved 25 years ago. Understandably, due to the 74-day disturbance of the budget process, an Appropriation Ordinance was not passed by Legislative Council until 28 July 1982. This was a provisional ordinance in the sum of £1.7 million, set at the same level as the previous year, in advance of the preparation of the 1982/83 estimates. Once those estimates were prepared and approved an appropriation ordinance was passed by Legislative Council on 19 December 1982 in the sum of £3.9 million and this replaced the provisional ordinance. Thankfully, following liberation and with the presence of a much-improved defence deterrent, there has not been another disturbance of this nature to our budget process. Twenty-five years down the line I am also pleased that the proposed appropriation is not double that of the previous year.

As usual, before dealing with the detail of the 2007/2008 budget, I will briefly review the current year. The draft estimates show that the outturn at 30 June 2007 is expected to result in a budget deficit of £1.8 million compared to a surplus of £1 million forecast a year ago. The main reason for this shortfall is due to a net increase in the operating budget of £1.6 million and an increase in the transfer payments budget of £1.3 million, partly offset by the receipt of an exceptional currency fund surplus of £175,000.

At 30 June 2007 it is estimated that the balance of the Consolidated Fund will amount to £86.7 million. This represents the budget strategy target of 2½ years worth of operating expenditure, and is an appropriate point to start the report on the 2007/2008 budget.

Operating revenue for 2007/2008 is forecast at £43.1 million and the submissions for total expenditure, excluding depreciation, are estimated at just under this sum. This results in a small budget surplus of £71,000. The main aim of the budget strategy, to produce a balanced budget, has therefore been achieved.

Operating revenue shows an increase of £300,000 on the original estimate for the current year. The main positive variances are £365,000 from taxation, £330,000 from customs and £235,000 from public works. The revenue forecast includes fisheries licence fee income inserted at £15.5 million; this is £½ million less than the original estimate for the current year. After the poor results of recent illex seasons the current season has shown a further partial recovery and the revised estimate for licence fee income from all species is £14.8 million. To allow for a further partial recovery an estimate of £15.5 million was considered realistic at this stage for 2007/08.

As a result of successful fisheries policies the recent reduction in licence fee income trends has been compensated, to a certain extent, by additional taxation revenue. As the property rights policy settles in it is expected that this will lead to greater profits and consequently more taxation. When licence fee income was at its highest at £25 million plus in the late 1980's the ratio of revenue to the cost of protection, administration and research was around 5 to 1. As a result of the decline in income from illex fees the ratio over the past three financial years on average has dropped to just over 2 to 1. In contrast the approximate £8 million revenue from personal and corporation tax received over the past couple of years and estimated for next year represents a ratio of around 36 to 1. In my position of Financial Secretary one of my many pleasures is the role of Commissioner of Taxation. To assist me in my care and management of the taxation

system are 6 local officers headed by Tanya Lee. The Taxation Office has just been strengthened by the arrival last week of Frances Hunter, who has been seconded from HMRC for two years, in a special temporary position of company investigator and training officer. Where appropriate, Frances will be undertaking investigations into the tax affairs of companies and will be training the local officers in investigation and enquiry techniques. As a result we can expect the current ratio to be improved. As companies and taxpayers strive to minimize their tax burden the revenue targets are not achieved with the aid of an honesty box and they have to be won by the hard work and determination of our tax officers. I would like to take this opportunity to thank Tanya and her team for the excellent results they manage to achieve when working in less than ideal conditions in a temporary portacabin during an extended period while higher priority capital works are undertaken.

There is no change to net income from investments. This important revenue stream is estimated at £6.8 million. The prospect for a higher rate of return is neutralised by a lower amount of surplus capital available for investment.

This brings me to the draft estimates of operating expenditure where a total of £36.8 million is inserted. Following adjustments made at the recent budget meetings of the Standing Finance Committee this figure is £100,000 more than the original estimate for the current year. This is the result of a long process of discussions between treasury and managers, and several days of debate by Honorable Members at the Standing Finance Committee. During the process, and starting from a base of expenditure projected this time last year, decisions were made in response to proposed savings and additional spending proposals, subject to confirmation by the budget select committee. The additional spending proposals include a provision of £300,000 for a 3% pay adjustment in line with price inflation for government employees from 1 July 2007.

The draft estimates for transfer payments amount to £4.8 million. This is £550,000 more than the original estimate for the current year but is within the budget strategy target of £5 million. One of the main reasons for the increase in the transfer payments budget is the funding required to meet the additional cost of providing a new and improved ferry and coastal shipping service. This planned improvement will form part of the integrated transport system and, along with the existing range of agricultural subsidies, is intended to improve the economic viability of camp. Other significant reasons include the abattoir subsidy, support for the Falkland Islands wool company and the aquaculture project. Increases in these areas have been partly offset by reductions in the subsidy for FLH, the holiday credit scheme and the end of the one-year farm mortgage assistance scheme.

Fund transfers of £4.8 million are included in the draft estimates. This is £357,000 more than the original estimate for the current year. £107,000 of this additional sum is required to increase the transfer to the pensions (old scheme fund) to reduce a projected funding deficit. The remaining £250,000 will increase the transfer to the Capital Equalisation Fund to £4.25 million. Having regard to the extent of the capital programme over the next three years, it was considered prudent to increase the annual contribution in order to ensure the fund is maintained at an appropriate level.

All operating revenue is required to be paid into the consolidated fund. All operating expenditure transfer payments and fund transfers are required to be authorised to be paid from the Consolidated Fund. As mentioned at the start of my presentation, this is the purpose of the Appropriation Bill.

Moving now to proposed capital expenditure for 2007/08 to be met from the Capital Equalisation Fund. This is inserted in the draft estimates at £9.1 million, or £6.1 million net of capital receipts. It should be noted that greater effort has been dedicated to establishing the 2007/08 estimate than to subsequent years. The projections for the following two years total £11.6 million gross and are shown for financial planning purposes only. They are not approvals to spend at this stage and further work will be required to firm them up. When I report back from select committee, I will provide an overview on what the approved capital programme contains.

I now turn to revenue measures:

The tax system was extensively reviewed in 2002/03 and a simplified, new tax regime was introduced with effect from 1 January 2004. In view of this, and the uncertainty regarding future illex revenues, it is not considered to be appropriate at this time for structural changes to be made. However, it is usual for the tax rates and thresholds to be reviewed periodically to ensure that they remain compatible with economic and fiscal objectives. We enjoy a relatively low tax system, which encourages investment and contributes significantly to recruitment. No changes are therefore proposed to the existing tax rates and the revenue generating proposals continue to be focussed mainly on the user pay principle. However, it should be noted that the existing thresholds will have been in place for 4 years by January 2008 and the real values will have been significantly eroded by pay inflation. It is therefore proposed that the personal allowance should be increased from £12,000 to £13,000 and that the first tax band of 20% should be increased from £12,000 to £13,000 from 1 January 2008. The £1,000 increase in the initial tax threshold would take around 100 taxpayers out of the tax net altogether and would reduce every tax bill by up to £250. An estimated reduction in personal taxation revenue of £250,000 would result. The increase of £1,000 in the first tax band would reduce every tax bill by up to £50 and would result in a reduction in revenue of around £20,000. The revenue from personal tax inserted in the draft estimates of £3.3 million takes these reductions into account.

Embarkation tax was originally introduced at a rate of £10 per passenger with effect from 1 January 2000. The rate was increased to £20 with effect from 1 March 2002 to recover the additional costs of airport security. To keep pace with rising costs, it is proposed that there should be an increase to £22 with effect from 1 March 2008.

To keep revenues in pace with inflation and in line with the health of the nation initiatives; it is proposed to increase customs import duty on cigarettes by 10% and on tobacco, cigars and alcoholic beverages by 3%. These increases would, for example, add an extra 25p on a packet of 20 cigarettes, 19p on a 50 gramme pouch of tobacco and 22p on a 75cl bottle of spirits. It is estimated that these increases will raise additional revenue of £48,000.

A 10% increase in the passenger levy to £16.50 and £5.50 was agreed last year with effect from 1 July 2007. The delayed implementation date reflected the advance notice requested by the tourism industry due to the impact on cruise vessel operators. No further increase is recommended at this stage.

Harbour dues were last increased by 4% from 1 July 2006. In order not to fall too far behind inflation a 3% increase is proposed from 1 July 2007. Since larger and larger vessels are now calling in the islands, it is proposed that the scale of charges be extended since the current schedule ends with vessels at 20,000 Net Registered Tonnes. It is also recommended that the schedule should be applied to pleasure yachts, which exceed 50 Net Registered Tonnes rather than the current nominal (£50) charge. It is further recommended that the charge for private pleasure yachts be increased from £50 to £60 since it has remained at its present level for many years and there are now more onerous duties regarding bio-security risk galley waste collection. These measures will raise an additional £33,620.

Customs service fees were increased from £30.30 to £31.20 per normal hour of duty on 1 July 2006 to allow for the pay award at that time. It is proposed that this fee is increased to £32.10 in accordance with the approved formula in the event that a pay award is agreed from 1 July 2007.

Customs entrance and clearance fees were increased by 4% from 1 July 2006. A 3% increase is proposed from 1 July 2007 in order to keep up with inflation.

The Customs & Immigration Department issues a number of other certificates and permits and an administration charge of £5 is made. Since these charges have not been increased for some time a £1 increase is proposed from 1 July 2007 to ensure that they adequately cover administrative costs.

Vehicle licence fees were last increased by 3% with effect from 1 July 2006. A further 3% increase is proposed from 1 July 2007. This would, for example, increase the fee for a land rover from £96.00 to £99.00. This proposed increase would raise additional income of around £7,500. It is proposed that the fees for vehicle registration, driver's test and licences, firearms registration and licences should be increased by £5 each from 1 July 2007 to more accurately reflect the associated administrative costs.

In view of the fact that house rents are lower in the public than in the private sector, the policy in recent years has been to increase rents by more than the rate of inflation. A review was carried out in 2002 and all properties were assessed, using a points-based system, to determine their relative rental values. Overall rents were increased by a maximum of 10% but the increases were staggered, depending upon current rent levels compared with assessed relative rental values. Utilisation of this staggered approach has caused rents to gradually migrate to the points-based level and all properties have reached that point. It is therefore recommended that a general rent increase of 3% be applied to government housing from 1 July 2007. This will raise an additional £21,600. To ensure that tenants on low incomes are afforded consistent protection, it is also proposed that the allowances and thresholds under the rent rebate scheme should be increased by 3%.

Due to capital works which are planned or currently in progress and the increased cost of fuel, the water supply section of the public works department will show a significant deficit unless increases in water charges are implemented for next year. An increase in excess of 20% in charges for measured water supply to non-domestic premises would be required to fully recover the deficit but this is considered to be excessive in one year and a 12.5% increase is proposed from 1 July 2007. This will raise an additional £17,340.

The cost of water supplied to residential properties is covered by the domestic property service charge. In the first instance, the aim was to amalgamate the former water charge and a new refuse collection charge. Since then the principle of recovering elements of other community costs such as street lighting, cleaning and grass cutting has been accepted. As the major element of the service charge relates to water it is recommended that this charge is increased from £275 to £300 from 1 July 2007, with a 50% charge remaining for pensioners. The service charge is also payable by tenants of government housing. To ensure that householders on low incomes are afforded consistent protection in the same manner as government housing tenants, it is proposed that the allowances and threshold under the service charge rebate scheme should also be increased by 3%.

A separate refuse collection charge for non-domestic premises was introduced in 2004/05. It is proposed that this annual charge is increased by 3% in line with inflation to £93 for each domestic sized wheelie bin supplied and to £280 for each large bin supplied from 1 July 2007. When the proposed increase in the domestic service charge is taken into account, this will raise an additional £35,500.

The current hire charges for the town hall do not even recover electricity and heating charges for the period of hire. It is therefore proposed that the hourly charges be increased substantially from 1 July 2007 based on full cost recovery. However, it is proposed that free hire to local registered charities should continue.

There is no increase proposed at this stage in the electricity tariff as costs are fully recovered at the current rate.

It is recognised that there has been no increase in FIGAS passenger and freight charges since 1993 and it is evident that they are in need of review. However, since there are separate reviews of FIGAS, coastal shipping and ferry service charges underway, it would be inappropriate to review FIGAS charges on a unilateral basis. It is therefore proposed that the outcome of these reviews should be awaited before recommendations are made to the Executive Council.

Moving now to pension benefits, contributions and social payments:

The last discretionary adjustment to old scheme public service pensions and Falkland landholdings pensions was a 3% increase from 1 July 2006. This reflects the provisions of the Falkland Islands Pensions Scheme where an annuity with a guaranteed 3% annual increase has to be purchased. For the same reason, and to match the increase in the retail prices index, it is again proposed that Old Scheme Public Service Pensions and Falkland Landholdings Pensions be increased by 3% from 1 July 2007. These pensions

are payable from the old scheme fund and the funding implications for them are kept under review by the government actuaries department.

Retirement pensions and contributions were increased last year by 5%. It is proposed that the voluntary overseas contribution rate should be increased by 3% in line with inflation and that the resident rates of contribution be increased by approximately 5% from 1 January 2008, in order to continue to close the gap between these two rates. This would, for example, increase the employer and employee rates from £10.50 to £11.00 per week and the self-employed rate from £21.00 to £22.00 per week. It is also proposed that the earnings limit threshold should be increased from £170 to £175 per week.

It is proposed that retirement pensions should be increased by approximately 3%, from 1 January 2008, as follows:

Standard rate to £114.00 per week,
Married couple's supplement to £64.00 per week
and the ex gratia pension to £102.00 per week
in order for it to remain at 90% of a standard rate pension.

Retirement pension contributions are paid into the retirement pensions equalisation fund and retirement pensions are paid from that fund. The funding implications for these pensions are also kept under review by the government actuaries department. The provision of a subsidy of £300,000 per annum continues to be included in the draft estimates as a transfer to the fund. This subsidy is necessary to make up the funding shortfall as the resident rate of contribution is lower than the actuarial rate which is the rate used for voluntary contributors who live overseas.

It is proposed that a Christmas bonus equivalent to one week's pension should continue to be paid to those pensioners in receipt of a retirement or ex-gratia pension who reside in the Falkland Islands.

It is proposed that welfare, attendance and fostering allowances are increased by approximately 3% from 1 July 2007.

Despite a reduction in the price of kerosene it is proposed that the winter fuel allowance for pensioners should remain at £400 for the 2007 winter. It is also proposed that the income threshold should be increased by 3% to £14,800.

The child allowance is currently £53.50 per month per child. It was last increased from £52.00 with effect from 1 January 2003. However, since a review of the child allowance system is not yet complete it is considered inappropriate for an increase to be applied in isolation of that review. Furthermore, Executive Council has directed that the purpose of the child allowance should be examined.

Finally, I can report that at this stage there is no adjustment to the holiday credit scheme proposed. Subject to the approval of funding by the budget select committee, executive

council decided that holiday credits should remain at current levels with a retrospective review in the event of a positive budget outcome. It should be noted that, at 30 June 2006, the public accounts show a liability provision of just over £1.5 million for outstanding credits.

Now to sum up:

In this special year of the 25th anniversary of liberation, I am pleased to be able to present a balanced budget. Although the reduction in fishing licence income continues to challenge the process, other sources of revenue from the overseas investment of our reserve funds and from our maturing economy have helped to ease the situation. Sensible and measured adjustments to user pay charges and expenditure plans have also helped to ensure that government remains in the black.

However, the budget is only just balanced. There is not much flexibility and virtually no contingency for the unforeseen. Thankfully we have sizeable reserve funds, built up from past years of plenty, as a cushion to deal with urgent or emergency situations. But as already mentioned, income from the investment of these reserves provide an important source of revenue which we rely upon to help balance the budget. There is therefore a need to maintain those reserve funds or find some alternative income stream if the capital is eroded.

Having regard to the ever-increasing pressure of rising costs and demands for new and improved services, I fear that future budget processes will have to take an even more rigorous approach in order to prevent deficit situations arising. There is a need to avoid the former clever but short-term proposals for achieving efficiency savings to finance initiatives only to discover that those efficiencies are unsustainable. We then end up in the worst of both worlds; pressure for the reinstatement of the savings previously gained and a continuing commitment into the future to fund the initiatives.

The private sector generates the wealth of the nation facilitated by the political and defence security we enjoy. Provided the government continues its sound stewardship of public funds and sensible management of the economy, the well being of the Falkland Islands can be assured.

The budget process demands a great deal of time and effort from managers, Treasury staff and Honourable Members alike. I am fortunate in having such an excellent team in the Treasury to support me. As ever I must thank my deputy, Keith Padgett who prepared all the policy and working papers and Helga Burroughs for all her hard work in providing secretarial support. I am grateful to all those who contributed to the budget process.

Mr Speaker, this concludes my budget presentation and I beg to move the first reading of the bill.

Mr Speaker

The Motion is that the Bill be read a first time. Is there any objection to the Motion?
There is 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 the 1st of July 2007 and ending on the 30th June 2008.

The Honourable Financial Secretary

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

Mr Speaker

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

The Honourable Mike Summers

Mr Speaker, Hon Members I would be happy to second that Motion but also I would like to make one or two observations about the budget as it currently stands. The Financial Secretary is correct in saying that the figures that we currently have in front of us represents effectively a balanced budget with a very small surplus of just over 70,000 pounds.

My experience of managing the Falklands economy, for about half the length of period that the Financial Secretary has been doing it, is that that will not be enough. I think therefore that this afternoon we will have to reflect on some further measures to reduce expenditure and or increase income. Because if we start with a balanced budget of £72,000 I can assure you we will end with a significant deficit as we have done this year and that will have ongoing effects for the relationship between the consolidated fund and recurrent expenditure.

There are some very key issues about our economy like everybody else's economy costs continue to rise, so there is an inflation element that is common to everybody. There is an expansion element that is certainly an issue here and there are a number of requests for additional posts to be funded in the public service that frankly may not be affordable and I think we are going to have to be pretty tough about that to the great disappointment I know of people who are looking forward to providing additional services to the community. But sorry, if you don't have the money you can't buy them. There are alternatives of course. The alternatives are to increase income. It is some while since we reviewed the tax rates and perhaps increasing the tax rates is what we are going to have to think about. It was interesting to see a piece of work produced fairly recently from the Secretariat on gross domestic product and gross national product. GDP stands at about £75 million per annum; GNP is about £32 million less than that. Having deducted remittances overseas for dividends fees payable to outside companies, fees paid to Directors of investors from outside – £32 million outflow net. There is an opportunity to raise more money by having withholding tax – that will have

implications but a 10% withholding tax would raise another 3 million pounds a year. We should think about that; I don't think I am necessarily going to propose that we implement it this year because the time is short but if we do need to raise some more money it is worth thinking about. That may be the way to get additional Health Service workers, additional people in the Fire Service, additional Policemen if that is what we really want.

The other key issue that I think we do need to discuss this afternoon is duty on tobacco; it is interestingly perverse isn't it that if we are really concerned about the health of the nation we could double the duty on tobacco and raise an extra £350,000 or thereabout; or if we are really, really, really serious about the health of the nation we could ban smoking altogether and lose ourselves £350,000. So that would be an interesting discussion.

I can help my friend the Financial Secretary with his quandary about the Tax Office; I did propose many, many years ago that the tax office did deserve better accommodation and I proposed at the time that it could be at Fox Bay – I repeat that offer.

I second the Motion.

Mr Speaker

The Motion is therefore that the Motion is seconded. Does any other Honourable Member wish to speak? No, thank you very much.

Clerk of Councils

The Bill for an Ordinance to provide for the services of the financial year commencing on the 1st of July 2007 and ending on the 30th June 2008.

The Honourable Chief Executive

Mr Speaker, Honourable Members I beg to move that the Bill and the Draft Estimates be referred to a Select Committee of the House and that the Honourable M V Summers be appointed Chairman.

Mr Speaker

The Motion is that the Bill and the draft estimates be referred to a Select Committee of the House and that the Honourable M V Summers be appointed Chairman. Is there any objection to the Motion? There is no objection; the Bill is now referred to a Select Committee of the House.

Clerk of Councils

The Finance Bill 2007. This Bill is being presented under a Certificate of Urgency.

The Honourable Financial Secretary

Mr Speaker, Honourable Members the purpose of this Bill was to give effect to the adjustments to taxes, fees, pension contributions and dental benefits regulated by Legislation which I proposed in my budget presentation as follows.

Clause 3: Increase in the income tax thresholds from 1 January 2008. Clause 4: Increase in Embarkation Tax from 1 March 2008. Clause 5: an increase in Harbour Dues – Revisions of the Private Pleasure Yacht category and extension to the schedule of charges from 1 July 2007. Clause 6: An increase in Customs Services entrance and clearance fees from 1 July 2007. Clause 7 and increase in Vehicle Licence fees from the 1st July 2007. Clause 8 and increase in fees for vehicle registration drivers test and licences from 1st July 2007. Clause 9: An increase in fees for firearms registration and licences from 1 July 2007 and Clause 10: An increase in retirement pension contributions of the earnings limit threshold from 1st January 2008. That's all the adjustments that formed part of the budget presentation.

The Bill also includes provisions under two clauses which did not form part of the budget presentation. Clause 11 rectifies a technical difficulty caused by Section 5(3) of the finance ordinance 2002 and Clause 12 applies Civil Aviation charges to FIGAS by the modification of the Crowns Exemption from fees under the Air Navigation fees for Certificates of Service as Regulations 2006.

I beg to move the first reading of the Bill.

Mr Speaker

The Motion is that the Bill be read a first time. Are there any objections to the Motions? There is no objection. The Bill will be read a first time.

Clerk of Councils

A Bill for an Ordinance to increase, fees, charges, contributions and benefits provided for under various laws of the Falkland Islands

The Honourable Financial Secretary

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

Mr Speaker

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

The Honourable Mike Summers

I second the Motion.

Clerk of Councils

A Bill for an Ordinance to increase, fees, charges, contributions and benefits provided for under various laws of the Falkland Islands.

The Honourable Chief Executive

I beg to move that the Bill be referred to the Select Committee on the Estimates.

Mr Speaker

The Motion is that the Bill be referred to the Select Committee on the Estimates. Is there any objection to the Motion? There is no objection the Bill is now referred to the Select Committee on the Estimates.

Council is adjourned until 2.15 on Friday 25th May.

COUNCIL RESUMES

FRIDAY 25TH MAY 2007

Mr Speaker

Honourable Members good afternoon, welcome back to this convened session of Legislative Council.

Clerk of Councils

Motion Number 1 of 2007 by the Honourable the Financial Secretary.

That it be resolved that from midnight tonight Customs Duties payable in respect of alcoholic beverages and tobacco products under provisions of the Customs Ordinance 2003 are increased as follows:

- On beer: from 25p to 26p per litre
- On wines: from 66p to 68 p per litre
- On fortified wine: from 78p to 80p per litre
- On spirituous beverages: from £5.38 to £5.44 per litre
- On spirits: from £9.64 to £9.93 per litre
- On cigars: from £191.89 to £197.65 per kilo
- On cigarettes: from £167.23 to £183.95 per kilo
- On tobacco: from £126.13 to £129.91 per kilo.

The Honourable Financial Secretary

Mr Speaker, Honourable Members this resolution will bring into force from midnight tonight the increases in Customs Duty I proposed in the budget presentation. I beg to move that the resolution be adopted.

The Honourable Chief Executive

I second the Motion.

Mr Speaker

Does any other Hon Member wish to speak to the Motion? I therefore confirm that the Motion is carried.

Clerk of Councils

Orders of the Day – Bills

The Appropriation Bill as amended – remaining stages.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, this report covers both the Appropriation Bill and the Finance Bill referred to the Select Committee on Estimates yesterday morning. Following the detailed and length considerations at the special budget meetings of the Standing Finance Committee, the proceedings of the Select Committee were completed yesterday afternoon. The Committee was not satisfied with the small budget surplus of £71,000 as initially presented. It was considered that a larger surplus than this was needed to cover unavoidable supplementary expenditures, which are bound to arise to meet unforeseen situations. The aim therefore was to improve upon this balance. The Committee approved a number of adjustments to the operating budget, which resulted in an increase in revenue of £80,000 and an almost compensating increase of £79,330 in expenditure. In reviewing the capital programme the Committee reduced capital expenditure by £780,000 that was from £9,160,000 from £8,380,000. As a consequence of the reduction and of this reduction and the anticipated receipt of a supplementary allocation of £1million in 2008/2009 from the 9th European Development Fund, it was decided not to increase the transfer to the Capital Equalisation Fund by £250,000 as originally planned. This therefore remains at £4million. To contribute to a higher budget surplus the Committee also agreed to increase the rates of income tax and corporation tax from 20% and 25% to 21% and 26% respectively with effect from 1st January 2008. It is estimated that this measure will raise £80,000 in the next financial year and around £400,000 per annum thereafter. As a result of these adjustments to the Draft Estimates the budget surplus was increased to £322,000. Although this represents an improvement the surplus was not as high as the Committee would have liked it to be. As a consequence the budget strategy for next year will aim for a higher surplus and this will enable measures to achieve it to be considered in greater detail at an earlier stage of the budget process.

Having regard to Government's desire to meet the needs of a modern society the Committee recognised that many departments are struggling hard to meet their service level objectives following the budget constraints of recent years. It was felt that most of the excess that once existed had already been eliminated. Reduction in service would result from continued expenditure contraction; therefore in addition to reviewing user-pay charges further changes to the existing tax system or new taxes may be considered in the context of future budgets. It was noted that the widening of the net part of the current tax policy had not happened to the extent originally envisaged. Therefore the current tax policy needs to be examined with the modest increase in the tax rates approved being the first step. The area to be concentrated on first is the distribution of profits overseas. Despite another tight budget round all essential services are maintained broadly at existing levels; for example the PWD is allocated the largest slice of the cake at £8.5 million, next is Health and Social Services which is allocated £6.4 million, Education/Training are allocated £5.3 million; the Fisheries Department is allocated £4.8 million; this level of expenditure is necessary for conservation and management purposes and represents 30% of the estimated direct income to Government from the Fishery. £3.4 million is allocated to central administration; this includes the services provided by the Secretariat, Treasury, the Computer Section and Taxation Office. This includes a provision of £300,000 as a central reserve for a pay award for the public service. Aviation which covers Civil Aviation, Stanley Airport and FIGAS is allocated

£2.3 million and the Department of Agriculture is allocated £1 million. These examples are just those heads of service where expenditure is £1 million or more. Details of the approved revenue and expenditure for all departments will be shown in the approved estimates document. This will also include the capital programme which was agreed should be published in full. This document will be available shortly from the Secretariat for members of the public to purchase.

No adjustments were made to the Transfer Payments Budget of £4.8million. The Transfer Payments Budget includes the following important allocations in the form of assistance to non-government organisations social payments and programmes.

- £220,000 to support the promotion and development of tourism.
- £150,000 as a contribution towards building two houses at MPA.
- £156,000 for air terminal live TV and Met services supplied by the MoD.
- £300,000 for the Holiday Credit Scheme, to allow credits to accrue at the rate of 26p per day adults; 13p per day children.
- £433,000 grant in aid to FIDC in order to support its expenditure budget of £1 million plus a further £200,000 in support of aquaculture development.
- £319,000 for family allowances.
- £75,000 for donations and subventions to support youth, sports and other charitable organisations.
- £165,000 to support the Falkland Islands Radio Station.
- £107,000 to support the Pensions Board of the Falkland Islands Pension Scheme
- £50,000 to support the Museum and National Trust.
- £50,000 to support the work of Falkland Islands Conservation.
- £2.4 million for direct and indirect support to the Camp community in the form of assistance with coastal shipping and ferry services, meat company and wool company subsidies, energy grants, agricultural business development, labour scheme, grassland improvements and pension contributions.

Capital Programme includes allocation for the following schemes:

- £1,250,000 for continuing the building and capping of camp roads both on East and West Falklands. This includes £400,000 for a road to the Byron Heights for the MoD for which recovery is included under capital receipts.
- £250,000 for the second year of the three year programme for replacing culverts at a total estimated cost of £650,000.
- £1.7 million for the construction of sea terminals and connected infrastructure.
- £715,000 for the renovation and construction of government housing.
- £100,000 for continuing the backlog of public building maintenance.
- £700,000 for the renovation of the Police Station and Prison.
- £115,000 to complete design works for the proposed new Government Administrative building.
- £200,000 for completing the installation of services of the Lookout Estate.
- £500,000 for infrastructure development.
- £100,000 to continue to power Stanley's water supply.

- £100,000 to continue the major repairs to Stanley Airport runway. A further £400,000 of expenditure was projected at £100,000 per year to complete the repairs and re-servicing.

These are just the main items of capital expenditure.

This mix of capital construction schemes together with other more minor works could keep the in-house labour teams fully occupied and take up any slack in the private sector contracting business. As well as construction schemes the capital budget includes the following investments.

- £672,000 as a loan to Peter Symonds College for the prepayment of 80 student places.
- £330,000 to finance housing mortgages provided under the joint government/Standard Chartered Bank scheme; and to finance the shared equity scheme once developed.
- £330,000 for the purchase of plant for PWD
- £165,000 for replacement fire service vehicles
- £200,000 for replacement vehicles for the whole of government.
- £470,000 for medical equipment and hospital capital works.

The Select Committee approved the proposals on revised fees and charges following modifications. Following an appeal from a local business which consumes a large amount of water to the effect that the proposed 12.5% increase in water charges would be devastating the Committee approved a lower rate of increase of 6%. The charge for metered water supplies to local non-domestic users will therefore be increased from 1.65 to 1.75 per tonne – an increase of 10p rather than the 20p proposed.

The Committee approved the increased charges for the Town Hall and also agreed that the same charges should apply to the FIDF Hall. It was confirmed that both halls should continue to be provided free of charge for events held for the benefit of local registered charities.

I am pleased to report that the Committee approved the proposals on revised pension contributions and benefits, social payments and allowances. All the provisions of the Finance Bill to implement those revisions were approved. At the Committee stage I will need to propose amendments to give effect to the agreed changes to the tax rates.

A paper summarising the adjustments made to the draft estimates at Select Committee was presented to Executive Council earlier this afternoon. I can now report that the Executive Council recommends to Legislative Council the amendments to the Appropriation Bill necessary to accommodate those adjustments.

I would like to thank all Officers and Honourable Members who took part in the budget process. In particular I thank Helga for keeping me on track and once again to Keith for all of his number crunching. In addition I am most grateful to all the staff in the Treasury for all their excellent work in maintaining the accounting and financial control systems leading up to and following the approval of the budget.

The progress of the budget is monitored on a monthly basis by the Standing Finance Committee. To inform this process management accounts and investment reports are prepared. I would like to take this opportunity to thank our Chief Accountant Michelle Connor for the professional way these accounts and reports are produced. Michelle includes just the right amount of information necessary to aid decision-making.

The outcome of this budget demonstrates once again that the economic and social well being of the Falkland Islands can be sustained.

This concludes my report on the proceedings of the Select Committee on the Estimates.

Mr Speaker

Thank you very much Financial Secretary for reporting back on the proceedings of the Select Committee. Does anyone wish to speak to this?

The Honourable Mike Summers

Mr Speaker, Honourable Members, I would like to say just a few words about the budget and the budget process. I first thank Derek and his team for all the hard work that they have done on behalf of all Councillors, the budget process is a tremendous undertaking every year and not only the Treasury team but Heads of Departments spend many hours working through estimates for future years. It is very easy to be critical about Government and Government spending; it is very easy to see things that other people shouldn't be doing. But generally it is absolutely essential that you do the things that you are doing. That is just how life is. But it isn't easy to squeeze out a balanced budget in our community year on year and I have expressed in the past concerns about our ability to continue to spend at the levels that we do and whilst we have been able to propose a budget with a relatively small surplus I do have longer term concerns about this. I think that there is more water behind the wall in the dam than there is in front of it and the dam is still filling. It may be argued that perhaps we should have taken a harder view this year about expenditure levels although it was difficult to see where we might have done that. But we are going to have to start the process early next year and look at levels of expenditure unless we can find more revenue. And regrettable as it may be that we have had to increase the tax levels this year, you have either got to do one or the other. The either have to reduce expenditure or increase revenue. Increasing revenue through taxation is not ideal certainly it does not have immediate effect but it will have longer-term effect and it is worth recording I think that we do live in a very low tax economy. It is not as though we are heavily taxed here. So, on the whole a budget that will work for us. It will work for everybody; I think there is a fair distribution in it and we have been able to make sure that employees, pensioners, those on welfare allowances etc. etc. are all as well off as they were before or in terms of inflation. So a budget that is in my view, adequate, but probably from my point of view, no better than that. That doesn't mean that people didn't work hard on it and didn't put their best efforts into it, but I think from a strategic point of view we are going to have to take another hard look next year. But in the mean time Mr Speaker I support the Motion.

Mr Speaker

Do we have a seconder for the Motion? The Honourable Dr Andrea Clausen.

Therefore I declare council to be in committee.

Clerk of Councils

Clauses 1 and 2

The Honourable Financial Secretary

I beg to move that Clause 1 stands part of the Bill but the consideration of Clause 2 be left until the schedule has been considered.

Mr Speaker

The Motion is that Clause 1 stand part of the Bill. No objection. Clause 1 stands part of the Bill.

Clerk of Councils

Schedule

The Honourable Financial Secretary

I beg to move that the Schedules stand part of the Bill with the amendments shown on the revised version as circulated.

Mr Speaker

The Motion is that the Schedule as amended stands part of the Bill. No objection, Schedule as amended stands part of the Bill.

Clerk of Councils

Clause 2

The Honourable Financial Secretary

I beg to move that Clause 2 as amended stands part of the Bill with the following amendments: Delete the words and figures £42,018,490 and insert £41,847,820.

Mr Speaker

The Motion is that Clause 2 stands part of the Bill as amended, is there any objection? No objection. Clause 2 as amended therefore stands part of the Bill.

Council now resumes.

The Honourable Financial Secretary

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

Mr Speaker

Honourable Members the Motion is that the Bill be read a third time and pass. No objection the Bill will be read a third time and pass.

Clerk of Councils

A Bill for an Ordinance to provide for the Service of the Financial Year commencing on the 1st July 2007 and ending on the 30th June 2008.

The Finance Bill as amended remaining stages.

Mr Speaker

Financial Secretary you are invited to report on the proceedings of the Select Committee.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I included the decisions on the provisions of the Finance Bill in my report back from the Select Committee on the Estimates. I can confirm that the Select Committee approved all the provisions contained in the Bill as proposed in my Budget Presentation yesterday. As the Committee also approved changes to the rates of Income and Corporation Tax I will need to propose the necessary amendments at the Committee stage. A revised Bill to take these changes into account was approved by Executive Council earlier this afternoon and has been circulated to all Members.

I would like to take this opportunity to thank Principal Crown Counsel Ros Cheek for her quick response to my Drafting. This concludes my report back from the Select Committee on the Estimates.

Mr Speaker

Thank you very much Financial Secretary. The Motion is moved by the Honourable Mike Summers and seconded by the Honourable Richard Cockwell.

I therefore declare the Council to be in Committee.

Clerk of Councils

Clauses 1-12

The Honourable Financial Secretary

I beg to move that Clauses 1-12 stand part of the Bill with the amendments Clauses 2 and 3 dealing with the changes to the Income Tax and Corporation Tax rates shown on the revised version as circulated.

Mr Speaker

The Motion is that Clauses 1-12 stand part of the Bill with the amendments Clauses 2 and 3 dealing with the changes to the Income Tax and Corporation Tax rates shown on the revised version as circulated

Is there any objection? No objection. Clauses 1-12 as amended stand part of the Bill.

Clerk of Councils

No Schedule.

Mr Speaker

Council resumes.

The Honourable Financial Secretary

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

Mr Speaker

The Motion is the Bill be read a third time and pass. Is there any objection, there is none? The Bill will be read a third time and pass.

Clerk of Councils

A Bill for an Ordinance to increase fees, charges, contributions benefits and allowances provided for under various laws of the Falkland Islands.

The Supplementary Appropriation 2006/07 Bill 2007. This Bill has not been published and requires a first reading.

The Honourable Financial Secretary

Mr Speaker, Hon Members, this is the third Supplementary Appropriation Bill presented for this financial year. In addition to the sum of £42,664,610 already appropriated the purpose of this Bill is to authorise the withdrawal of £357,000 from the Consolidated Fund to meet supplementary expenditure approved by the Standing

Finance Committee on the 23rd February and 29 March 2007. The Bill provides for the Contingencies Fund to be replenished to the extent of any advances made. The supplementary expenditure was approved for the following purposes:

- £135,000 under Health and Social Services to meet the late presentation of invoices for medical stores and to cover a dramatic increase in the cost of certain drugs.
- £5,000 under Education and Training to finance the initiatives of the Children and Young People's Strategy Group.
- £217,000 under Transfer Payments to further supplement to the Falkland Islands Meat Company for the operation of the abattoir.

I beg to move the first reading of the Bill.

Mrs Speaker

The Motion seconded by the Honourable Mike Summers.

The Motion is the Bill is read a second time. Is there any objection to the Motion? There is no objection, the Bill will be read a second time.

Clerk of Councils

The Supplementary Appropriation 2006/07 Bill 2007.

Mr Speaker

Honourable Members we can adopt a fast track if you would wish to consent to it? Yes. Then we will adopt a fast track.

Clerk of Councils

The Supplementary Appropriation (2006/07) Bill 2007.

The Firearms and Ammunition (Amendment) Bill 2007. This Bill is being presented under a Certificate of Urgency.

The Honourable Chief Executive

Mr Speaker, Hon Members, the Firearms and Ammunition Ordinance creates a mechanism under which among other things the importation and possession of firearms are regulated. In particular Section 20 of the Ordinance makes it an offence subject to certain limited exceptions for a person to sell, transfer, procure or have any prohibited weapon in their possession without the written permission of the Governor. A prohibited weapon is defined as any firearm which is so designed or adapted that if pressure is applied to the trigger missiles continue to be discharged until the pressure is removed from the trigger or magazine containing the missiles is empty. Or any weapon

of whatever description designed or adapted for the discharge of any noxious liquid, gas or other thing.

The impact of this Bill if passed is to provide the Governor with the power to extend the definition of prohibited weapons in that Ordinance to include any other class or description of firearm or weapon that the Governor may determine. This will enable a quick response to be made to any changing circumstances if desired.

I so move.

The Honourable Financial Secretary

I second the Motion.

Mr Speaker

The Motion is that the Bill be read a second time is there any objection to the Motion? There is none. The Bill will be read a second time.

Clerk of Councils

The Firearms and Ammunition Amendment Bill 2007.

The Honourable Mike Summers

Mr Speaker if I could just make a comment. I think all Councillors regard it as unfortunate that we have to introduce this piece of Legislation. It is a reactive piece of Legislation because somebody in the community thought it necessary to basically advertise and sell lethal weapons for which there is no apparent reasonable use in this community. It makes you wonder why anybody would want to do that. We don't like passing laws willy nilly unless we have to and I know there has been a big debate in recent months about firearms and firearms regulation and that discussion I think is still going on in some quarters. But there can be no good reason for wanting to import into the Falklands automatic weapons that fire off rounds at huge rates. No sporting activity as far as I am aware and as far as we are aware are served by these weapons so we don't often apologise for having to pass pieces of Legislation but in these circumstances we are being entirely reactive and it is unfortunate and it is for the protection of the community – so be it.

The Honourable Janet Robertson.

I was wondering if I could just ask the Attorney General to clarify if this Bill merely prevents having possession of these firearms or whether it will also prohibit the importation and sale of these weapons.

Attorney General

Mr Speaker, Honourable Members, if I can respond to that, Legislation today gives the Governor a power that he may or may not choose to exercise in due course to designate weapons not covered by the current definitions of a prohibited weapon. Once those weapons are designated then my understanding is that it will be illegal to sell them or possess them.

The Honourable Janet Robertson

Thank you, I would assume that if it is illegal to sell them there would be no sense in any one importing them so that I think that answers my question. Thank you very much.

The Honourable Richard Cockwell

If I could just ask for a clarification for the benefit of the people listening on the radio. When we refer to the Governor we mean the Governor on the advice of Executive Council, is that correct.

Attorney General

Indeed that is correct as I understand it.

The Honourable Mike Rendell

I wondered if I could just ask the Financial Secretary if he could confirm what the arrangements would be for somebody that was already in possession of one of these weapons. They can't sell it because they can't sell it to anybody and they can't use it. I wonder if you would just confirm what is proposed.

Financial Secretary

At the moment we just have enabling Legislation and in order to prohibit any weapons. An Order would have to be made by the Governor on the advice of Executive Council and before an order is made it has been agreed by Executive Council, that the financial implications of making such an order will be examined.

The Honourable Mike Rendell

Thank you for your answer I just wanted to make sure that the general public was aware of that fact.

Mr Speaker

Does any other Honourable Member wish to speak? In the light of that discussion can we invoke the fast track on this? Yes, thank you.

Clerk of Councils

The Firearms and Ammunition (Amendment) Bill 2007.

The Children and Young Person's (Tobacco) Bill. This Bill has been published in the Gazette and will go to the second reading.

The Honourable Chief Executive

Mr Speaker, Honourable Members there is a debate about possible legislation to regulate the smoking of tobacco. Under the existing law the sale of tobacco to a person under the age of 16 is prohibited, as is the smoking or other consumption of tobacco by a person under that age. The giving or supplying of tobacco to persons under 16 or the possession of such persons is not however prohibited by the existing law. This Bill if enacted would under the Clause 4 render it unlawful for any person to sell, give or supply tobacco including by way of cigarette machines to any person under age 16. It would however be a defence that the person took all reasonable precautions and exercised all due diligence to avoid the commission of the offence or that in the case of cigarette papers the person reasonably believed that the person to whom they were sold given or supplied intended to use the papers for a legitimate purpose not involving the smoking of any substance.

Clause 5 requires the display of notices where tobacco is sold stating that it is illegal to sell tobacco products to persons under 16 years of age. Clause 6 makes it an offence for a person under the age of 16 to be in possession of tobacco or cigarette papers whether for his or her own use or for use by another person other than for some lawful purpose not involving smoking.

Clause 7 provides the power for a Police Officer in uniform to stop a person in a public place where the Police Officer reasonably suspects that person may be committing or may have just committed an offence under Clause 4.

The power of arrest or to cease tobacco or cigarette papers is conferred where the person stopped cannot satisfy the Police Officer that he or she was not under the age of 16.

Clause 8 contains what some might regard as a controversial provision. It confers powers on teachers to require pupils at school reasonably suspected to hand tobacco or cigarette papers in their possession over to the teacher. It also provides that a teacher of the same sex as the pupil would have the power to require the pupil in the teacher's presence to empty his or her pockets and any bag briefcase or satchel or container of a like kind that the pupil has on school premises, as well as any locker, desk or cupboard used by the pupil and any clothing or shoes kept by the pupil in the cloakroom or any other place on school premises so as to satisfy the teacher that the pupil did not have any tobacco or cigarette papers in his or her possession. There are no powers of search.

I beg to move the second reading of the Bill.

The Honourable Financial Secretary

I second the Motion.

Mr Speaker

The Motion is that the Bill be read a second time, is there any objection to the Motion? There is no objection the Bill will be read a second time.

Clerk of Councils

The Children and Young Person's (Tobacco) Bill 2007.

The Honourable Janet Robertson

Just two comments on this – I think that this Bill potentially does extend the possibilities of preventing smoking in underagers by giving both police and teachers the power to remove cigarettes from youngsters but I am concerned with regard to the powers of the teachers that this could potentially place a burden on the teachers which would not be welcome. I think in principle the teachers do not object to having this ability in a Bill but at the same time they would wish those powers to be circumscribed. The suggestion is that we could put the power into the hands of probably the Headmaster who can issue the correct protocols in the school under which the teachers could use these powers. This would give the teachers freedom from having the excessive burden placed on them but would achieve the same end ultimately.

The second thing I would like to say about this is that my concern is that we already have underagers walking the streets smoking and what I like to see is if these powers are enacted that they are actually used. There is no point in passing a Bill if there is no will to actually use the Bill to the effect that it is supposed to have.

The Honourable Richard Stevens

Mr Speaker, Honourable Members I would also like to rise and talk about a few of the issues. I would certainly like to support my colleague Councillor Robertson in the concerns about how teachers would use these powers and for me I would like to see a clear pathway in the management code to actually show how these powers were used within the schools, obviously with the different needs of both sexes. My overall feel for the Bill is one of concern for perhaps a shortcut for children to somehow have a criminal record or make it easier for children to be noticed and because of that concern again I would like to think that this power although it would be used would be used sparingly and after other avenues like education and suchlike were used.

I think ultimately that teachers and the Police should be working to have a strong relationship with children that ultimately these powers would be there so that if the education and suchlike failed you did have the powers to enforce this will.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members I just have a couple of points further to make to this debate. Firstly, taking the improved powers to teachers and police which I do support but again, only if we are actually going to see these powers being used effectively rather than us passing yet another piece of legislation that will not be followed through. Having a brief search on the internet this morning it was quite interesting to see the huge number of schools around the world that actually already have some fantastic policies and procedures in place and advice to teachers and children and even parents. I don't believe that we in the Falklands are re-inventing the wheel or we shouldn't feel that this is going to be too difficult. I do sympathise with the concerns that parents and teachers alike will have but I do believe that there is a way forward with this and we can look to other countries and look to measures they have put in place and perhaps borrow some of their fantastic advice which you can download off the internet.

Moving on to the issue of increasing the legal age from 16 to 18 years. I believe if we are serious about reducing levels of smoking in young people and protecting them from this poisonous and addictive habit then we should seriously consider increasing the age. But I do believe it should be done at the same time as a number of other measures that can back it up. For example I think that banning smoking in enclosed public places, increasing the cost of tobacco products, more aggressively enforcing the law with regard to retail and underage sales – the introduction of a DARE programme for 11 – 16 year olds – are some of the measures that could be rolled out at the same time. To add to the issue of if you increase the age from 18 and you were to implement a ban on smoking in enclosed public places I think it follows through quite neatly you would be targeting the age group who succumb most readily to taking up this addictive habit; and if we were able to prevent them from smoking until 18 and then provide them with an environment of enclosed public places onwards then I think that would be a really good incentive for them not to take up the habit when they perhaps partake of the odd alcoholic beverage.

I have to say that another thing I found in my research this morning that one small island, well bigger in population at least than ours, who has had some significant success with increasing the legal age is Guernsey. Back in 1997 they increased the legal age from 16 to 18 and today over a ten-year period have seen a 50% reduction in younger people smoking; which is a really good success. I challenge them had they introduced their ban on smoking in enclosed public places at the same time they might have seen even better results. But it took them nine years to achieve that so maybe they will see some further reductions.

The other issue that I think I would like to mention when we are talking about potentially increasing the age from 16 to 18 is that I don't, I wouldn't like to see the 16 year olds now for whom it is legal to smoke being criminalised and so if we were to consider increasing the age and following it through that we should do it in such a way that those younger people who are now in a position of being able to legally smoke don't become criminalised. So perhaps a staged approach or even just an announcement later on in the future that we would make such a provision.

The Honourable Mike Summers

I was delighted to hear the Honourable Member mention Guernsey I'm led to believe that even some of the senior law officers in Guernsey have given up the filthy habit of smoking.

Mr Speaker I proposed the drafting of this legislation many, many months ago as a contribution to the effort that the Government has been making and should be making to convince young people not to take up smoking. The impetus to a very large extent was a series of discussions between Councillors and the senior police officers about why they were unable to prevent school children from smoking openly on the streets. There were a number of issues that they raised about practical difficulties with the law as it stood at the time that made it difficult for them to implement the law; because it is already illegal to smoke under the age of 16, let's not pretend we are introducing new law here – it's illegal.

So what we have done here is to give Police the powers that they said that they needed to implement this law. If they do not now implement it if it is passed we will be mightily fed up because that is what they are supposed to be doing. There is no point in passing laws that are not implemented. There is a lot to be said for the other activities that are going on to try and prevent smoking. The DARE programme that is in place in the Infant/Junior School was introduced many years ago now as an initiative of the YMCA in fact who brought a youth worker who introduced the DARE project to us as a community and to the Police and I am delighted that it still works. We've recently had discussions with one of the Government's contractors about providing funding to help introduce the DARE programme into the Senior School and I very much hope that we will follow that up. Because it is important, education together with the law is a much more potent mix than simply banning things altogether.

On the issue of whether this is way too difficult for teachers to implement or not I was delighted to see the information this morning that my Honourable Colleague has produced from other countries and other schools who have been through this process and have well developed procedures for teachers to be able to follow. So I am sure, as she has said we can borrow from that. We are regularly concerned about the change in balance of rights and authorities between teachers and pupils and sometimes these things have to be re-balanced. Teachers do have the right in school, on school premises to require children to behave in accordance with the law, and so it should be and if we can give teachers the ability to do that though a well developed programme of policies and procedures then that must be the right thing to do.

I too support the increase of age from 16 to 18 perhaps on a staged basis if it is so bad for you to smoke as we are so regularly told that it is and I accept that, then why would you allow people below the age of majority because they are not yet adults to start smoking, to start involving themselves in a noxious dirty habit that may end up killing them. It doesn't make any sense. If you are not yet an adult, why should you be allowed to do that. So I do support the idea of increasing the age it should be and must be policeable. I know there are more difficulties with that and I think it would benefit from

a little more discussion and perhaps the issue with school teachers would also benefit from a little more discussion actually before this law is passed.

I would therefore like to propose Mr Speaker that we do not move to the third reading on this Bill but having heard this debate and any other debate that Members might like to have that in fact that we park this Bill and come back to it perhaps in the July Legislative Council to have the third reading and to pass if that is the will of Members.

The Honourable Janet Robertson

Just a quick comment about the age thing – 16 to 18 – I take your point about why we let our young children kill themselves but indeed we already do this in war. They are allowed to go and be killed in war so perhaps that's not the best argument to use.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members having listened to the debate I am inclined to agree with the Honourable Mike Summers as I think we should actually have some further discussion here. I am very sympathetic with the concept of increasing the age. I can understand what the Honourable Janet Robertson says but I do think we need to look at ways of actually increasing the age and also there are one or two other items that need to be looked at. But on the whole I fully support the Bill.

Mr Speaker

So that is a firm proposal to park the Bill until September?

The Honourable Richard Cockwell

Yes it is.

Mr Speaker

Will we take this Bill to the July sitting or the September sitting?

The Honourable Mike Summers

I would like to see it in July.

The Honourable Richard Cockwell

I quite agree I support that

The Honourable Mike Rendell

Before we move to that further stage Mr Speaker I would just like to support the suggestion that we do move it back to July. Several of the Honourable Members have had a lot of time to look at this in detail - the Honourable Members who sit on the

Committee looking into banning smoking in enclosed public places and I would just like to reinforce the issue of banning smoking between the ages of 16 and 18. If we are logically saying it is illegal to smoke before the ages of 16 then how are we going to try and keep people on the straight and narrow until they reach the age of 18 when they will be tempted to go in the pub and start smoking. The logic to me is that we ban smoking in the pub as well and therefore they are not tempted to get into it in the first place.

The Honourable Dr Andrea Clausen

I've just got a further comment and if I'm wrong someone please correct me but I understand you can join the forces but you can't actually go into active combat until you are 18.

The Honourable Janet Robertson

I understand there are under 18 year olds that have been killed in action.

Mr Speaker

The proposal from the Honourable Mike Summers seconded by the Honourable Richard Cockwell is that the Bill remain on the shelf for further debate and that it come back to the July sitting of Legislative Council for a third reading.

There is agreement to that? Yes? Thank you very much.

Clerk of Councils

The Falkland Islands Status Amendment Bill 2007

This Bill has been published in the Gazette and will go to the second reading.

The Honourable Chief Executive

Mr Speaker, Hon Members this very simple Bill amends Section 7 of the Falkland Islands Status Ordinance so as to provide the regulations to be made proscribing a fee for a status ceremony to be payable by a person who has been granted Falkland Islands status.

I beg to move the second reading of the Bill

The Honourable Financial Secretary

I second the Motion

Mr Speaker

The Motion is that the Bill be read a second time is there any objection? None.

Clerk of Councils

The Falkland Islands Status Amendment Bill 2007

Mr Speaker

May we proceed to the fast track – thank you very much

The Falkland Islands Status Amendment Bill 2007

The Immigration Amendment Bill.

This Bill has also been published in the Gazette and will go to the second reading.

The Honourable Chief Executive

This Bill would amend the Immigration Ordinance 1999 to provide that a visitors permit, residents permit or work permit will not ordinarily be granted to person who appears or any of who's dependents appear to be likely because of the persons or dependent's state of health, to impose a substantial burden on public resources which in all the circumstances it would be unreasonable to expect them to bear. Similar provisions already exist under the Ordinance in relation to the grant of Permanent Residence Permits.

I beg to move the second reading of the Bill.

The Honourable Financial Secretary

I second the Motion.

Mr Speaker

The Motion is that the Bill be read a second time. Any objections? None. The Bill will be read a second time.

Clerk of Councils

The Immigration Amendment Bill 2007.

The Honourable Janet Robertson

Could I just clarify please in Clause Part 24A it says 'or a Permanent Residence Permit and any dependents included in the person's application may be required by the Principal Immigration Officer to submit to medical examination'. It has said may, I'm presuming that the intention is that they will be – could the Attorney General clarify if he is able?

Attorney General

It will be a discretionary power if it says "may" it is at the discretion of the PIO. If there is a policy agreed where he is asked to exercise that power I have no doubt he will take that into account when it comes to exercising his discretion but it is a discretionary power.

Mr Speaker

May we invoke the fast track?

Clerk of Councils

The Immigration Amendment Bill 2007

The Motion for Adjournment

The Honourable Chief Executive

Mr Speaker, Honourable Members I beg to move that this House stands adjourned.

Mr Speaker

Before we proceed to the full Motion, the Honourable Mike Summers wishes to say something.

The Honourable Mike Summers

Mr Speaker, thank you very much. This is possibly the first time that Attorney General Robert Titterington has sat in this House as substantive Attorney General, he has sat on many occasions as Acting Attorney General and dispensed no doubt wise advice, we thank him for that, but since this will potentially be his last Legislative Council as substantive Attorney General I am delighted to hand over the customary Legislative Council tie.

Attorney General

I would like to just say some thanks. I would like to thank everybody who made arrangements for me to be able to be here, the Falkland Islands Government and the States of Guernsey; it has been a great pleasure. I would like to thank everybody who has welcomed me back and I have had a universally warm welcome which I found amazingly touching. I feel very privileged to have had this opportunity and I am very proud indeed to have the opportunity to hold this position. I rather suspect when I come to the end of my legal career, and I have my feet up by the fire with my pipe, if I'm allowed to start smoking a pipe, if I'm asked what my proudest moment was in my working career, I suspect it will be on the 26th February 2007 when I was appointed albeit only for a few months the Attorney General for the Falkland Islands. They are very special Islands and the people here are very special as well, special to me.

I think I was last here about fourteen years ago, this room was rather different then, it has been refurbished since. The faces were different apart from I think the Honourable Member for Camp, Councillor Stevens and the Financial Secretary. Although the place and the faces are different, the spirit here has not changed, it is an independent spirit, a warm hearted, a good natured spirit. I hope if I come back again, I'm sure I will find the spirit here again. Thank you very much, and thank you for giving me the opportunity to be here.

Mr Speaker

Honourable Members the Motion is that the House stands adjourned *Sine Die*. Does any Honourable Member wishes to speak to the Motion?

The Honourable Janet Robertson

Mr Speaker, Honourable Members, just a little bit about the Budget first. Yesterday was quite clearly not my favourite day of the year and probably not for many of my colleagues either. Crossing things off a list is never very easy and it is much easier to put things on and probably it is quite possible that many people listening today will feel a little bit like I did yesterday evening. But I would like to say that it is not all bad news and not by a long shot. Yesterday morning we were faced with a very bare surplus, which was decreased, even further by mid-afternoon and despite that we finished the day in a rather more healthy situation and not at the expense of cutting any services and that I think is a feat in itself.

There are two things I would like to talk about a little bit more. Firstly the abattoir – this is costing us a lot of money and many will wonder why we don't just pull the plug on it and be done with it altogether. And no doubt if we were to take a look at it in its own merits we might well come to that conclusion ourselves; however we cannot look at it in isolation. It needs to be looked at within the context of rural development as a whole. If we cross the abattoir off the list then we might as well cross the Pasture Improvement Scheme and many other farm assistance related schemes that we currently offer; and just replace the whole lot with subsidies. That just makes no economic sense whatsoever.

As we heard yesterday there are several farms well on their way through the pasture improvement schemes. The numbers of lambs going through the abattoir is increasingly significant year on year. The Falkland Islands meat is increasingly in demand and future prospects are good. But we need to iron out the problems the abattoir faces in order to achieve the goals that have been set and one of those is the proper level of investment to make the conversion from an abattoir to a processing factory. The abattoir is breathing economic life and diversification into camp and turning our backs on it now would lay waste to the years of investment in rural development that has been committed so far. It is also worth remembering that the cash cost is not the same as the cost to the economy. In actual fact the report last year suggested that the abattoir makes a positive contribution to the economy.

The second thing I would like to talk about is the Exercise Referral Practitioner. A majority agreed on this but despite this it has been suspended pending a further report to Executive Council and I am extremely disappointed by this. At a time when the smoking group is considering a number of options to reduce smoking in the Falklands including a 100% levy and a ban on smoking in public places; even banning altogether, I am struck that this post did not carry more overwhelming support. We talk about the Islands Plan we talk about increasing obesity; we talk about increasing levels of mental referrals and the phenomenal cost of drugs yet a relatively inexpensive and non-legislative opportunity to address all of these issues to some degree is prevaricated. Nevertheless I take heart from the fact that it has survived in principal and I urge my colleagues to support it in fact.

As this is the meeting on the eve of our 25th anniversary commemorations I would like to say something briefly about identity. The event brings it close to mind but so did the recent survey that we have been conducting on the eligibility to vote. The results have been a little surprising with roughly 50:50 preferences for the British citizenship and the Falkland Islands status that is any nationality options. What is interesting is that of those who most favour the Falkland Islands status option the majority are born and bred Falkland Islanders. This is interesting and to my mind the fact that the sense of Falkland Island identity is alive and kicking. Falkland Islanders first and British second. Someone told me the other day that they have never written British as their nationality on an immigration form – always Falkland Islands and along with preference for seeing the Falkland Islands flag fluttering on these shores I like this and I just wonder how many others do too.

On many occasions we hear the expression 'we're not in the UK we should do things our own way, the way that suits us best'. We also hear the opposite 'well it works in the UK,' or 'that's what they do there'. Sometimes we can utter both these sentiments and this largely depends on whether we support something that reflects policies and practices in Britain or not. I would like to strive for consistency in this not burying our heads in the sand and learning from elsewhere, of course we must do that, but when it comes to managing our business remembering that we have our own way of life, our own values and new ideas should be judged on how they enhance and support our way of life, not on replacing them altogether.

Our sense of identify is rooted in these Islands and something that the Argentines cannot or do not understand and it was something that was saved for us at great sacrifice in 1982.

The Honourable Ian Hansen

Mr Speaker, Honourable Members, I would just like to endorse Councillor Summers thanks to the Treasury Team; as usual they have done a sterling job.

I would like to begin today by paying tribute to the late Bill Porter and his contribution to the Falkland Islands Government and in particular his contribution to the Road Building Programme. Bill worked for many years for the West Road Gangs and his expertise with heavy plant plus his sheer hardworking attitude will be missed. It is not

easy to replace someone with the knowledge that Bill had and his popularity and he is a great loss to the Falklands.

Yesterday Councillor Summers mentioned in his address the huge amount of work that has gone into the organisation of the events of this year. I would like to add my thanks to the 2007 Committee for all its work and in particular to the Chair of that Committee for all the effort they have devoted so far. And of course it isn't over yet, there is more to do. It is unfortunate I won't be here to benefit from their organisational skills but I will be taking part and attending events in London during the 15 – 17th June and I will be honoured to do so.

Today of course is 25 years on from when *HMS Coventry* was sunk off Pebble Island and I remember that quite clearly. There was an awful lot of helicopter activity to the north of the Island that we watched and wondered what was happening. Of course we didn't know until much later in the day of the terrible disaster that had happened. Yesterday also some of my colleagues touched upon the achievements and changes since 1982. And there have been many. And while it be nigh impossible to prioritise these accomplishments I think that possibly for me just remembering that 25 years ago today that I along with many other Islanders that were locked up at gun point I think perhaps one of the most important things is that 25 years on we have our freedom, we have our right to self determination, and we have a positive outlook for the future.

Mr Speaker I beg to support the Motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, I would just like to start by picking up on one point from the budget process this year and it relates to looking back over the previous financial year. Many of you will have picked up yesterday from the Financial Secretary's report on the situation with regards to where we are for the 2006/07 budget; where we started with a surplus of almost a million and we are now in a deficit position of £1.8million. One of the factors that contributed to that deficit has been the inability to achieve a revenue figure of £16million in fishing licence fees. And I think that for some that might be slightly surprising because the previous season had been quite successful and we had high hopes when we set the budget in 2006/07 we decided that we would set the revenue level at £16million in the hope that we could get back to those levels. And we haven't managed that.

Of course this year we did see a considerable increase in the number of vessels but it wasn't quite enough and of course combined with having a higher number of vessels this year we have got this year extremely high illex catches and it is very rewarding at least from a conservation point of view to see that illex is alive and well out there. However this isn't all good news of course – some may have seen already in the news that the market prices aren't so stable and are going downwards in many areas. So the concern we now have for the future year is will these vessels be in an economic position to set sale and come and fish next year. Even though they have had such a bumper year in terms of catch. What I really want to say is that I fully endorse the long term objective that this council has decided to take in trying to treat the illex revenue or at

least some part of it as windfall, and I do appreciate it is going to be a very difficult task and it will probably only be achieved painfully over a number of years. But at least for this year coming, 2007/08 we have made a small step towards doing that, and so I think that is really good news.

Just a couple of other issues I would like to mention. I have been approached recently by some parents who happen to have children in the 7-12 year old age group who are from families where both parents work. They are faced with concerns about what to do with their children because there is not any provision for childcare in those age groups or indeed any other kind of club facility offered anywhere. I think I would like to perhaps challenge, and I know they have a very large agenda, but I would like to challenge the Youth Strategy Group and of course in that group the Education Department have a role in doing something about this. We have some very good facilities in Stanley and I think that we can do something to try and provide some facilities for these children. We mustn't forget that our economy relies on the majority of two parents from each family working and if one parent from every family had to leave work and stay at home because of lack of facilities for their children we have to really think about the effect that that could have on some areas of our economy. And I think we need to do something about it.

Another area I would like to just touch on, it's not often that you are in a situation where you have the chance to ask a question in Legislative Council one day and then the chance to say a bit more about it the next day so I am going to make the most of that opportunity. Again thanking the Honourable Ian Hansen for his reply to his question regarding the Pasture Improvement Programme yesterday. I'm not totally sure that my question was answered fully; I just want to reiterate what the aim of my question was here. I wanted to be absolutely clear about how successful the programme was in terms of long-term change on farms. I am aware that the purpose of the programme has changed since its inception in 1998 and it has been through a few iterations. But I want to be totally clear about how well the industry is performing about the objectives of implementing this long-term sustainability using management intensive grazing plans. I do support providing subsidy to help with the change on farm but I do not believe that this should be an open cheque ad infinitum facility. I along with most others strive for an economically viable camp and I don't believe that permanent agricultural subsidies are the right way forward and in fact I imagine that many people out there receiving them would also agree with that.

Lastly just one more thing on Camp, it was really great earlier this month to have the opportunity to go to Fox Bay and attend a Camp or at least a West Falkland Public Meeting. It was really great to see such a high level of attendance and perhaps that reflects on the fact that people there don't get too many visits from us; which is not good thing. I certainly think the turnout put Stanley to shame if you look at it in terms of proportional representation they have something to be proud of on the West by putting on such a good show.

I would like to add that I think we should look at providing regular meetings not just on the West but perhaps in some places further afield on the East. But I don't believe it should just be camp councillors I do feel that it is very beneficial for at least one Stanley

member to be present at these meetings. We have been accused in the past of not having a clue about Camp issues and yet as a group there are five members from Stanley who frequently have to make significant decisions about issues that have direct effects on Camp, so I don't believe we should be separated when we go out to meet people and talk to them.

Finally on the Exercise Referral Practitioner I would just like to come to something that my Honourable colleague mentioned regarding this position. I do totally support the position in principle but the issue that I have with it, is that it is proposed that this facility is a prescription administered by doctors for charges and I just don't feel comfortable that people out there who are going to the doctor for whatever complaint would opt for paying for exercise against free drugs. And it doesn't rest easy with me and until this can be looked at and perhaps addressed I think I'm happy that the funding is there but I'm not happy to support it moving forward. Perhaps one way we could fund this is if we increased the duty on tobacco and so long as we have enough pennies left in the coffer once we've paid for everything else we want to do with it, we could pay for the Exercise Referral Practitioner.

Sir I support the Motion.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, I would like to pass my congratulations on to the Financial Secretary and his team, it is a huge amount of midnight oil that they have burnt and hopefully next year it will be wind power so it won't be so expensive, I really must congratulate them on the way that they have produced this budget. Although it has been difficult I have to assure my Honourable Colleague it has been nowhere near as difficult as it used to be under the old system. I think Derek and Keith and the rest of his team have made it a much smoother path to tread. I would also like to commend the Honourable Mike Summers for leading us through the tribulations of the budget chairing in his usual very firm but sometimes friendly way.

I think some people may be disappointed with the budget because we have had to increase tax or at least tax thresholds but it was either that or the expense of services. The problem is if we reduce services most of the time the cuts are not acceptable and affect the less well paid rather than the well paid and so I did feel more comfortable in supporting the concept of raising the tax thresholds in order to balance the budget. This is the first budget session since I have been a councillor where I haven't had the Attorney General David Lang sitting opposite me and giving us some wise advice occasionally and he is greatly missed. However, I have to agree that the Attorney General Robert Titterington is very welcome and I do thank him so much for everything he has done for us in the short time he has been here.

I would also like to mention at the same time Ros Cheek who has stepped in over and over again; she has done the most fantastic job. I as a Falkland Islander am extremely proud of the fact that she as a Falkland Islander has been able to perform so well and I have to say I look forward to seeing the time when she is sitting in your place Sir as Attorney General of the Falkland Islands.

I look forward to the commemorations next month I don't think that we can in any way express in words the gratitude we have for everybody who was involved in the liberation of the Falkland Islands in 1982 so I won't even try to express them. However one thing I must say is when I am in the happy position of being appointed as the representative on the Commonwealth Parliamentary Association meeting people all round the world and I am asked 'what is the solution to the problem between the Falkland Islands and Argentina?' and I always have the same answer, 'all they have to do is to recognise our right to determine our own future and live our life as the way we wish to live it', and they say is that all and I say 'yes that is all'.

Sir I beg to support the Motion.

The Honourable Mike Rendell

Mr Speaker, Honourable Members in rising to support the Motion for Adjournment I have a few points I would like to add on to comments made by other people. Several of my colleagues have talked about the Exercise Referral Manager position which we have agreed in principle; but we still need to look at the detail. There has been quite a lot of discussion about this matter of the last few months and it is my understanding that the benefits we will get from this person is that they will be able to support doctors in weaning their patients off drugs. The issue that the Honourable Andrea Clausen has with this we are asking for further work on it and I am sure we will get that amplified and we will be able to move forward and support this position.

One of my colleagues also talked about the abattoir and this is an area which I have loyalties to. I have a real loyalty to a need for an abattoir for the long term prosperity of the Falkland Islands and the Camp in particular but I do have some issues about exactly how we keep it going and how much money needs to be ploughed into it and I am very pleased that the working group was established as a result of Select Committee to look at exactly what the priorities are for the abattoir and how it can move forward in a sensible and financially prudent way. But there is a strong need for it to support the Camp there is no doubt about that.

I would just like to cherry pick on a couple of the items that have been approved in the capital expenditure for this coming year and to thank colleagues for unitedly supporting them all. One in particular for me is the cross sound ferry terminals which I think are absolutely vital that we have allocated all the money that we think we are going to need for this purpose to build these two terminals all to happen in this coming season. So we've got the finances we've just got to make sure we have got the resources to do it as well and given that there is a possible change in the way in which it is going to be constructed I think there is a lot more optimism that that will be the case. Camp road construction continues and one of the things that came out loud and clear from the Fox Bay meeting - and I should make it clear that the four or five meetings I have had a Fox Bay have always been very well attended and I had absolutely no doubt that Fox Bay in particular is an area where people are very keen to keep up with events and to ask serious questions - but at that meeting one of the serious questions that was asked was 'what were we going to be doing about the condition of some of the roads on West

Falklands and I will be working hard with the Transport Advisory Committee to make sure in this coming year we are able to resolve some of those problems. Helped in a way by the ploughing back in of the money that will be recouped from building the road to Mount Byron for the Military.

Another area where I am very pleased that work is going to be going ahead is on the refurbishment of the Police Station and the Prison. We have been talking about this for years and years and now we are getting on with it so thank goodness for that.

And another one that falls into the same category is the Jetty Centre car park. We have got £30,000 in there this year and we really, really must get on and do it.

A much smaller one and coming down again to something with a less cost to it is the upgrading of the Fox Bay airstrip which I think has been long overdue which will bring that airstrip back up to the capability which it should have to have year round rather than moving on to a grass airstrip during the winter and that will be of positive benefit to everybody on the West.

Behind all these projects are the Public Works Department and their Director Manfred Keenlyside. Yesterday the Honourable Richard Cockwell touched on the work that Manfred has done and I would like to back that up and say what a fantastic job he is doing in some very difficult circumstances with a lot of really major engineering projects.

I think the last thing I would like to say is to endorse a comment the Honourable Richard Stevens made yesterday which was about 77% of farmers that are making a profit. I too am a little mystified by that. I know that we are going to be updating the Islands Plan this year and I will be asking for some details as to exactly how that is calculated.

Mr Speaker I support the Motion.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, it is traditional to thank the Financial Secretary and all his team – well paid and all this praise, it's a good job to have. It is great to see Robert back as our Attorney General but probably more than that to be part of our community and whenever I see you, you look as if you are really enjoying yourself; so it is great to see you having a great time.

I would just like to talk about one issue; and that is an actual gap that has appeared between some of the farming community and the Department of Agriculture and I suppose something that crosses my mind is why? A number of years ago we seemed to have scientists in the Agriculture Department that would be writing papers but none of that information seemed to come out to farms. But today we seem to have turned 360 and some farmers feel that the Agriculture Department are telling what to do.

We are going through a great change in agriculture with many of the concepts that we have had for generations challenged. And most farmers have always known what drives their businesses, lamb percentages, death rates, micron, wool weights, body weights and animals sold today with the abattoir. But some farms feel that over the years we have been like a sailing ship tacking against the wind with different priorities for achieving the aforementioned aims – changing with different personnel in the Agriculture Department. That was something that was mentioned at San Carlos at one of the workshops that I attended. Today farm subsidies are aimed at long-term improvement and designed to see a gain of three to one of every pound invested. With the passing of time FIG might not always be able to fund these schemes to current levels so it is everybody's interest to maximise the current opportunities to improve farms' long term financial performance.

The Pasture Improvement Programme does give farmers a choice within certain parameters of what is best for them and their farms and hopefully over the life of this scheme many will find certain stability. Since grazing for profit, which with hindsight might have been slightly too classroom orientated we have had some very hands-on and mud on boots type contributors. I believe with the local input that there are ways to improve with these contributors and the local input there are definite ways to improve our businesses. I believe also that we have moved on from the days when any debate was identified as being negative and certainly at the Jim Gerrish workshops at San Carlos we all had something to say.

Will things change overnight? Probably not but over time let us all hope so. I'm a great believer in united we stand divided we fall; with the corporate knowledge of Falkland farmers and the scientific expertise of the Agriculture Department and visiting lecturers we must carry on trying to improve our performance.

Mr Speaker, Honourable Members, I support the Motion.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I apologise if I am being politically incorrect which is not entirely unknown for me. One of my favourite stories is an Irish story, very short story, and it was a fellow who asked the way to Dublin and the respondent said 'Ah well I wouldn't start from here' many, many of the projects that we deal with are a bit like that and it is fascinating to sit and hear people talk about the abattoir and the ferry and the farming programmes, PIP and all these sorts of things. And the fact of the matter is that life just constantly changes; things are never the same, they move, they shift. Our markets change the people we are trying to sell to change, the technology changes so we are always in a different place from where you started and we always have to adapt to that, and that is just a fact of life.

I intended to talk fairly briefly in this closing session, (a) about FIMCO and (b) just a very small bit about 2007.

In terms of FIMCO the construction of the new abattoir was proposed back in 1990 or thereabouts and it has taken a long time to develop. It has been built now for three or

four years. It is doing a very different thing from the original conceptions. The original conceptions were using waste meat; because of the result of advice about markets about how to change farming systems about how to make farmers more profitable the purpose of the construction has changed so we are going to have to adapt. So to sit and say well we have already spent X millions on that do we really want to spend any more on it or should we just close it, well that's bonkers. You have to keep adapting to life you have to keep moving with the way things shift. I was just struck by what Councillor Stevens was saying about farmers and the Agricultural Department, my experience of the years has been that those farmers who do the best are those people who listen to the advice that the Agricultural Department have to give and decide whether or not to use it and adapt it to their purposes. Those people you tend to hear complaining are those people that think that what the Agricultural Department is advising are some kind of instructions and follow them willy nilly and when they don't work they have got someone to blame. Think about what you are being told, adapt it for your own purposes and move on, that is the way to go.

Just in terms of FIMCO it does present us with a real challenge. But it is an absolutely essential piece of the farming infrastructure now. We decided to build it for a real purpose and the real purpose was to give farmers some additional choice in other ways to make money. It is just a fact that the wool markets weren't working for farmers here. We had to find them something else, it was the thing to do. It was the right thing to do. From the inception of the project through to the completion of it and the first two or three years of operation other advice came to hand. Now we are not killing just mutton culls, in fact we are not killing any culls at all, we are killing decent mutton and selling it to the international market who appreciates the product. We are moving to a process of killing either first season lambs or second season lambs that the market demands and is prepared to pay a price for, and it is possible to make that thing wash its own face. And it is possible to deliver more money back to farmers by using its facilities correctly but we have to be flexible and we have to move and it may well be that in another two years time somebody will say actually the real opportunity now is such and such. And we might have to invest some other money. Fine that is what we will have to do.

My comment to my colleague yesterday about EU market subsidies, and US subsidies was not to try and be a smart arse or facetious it is that that is the real world, that is the world we are living in and those are our competitors so we have to adapt not only to the markets but to our competitors as well and if that is what they are doing then to some extent that is what we might have to do.

I am pleased that we are going to have the working group at FIMCO to identify the priorities for some additional investment there both to make sure it complies with what our principal markets require that's the EU and that we make it as efficient and as effective plant as possible so that in the longer term in the next few years it is possible for it to be able to wash its face in the overall market. So that is what we will try and do in the next month or two and we will try and push that on really quickly.

Final word about 2007 the first of the major events for 2007 was the forum in London the other day that three of us were privileged to attend. It was a good event; it was a great event actually. I think that everybody who came to it reacted really positive to it

sorry Mr Speaker you were also there so four of us, no five of us. It was a very, very positive event. One of the nice things about coming from the Falklands is actually people don't expect too much of us and people are surprised by how much we can deliver. That is great, it's an advantage. But it was a good event and it enabled people to see how the Falklands have moved on in the last 25 years. I have talked about this endlessly before but we have moved on, we are doing well and I might complain about the budget or something like that but we will continue to move forward.

The other big issue is that in two or three weeks time we will have a lot of guests here and some great events for the whole community to take part in. There will also be two major TV channels at least, and a whole stack of other journalists. It is another opportunity in the course of this year for the Falklands message to go out to a wider audience. Most of it will go to the UK but a lot of it will filter out into Europe and other parts of the world. It is a great opportunity to say to people, we are here, we exist, we are our own people, we are doing well and we will continue to do well. We need to take every opportunity that we can while those people are here to present ourselves well and I hope we will do that.

Speaker I support the Motion

The Honourable Financial Secretary

I am grateful for the thanks given to the Treasury team and me. Just taking up a comment by Councillor Cockwell about the budget process and although the budget process might appear to be easier these days it is because we are only thinking about the finale and that is now down to half a day at Select Committee. And the reason for that is the budget process starts much earlier and we have several stabs at it throughout the year. Whereas years ago it all used to happen at once and used to take about a week to do.

I would also thank Councillor Summers for his excellent Chairmanship of the Select Committee and also throughout the course of the year at the Standing Finance Committee; it is no mean task.

A comment from Councillor Robertson too is that yesterday wasn't one of her best days and that there was some bad news and in fact it was one of my best days and I thought it was all good news.

I support the Motion.

Mr Speaker

Before I move further I would just like to, if I may, mention two things, I sat at this Legislative Council table in one form or another with four Attorney Generals and one acting and as Members have expressed I look forward to the day when the place that Robert has so admirably filled the last few months is actually filled by a Falkland Islander. I would if I may just make a special mention of the kind remarks that have been extended to the 2007 Committee, we have been meeting now for twenty six

months, we've had long and varied agendas, we believe that we will be able to deliver lots of things from the 12-18 June. I have been ably assisted by a great many folk on the 2007 Committee and at this moment I would like with the Commander here to extend a special thanks to former Command Secretary Alan Nisbet and now his deputy Seonaid Taylor and also to Commander Chris Moorey, not forgetting John Maskell-Bott who we are hoping will be a bit more of a civil military liaison man over the next few weeks and act as our runner and goffer as well. Can I just say that Committee members are standing, sitting with finger, toes crossed, we have a lot to deliver in a very few days. We require all the daylight possible, but we also require very fine weather, so if Honourable Members would care to join with us with finger and toe crossing, I'm reasonably confident that we will be able to deliver.

That said, Honourable Members the Motion is carried and the House stands adjourned accordingly.

Confirmed this 27th day of July 2007



MR SPEAKER.
DL CLIFTON OBE



RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON FRIDAY 27TH JULY 2007

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON FRIDAY 27TH JULY 2007**

THE SPEAKER OF THE HOUSE
(Mr Darwin Lewis Clifton OBE)

MEMBERS (Ex-Officio)

The Honourable Chief Executive
(Mr Christopher John Simpkins)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable Dr Andrea Patricia Clausen
(Elected Member for Stanley Constituency)

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

The Honourable Dr Richard Andrew Davies
(Elected Member for Stanley Constituency)

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Mike Rendell
(Elected Member for Camp Constituency)

The Honourable Janet Robertson
(Elected Member for Stanley Constituency)

The Honourable Richard James Stevens
(Elected Member for Camp Constituency)

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

PERSONS ENTITLED TO ATTEND

The Acting Attorney General
(Rosalind Catriona Cheek)

CLERK: Claudette Anderson MBE

PRAYERS: Reverend Kathy Biles

APOLOGIES: The Commander British Forces South Atlantic Islands
(Brigadier Nicholas Roy Davies MBE, MC)

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**The Record of the meeting of Legislative Council
held on Friday 27th July 2007**

PRAYERS

Clerk of Councils

The confirmation of the record of the meeting of Legislative Council held on Thursday 24th and Friday 25th May 2007

Mr Speaker

Honourable Members I have before me the record of the last meeting, is it your wish that I sign them as a true record?

Agreed

Clerk of Councils

Papers to be laid on the Table by the Honourable Chief Executive

Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and Laid on the Table pursuant to (Section 34(1)) of the Interpretation and General Clauses Ordinance 1977.

- Sexual Offences Ordinance 2005 (Correction Order) 2007
- Lookout Industrial Estate (Speed Limit) Order 2007
- Electoral Registers (Publication Date) Regulations 2007
- Land (Non Residents) (Fees) Regulations 2007
- British Nationality Ordinance (Amendment of Schedule) Order 2007
- Falkland Islands Status (Application Fee) (Amendment) Regulations 2007
- Taxes and Duties (Defence Contractors' Employees Exemption) Order 2007
- Immigration (Exemption) (Correction) Order 2007
- Coins (No 3) Order 2007
- Capital Equalisation Fund (No 2) Order 2007

The Honourable Chief Executive

Mr Speaker, Honourable Members I lay the aforementioned papers on the table.

Clerk of Councils

Questions for Oral Answer.

Question number 4 of 2007 by the Honourable Dr Richard Davies

The Honourable Dr Richard Davies

Could the Honourable Dr Andrea Clausen please advise this House what obligations, if any, the Falkland Islands have under Annex 5 of MARPOL and to what extent are such obligations fulfilled?

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, I thank the Fisheries Department for their assistance with this answer. The International Convention for the Prevention of Pollution from Ships (1973) was modified by the 1978 Protocol and is usually referred to as MARPOL 73/78 and it has a number of annexes, Annex 5, to which the question refers, addresses garbage and the disposal of garbage from ships. Annex 5 was extended to the Falkland Islands on the 14th of November 1995. And, as such, our obligations and/or commitments are:

Firstly, to ensure that all Falkland Islands Registered vessels subject to MARPOL 73/78 comply with the provisions of Annex 5.

Secondly, to ensure that the Port Reception Facilities are provided at ports and terminals according to the needs of the ships using them in compliance with the provisions of Annex 5

Thirdly, generally promote compliance with Annex 5

In terms of delivery on these obligations I am advised that:

Firstly, vessels registered in the Falkland Islands subject to MARPOL 73/78 comply with the provisions of Annex 5.

That Port Reception Facilities are available at FIPASS for ship generated garbage in cases where large volumes need to be discharged, this is generally arranged through arrangements being made by the ship operator and their port agents.

Restrictions are in place to prevent the discharge of plant and animal parts and products, which include much galley waste. This restriction is intended to avoid the importation of biological hazards and is part of the bio-security plan. It may be considered not to be entirely consistent with the intent of MARPOL.

The ability to handle such waste safely here is limited. There is also a limited capability for collecting garbage from ships at anchor.

Lastly, some general education and compliance work is undertaken by the Fisheries Department as fishing vessels visit to collect licences and at sea. Any vessel flagged in a state, which is a signatory of MARPOL, should be complying with the terms of the convention.

The issue of whether compliance with Annex 5 and possibly some other annexes should be made conditions of fishing licences has not been implemented but has been suggested.

The Honourable Dr Richard Davies

Thank you very much to my Honourable friend for that reply. I brought this up because I think the issue of garbage dumped at sea is an important one. I am sure you all know, it causes considerable danger to marine mammals, fish and seabirds both by entanglement and by ingestion and it is therefore detrimental to our main industries of tourism and fishing. The economy and the environment are closely inter-linked.

I understand a recent study of garbage on Volunteer Beach revealed that approximately 42% was discarded fishing equipment and another 39% was packaging and household waste, which is likely to have come from vessels – not necessarily fishing vessels. And, I certainly did not intend to direct my question just on the fishing fleet.

One thing I didn't understand and you might be able to clarify is if we have any obligation to enforce the non dumping of garbage by non- Falkland Islands registered vessels in our EEZ. I am told anecdotally that quite a number of fishing vessels – not necessarily Falkland Islands registered fishing vessels dump garbage illegally in our EEZ. Can we or should we be trying to enforce compliance for those vessels?

The Honourable Dr Andrea Clausen

Thank you Honourable Dr Davies. I can add some further light in terms of general education and enforcement, which flows through from the MARPOL Convention. There is a booklet, which is issued on Falkland Islands ports and harbours and there is a section on harbour law and that applies to all vessels on pollution. The Section is as follows:

“It is an offence for any vessel to spill or discharge oil or oily mixtures within the Harbours or Territorial Limits of the Falkland Islands. There are heavy penalties for doing so.

If any oil or oil mixture is accidentally spilled or discharged within the Harbours or Territorial Limits of the Falkland Islands, the occurrence should be reported immediately to the Authorities.

It is an offence to dump any garbage or refuse into Falkland Harbours.

The disposal from a ship into the sea or Harbour of any plastics is prohibited.

The disposal from a ship into the sea of garbage other than plastics is prohibited except when it is made as far from the nearest land as is practicable. And in the case of dunnage, lining and packing materials which will float, not less than 25 miles from the nearest land. In the case of food wastes and all other garbage including paper products, rags, glass, metal, bottles, crockery and similar refuse, not less than 12 miles or, if such wastes and other garbage have been ground or comminuted to the required standard (ground sufficiently fine to pass through a screen with not more than 25mm openings), not less than 3 miles from the nearest land. If you have any garbage or refuse for disposal, please contact your agent to arrange the removal"

So there is provision and it is an offence to dump some of those materials. And, you can see it's staged depending on how far away from land you are.

The Honourable Dr Richard Davies

Thank you again. So, if we become aware through a fisheries officer or a fisheries observer that a vessel is dumping plastic waste in our EEZ, which, I think, are controlled waters within the Marine Environment Protection Ordinance, if we become aware of that, what action can be taken? Do we take any action? I accept that you may not be prepared for that question.

The Honourable Dr Andrea Clausen

I would have to check to see what action they actually can take but it is an offence and it is clearly action we can take. If it's observed by a Fishery Officer, it might well be that they might have more ability to take action than perhaps an observer. But I don't know and I would have to follow up on that to see exactly where those powers extend and to whom.

The Honourable Janet Robertson

Just to add to what the Honourable Dr Richard Davies was saying that I believe in the past there have been incidences of vessels being warned about incidents when they have been seen to have been disposing of rubbish. I am not entirely sure if a repeat offence has led to any conviction. How exactly other than fisheries officers and observers being able to see this, is there any other way, which it can be monitored. How much coverage do we get of vessel actions with regard to their garbage disposal can be monitored? How much coverage do we get of vessel actions with regard to their garbage disposal? Do you have an idea?

The Honourable Dr Andrea Clausen

I haven't got any information on that. My gut reaction to that would be Fishery Officers and Observers would be our first point of contact. We're talking about

vessels more broadly than I don't know. The only evidence that we have is when it washes up on the beach unfortunately and then of course it doesn't come name tagged from which vessel it's come from more often than not. Occasionally it does. I don't know exactly how we would do anything about that. I think what we need to do is to discuss exactly what powers we have who is currently out there on the vessel and to see what action can be taken. I am gladdened to hear that people have been warned but what would actually be good if somebody was convicted and then, of course people might take it more seriously.

The Honourable Dr Richard Davies

Could I ask you to raise the issue with the Director of Fisheries please?

The Honourable Dr Andrea Clausen

Yes I will.

Clerk of Councils

No further questions.

Orders of the Day: Bills

This is the third reading of the Children and Young Persons Tobacco Bill 2007, the first and second readings were heard on Friday, 25th May 2007

The Honourable Chief Executive

Mr Speaker, at the meeting of this House on the 25th of May, Honourable Members indicated their general support for the measures included in this Bill but also indicated that more thought might need to be given to a number of issues including, in particular, how the age limit below which the sale and use of tobacco products is prohibited could be increased from 16, at present, to 18, as provided for in Clause 9 of the Bill. And, secondly, how the provisions of Clause 8, in relation to the powers of teachers to search pupils and their lockers and confiscate tobacco and/or cigarette papers, where there is a reasonable suspicion of the possession of such material would be implemented.

In introducing the second reading of the Bill I commented that this might prove to be a controversial provision and, so it has proved. I know that there is disquiet among teaching staff as to how these powers might be exercised. I have asked the Director of Education and the acting Chief Police Officer to examine these issues with teaching staff and it is certainly the case that concern continues to be expressed.

However, I would point out that the Bill only provides a power. It does not compel the use of that power and Honourable Members may therefore feel able to debate and pass the Bill at this time and then require that an agreed but non-statutory code of practice be prepared.

Alternatively, Honourable Members may prefer to continue the debate and leave the Bill on the table of the House until these matters have received further attention.

Notwithstanding these options and, in order to test the water, so to speak, I beg to move that the Bill be read a third time and due pass.

Mr Speaker

Honourable Members the Motion is that the Bill be read a third time and do pass, The Chief Executive has said that Honourable Members may wish to speak.

The Honourable Mike Summers OBE

Thank you, Mr Speaker. The Chief Executive has given an accurate exposition of where we are with this Bill and the disquiet that apparently still exists in the Education Department as to how they would deal with the provisions of Clause 8. We have a number of options available to us. As the Chief Executive has said we could simply pass this Bill and, of course, the provisions provided under Clause 8 need not be implemented. I am not overly keen on that given that one of the principle purposes of this Bill was to give the Police additional powers to be able to deal with implementing what is currently the law. They are not overly keen about a piece of law that we wilfully do not implement and might be critical of that. Nevertheless, we could do so.

Alternatively, we could pass this Bill and bring into force only certain clauses. We could, perhaps, not bring into force Clause 8 and possibly even clause 9 that deals with the extension of the age limit until such time as there is a further resolution of the House.

We could alternatively pass the Bill with some amendments to Clause 8 or we could pass the Bill with the deletion of Clause 8 and/or Clause 9 or we could not pass it at all or put it back into suspension. So there are a number of options but I think there is a need to make some progress and, I think to demonstrate our will on this issue. It would be therefore my preference that we do pass this Bill but given the reservations expressed by teachers only in the last few days about the operation of Clause 8 to the Bill, I would propose that we pass the Bill but do not bring into effect Clause 8 until such time as there is a further Resolution of this House when we have been satisfied about the procedures to be put in place in schools for the searching of pupils and the issues raised.

But I think I would also propose that we don't bring into effect Clause 9, which is the increase of age until we have a clear policy on how we are going to implement that decision. Whether we go the way that the UK is proposing, which is simply to raise the age on a particular date or whether we are a little softer than that and we say we will raise the age by a year at a time until such time as we get to 18 and that might be easier for some people to take.

So, Mr Speaker, after that, I would like to propose to the House that this Bill is passed but that Clauses 8 and 9 are not brought into effect until such time as there is a further resolution of the Legislative Council.

The Honourable Chief Executive

Mr Speaker, just on a point of order, just to point out that the affects of that will require a slight revision to Clause 2 of the Bill as currently drafted, which is the clause that gives effect to the implementation or bringing in to law the provisions of the Bill. Clearly we can deal with that consequential amendment.

The Honourable Mike Summers OBE

Agreed

The Honourable Dr Richard Davies

Mr Speaker, Honourable Members, I entirely agree with the Honourable Mike Summers that we need to make progress and show will in this very important area.

I take the point about Clause 8 providing powers but not compelling them but I think there is absolutely no point in providing powers that aren't going to be used. The idea is that they are used. I think it would be a reasonable suggestion to suspend this clause of the Bill until we have worked further on it and perhaps made some further amendments, which I understand could be done to it and I would support that.

Regarding Clause 9, I think the increase in the legal age of smoking and purchase of tobacco from 16 to 18 is an extremely important move for us to do. It has been very effective in some other jurisdictions in reducing teenage smoking. I think something like one in 10 of 11 to 15 year olds here are thought to smoke. Teenagers who smoke develop a higher risk of lung cancer than older people who smoke. I think raising the legal age to 18 would bring it into line with alcohol, which might make things a bit simpler to enforce.

I think if we can make it harder for teenagers to start smoking, by the time they are a bit more mature and a bit older they might not decide to take up smoking at all. So I would – while I understand the arguments about the difficulties for a 17 year old who is already an addict I would like to go ahead and raise the age of smoking from 16 to 18.

The Honourable Janet Robertson

I am in principle quite happy to follow what Councillor Mike Summers has suggested. I think the teachers have made some valid points and really, for the benefit of the public, I would just like to say a little bit about what they are and, maybe the Acting Attorney General may be able to clarify an issue. The Bill makes it an offence to sell, give or supply tobacco. It also makes it an offence to possess tobacco but it doesn't

actually say that it is an offence to smoke the act of smoking itself. Perhaps, first, would you please clarify that is the case?

Acting Attorney General

Mr Speaker, I can confirm that that's my understanding of the Bill.

The Honourable Janet Robertson

So at this point maybe we might want to think about that. Secondly, there is a concern that the Bill allows in the event that cigarettes are confiscated from a child at school the child to have as witness someone of their choosing. It's very open and the query that the teachers have is, if they decide to choose someone who is not in the Islands to be present, does this mean that they effectively cannot attend school until such time as that person is there? I'm sure it's a minor thing that can be adjusted easily but it is a point to bear in mind. It's worth thinking about.

Those are two of the areas and I think these issues need to be addressed. I am absolutely confident that they can be and, as Councillor Davies has said, I don't believe there is any point at all in putting in clauses and empowering people who do not wish to be empowered. I think that we need to have some further consultation with the teachers to see how we can address their concerns.

I was just wondering if perhaps Councillor Rendell might be able to clarify for me if the Police are happy with the provisions in the Bill with regards to them? Would he be able to?

The Honourable Mike Rendell

Yes. I was able to have a consultation with the Acting Chief Police Officer last night. He is firmly of the opinion that it's workable from his point of view, from the Police's point of view that it's a perfectly straight forward set of legislation and that, as far as the school is concerned, he thinks the issues that the teachers have raised can be worked through and resolved. He thinks that there might be just a little bit of a misunderstanding about the application of the Ordinance. But that can be worked through. He particularly thinks that it will give him the power to get back to the suppliers, which I don't think under the existing Ordinance he has the powers that he feels he needs and, if he can get back to the suppliers and stop the supply and even if it's only a matter of prosecuting one or two suppliers that may just solve the whole problem because everyone else will then realise that they are in a very difficult position if they carry on doing it and the whole thing might just die a death as it were. So, as far as the Police are concerned they welcome this legislation and see no problems with it at all.

Whilst I am standing here I might as well say that I totally support the proposal that the Honourable Mike Summers has made in regard to the way we deal with this Bill.

Mr Speaker

Are you happy with that and where do you stand in terms of clause 9?

The Honourable Janet Robertson

In terms of clause 9, I am quite happy to go with the suggestion as made. I think the two things are a bit in tandem, certainly with regard to the teachers and how they can approach things. But I was just wanting a secondary question really in relation to the Police and it's probably a question for the Acting Attorney General. If the Police spot a child under the age of 18 walking down the road smoking a cigarette the act itself smoking will not be illegal. Is that not correct? They will be able to search them for tobacco or remove tobacco products from them but they wouldn't actually be able if they didn't have any tobacco products on them other than the cigarette they were smoking I would need clarification on this please.

Acting Attorney General

Mr Speaker, if I could clarify that by holding and smoking a cigarette they would be possessing tobacco and thereby would be in breach of the law.

The Honourable Ian Hansen

Thank you Mr Speaker. I have very little to add to this debate. I do feel that the fact the teachers feel uneasy about Clause 8 of this Bill dictates that we should perhaps look at it again and perhaps amend it.

As far as clause 9 goes, I certainly would need a better understanding of what would happen if we did actually just bring into force overnight, if you like the change of age and what would happen to those who are already smoking under the age of 18.

So therefore, Mr Speaker and Honourable Members, I would support the proposal the suggestion put forward by Councillor Summers.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, I, too, support the very sensible suggestions of the Honourable Mike Summers.

If I can make one comment – the objections or the comments from certain members of the public arrived very late on this Bill and this is what delays us making the decision in this meeting because we have to virtually go back and look at what they said. It will be very helpful if people have comments to make, to make them at the more opportune moment.

Mr. Speaker, I support it

The Honourable Dr Richard Davies

I wonder if I could suggest a compromise on clause 9, which deals with...

Mr Speaker

Can I just deal first with the Honourable Richard Stevens then I will come back to you.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, I also support the proposal that Councillor Summers put forward. I think probably the part of the Education Department and how they are going to deal with it has been covered but I would like to say that there are issues. There is also a will, I am told, to work to resolve the issues and bring in some kind of workable management code.

Clause 9, I have a natural resistance to and probably, mainly in the back of my mind I can't see that it would be valuable for us to have an age limit of 18 and then in other countries that we have close relationships with having a different age. Especially, let's say, UK, when a number of our children go there before they are 18. However, I am told that laws are also going to change in the UK and young children up to the age of 18 will also be banned from smoking.

But in the back of my mind, I think of the other things that you could do between the ages of 16 and 18 that are dangerous. But trying to be rational I do support Clause 9 eventually.

Thank you Mr Speaker.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, I will be brief because I think I contributed quite a lot in terms of what I felt about some of these clauses at our earlier debate in July. I have to concur with my Honourable Colleague, the Honourable Richard Cockwell, regarding the lateness of the comments which have come. It is two months ago since we started discussing. In fact, prior to that because there was a request for legislation to be drafted and it was a public paper, I believe from EXCO. So these ideas have been around for a long time. But certainly in terms of our debate have been open for comments for at least two months and it is disappointing that at the 11th hour we get comments although I am that we've got comments because they are valid and they do need to be addressed.

So, I do support the approach of dealing with them. I think it's an important point to note that whilst providing power does not mean that these provisions have to be implemented. I do think there has, perhaps, been a bit of a misunderstanding although I do also take onboard that we don't want to be passing laws that are not going to be implemented. So, it is right and proper that we thoroughly address any issues that are raised before we properly bring into force all of the clauses.

Regarding Clause 9 in particular I would like to say congratulations to the UK for bringing it in overnight in October. I think it is very brave. It is an awful lot of children they are going to have to sort out between the ages of 16 and 18 overnight in October. I am on record as stating that if we do it here we should do it in a staged approach. I think that's a fairer way of doing it.

Mr Speaker, Honourable Members, I support that this Bill is passed but that Clauses 8 and 9 are not brought into force until there is a further Resolution of this House.

Mr Speaker

The Honourable Richard Davies, I believe you had a point to raise on Clause 9.

The Honourable Dr Richard Davies

If I could just make a couple of further points on Clause 9 which deals with the legal age for the sale and possession of tobacco. Firstly I might just clarify that Canada, Australia and New Zealand and the United States all accept the legal age of possession and sale at 18 and England and Wales are about to change it.

I understand Honourable Colleagues' reservations concerning suddenly raising the age and potentially criminalising current smokers in the 16/17 age range. Could I suggest that a compromise by amending clause 9 to read, "The Governor may replace the figure 16 appearing in any provision of this ordinance with the words: '17 or 18.' And, that we could then bring in 17 one year and 18 the following year into force."

The Honourable Mike Summers OBE

Mr Speaker, Honourable Members, I am not convinced that trying to amend the Bill on the floor of the House in that way would give us all the opportunity to think of all the implications that that might have. Therefore, whilst the notion that the Honourable Member puts forward is the one, I think that we will probably work on, I think it's better that we do it in consultation with the Attorney General's Chambers and others to make sure that we get it right.

And, in light of that and in light of the comments of other colleagues, I would like to now formally propose that Clause 2 of the Bill is amended as follows: "Clauses 1 to 7 and Clause 10 of this Ordinance come into force on publication in the Gazette and Clauses 8 and 9 come into force following a further Resolution of the House.

I so formally propose.

The Honourable Dr Andrea Clausen

Seconds the motion.

Mr Speaker

The position is that Clauses 1 to 7 and Clause 10 will stand part of the Bill. Clauses 8 and 9 will stand part of the Bill and come into force when Members have had a further discussion on this issue. Are we agreed on this point?

The Honourable Mike Summers OBE

Yes, Mr Speaker, Sorry I did mean to make one other point that just slipped my mind. In terms of a timetable of coming into force of Clauses 8 and 9, I wouldn't wish reservations in certain parts of the community to frustrate the purpose of Clause 8 of the Bill and I would therefore like to see if we can't include it as part of the legislation but I would like to mention here and have Colleagues agree that we should have a timetable for the further resolution of the issues to deal with Clauses 8 and 9 and that should be not longer than 2 months.

Mr Speaker

So, it would be a proposal therefore to bring Clauses 8 and 9 back into the September sitting of Legislative Council?

The Honourable Mike Summers OBE

That's my proposal.

The Honourable Janet Robertson

My only comment about that is that we are going to have holiday time soon and many teachers will be out of the Islands. Might it not be sensible to make it the November sitting?

The Honourable Dr Andrea Clausen

I appreciate what you are saying but this comes back, yet again, to business stopping because we are not here and I assume that not every teacher will leave the country for the three-week holiday. So there will be opportunity for them to contribute and I don't know how many weeks left there are of term time but this discussion could happen next week. I am sure they are not on holiday next week.

I agree wholeheartedly with the timetable approach and I would like to see these Clauses back in this House in two months' time.

The Honourable Janet Robertson

I appreciate the need to get on and do this but at the same time, what I would hate to do is to end up in exactly the same situation in September. We have two weeks before teachers go on holiday and I think as it will apply generally to the Community School, I think most of the teachers will be leaving and I believe our Legco sitting in

September is fairly early, the 14th, which will probably be less than a week after school has resumed. I would hate to be in a situation where we are here with exactly the same problems then. I would infinitely prefer to have it thrashed out and dealt with and passed properly in November.

The Honourable Mike Summers OBE

Mr Speaker, if we arrive at a position in September, where we are not able to make a Resolution we can make a further Resolution to delay. But I am anxious that we get a hold of this. It's already been two months since we last discussed this Bill and colleagues have already made reference to the delay. I am not sure if all colleagues are aware that a fair amount of work has already been done by my Honourable colleague on researching school policies, County policies, State policies and other jurisdictions and they exist in profusion. We are not the first people ever to have thought of this. There's a lot of information already available to help and inform teachers. So, I would like to proceed if colleagues would agree with a timetable of September. If there is some compelling reason in September why we can't reach a conclusion we can delay again. But I think we should push on.

Acting Attorney General

Mr Speaker, there is just a technical point. I am afraid I didn't catch the exact wording of the amendment of Clause 2 that was proposed by Councillor Summers but I have drafted a Clause, which would have the effect, which I believe was intended and I hope might be accepted as suitable amended wording for Clause 2. That would read, "Clause 2(1) Subject to Subsection 2 this Ordinance comes into force on publication in the Gazette. Subsection 2: Clauses 8 and 9 will not come into force until further Resolution of the Legislative Council.

The Honourable Mike Summers OBE

I am happy with that.

Mr Speaker

Let us proceed to the third reading of the Bill.

Clerk of Councils

The Children and Young Persons (Tobacco) Bill 2007

The Stanley Common Amendment Bill 2007

This Bill was published in the Gazette and it therefore requires a second reading.

The Honourable Chief Executive

Mr Speaker, Honourable Members, I rise for the final time to move the passage of an instrument of Legislation in this House.

This very simple Bill replaces the 1st Schedule to the Stanley Common Ordinance 1999 with a new Schedule and repeals the Canache Mooring of Watercraft Development Regulations.

The affect of these provisions is to remove an area of land on the North side of the Canache from Stanley Common and thereby remove the special restrictions on the development of this small piece of land, which stem from its being part of the Common.

The protection of the Planning Ordinance in terms of development would, of course, still apply.

I beg to move the second reading of the Bill.

The Honourable Financial Secretary

I second the Motion

Mr Speaker

Honourable Members the Motion is that the Bill be read a second time, does any Honourable Member wish to speak to the Motion?

The Honourable Dr Richard Davies

I would like to declare an interest Mr Speaker and withdraw from the debate.

Mr Speaker

Honourable Members the Motion is that Bill be read a second time, does any Honourable Member wish to speak to the Motion? No, may we move to the fast track? The Motion is that the Bill be read a third time and do pass.

Clerk of Councils

The Stanley Common Amendment Bill 2007

The Motion for Adjournment.

The Honourable Chief Executive

Mr Speaker, Honourable Members, I move this House stands adjourned sine die.

The Honourable Mike Summers OBE

Mr Speaker, Honourable Members, the Chief Executive has already noted that this is his last attendance in this House. It is therefore my pleasure or duty to be able to present him with the customary Legislative Council tie. In doing so I might just ask Members to reflect on a change to procedure. It seems to me rather odd that somebody can serve as a Member of the Legislative Council for five years or nearly five years and then be entitled to wear the tie, when in fact if you are an elected Member you are entitled to wear it from the day you are first elected. So we might think about changing the process to have it as an introductory rather than as a valedictory presentation.

The Honourable Chief Executive

Mr Speaker if I may reserve comment until later.

The Honourable Mike Summers OBE

I wish to say on behalf of the Legislative Council, Members of the Government, the Public Service and the community in general how much we have appreciated the Chief Executive's time here, the hard work and dedication that he has put into his service in the Falklands and to wish him and Denise the very best for the future.

The role of Chief Executive is not always an easy one. That's why we pay him so much money! But it's also not that easy for the spouse of a Chief Executive. There are pressures, there are community pressures and personal pressures and I would just like to pay tribute to the way that Denise, in a quiet and highly dignified fashion has carried on her role here as the wife of the Chief Executive and thank her for her contributions to society here in general.

Chris, we will, of course, miss you but like all your predecessors, once you are gone we will probably forget you. That doesn't mean the work that you've done hasn't been valuable and it hasn't been done in a thoroughly professional and competent manner and, for that, we thank you very much. I think you have done the job we expected of you when you were appointed 4½ years ago. At different times you require different people. I think Chris's sort of quiet and calm attitude to the business of Government has been very helpful and I think his support for and direction of the public service in general has been very welcome during these 4½ years so from all of us, thank you very much indeed, for your time here.

I have just a couple of other things that I would like to talk about in the Motion for Adjournment. This is the first meeting of the Legislative Council since the celebrations in June of the 25th Anniversary. Whilst I don't want to repeat many of the things that I and the others had the opportunity to do during the June week itself, I would like to put on record in Legislative Council our thanks to some people who were involved in preparations for the June week and helped make it go so well. It was a very successful week of commemorations and maybe a little bit of celebration here and there. One or two people said to me is it going to go ok? How will we get on?

Do you think it's going to work? and my constant response was, if you measure the likelihood of success by the level of the input in the first place it's going to be tremendously successful. A huge amount of work went into preparing for the June week. It was a great success and I would like to thank everybody for their efforts.

Most particularly I would like to thank the Police Force, who did a lot of quiet work. They were all of them all at virtually all of the time at work, it was a tremendous effort by a unit that was already under some pressure. They put in a very large number of hours and much of it largely unnoticed and, the best policing is probably policing that is unnoticed. So I would just like to put on record my thanks and our thanks to them for all that effort.

It would be invidious to go through a list of names of people who made the greatest or partial contributions but I think I should mention Claudette Anderson and Cherie Clifford from our office, Harriet Hall from Government House, Maria Strange, who worked for the Chair of the 2007 Committee, and John Maskell-Bott from the Military side, who between them put in hundreds and hundreds of hours of work to make it all work and, of course, the Speaker, who pulled it all together.

There were many others. There were those who organised the events, there were the Churches, who put in a lot of time to preparing and carrying out the ceremonies. There was the Public Works Department, there were the private hosts and drivers, who looked after many of our guests and made our guests' stay here that much more important and that much more personable. There were the caterers and the air services and many, many others. It takes a big team to make something like that work. It did work and thanks to everybody and thanks again to the Speaker for pulling it all together.

A very quick note on smoking, just to reassure the young folks in the community that the fact that we passed a Bill today on making sure that the law about under age smoking is implemented doesn't mean that we are directing all of our attention towards young people and forgetting about the rest. I think there will be other issues on smoking, much more to do with adults, back in this House in due course.

I would like to pay tribute now to the sports people of the Falklands, who have been doing a tremendous job for us in the last few months. All those Islanders who went to the Island Games in Rhodes and represented us there and performed very creditably in a number of disciplines, to the supreme Cricket team, who recently toured the United Kingdom and had a couple of boasts I contributed very little to the victories except at the Foreign Office where I think I did play an instrumental part. Thank goodness for that. But to the FIDF who have just been to Bisley. It's a great contribution that the sports people make in taking out the message about the Falklands. Whilst it's not an up front part of our public relations regime, whenever you go out as a sports person representing the Falklands you inevitably get to talk to people and explain what's going on here, what it's about, what our ambitions are, what our fears are and you spread that message around a number of people. That sort of soft PR is very, very important, indeed. I know for sure that all our sports people who represent the Falklands around the world do so with great panache and great dignity.

On the subject of sports and exercise, I give notice that I will be continuing my campaign to see the inclusion of competitive sports in the school curriculum at the Community School. I had the opportunity of attacking the Director the other evening after a couple of glasses of wine and we had a very lively discussion. I think there is a lot of exercise taking place in the Infant/Junior School. I am not so worried about that but the role of competitive sports in education and in youth development in general must not be underestimated and, isn't it fascinating to see the United Kingdom Government, under the new Prime Minister talking about the need for so many hours a week for competitive sports, not just jumping around on a rubber ball or something in a PE class. Competitive sports prepare young people for life and it really matters and so does exercise matter and, events like the SCB Marathon here are good fun. They provide a high profile and didn't we all do well and all of that. But the real issue is that exercise matters. We have just decided in these last couple of days to recruit an exercise referral practitioner because we recognise the importance of exercise to people's health in the community. So the whole issue of exercise from Infant/Junior School through the Community School and on into the community is an important one and I hope to continue promoting that for as long as we reasonably can until we get where we want to be.

So, on that note, Mr. Speaker I support the Motion for Adjournment.

The Honourable Janet Robertson

Mr Speaker, Honourable Members, before I start what I was going to say I just want to say I totally support Councillor Summers' comments about competitive sports and I hope I will be on your list of people who campaign for sports days to occur on a weekend so that the whole community can go and cheer on our students in their respective disciplines.

I was going to say a bit about immigration. Recently I have had a few comments to the effect that unbridled immigration is placing an unsustainable burden on our services and undermining our Falklands traditions. It's just a few comments that you hear and I really wanted to address this. There are really two sides to this issue and, on the one hand, I can understand why people might feel that the Falklands' way of life is being eroded by a fairly steep rise in the population in the last few years but on the other hand, our economy has been generally buoyant and there has been a demand for labour to fulfil the needs that development has created. Every job from customer assistant to plumber to Doctor needs to be filled by someone. If we don't have enough people in the Islands then quite simply, we need to look abroad in order to fulfil our labour market.

The alternative is to stop or regress development and do away with the number of people who are required. But that is only possible if we are prepared to give up some of our modern comforts and return to some of our old traditional ways of self reliance. I know some people would like this to happen and they might have good justification for it. But we are all caretakers of the Islands for future generations. I doubt anyone under the age of 41 as a random number is liable to be thrilled by this concept.

So on that basis, if we see that we need immigrants to sustain our current way of life could we say, hand on heart, that they should not be welcomed into our community and provide them with opportunities to become permanent members of it? Can we really start to dictate to people who they can and cannot marry. Clearly we can't. It's a human rights issue just for starters.

But what we do need to do is to ensure that our immigration system is properly controlled, that processes and requirements are clear to all seekers of permanent residency, that criminal and health records are properly checked, that the system of entitlements is fair across the board, that we ensure that our systems complement and not shrink the local supply of skills both current and future and that the principles of permanent residency and status are consistent and mean the same to everyone. I am happy to say that we have been working very hard on the subject since this Council commenced and, God willing, we will have a report by the end of the year for public discussion. We can debate this issue further.

I would also like to comment on a recent editorial in the newspaper. It wasn't about immigration this time but it does reflect on the supply and availability of our services. It said "Don't allow the idea that our expectations are too high make us settle for anything less than the best.", and further, "expectation can never be too high in our other area." The reference was to education and medical services.

I am very happy to say that this Council has placed a very high value on these areas, as have indeed all previous Councils and no doubt future ones as well. But the critical element to this report is not about meeting expectations but about establishing priorities. Quite simply, there is not a health care or education system in the world that can and does meet expectations. We are no different. It is beyond our means to do so and it is beyond the means of every other country in the world.

What can expectation demand transplants, plastic surgery, overseas visits to private clinics for births and orthodontists and any other conceivable condition or ailment? In terms of education, where is the limit to that? What is acceptable to fund out of public finances? Should government fund any request? Or, should some judgement be applied? Does this judgment not immediately indicate a restriction on expectation? What other services can and should be sacrificed to health and education? Roads, housing, wages, leisure facilities to take an extreme example, if we were all extremely healthy and well educated but had to hobble our way down a dirt track and be brought to tears with no telly and no gym and many of us with no jobs and go home to a cardboard shack every night, we might not be terribly happy at all.

Leaving exaggeration aside, we probably do have the most generous education and medical services system in the world and, we will always endeavour to give these areas the very high priority that they deserve. But we can't match expectations without ruining the economy. We must, as we do for all other areas, budget sensibly so that the community at large can benefit from a wide range of decent services.

That is the cold reality part. I just wanted to say something about an arguably non-essential service that's just hit the Falklands, the glass imploders, I am absolutely delighted that they are here. I think it's created as much enthusiasm pretty well as the wind farm has, so I am looking forward to see if our budget can sustain any further development in that area in the future in terms of waste management.

Just finally, I would like to echo Councillor Summers' thanks to the Chief Executive. When we came on to Council in November 2005 we had an opportunity to learn a lot from Chris and to have a good feel about what a good Chief Executive can and should provide the community. I personally will be sorry to see him go because he is a neighbour as well as a colleague and I wish you and Denise all the best. But I know that your hens, wherever they might be, will not be as good as the ones that we share.

Mr Speaker I support the Motion.

The Honourable Ian Hansen

Thank you Mr Speaker. Mr Speaker, Honourable members, in rising to support the Motion for Adjournment I, too, would like to mention our departing Chief Executive. It would be very easy for me to stand here and say that he's been the best Chief Executive I had to work with. In fact, he's the only Chief Executive that I had work with. I would just like to wish you, Chris and Denise the very best for the future and, we hope to see you again sometime.

Councillor Summers briefly mentioned in his address that the bigger issue of smoking in public places still has to be addressed. This ban has, of course, been in force in the UK since the 1st July and I was in the UK at the time. It was quite interesting to observe how it went on. What I found of interest was the apparent seamless transition from a pub closing one evening as a place where smoking was allowed and open the next day where smoking was not allowed on the premises. It was distinctly noticeable that when one walked past bars, and you notice I said "walked past," that the bars that had made this transition, there wasn't any decrease in any way of the amount of customers. So, I think that is something that would have been fairly noticeable if it had been the case. However, what I also noticed that in the evenings when there wasn't any rain you would see probably 15 to 20 people standing outside and smoking or, if you want to put it another way, polluting the fresh air. If or when we in the Falklands introduce such a ban, I think we should be absolutely clear in our minds, we won't automatically be free from passive smoking because the issue of passive smoking will still be there. It may not be as noticeable or as threatening, perhaps but it will still be there, just in a different arena and to me it all comes back to education. It comes back to educating our youngsters that smoking not only ruins their health and can shorten their lives but it significantly affects others.

I would just also like to briefly mention a couple of groups of people who I think deserve a bit of tribute over the last few weeks. One group of people are the staff off FIGAS, who have been operating under pretty difficult conditions and it may not get any better immediately but they certainly deserve to be thanked for keeping things going.

The other group of people I don't think we mention very often are those people in PWD who, when the weather is like this, get up at some ungodly hour of the morning and make the roads clear for us so those of us who drive to work can do so in relative safety. I think they need a mention. They don't do it in a super duper heated vehicle. They do it in some old, antiquated tractor that probably would get a place in the museum. It's quite surprising actually that we still use this antiquated system.

Finally, Mr Speaker, I am never keen on quoting from the newspaper but the letter on the front Penguin News today to the uninitiated it may appear that, or could appear that the Falkland Islands Government are constantly guilty of failing to encourage people back to our Islands. I don't believe this is the case. It is not appropriate for me to deliver any more on that point, I don't think, but what I would say that this is very much one side of a long story.

Mr Speaker I beg to support the motion.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, I have just got three - four things I would like to speak briefly about. I would like to endorse what the Honourable Mike Summers said about the 25th Anniversary, then I would like to highlight the contribution that many members of the Falkland Islands community have given to the process. I know in the past we have talked about people being natural ambassadors or ambassadors for the Falklands being a number of unsung ambassadors, who have put over their views of the conflict and the Falklands and living in our community so well in many different medias, radio, television. People have been asked and made themselves available and have come over, I think, to many people extremely well and extremely natural and I think it's been a great asset for us.

I would like to also mention Farmers' Week, which I didn't attend all and everything, but the pieces that I did, I found very enjoyable. The multi-purpose Marino, what I always have back in my mind, soft, rolling skinned sheep. This different method of selection and looking for all the things that are important in animals to increase the viability of wool and sheep, the presentation that Wally O'Connor gave late one evening it was just surprising how many farmers hung on well past pub opening to hear what Wally had to say and it was fascinating, even if it wasn't, everybody's way forward. But it does demonstrate that there are different ways of progressing with development. But, of course, we had Jim Garrish back for a second time and really highlighting pasture management in the Falkland Islands environment. I see the opportunities that Farmers' Week and belonging to the Rural Business Association gives to people because there are many times when you are bumping into members of the Government. The Chief Executive came down and spent a lunch with us and was able to speak to many farmers, this is a great way for people of the rural community to put their ideas into the system, so to speak. Having said all that, it was, perhaps, a bit of a shame that there weren't more farmers in Stanley during this important week adding to the views of the farmers that were there.

Tourism, I am told, is hardly ever mentioned at LEGCO, so here I am mentioning it. We have gone through a bit of a roller-coaster in the last few months but it is an important industry. The number of cruise ship passengers is increasing, and people that were involved in the industry will be pleased to know that we are working very hard with strategy. We already had one half-day and we are having another on Wednesday 1st August. So, if there are people with strong views on where we should be going then they should come to the Chamber of Commerce and contribute to the discussion.

Last of all, I would like to also say good-bye to Chris and Denise. For me, from my position, it's like a double whammy because Denise has done sterling work in the Education Department and it's always been good to go there and be welcomed by a cheery voice and a smile. So, in that way, I will certainly miss Denise. As for Chris, although I have worked with him for just under two years, I have enjoyed the experience and I have also admired his work ethics. On the plane flying to and fro and working on his computer until the battery goes flat, where Councillors, especially one Councillor will be reading or sleeping, so all I can say is I aspire to his work ethics.

Mr Speaker, Honourable Members, I support the Motion for Adjournment.

The Honourable Dr Richard Davies

Mr Speaker, Honourable Members, I am not going to repeat a lot of what my Colleagues have said but on another subject, as a Stanley Councillor I would particularly like to congratulate the Department of Agriculture and the RBA on their excellent and very professional Farmers' Week presentation earlier this month. I do think that in addition to its main purpose of getting farmers together and providing education, it's a very valuable opportunity to remind Councillors to look again at the challenges facing agriculture and the rural community and to think about how they can be best supported.

I went to a couple of the sessions. I am not a farmer but I thought they were absolutely fascinating. It is important that we all have some understanding of agriculture and Camp life and also that we appreciate the considerable expertise and vision of the many farmers who are struggling to or working to overcome the challenges that face them. As you know, Councillors don't have the answers but we do remain firmly committed to the principle of keeping Camp socially and financially viable. This was made clear again in our recent discussions about the Islands Plan.

The Government, in its role as biggest employer in the Islands faces some serious challenges, I believe, in it. I am extremely aware that a number of departments are struggling with inadequate or limited resources and low morale and my colleague The Honourable Ian Hansen has mentioned FIGAS and I would also like to echo that and thank Morgan Goss and his team of engineers and fitters for working extremely long hours recently to keep planes in the air. I think they have done a fantastic job. This community relies very heavily on its air service and we should be very grateful to them.

In a similar context, I could perhaps pay a tribute to Nikki Osborne. Having missed the last LEGCO, I didn't have the opportunity to say good-bye in public. Two years ago Nikki came to, I think, a very dispirited health service but she left a department which, in my opinion, is generally happy working together and forward looking. Nikki did this without being given great resources. She listened to people, she took what they said into account, she was firm when it was necessary but she was also courteous, she was fair and she was consistent. She expected high standards but she applied them to herself as well and I am sure there is no one in the Medical Department who worked harder than Nikki. In short, she was a very good manager and, in particular, she was a good manager of people. That's what we need in Government because Government relies on its people.

The ability of an organisation like the Falkland Islands Government to develop services we have to rely almost entirely on its employees. The aeroplanes and the plant and the hospital beds and the school books and everything else that we have are completely useless without the fitters, the engineers, the nurses, the labourers, the teachers, the clerks, secretaries and everyone else, the Policemen, who have the skills and dedication to keep Government and to keep our public services going and to maintain our way of life.

So, it is important that Councillors ensure that they are properly supported and resourced if Government is going to continue to retain its staff, to bring locally trained graduate students back and provide the services that we need.

To echo my colleagues, the Chief Executive's role is pivotal. Government could not function in any meaningful way without a Chief Executive to manage the Civil Service and drive forward its policies. It's never going to be a universally popular job. In fact, probably the Chief Executive wouldn't be doing a good job if he or she was universally popular. I would also like to thank Chris Simpkins for his hard work and his focus over the last few years. In particular, I think it's easy to start projects with great enthusiasm and vision but it isn't always easy to see them through to fruition and I think he is good at driving things forward and, as an example, within my portfolio, I would just like to mention the Housing strategy, which hasn't progressed as fast as we would have liked but, of course, we haven't got the resources to do it. Housing strategy isn't a "sexy" subject but the provision of adequate, sufficient and affordable housing for this community is probably one of the Government's major challenges. I think, Chris, the fact that it's continued to move ahead with some impetus is thanks almost entirely to you and the Director of Public Works. Thank you.

People are always coming and going from the Falklands. We can't mention everyone but somebody else I would like to say thank you to is Colonel Guy Levene, who is ACOS J4, whose remit is supplying mountain tops or helping the hospital obtain their drugs or helping with my mainsail when the weather is bad. Guy's no nonsense, good humour and common sense and robust approach to red tape and problem solving, I think has turned a number of mountains into mole hills. I think it's been greatly appreciated. He's also been very good at bringing the civilian and military facilities

together and getting them to run smoothly. Guy made a lot of friends in Stanley and Camp and I know you will be greatly missed, not least by Sarah and myself.

Just one last thing I would like to mention. I mentioned the Islands Plan earlier. We are reviewing the Islands Plan at the minute and it contains nine themes, which really reflect the central values and goals of our community, our aspirations for economic development for education, for health, the environment, for the Camp and the first theme is the foundation of all the others because the others are meaningless without it. That first theme, of course, is self determination the right to govern ourselves and the right to continue our link with Britain for as long as we wish and the right to freedom, in short, not only for ourselves but for our children and our grandchildren and a right, which we remembered this year, in which many British servicemen died for in 1982 at a right, which we still cannot take for granted and we must continue to defend it.

In my opinion, we have a two-fold defence. We have the deterrence of the garrison at Mount Pleasant, for which we can continue to be extremely grateful and we have the support of public opinion in the UK and in other parts of the world.

My Honourable Friend, Richard Stevens, mentioned earlier the fact that Falkland Islanders are ambassadors and I think this is a very important concept. Every Falkland Islander who travels abroad, every visitor who comes to the Falklands increases outside understanding of our situation and that understanding increases support and, with that support it is harder for the Argentine Government to continue to justify aggressive sanctions and rhetoric. Self determination is not just something that Councillors promote at UK Party Conferences, at the Commonwealth Parliamentary Association, and at the UN. It is something that every single member of this community has to promote and defend at every opportunity.

Mr Speaker, I support the Motion.

The Honourable Richard Cockwell

Mr Speaker, we seem to be going anti-clockwise so I thought it would be better if I stand next. I don't have a lot to say. However, I would like to agree with Councillor Robertson regarding her comments about health and education. If you talk to people in other parts of the world, the education in the Falkland Islands is the envy of just about every person we speak to and, we will always strive within our financial constraints to make sure that our young people get the best opportunities that they can. I believe, quite honestly, when you talk to people in other parts of the world that our young people have superb facilities and assistance in gaining a tertiary education. It's not absolutely ideal. We would like to improve it but we have to find the money somewhere. We can't just throw money at it. We don't have it.

On health, again, Council strives to meet everybody's expectations and the health service has improved over the years. But, again, we have to manage expectations because of financial constraints. However, I personally believe that the service that we are given both in the KEMH and overseas is superb and we are very lucky to have it. In the last few weeks' have had reason to be very grateful for what is available and

I would like to express my gratitude to both the KEMH and the Clinica Almenia in Chile, who do the Falkland Islands very well indeed. We will strive to get improvements in the health service but they cannot come just because people want them. We have to find ways of financing them.

Councillor Robertson mentioned waste management and the glass imploders. We have discussions going on within public works about other ways of improving waste management. We are trialling the composters, we are also looking at ways of alleviating the problems that we have at the rubbish dump and doing away with that in the future but that is something we are going to have to come up with firm proposals for. There are ideas to do it. I believe it is something that, for the future of the Falklands, we have to actually do.

If I could just mention the present weather the Honourable Ian Hansen mentioned the people who salt the roads do and make them safe for drivers. As somebody of advancing age, I would also like to speak on behalf of the people who use the pavements. Somebody approached me yesterday about Brandon Road, where it is very difficult, even for a young person, to walk down the road with a child in one hand and try to balance with the other on the ice. I think we do have to try and see if we can do something about making the pavements safe as well as the road. So, I will be talking to Public Works about this either this afternoon or next week.

Just touching on the smoking debate, although we are talking about ways of preventing young people from smoking and changing the age and such like, the most important thing is encouraging everybody in the Falklands to give up smoking or as many people as possible. It is a habit, which when I was young was almost a social necessity. It has changed now and instead of being a social grace, it is now something which is anti social. I think we have to accept that. I do agree with the Honourable Ian Hansen I have been to various countries recently where smoking in public places has been banned and it doesn't seem to have made any difference to the use of those facilities. There are people who don't smoke, who go to those places now, who wouldn't have gone before because of the smoke. So I think we just need to get on with it.

Now to Chris and Denise. Chris came here as Chief Executive and as far as I am concerned he and Denise leave as friends. It has been great working with you. You haven't gained everybody's liking all the time, if you had you wouldn't have done your job properly and, if I could just make a comment to what the Honourable Michael Summers said, that when Chief Executives leave we forget them. We only forget them if they haven't made blunders. The ones that have made blunders, we will never forget so I am sure that we will forget you.

Just finally, it is good to see the acting Attorney General here again. Her wise advice and help on all matters is absolutely amazing for somebody of her age. I look forward to the future when you are sat there in your own right.

I beg to support the motion.

The Honourable Mike Rendell

Mr Speaker, Honourable Members, just a few points that I would like to reiterate that have been made by one or two of my Colleagues. There were some observations about the Farmers' Week process. I don't want to go into any great detail. I've got a little of a connection there, so I'd better declare an interest.

But one of the comments that came out of the session with the farmers the one-hour session we have every year, was in relation to the way in which Camp Roads are regulated during the winter months. It was absolutely clear from comments that were made by farmers in the audience that there is dissatisfaction with the methodology that is used to allow or not allow vehicles to travel on roads in the winter.

That's being picked up at the next meeting of the Transport Advisory Committee. We hope to look at all those issues, which don't appear to be absolutely clear, for example, what do you do about getting a dispensation to drive a vehicle that's going to pick up stock leaving Stanley at 6 o'clock in the morning? Who is going to give the approval for that vehicle to go off in circumstances, which might be slightly unclear? In practice people who are doing that kind of thing phone the person they are going to pick the stock up from and get an idea but that doesn't completely follow the rule so we need to try and find practical ways of overcoming these issues.

I would also like to make a comment about the way that FIGAS has had to operate over the last few months, particularly exacerbated by the lack of a General Manager. Unfortunately it looks as if that situation is going to continue for a few months yet and it's going to be particularly problematic as we come into the summer months, for them to be able to operate without a General Manager. But there is virtually nothing that can be done about this and we will be relying on the best efforts of the team throughout the department to make their way through it all.

I do think that Falkland Islanders have a habit of making difficult things look easy. I think FIGAS is one of those operations that does this and it's not until you get into the detail of it that you find out what appears to be easy is actually quite complicated. It can't be a fault because it's a good sign if people are able to get on with their jobs without too much supervision, knowing exactly what they need to do and finding ways to get around problems.

But I do think that it's something that people have to observe sometimes as we, perhaps, do make things look easier than they are and, when they start going wrong, that's when you find out how complicated it actually is. I would finish on this discussion about FIGAS by saying "thank you" to them all for persevering through this difficult period, getting aircraft up into the air after long services with very important deadlines to meet and, for Morgan and all his crew over this last couple of months, well done.

Friday the 13th is a day which you normally look at with trepidation but for those who were down at the Phoenix Cinema on Friday the 13th of July this year I think we would have to agree that it wasn't. It was a really exciting evening. I had the

privilege of unveiling or opening the refurbished Phoenix Cinema and those colleagues who came along, I think, will join me in supporting a general observation that it was a really, really good evening for all concerned. I was particularly impressed with the way the children reacted to it all and took it in with the very best of heart and really rose to the occasion. There were a number of significant events on that evening. One was that it was the first Harry Potter grand world premier to take place in the Falklands. I think it was probably the only world premier ever to take place in the Falklands and it's likely to be the only one. And we also had the privilege of having the "Box Office Boys" with us, which, I think, the children really enjoyed. I was able to find out in the margins, some of us will remember from the last World Cup where they did all the fill ins around the World Cup matches. They are going to be doing the same later on this year with the Rugby World Cup. So, it's another incentive to watch the Rugby, if you needed any more.

But on the serious side of this Phoenix Cinema, I would like to remind everybody, if they didn't already know that this was a Falkland Islands initiative to instead of every year to put money in for two new houses at Mount Pleasant, to do something special for the 25th Anniversary of our Liberation. We did it because we felt that this was something which would give benefit to a larger group than otherwise would be the case with the normal process.

There is nothing, really to compare with watching a good film on a big screen with friends. Especially when those watching are a long way from home, then we need to do as much as we can to make sure that the circumstances of the experience will be as memorable as possible.

However, one can't forget the fact that whilst there is a Phoenix Cinema at Mount Pleasant, there is no similar facility in Stanley. I am really surprised that nobody's picked up on this yet in the media. I wonder if there really are any insurmountable obstacles which would stop somebody in Stanley from setting up a cinema, perhaps using the Town Hall in much the same way as it used to happen in the old days and that we could move forward and actually achieve something on this. Just food for thought.

I would like to finish by supporting the comments by the Honourable Mike Summers in relation to the Police in particular for their very, very hard work and very, very long hours that they worked during the June celebrations. They often go unsung. They often get criticised for this or that but the amount of hours that were put in during that week was unbelievable.

I would also like to support the comments by the Honourable Richard Davies in regard to Nikki, our last Director of Health Services. I did make a few comments at the last LEGCO but I am pleased to hear one of her own colleagues making the sort of comments that he has. When you quietly get on with your job a lot of people don't realise what's actually being achieved but I can see very clearly how much she achieved in that two years that she was here with us. We look forward to the arrival of her successor and hope that we get a similar performance.

I just want to finish with thanking Chris for the experience we have had together here. It must be particularly difficult working in a small community as the Chief Executive. We all know the hazards of being a Councillor in a small community but I think the Chief Executive certainly has even more difficulties and, although the Royal British Legion has half a million members, it is a lot more than that probably. It's a lot bigger a community than ours here but I hope you won't be quite on the firing line as often as you are here.

Mr Speaker I support the Motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, I just have a few things I'd like to mention so I will try to be brief. Just coming back on a couple of things my colleagues have said, which I find quite interesting regarding the smoking ban in the UK, which has just come into force. I find it interesting that smokers were only outside when it wasn't raining so I guess they can cope when the weather is bad. That gives us some food for thought, I think. Of course, I look forward to seeing some of the other legislation coming to this House in due course, which I hope will be passed.

On Farmers Week, as a Stanley Member, I would again like to thank everybody involved because I did attend as much as I could this year. I found it an extremely useful experience talking to farmers and actually listening to them interact with other people because I think it's only then that you can truly appreciate some of the issues that they face in Camp and, it is a big area of land and there are a lot of issues out there that we need to address and deal with and we do our best but we can always do better. I find it very useful and I'd like to thank those members in the Camp Community who made the effort to come in.

Just a general comment, I found it very much more positive feel this year, the atmosphere, compared to last year. I think last year had some pretty negative areas, which were very unfortunate. I would like to say how much I appreciated being able to participate or at least observe a very much more positive Farmers' Week this year. I think a lot of people are getting very excited about some of the opportunities that are coming up, grasping them and getting on with them and it's really good to see that happening. Talking to each other and sharing experiences is even more important, so we don't all have to make the same mistakes, if indeed they do make any.

One issue that did come up and I know my Honourable Colleague, the Honourable Mike Rendell is dealing with a lot of these issues through TAC, is the issue and the issues falling out of the ferry service, which we hope will be in place by early next year. There are a lot of concerns in Camp and I think mainly this comes down to communications and I was very pleased to hear GMFIDC on the radio this week talking about some of those areas of concern. I certainly would like to think that that communication or that level of communication will be followed from this point on so that members in our community can feel, whilst we might not be able to address everything immediately, that we are continuing to try and deal with things as they

come along and to make this a success and there will be teething problems, of course, I'm sure.

I went to quite an interesting meeting last night which was co-ordinated by a Councillor but in her capacity as a member of the public. As a parent who is concerned about childcare provision for the 8 to 12 year olds I think it is very important that distinction is made. This has been around for a long time and I think the pressure is getting ever greater and people are probably getting tired of me mentioning it because I have been mentioning it on a regular basis. We do rely on the majority of the people of working age to work in this economy to make it work and, if they didn't, one member and I know there are individuals in this community, who think that women should stay at home and raise their children and that is a man, I think that if one person from every couple actually walked out of their work for a week especially in the middle of summer there would be a massive impact. So we shouldn't just say that we will go away and sort it out. Don't get me wrong. I don't believe that Government should just deliver everything for people either but I do believe we should help facilitate these things. We do have a role to play. We are the biggest employer in the Falklands and we should respond, when approached, to groups of people, who have huge concerns. I have had parents on the phone very emotional about the fact that they are going to have to decide within a matter of weeks whether they give up work or give up hours, which means they won't be able to support their family as well as they do because they have nowhere to put their 7 ½, 8 year-old before school, during lunches and after school because of the hours they work. It is an important issue and it has to be dealt with and I hope that after the meeting last night there are a group of people who look forward to seeing some kind of a proposal coming to Councillors to deal with at some point in the future. By that, I don't mean that Councillors have to do everything. I believe we have a role to play in facilitating, not doing everything for people.

Sort of linked to that, in a way, I would just like to mention the Family Allowance Survey, which has been very well carried out by Claire Kilmartin, who is working with us at Gilbert House at the moment for two months during her graduate trainee programme. I would like to just urge parents out there that if you don't complete forms, you don't have a voice. It's very important. This survey has come about on a number of grounds. One, in particular is a piece of legislation that was that old and falling to pieces and that many sticky plasters putting on it that it really was time to repeal it and put something new in its place. We didn't want to do that without examining what is the purpose of a financial contribution as a family allowance. So this survey is very important. I would urge people. I know it is past the completion date but I am sure Claire will take into account the forms if you could submit them late. So please, if you want to have a say, don't come jumping up and down after the event if we have made decisions on how to go forward if you haven't bothered to complete the forms.

I think that's almost me aside from, again, adding to my colleague's best wishes for Chris and Denise. Again, my only Chief Executive seeing I have been here for less than two years. I think you do an excellent job. You have been great to work with and I also enjoyed meeting Denise and knowing her aswell. I would like to apologise

if I played any part in this Council of increasing your work load. I think I might have along with my Colleagues. It's already a large work load, the workload of the Chief Executive and we always talk about managing expectations and I think the eight of us also need to be careful about managing ours as well because everything that we expect and demand has an affect on other people and I know it has been mentioned before here. But I hope we haven't added to your stress levels too much.

I'd like to wish you both all the very best in your new life back in the UK. Thank you very much.

Sir, I support the Motion.

The Honourable Financial Secretary

Mr Speaker, Honourable members, on behalf of the Civil Service I would just like to thank Chris for his excellent leadership and for the support he has given me over the past 4½ years as both a colleague and a friend. I will be sorry to see you go, Chris. I wish both Denise and yourself the best for the future.

The Honourable Janet Robertson paid tribute to the hens at Sullivan House and, to avoid any jealousy, I must also commend the ducks, as I have sampled the fine quality of the eggs kindly given to me by Chris.

Sir, I support the Motion for Adjournment.

The Honourable Chief Executive

I guess it's come to the end of the anti-clockwise motion, Mr Speaker.

Mr Speaker, Honourable Members, can I first of all thank you all for your generous words and good wishes? Thank you, too, for this tie, which perhaps will be easier on the eye than some that I have been known to wear. Thank you, too, for the honour and privilege of being part of this House, for what will be getting on for five years. I cannot believe how quickly that time has passed and I am sure that the earth spins fast at the poles.

Today will be a day among many that I have spent here that I will long remember. It's been a privilege to serve the Government and to perform my duties in this Chamber. I hope that I have been able to make some small, positive contribution to the Islands' future.

I have always enjoyed and applauded the spirit of commitment to public service and the desire to do the right thing and to do things right that has permeated discussions here. But I am bound to say that not all my appearances in this room have been entirely positive. As well as all of the positive memories, one particularly unexpected and unpleasant public appearance in February 2004 will not be forgotten.

Five years ago this month I saw the advertisement seeking applications for the post of Chief Executive in the Falkland Islands Government and the rest, as they say, is history. Denise and I leave a little earlier than expected as the result of the discovery of another "F" word in the Falklands' Factor. I didn't think that anybody could be particularly interested in employing an arguably clapped out former Government Chief Executive who disappeared five years ago. But, on the contrary, I have been amazed at the opportunities that have been put my way as a result in part I am sure of the fascination which people have for these Islands.

We have enjoyed a rare quality of life and a wonderful environment and I have really enjoyed my job. The UK's weather will have to undergo much more change than it has this summer for the view from our home in the UK and from my next office in London to even begin to match that we have enjoyed every day here. Denise and I will miss a great deal.

Whilst reminiscing and whilst accepting that nostalgia is not what it used to be, I cannot let this occasion pass without remembering that it was 33 years ago today that my wife and I were married. What is the relevance of that today, you might ask? The answer is very simple. Without Denise's encouragement and enduring support, sometimes under trying circumstances, my career would not have followed the path it has and I would not be standing before you today. She has sacrificed a lot to support me. Whilst we have tried to approach the last 4½ years as a partnership, whatever the judgment of others as to our success, I am eternally grateful for Denise's support.

A moment ago I referred to the spirit of Public Service that permeates this Chamber. When I arrived in March 2003 I was immediately struck to the proximity of Government here to the people it serves. The community is immensely demanding of Government and, it has to be said, very often gets its way. I am bound to say that despite what some in the community appear to believe there is more and closer effective scrutiny of Government here than exists elsewhere.

Elected representatives here are so accessible, so vulnerable to what sometimes can be personal challenge and so susceptible to public apparition, that courage in shed-loads and permeable skins are vital qualifications to political survival, the maintenance of personal sanity and domestic harmony. I take my hat off to Councillors. Your courage under fire is often awesome.

The same goes for Public Servants. For the most part I don't believe that such public criticism and attack is intended for personal grief but sometimes it does.

I have never been particularly bothered by controversy, though I try not to court it. But now, to quote a Member of this House, I am going to go where others fear to tread because I am going to comment on the sport of "Contract Officer Bashing," by a small minority of the public and sadly within some isolated parts of the Civil Service itself.

I suppose these remarks might receive some attention from the press. If that be the case, I simply ask that they are not reported in isolation or out of context. I would

emphasise that the number of people who engage in this activity are very small. Indeed, it was once said to me that they could hold a party in a telephone box and still have room for gate crashers.

The desire for the Civil Service and the economy generally to be less reliant on imported skills and labour is perfectly understandable and a laudable objective and one which I totally support. But anyone who believes that the Islands' economy can ever thrive without importing such skills is frankly away with the fairies and living in a state of suspended reality.

I want to keep these comments in perspective. My experience is that by far the vast majority of Falkland Islanders know this. They have said so repeatedly. However, attacks and gossip, especially when it borders on the malicious and spiteful, whilst perhaps providing a little entertainment, rarely hurt those who are actually the subject of those attacks. Senior Public Servants including Councillors, particularly, especially in a small community are easy targets for vitriol because to some extent, at least, it comes with the space.

Officials can't answer back at least certainly not in like terms. It is the partners and families who often suffer. That is grossly unjust. It wears people down and it eventually results in the loss of skills which can ill afford to be lost.

We are all at times bemused by the speed and effectiveness of the diddle-dee telegraph. I have said before and I repeat it now if gossip were an Olympic sport the Falklands would be challenging for Gold every four years.

I have recently been reflecting on what might be the legacy of my period at the helm of the Civil Service, or as some might describe it, my tour of terror. With seven weeks still to go, I think it's a little premature to indulge in that. But I hope I will have another opportunity to briefly set it out before I depart these shores.

For now I wish to place on record my sincere thanks to all members of the Civil Service, including those at Government House, and particularly colleague Directors, Heads of Department in the Secretariat and the Treasury, Legislature and AG's Chambers in particular because I perhaps worked more closely with them than with most, but especially to my PA, Una, for their support over the last 4½ years. To Councillors present and past, with whom I have really enjoyed working, to all the members of the Armed Forces, with whom I hope I have been able to contribute a strong sense of common purpose and to the many Islanders that my wife and I are proud to call friends and, in some cases, Good Samaritans, who have been generous in their welcome and hospitality and who have helped us when such help was much in need.

We owe you all a great debt of gratitude, which we cannot repay, which we will never forget. We have enjoyed our stay immensely. Farewell and thank you.

Mr Speaker

Honourable Members, the Motion is carried and the House stands adjourned accordingly.

Confirmed this ^{23rd} ~~14th~~ day of ^{November.} ~~September~~ 2007



Speaker of the House



RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON FRIDAY 23RD NOVEMBER 2007

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON FRIDAY 23rd NOVEMBER 2007**

THE SPEAKER OF THE HOUSE
(Mr Darwin Lewis Clifton OBE)

MEMBERS (Ex-Officio)

The Honourable Chief Executive
(Dr Michael Dennis Blanch)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable Dr Andrea Patricia Clausen
(Elected Member for Stanley Constituency)

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

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Mike Rendell
(Elected Member for Camp Constituency)

The Honourable Janet Robertson
(Elected Member for Stanley Constituency)

The Honourable Richard James Stevens
(Elected Member for Camp Constituency)

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

PERSONS ENTITLED TO ATTEND

The Attorney General
(David Francis William Pickup)

The Chief of Staff
(Group Captain Peter John Jones)

CLERK: Claudette Anderson MBE

PRAYERS: Reverend Richard Hines

APOLOGIES: The Commander British Forces South Atlantic Islands
(Brigadier Nicholas Roy Davies MBE, MC)

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The Record of the meeting of Legislative Council
held on Friday 23rd November 2007

PRAYERS

Mr Speaker

Mr Speaker called for a minute's silence to acknowledge and respect the late David George Pendleton Taylor, former Chief Executive.

Clerk of Councils

The Oath of Allegiance, The Attorney General
The Oath of Allegiance, Chief of Staff

The Election of Members to Executive Council

Mr Speaker

Attorney General and The Honourable Financial Secretary, would you please act as tellers for the purpose of election of Members to Executive Council.

May we proceed then to the first ballot for a representative for Stanley.

The Honourable Michael Summers is returned to Executive Council.

We now proceed with a representative for the Camp constituency.

The Honourable Mike Rendell is elected to represent the Camp constituency

Now we proceed to a representative for either Stanley or Camp constituency.

The Honourable Andrea Clausen

The overall result, The Honourable Michael Summers representing Stanley, The Honourable Michael Rendell representing Camp and the Honourable Andrea Clausen representing Stanley or Camp in this particular case.

Clerk of Councils

The confirmation of the record of the meeting of Legislative Council held on Friday 27th July 2007

Mr Speaker

Honourable Members I have before me the record of the last meeting, is it your wish that I sign them as a true record?

Agreed

Clerk of Councils

Papers to be laid on the Table by the Honourable Chief Executive

Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and Laid on the Table pursuant to (Section 34(1)) of the Interpretation and General Clauses Ordinance 1977.

- The Immigration (Exemption) (No 2) Order 2007
- Planning and Building General Development Order 1991 (Maiden Haven Direction 2007)

and Laid on the Table pursuant to section 61 of the Finance and Audit Ordinance 1988 - Reports and Financial Statements and the Report of the Principal Auditor for the following statutory corporations and funded trusts:

- Falkland Islands Development Corporation
- Falkland Landholdings Corporation
- Falkland Islands Museum and National Trust
- Media Trust
- Falkland Islands Tourist Board

The Honourable Chief Executive

Mr Speaker, I have the pleasure of laying on the Table the papers as listed by the Clerk.

Clerk of Councils

Questions for Oral Answer

Question number 5 of 2007 by the Honourable Richard Stevens

The Honourable Richard Stevens

Could the Honourable Mike Rendell advise whether all non surfaced roads East and West are graded at least once annually? If the answer is yes then when is this achieved i.e. in the spring, during the summer months or throughout the year? If the answer is no could you outline the policy?

Finally could you give an overview of where we are now with grading and repair work after the winter months and where we hope to be at the end of the summer?

The Honourable Mike Rendell

Mr Speaker, Honourable Members, firstly I would like to thank the Director of Public Works for his help in compiling this response.

Not all non surfaced roads in the Falklands are graded annually.

The policy is to give priority to roads that carry the highest traffic levels, but account is also taken of conditions on lighter trafficked sections and every effort is made to balance the needs of all users.

The Highway section of Public Works carries out road inspections both formally and informally virtually continuously.

Grading programmes based on these inspections are then produced and work is carried out accordingly.

Grading is carried out whenever the road conditions are suitable which is mainly the spring and summer months but there are occasional breaks even in the winter when we can do some work of this nature.

It would be preferable to do all of the grading in the spring time when the material is more workable due to higher moisture content but will ordinarily then relatively quickly dry and retain shape for longer but this is not logistically possible as there are now over 900 kilometers of road in the Islands.

The current situation this season is as follows:

The MPA road has been graded several times and will continue to require attention every few weeks.

Graded once so far this season on the East are the following: Darwin Road, San Carlos Road, New Haven Road, Fitzroy Road, half of Goose Green Road, Murrell Road, MPA Road to Port San Carlos, Cape Dolphin, Estancia to Johnson's Harbour plus other areas around town such as tracks leading via Boxer Bridge to Stanley Airport.

On the West grading has been done from Fox Bay to Harps Farm, intermittent grading from Hill Cove turn off to Hill Cove and Roy Cove, intermittent grading from Fox Bay to Port Stephens, all graded to Albermarle, Port Edgar and Mount Alice, intermittent grading to Dunbar.

Grading is ongoing towards Salvador and on the MPA road currently.

Linked to grading, is capping, which both improves the running surface and the ease with which grading can be effected and some work has already been done this season, notably on the San Carlos and North Arm sections.

At the end of summer we would hope that all sections of road that need it would have been graded but that also capping will have been carried out to sections leading out from Port Howard, the New Haven Road and North Camp.

The Honourable Richard Stevens

I would like to thank the Honourable Mike Rendell for that comprehensive answer, but if I could ask one additional question. What is the process of prioritising and how does that work, is there any consultation with the main road users and landowners and is there any kind of work between all parties that use the work when they prioritise grading and upgrades.

The Honourable Mike Rendell

I'm not sure specifically myself, how the priorities are worked out, but I would be quite confident that the Road Engineer would be consulting with people and would be receiving feedback from people if they felt they had a particular problem in their area. So, if there isn't consultation I would suggest it would be in the best interests of the road users who felt there might be a problem in specific areas to address their issues with the Road Engineer or the Director of Public Works.

The Honourable Richard Stevens

I would like to thank the Honourable Mike Rendell.

The Honourable Janet Robertson

It would appear from your answer that there is considerably more grading going on roads on East Falklands rather than on West Falklands it would appear to be more intermittent on West Falklands and I understand there are logistic issues why that might be the case but I was wonder if it is expected that in the future it will be more even between both Islands.

The Honourable Mike Rendell

I expect that is an issue related to plant equipment and crushers. If you are going to do grading you have got to have better quality material which means you have got to crush. As a result of the work that is going to be going on with the ferry terminals, it is expected that there will be new plant bought in particular a driller. That would mean that in the long term there could be one available on the West Falklands as well as the one that is currently working on the East Falklands. That in itself would give more potential for finding better quality materials. Of course, as more work is completed on East Falklands so it will ease up equipment and resources to do work on the West. I think we all acknowledge that there is a lot of work to be done on the West, it is just a question of how it can be fitted in.

The Honourable Mike Summers OBE

Mr Speaker, I assume from the answer that all of the works been undertaken both on the East and on the West are undertaken by the Public Works Department could he confirm that or if any amount is undertaken by the

private contractors? Is the member aware of any longer terms plans to privatise the maintenance of roads on East and West?

The Honourable Mike Rendell

It is a fact that some work is being done by private contractors. I think we are all aware of a contract that has been awarded out at Port Howard in particular. I am not aware of any policy decision being taken to privatise the whole operation but it would appear to be absolutely no reason why that shouldn't be very seriously considered in the longer term and be a potential way forward.

Clerk of Councils

Question number 6 of 2007 by the Honourable Janet Robertson.

The Honourable Janet Robertson

Could the Honourable Richard Stevens advise what power requirements there will be for the proposed VSAT systems that will be supplied to some Camp areas, and further, who will take responsibility for the cost of installing and maintaining the power systems?

The Honourable Richard Stevens

The total power requirement can vary greatly depending on the equipment, manufacturer, size of antenna, the location of the terminal, band-width required and the satellite being used. Additional factors, such as requirement for antennas, de-icing, it is a life-line telephone service can also increase power consumption from 100W to 1 KW or more.

It is possible that in some areas a single satellite dish could supply several homes and therefore power consumption would be higher than where a single dish serves a single home. System design and integration work is currently on-going and a VSAT equipment vendor has not yet been selected so Cable & Wireless are unable to provide an exact figure for power consumption at this stage.

The aim of the on-going design work is to try and improve as many of the remote areas as possible in the terrestrial radio network to reduce the number of locations which will be connected using VSAT solutions.

As Cable & Wireless will manage the design, procurement and installation, for power systems required by the Camp Network, Government has agreed to fund the cost of the initial installation base systems.

Some information, the antenna de-icing is required on dish based solutions because connectivity can be lost if the dish becomes covered in snow and ice in the winter. High power consumption is required for service dedicated primarily to voice telephone rather than internet at the first requirement.

The Honourable Janet Robertson

Thank you, Councillor Stevens, for your answer. I was wondering if we had available to us any information about whether other VSAT systems require the same amount of power and what the difference might be between what is being proposed for these Camp areas and what might already be in existence elsewhere. I appreciate that's a complex subsidiary question but I was just wondering if you might happen to know.

The Honourable Richard Stevens

Yes. It is a ticklish question and the answer that I have given, of course, is it gives quite a few options from 100W to 1 KW and 1 KW is a considerable amount of power for people living in Camp. I have been told that the VSATS that are now in operation in the Falklands require less. It would be in the early 100W rather than in the 1 KW range.

The Honourable Janet Robertson

I thank you for your answer.

Mr Speaker

Any further supplementary on this question? No.

Clerk of Councils

Question Number 07 of 2007 by The Honourable Janet Robertson

The Honourable Janet Robertson

Could the Honourable Mike Summers confirm that there is a points system in place for the allocation of houses to people on the housing list, and further, that the criteria used in the points system is in the public domain?

The Honourable Mike Summers OBE

Mr Speaker, Honourable Members, I am happy to confirm that a points based system is in place in the allocation of Government housing for qualifying parties, other than those who are provided with housing as part of their employment conditions.

The current system was adopted in July 2006 and has been in use since that time, with minor adjustments in the application form to improve clarity. The system is primarily based on the size and make-up of the family unit, the size of existing housing relative to that, medical and social needs, the age of applicant, financial situation including savings and earnings being under notice to quit from existing accommodation and any previous record as an FIG tenant or debtor.

Additionally residents returning from training as professionals gain points, as do those that are overcrowded or in a house share.

Consideration is also given to those wishing to transfer to another FIG property where this better optimizes usage of those properties.

The detail of the system has not been published, although there is no reason why it should not be, but the information sought on the standard application form makes clear in terms of the information sought, what criteria are likely to be taken into account.

The reason that the information has not been formally published is an administrative error. A decision was made by the Housing Committee on the 7th of June 2006 that the points system should be sent to the General Management Team for any comment and then on to EXCO. For reasons which pass me by, that did not happen, but I will make sure that it does now happen.

The Honourable Janet Robertson

Thank you that answered the question perfectly.

Mr Speaker

Any further supplementary on this question? No.

Honourable Members we now proceed to item 7 on the order paper, the Motion proposed, Motion Number 2 of 2007 by the Honourable Richard Davies, unfortunately this Motion now lapses because Richard Davies is no longer a member of this House, and with your indulgence I would like to offer the floor to the Honourable Janet Robertson to make a brief statement on this matter.

The Honourable Janet Robertson

Mr Speaker, Honourable Members I would like to withdraw the motion at this point and would be quite willing to consider it at a future date if it is still relevant but certainly await the outcome of an election before that will happen.

Clerk of Councils

Order of the Day: Bills

The Mining (Amendment) Bill 2007, this Bill has been published in the Gazette and therefore we go to the second reading.

The Honourable the Chief Executive

Mr Speaker, this Bill would amend section 11 of the Mining Ordinance 2005 it has effect to allow the Governor to grant a prospecting, exploration or mining licence which relates to stone, flint, chalk, gravel, sand or calcified seaweed, to a person . As presently enacted, the section unintentionally restricts the grant of such a licence to a body corporate only. In agreeing to it being a person that by definition will also include a body corporate.

Mr Speaker I beg to move the second reading of the Bill.

Mr Speaker

Do we have a seconder?

The Honourable Financial Secretary

I second the Motion

Mr Speaker

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

No objection, the Bill will be read a second time.

Clerk of Councils

The Mining (Amendment) Bill 2007

Mr Speaker

Honourable Members may we adopt the short track procedure?

The Motion is that the Bill be read a third time and passed, if there is no objection, the Bill will be read a third time and passed.

Clerk of Councils

The Mining (Amendment) Bill 2007

Children and Young Person (Tobacco) (Amendment) Bill 2007. This Bill has also been published in the Gazette and therefore we go to the second reading.

The Honourable Chief Executive

Mr Speaker, this Bill amends the Children and Young Persons (Tobacco) Ordinance 2007 in a number of ways by:-

1. Defining more inclusive definition of teacher for the purposes of the Ordinance;
2. Amplifying and replacing sections of the Ordinance to clarify the circumstances in which a pupil may request another person to be present whilst the pupil is required to empty the pupil's pockets etc; and
3. Repealing and replacing section 9 of the Ordinance to enable the Governor, by order, to introduce, in annual stages, an increase in the age below which smoking is not permitted 16 to 17, 17 to 18. Mr Speaker if this House approves this Bill which amends sections 8 and 9 this will not be brought into force until approval of the Ordinance itself which will be brought forth at the next meeting of the House.

Mr Speaker I beg to Move the second reading of this Bill

The Honourable Financial Secretary

I second the Motion.

Mr Speaker

The Motion is that the Bill be read a second time, is there any objection to the Motion? There is no objection the Bill will be read a second time.

Clerk of Councils

Children and Young Person (Tobacco) (Amendment) Bill 2007.

Mr Speaker

I declare the Council to be in Committee.

The Honourable Dr Andrea Clausen

I just wanted to seek the Attorney General to confirm that because of the Order paper, it is not possible to bring a Motion for a resolution of the House which in practical terms means that the amended clauses will not come into effect until the next meeting of this House so in actual fact the increase in legal ages will not take affect until that happens.

Attorney General

I can confirm that that is indeed the position. Members do not want sections 8 and 9 to be brought into force in their current form. The amendment Bill provides for the changes needed to the Ordinance, until those are passed and the amendment Ordinance comes into force on publication of the Gazette it is not possible to make a resolution under section 2 (2) of the original Act bringing sections 8 and 9 in their amended form into force so such a resolution

will have to await the next Legislative Council meeting. There is a secondary point and in any event the point in the Order paper the removing of a resolution by Motion, has now passed so it will have to await the next Legislative Council meeting.

Clerk of Councils

So, the Ordinance comes into force but not sections 8 and 9?

Attorney General

The ordinance is already in effect. We can proceed.

Clerk of Councils

Clauses 1 and 2.

The Honourable Chief Executive

I beg to Move that clauses 1 to 3 stand part of this Bill.

Mr Speaker

The Motion is that clauses 1 to 3 stand part of the Bill is there any objection to the Motion? No objection. Clauses 1 to 3 stand part of the Bill.

Clerk of Councils

No Schedule.

The Honourable Chief Executive

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

Mr Speaker

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 will be read a third time and passed.

Clerk of Councils

Children and Young Person (Tobacco) (Amendment) Bill 2007

The Supplementary Appropriation (2007/2008) Bill 2007. This Bill does not require publishing in the Gazette but does require a first reading.

The Honourable the Financial Secretary

Mr Speaker, Honourable Members this is the first supplementary appropriation Bill to be presented for the current Financial Year. Its purpose is to withdrawal of the sum of £484,810 from the Consolidated Fund to meet supplementary expenditure approved by the Standing Finance Committee on the 24th August and the 26th October 2007. In summary £335,790 was approved in respect of carryovers of under spends from last financial year for nine items of expenditure. In addition £6120 was approved for survey and chart work for Stanley Airport £105,000 for compliance work at the abattoir and £37,900 in connection with the appointment of the General Manager for the Falkland Islands Tourist Board. Details of supplementary expenditure are recorded in the open minutes of the Standing Finance Committee.

I beg to move the first reading of the Bill.

The Honourable Chief Executive

I second the Motion.

Mr Speaker

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

Clerk of Councils

The Supplementary Appropriation (2007/2008) Bill 2007

The Honourable Financial Secretary

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

Mr Speaker

The Motion is that the Bill be read a second time. Does any Honourable Members wish to speak to the Motion? No. Honourable members may we move to the fast track? The Motion is that the bill be read a third time and do pass.

Clerk of Councils

The Supplementary Appropriation (2007/2008) Bill 2007

The Motion for Adjournment.

The Honourable Chief Executive

Mr Speaker, I beg to move that this House stands adjourned *Sine Die*.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I would just like to thank my Honourable Colleagues for returning me to Executive Council for the next year and hope that I will be able to execute the trust that they put in myself and my colleagues to help carry us forward in what will be some interesting times.

It was highly appropriate, in my view, that we had a minute's silence for the late David Taylor before the session started. For those of us who worked with David Taylor both in Legislative Council and Executive Council as I did, he was an extraordinary man and he came at an extraordinary time in Falklands' history, right after the war when a lot of things needed to be done, a huge amount of reconstruction work needed to be co-ordinated and put forward. There was no time, really, for slow decision making and David was the right sort of man to push those things forward. He also had to be incredibly creative in his thinking and in the exercise of his duties because he had the responsibility of recommending how the revised report of Lord Shackleton in 1982 should be carried forward. He was responsible for the reform of the Public Service and for the creation of the Falkland Islands Development Corporation. He was responsible in many ways for overseeing the beginnings of the creation of the fishing zone around the Falklands and many, many, many other things. So, he made a tremendous contribution to the Falklands life in his work. He was also an extraordinary character. For those of us who had the pleasure of knowing David, he could be great fun. I was speaking the other day to one of his friends in the Post Office about David and she said to me that he was great fun and had a fantastic sense of the ridiculous. You probably needed, just post 1982, a good sense of the ridiculous just to survive in those very difficult times. He did a tremendous job and we all owe him a great debt of gratitude.

I would just like to note, too, the passing of Tony Pettersson, who was a servant of the Government for over 40 years in the Printing Office, who recently passed away and, of course, Graham Middleton, who passed away in service. It was a sad time especially when such things happen with young people, young families and I think this House would like to extend our condolences both to Tony Pettersson's family and to Graham Middleton's family.

I am delighted that as of today, effectively, we have implemented the new portfolio system that this Council has been working on for quite some time. The purpose of the new portfolio system is to bring greater scrutiny to the activities of the Government. It has been well trailed through the process of the Select Committee. But essentially the three Executive Council Members now will have only very limited portfolio responsibilities and the other members not on Executive Council will carry the bulk of Portfolio responsibility.

The purpose of that is so that the members of Executive Council should not be too closely involved in making recommendations for policy that come up to Executive Council and then can scrutinise them in a more independent and

clearer fashion. Members who are not on Executive Council also have the right and, indeed the duty to scrutinise the decision-making processes of Executive Council. But we have to be thinking about ways in which that can be better done. So, there will be five portfolios from now, headed by individual Councillors with support from others. We have had a number of discussions in recent days about how the non-Executive Council Members are going to scrutinise the Executive Council Members and some of our thoughts turn around revising the way we do things in this House. We intend to have some discussions with the Honourable Speaker and others in due course about that. We may, indeed, bring the activities of the Standing Finance Committee back into the House and have a finance section of the agenda, perhaps questions with written notice, perhaps questions without notice. Those are the sorts of ideas that we are thinking about to give Members the opportunity to scrutinise Executive Council about decisions they have made and how they have made them, so we look forward to those discussions and hope that those along with other measures that we will introduce will improve the quality of scrutiny in our Government. If anybody has any other ideas, we are always very happy to hear them.

Briefly, the portfolios that now exist from today: Minerals and Agriculture (One Portfolio), Fisheries, Tourism and Development (the second), Education (the third), Health and Public Protection (the fourth), and Land Use and Public Services (the fifth). Executive Councillors will take responsibility for: Policy and Administration, Regulatory Services, Treasury and Finance. I look forward to bringing that into its full form in the next several months and hope that it will provide for us an improved system of Government.

The final comment I would like to make today is about drugs. The issue was rightly raised in the public meeting the other day that there is some concern about there being drugs in the community. All Councils, in my recollection, have posted a zero tolerance policy about drugs in this country. They are, as I think many people will agree, the root of many evils, if not all of them. So, I would just like to take this opportunity to appeal to all and any members of the community who have any knowledge at all about either the importation or the use of drugs in this community to report it directly to the Police, if they so feel, or to a member of the Council or somebody else who can take it to the Police if they feel somehow inhibited. It is critically important to us as a community that we do not allow drugs to take any part in life in these Islands.

Mr Speaker I support the Motion.

The Honourable Ian Hansen

Mr Speaker, Honourable Members, I will be brief. I would just like to begin by mentioning the recent departure from these Islands of Neil and Jenny Judd, who spent six years here. Neil was first the Wool Advisor and then the Senior Agricultural Advisor. Jenny, of course, was a very efficient and popular teacher in the Infant/Junior School. I think both of them have made a very valuable contribution to the Falklands and I would like to take this opportunity to thank them and wish them well for the future.

I thought I would speak briefly on development and progress in the Islands and perhaps particularly in the Camp. It would be very easy to concentrate on the slightly pessimistic and critical approach which seems to be directed mainly at the Camp in certain quarters at the moment.

Flying over the Falklands is something I spend a fair amount of time doing. I actually find it very satisfying to see the road system is continually extending all over Camp, reaching out to farms and locations large and small. I find it pleasing to fly over the Sand Bay Wind Farm and to see those huge wing turbines turning and know also that most of the farms and locations of the road system are continuing to link in, they also have their own power generated by smaller wind turbines.

Of course it has to be good to see cruise ships anchored in and around Stanley from the months of October to April every year. All this is progress.

Getting back to the Camp development, it is not perhaps immediately apparent or recognised that there are already established and successful business enterprises operating in and from the Camp. Southern Imports, Saddle Computers, Warrah Design and the new tannery at Hill Cove, all these and probably others I have missed have the belief and force of business acumen to believe they can be successful outside Stanley. When you actually take into account the lodges and self-catering units that are already operating, it actually adds up to a pretty positive picture. Just having a positive attitude is not enough, never enough for existing or new businesses because it is always possible that businesses of any type will need assistance in some form or another.

We often have complaints, and usually with just cause about television footage and of course, our telephone communications. But this in itself should be viewed as progress and development because our expectations are far higher than they used to be. So we obviously have developed and progressed because of those higher expectations.

I do believe that if those who first supported the concept of roads, the concept of the abattoir, wind farming, television, all the things I have mentioned, if those people had taken heed of the minority of people who, in each case, were adamant that these things just could not happen, there is no question in my mind that they wouldn't have happened. I do firmly believe that not only this Council and this Government but future Councils and Governments should always take the attitude that though new ventures may not be smooth running and perfect, we should at the very least have the confidence to put them in place and try them and adapt them with common sense both financially and practically.

There was just one other issue I thought of while I was speaking to do with the development and I will finish on that and that is there is still the issue of a single constituency in the air. It's been mentioned this week. I personally can't see the benefits of a single constituency and what benefits that would

bring to the Camp in particular and indeed the Falklands as a whole. I am one person who will question the logic behind such a move. However, if this is an issue that this present Council feels it should discuss I would be very interested to hear the views of not only my colleagues but both the Camp and Stanley Electorate.

Finally, Mr. Speaker, I would like to welcome the Chief of Staff to this meeting of Council as well as the Attorney General and Dr Blanch back to the Islands. I know it's a short time I will be working with you Dr Blanch but it's a privilege to have the opportunity.

Thank-you Mr. Speaker.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, there seems to be a reluctance of Members to stand forward. I would like to start where Councillor Ian Hansen ended and welcome the new Members around this table. And, just to say that Michael Blanch is the fourth Chief Executive that I will be working with, even if it is only going to be in a cameo role. All the Chief Executives that I have worked with have their own style and I have already found Michael positive and supportive and look forward to working together in the remaining time.

I would like to say a few words on the SAMA visit. I believe it was an incredible community event for Falkland Islanders and everyone will have their individual memories. I wonder if any other community could have offered the beds, the vehicles and the depth of friendship and gratitude that was on display during the SAMA visit. Some of my lasting memories include driving over to the service at San Carlos and seeing the first squall of the day rolling over Wreck Point as some veterans and their drivers looked down on San Carlos Water from the mountain behind and others walked in the paddocks behind looking for their trench or hole that they occupied in '82. The most moving sight for me was seeing the procession of British Forces, FIDF and Veterans lead by the band coming from the Cathedral to the Cross of Sacrifice. It probably occurred at the Cross of Sacrifice and, indeed at other times that we could have done a better job with the weather. I hope that we all got something out of the SAMA visit and, for those that seek it, have found comfort in the proceedings.

The Education Department has undergone a recent inspection. The inspection has included self assessment and input from students and parents. And, it is clear that although there is a lot of quality throughout the service, there are areas, especially in the Community School, where we need to improve. At the recent Education Board we looked at ways of supporting the Community School with additional resources that address the issues highlighted in the report hopefully within our existing budget. These recommendations will go to the next Executive Council in December.

Mr Speaker, Honourable Members, I support the Motion.

The Honourable Mike Rendell

Mr Speaker, Honourable Members, I would like to endorse the comments made welcoming Dr Blanch. It's good to see you back and three months is going to take a few hairs out of your head by the time you leave, I would suspect, for the amount of work you are putting in. The Honourable Mike Summers has made reference to David Taylor and all the work he did back in the '80s. It was my privilege to work alongside him in the Secretariat back in 1982-1984 and the quiet and motivated system that he used to get on with his work. He left probably a lot of people in the dark as to the amount of work he was actually doing. It is absolutely clear and evident that he laid the foundation for Chief Executives in particular in the Falkland Islands, so it's very sad to see him go.

As the Honourable Mike Summers has also mentioned we now see a change in the portfolio system, which means that the three of us Executive Councillors no longer have portfolio responsibilities or not major portfolio responsibilities. That means that we are going to be stepping out of the committees that we have been servicing over the last few years, which, for me, is regretful in a number of ways. It is the way the system has to evolve and that is just the way it is. I would like to make a few comments about some of the Committees from which I will be withdrawing.

First of all, from the Police who are going through a major process of change at the moment. We were all present at the presentation by the Chief Police Officer here several days ago and I think it was clear from that presentation that he is trying to change the basic methodology of the way the Police operate in the Falklands or not specifically change it but trying to bring it much more into the community, much more community driven. I think that is a tremendously good idea. Whether it is the view of the populace as a whole will be seen fairly soon, when the results of questionnaires which he's passed out to people to fill in will be received. I would earnestly support everybody to get a questionnaire if you have not already got one so that your views can be passed back to Paul Elliot so that he has got a clear line on which to steer.

The Medical Department has been a very demanding portfolio area to be leading over the last two years. We have gone through quite a few difficult areas including the evolution of a medical treatment overseas policy, which involves individual patients paying some money themselves, which has gone, in my opinion, remarkably smoothly. I think people have accepted their responsibility in contributing towards the costs of expensive treatment overseas. It has been particularly refreshing, I think it's the first time it has happened that the Hospital has had a full audit from an overseas team actually a Ministry of Defence Audit Team which took place five or six weeks ago. Although the final report has not yet been received, the interim indications are that the Hospital comes out with flying colours in just about every aspect of its operation. I think we all find this particularly encouraging.

The Transport Advisory Committee is another area, which I will be stepping back from. Of course the major thrust there has been the setting up of the

new coastal Shipping and Ferry Service and all that goes with it. It is getting there. I think we've overcome most of the main hurdles. It has been a long and bumpy path for lots of us but it is getting there. One of the conclusions of this will be that people on West Falkland will need to adapt the way in which they do their business because they are not going to get a door to door service as they did with the Tamar. That has been devolving over a period of time but once the Ferry is running on a very regular basis it is going to change completely the way in which people do their business. It is the same process that people on East Falkland had to go through a number of years ago when roads were built to their settlements and the coastal shipping service was subsequently withdrawn from those places on East Falkland. People on the East, I think, have coped, have adapted and made it work best for them and I can see no reason why that should not happen on the West.

We are in an interesting situation today with not being broadcast live because changes are being made in the FIRS studio so there is no radio around the Islands. The medium-wave transmitter at MPA at Bush Rincon caught fire a few days ago so there are no BFBS 2 medium wave transmissions, a number of people are having problems in the Camp with their internet connections and, I think the TV is off as well in the Camp. So, these are all issues which are being considered, they are under consideration but we need to move on a pace and get those people out there who are, in lots of cases quite isolated, in touch with people in Stanley and with what is going on around the world. I am sure we would all go along with that.

One thing it is a question I am going to have to ask the Honourable Dr Blanch is if anything could be done to harness our own medium wave transmitter whilst the MPA medium wave transmitter is off, to disseminate the news that otherwise wouldn't be possible to do. Not this weekend, we accept this weekend. We all sit here very cosily. I go out to Camp every month or thereabouts and I go out to a situation where there's no World Service Radio except for very short periods of the day, where there is no KTV, there is no ability to see live direct news. Then you come back to town and you have got everything at your fingertips. I think we tend to forget about the situation that the Camp is in. It is convenient to do that for some. I am not suggesting that people in this room do but I just wanted to make a gentle reminder about it and it needs to move on as quickly as we can.

I would also like to associate myself with the remarks that the Honourable Ian Hansen made regarding a single constituency. I have to be honest. Before I seriously considered standing for Council, I was of the opinion that a single constituency would be the best solution for us. But since I've been elected I have changed my mind. I think there would be a danger, depending on who is elected, of the Camp losing any kind of influence at all in what happens in the Camp. I do not for one minute suggest that is the case with the existing Council. In fact, you couldn't ask for a more sympathetic bunch. But that might not always be the case.

I would like to finish with a few words about the visit of the veterans over the last month or two. In particular to make some comments about what happens

in the future, it is absolutely clear that many of those people that came back got tremendous benefit from the visit and also, so did a lot of Falkland Islanders who had gone through a lot of difficulties in 1982. It's not a phrase I like using but I think it's an appropriate one I think a lot of ghosts were laid to rest. However, there are a lot more that are sitting on street corners, perhaps in London, swigging away on a bottle of whiskey, who nobody knows about, who probably nobody really cares about, out of sight, out of mind. It is those people, in my belief, that really do need to be targeted if at all possible. When Chris Keeble was down here in June he had clearly identified this as a serious problem and was going to try and do something about it.

But we should not by any means assume that because we have gone through the 25th anniversary that that is the end of it because there are many thousands of veterans who probably would benefit from a return visit to the Falklands. I hope that in the longer term that can be achieved the very, very long-term!

Mr Speaker I support the motion.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, in rising to support the Motion I, too, would like to mention the veterans' visit. I think it was a great success and safe to say beyond what the Honourable Mike Summers said about it and others. In particular is the benefit that Falkland Islanders get out of it as much as the veterans themselves. I really do look forward to trying to find ways to make sure that this happens not every year but reasonably frequently. I think it is a chance for us to show our gratitude to the people who came down in 1982 and gave us the lifestyle we are able to enjoy today. If we can give them some help and benefit at the same time that is an added bonus. The Honourable Mike Summers mentioned the passing of three people who will be greatly missed in the Falkland Islands. Of course, David Taylor was our first Chief Executive and I, amongst many others are proud not only to remember him not only as an excellent Chief Executive but a friend as well and we grieve his passing.

I welcome the new portfolio arrangements. There has been a lot of discussion amongst ourselves on the best way to achieve more scrutiny and clarity in our proceedings. I think this, hopefully, will go a long way to achieve that.

And while talking about this I am wondering whether this is the time to change our name from a Council. It creates a huge amount of confusion overseas calling ourselves Councillors. It is a colonial system where originally when we were a colony we were Councillors just like Councillors, Rural Councillors or Town Councillors. We are not now. We are a Legislative Assembly. And I would like to see us change the name from Legislative Council to Legislative Assembly. We are Members of Parliament. We are not just ordinary Councillors. Not that it takes away from the work that Councillors in other parts of the world and in Britain in particular do but we are a Legislative Assembly

Obviously with my Public Works portfolio, which I may or may not lose in the new arrangements, I have to mention the success of the wind farm. It's been a great thrill to me to see the wind farm coming to fruition seeing those magnificent generators spinning in the wind and realising that we are creating electricity for no major cost other than the Capital costs of the wind farm. I must acknowledge the contribution of everybody who has been working with it, not only Enercon, who actually constructed it, the engineers who came down to help construct it, but also the members of the Electrical Department who put in many hours and who still are putting many hours in to bringing it up to full capacity. I really do have to recognise that.

Waste management is moving on. We already have bottle imploders and people are getting used to using them - taking their bottles down to the imploders rather than just chucking them in the bins. I understand that there is a scheme now for the disposal of or the recycling of aluminium cans, which will be another benefit. It is going towards showing that the Falklands are concerned by green issues and our environment and I think it is very important that you continue this and I look forward to seeing a waste management programme put forward where we actually take everything right forward, including proper land fill so we can actually close Eliza Cove Tip, which, although it is doing a good job, is a bit of an eyesore.

Just before I close, I, too, would like to associate myself with what the Honourable Mike Summers said about drugs. It is a very serious matter to hear that drugs are becoming available in the Falklands. I believe that if it is deemed necessary that we buy ourselves a drugs dog, I will certainly support it as long as it is properly put forward. I would support the concept of us having our own drugs dog but let us hope it's not necessary.

And finally, welcome the new faces here, we have three new faces and an old, a familiar face, the only old face here is mine! It's very good to see Michael back. It's been a breath of fresh air and I wish him luck on everything else he does because I don't think he will be here for the next Legco so I do wish you all the best in the future.

Thank you very much Mr. Speaker. I beg to support the Motion.

The Honourable Janet Robertson

Mr Speaker, Honourable Members, I think many have touched on the subjects I wanted to talk about today. Of course I would like to endorse the comments welcoming the three new members to the House. I just wanted to say, for David, I know it has been much of an upheaval coming from the UK to quite a difficult start. I am glad to see the Attorney General's Department is back on track with a full complement of staff and I hope that this allows you to get everything settled. I would just like to actually mention about the excellent work that Ros Cheek has done because over the last year she has had to step in on several occasions with very short notice and she has done it extremely

well. I would like to say on behalf of all of us, we would like to thank her for what she has done.

I was just going to say that the Honourable Richard Cockwell and Mike Summers have both mentioned drugs. I absolutely agree that there should be a zero tolerance policy towards this. Being a small community with only two points of entry into the Islands, I think it is something that we can control and that we can do something about. But it's not just the practical presence of drugs or the availability of drugs that's the problem. It's also the attitude to them. And, it is not just drugs in this respect but it's also alcohol and underage sex - all areas that we need to be concerned about.

For that reason I was absolutely delighted that the Chief of Police announced that we are going to have a full DARE Training programme commencing in the Islands. Last year I think everyone endorsed and supported the DARE Programme for many years. It was in the Junior school and we were just going through the process of extending that into the Senior School when, due to staff issues at the Police Department it had to be withdrawn from the Junior School. So, it was going back a step. I think also that the recent school inspection highlighted the need to have exactly this type of programme put into the schools and developed with the whole issue of social and health education for young children is vitally important. So it's great news about DARE and I think already achieved such great success in that.

Again, a little bit on young people. I absolutely agree with all the comments made about the SAMA visit. It was hugely successful, it was hugely emotive. I think we all probably got to hear stories that we never heard before and in my case what I found so moving was one case as I was told stories and I was assured by the tellers that they had told no one other than their psychiatrist before what their story had been. They had not told their wives, they have not told friends. In that sense the visit was, for some of them, a real release valve and I just hope they return and be able to talk more and tell those closest to them some of the things they told us here in the Falklands.

One of the things I really enjoyed was the third event this year - the Royal British Legion Dance. It was open to 12 years and up. I think that this year we have an opportunity to see how successful and how enjoyable it is to have a greater mix of ages at these community events. I think we have spent far too long working on the basis that children, teenagers and adults should be kept apart at all costs. If we do this we can not then complain when there is a complete lack of understanding between all these groups. We have this teenagers do not trust adults they think they are going to stop them having fun. Adults think teenagers are a nuisance, children are consider by everyone to be a nuisance, this is not healthy we have got to try and find the forums where the community together is allowed to enjoy themselves together and those dances have been a success and I would like to see more of them in the future. It might be that we have to look at the issues in our licensing laws again and see if these are some ways hampering those ambitions.

Just quickly on the issue of the portfolio system, I am looking forward to it. It is going to possibly be quite a lot more work for us all but I think that is a challenge that we've all accepted and it is achieving what we want to achieve. It is a little bit ironic that recently we had a survey in the newspaper asking precisely these questions about were we getting more transparency, more scrutiny. It's been two years in discussion and we always hoped to be able to put something into place at this time and half way through our Council and I am really pleased that we are making steps forward.

Another thing I would like to say is that whilst it is true that we probably haven't been great at putting debate in the public arena, I think the same thing happened backwards. We don't necessarily have a great understanding of what the community thinks and feels, I would just like to see if there could be more opportunity for full forums for debate, for the public meeting there could be, maybe a little bit more debate and discussion. If need be on the radio we could hear. I would like to hear what members of the community think. I'd like to hear debates on the radio. We do have a letters page and I like to see people making full use of that and I was just wondering if we could find some way to develop that line as well.

Finally Honourable Michael Rendell's remarks about communications in camp. I would like to say we must work and find a solution to this whilst we are building roads and spending vast amounts of money on ferry ports people are much more isolated than they were before there was a single road built. Communications are absolutely essential if we want to see the Camp develop. So I know that everyone understands and takes this seriously I would just like to emphasize the point that radio especially is critical as well as access to internet and telephone.

I support the Motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, firstly, I, too, would like to join my colleagues in thanking all colleagues for my re-election to Executive Council and will endeavour to work hard to apply a consistently fair and objective and where necessary robust approach to policy making and I hope that my re-election to Executive Council reflects their appreciation of that being the case over the last two years.

Of course My Honourable colleague talked in terms of outlining the changes that we are about to implement regarding the portfolio structure and areas of responsibility. And, as a result of my election to Executive Council today, I will be saying goodbye to some of my areas so I just would like to mention that.

I would like to thank the Heads of Department, the General Manager of FIDC, Fisheries and Minerals, for all of their support over the last two years. Especially being a new member to Legislative Council we have got an awful lot to learn and it is very important that the Heads of Department are there to help you along to provide you with relevant information as and when you need

it and also to treat you as if no question is too stupid, which I think is very important.

There has been a considerable amount of progress in my portfolio areas over the last few years. Two areas I would particularly like to mention and that is the implementation of ITQ, the new property rights system in fisheries. Whilst that law was passed before this Council, its been fascinating to work on the Committee, the Fisheries Advisory Committee with members of the industry and Officers in seeing that being implemented - being rolled out and actually starting to bed into some of the fisheries.

On the subject of fisheries, of course, it is not all smooth and we have at least one issue on the horizon which we are going to have to figure out a way to deal with and that is the UN Resolution for a ban on bottom fishing on the high seas in order to protect ecologically sensitive areas. The fact of the matter is they would like that ban. It's within the resolution that, that is a reverse burden of proof i.e. we have to put our case and there may well be difficulties for the industry to address and the Government together with the industry, work is already in line for trying to put together a case so that the industry is kept informed at all times.

In the absence of a regional fisheries management agreement the deadline for that ban is actually 31 December 2007, which does not give us very manoeuvring time but we do already have a reasonable case to put.

On the subject of SAMA, I will just say a few words. I think it's been a very humbling experience, talking to people who have come back, particularly Paras that I met from Goose Green and the fact that I was only 10 when the war happened and we were liberated and I really hadn't got my head around some of those men were, in fact, 17, 18 who came into Goose Green in '82 and I found that very hard to get my head around and very moving. Of course we are all very grateful for the sacrifice that they made. I hope the visit went a way to helping them. It certainly helped me and I believe many people in the Islands as well with trying to understand both sides.

On the issue of a single constituency, I would just like to say a couple of words as I am a person who supports holding another referendum on a single constituency. I would just like to say that by supporting that, I in no way would like to see the Camp marginalised or the Stanley vote marginalised. I would only support moving to a single constituency if there was an appropriate voting system to back that up so that representation was as fair as it could possibly be. I do believe that when you are elected to the Legislature in a country as small as ours that you are responsible for all of the Falkland Islands. Whilst it's very important that you represent your constituents, be it Stanley or Camp, actually, you are responsible for the Falklands Plc - which I quite like as a phrase. We are responsible for everybody in the Falklands and everything that happens within our country. I believe that having a single constituency might be a way to progress and reinforce that issue.

There is only one further thing I want to say today and that is on a subject that is quite controversial but I believe the time might have come for a bit of a public debate on this. It is recently come to my attention both the private sector and the public that the policy of positive discrimination in terms of employment may not always be sensible or logical. It is not clear that the policy which exists for the public service is applied equally to the private sector or indeed if it is different. I understand the historical background to why positive discrimination was put in place in terms of our Constitution and, indeed, our ordinances. But I think that maybe it's time to look at that a little more closely. I believe that we need to look at the long-term impact of such a policy on our society and are we, indeed, at times promoting a degree of mediocrity within our society in order to strictly adhere to a policy that may well be getting out of date.

In order to bring this issue into the public arena, I do propose to bring a motion to this House in the New Year to allow a full and very public debate on this issue. I think I would like to hear my colleagues and I would like the opportunity myself to further research the area and to present it so that we can all think long and hard about what it means now and what it means going forward.

Sir, I support the Motion.

The Honourable Financial Secretary

Mr Speaker, Honourable members, I would just like to add my condolences to David Taylor's partner on the passing of the Hon David Taylor because I also had the pleasure of working with him. He was certainly a very hard working man. In addition to that list of tasks that Councillor Summers explained, I think the other major task was kick-starting the land reform policy and farm subdivision and that took a lot of his time. He was hard working but also quite funny as well. I always remember that he used to call me the "Master of the Rolls" and, that was because the Treasury Department was closest to the toilets and keeps the stock of toilet paper.

I would like to say, too, welcome to the Chief of Staff to his first meeting and the Attorney General and my colleague, Mike Blanch back to this House and also to say that he has more than one thing in common with the late David Taylor. They were both Chief Executives and David Taylor came back for another term as well when the former Chief Executive left unexpectedly.

I should like to support the Motion for Adjournment.

The Honourable Chief Executive

Mr Speaker, thank you for asking me to respond to the debate on the motion for adjournment. First, I want to echo the Honourable Members condolences to David Taylor's partner. I stand in awe of what that man did and I think I am a very unworthy successor. I met him in 2002 when he was here for the 20th anniversary and he was deadly keen to find out what I was up to and stay in

communication. He lived the Islands. He lived them, I suspect, right up until the moment of his unfortunate death.

I would also say thank you very much for your very kind remarks about me and really thank you for the privilege of coming back here again, even if it's only, in the words of Councillor Stevens, in a cameo role. I am immensely, I suppose I share with David an immense commitment to the Islands and it's been a real joy to help, even if I have been getting balder in the last few weeks I will continue to do so. And I note that the Honourable Member that said I might be getting balder, that added to my objectives, which is to look at the Medium Wave Transmitter. But not this weekend.

I leave in six weeks, the day after the by-election. I will be succeeded by Tim Thorogood. And I know that Tim and Alison are looking forward very much to coming here. I know that he is equally enthusiastic and I am sure he will be an absolute asset to you.

And so I end by wishing this House and Honourable Members and my Colleagues in the Civil Service and the whole community that may or may not be listening to this broadcast the very best for the Islands' undoubtedly successful future. And to say that you are remaining in our hearts and very much in our prayers.

Mr Speaker

I will move on to close this meeting. Before I do, if I may, Honourable Members, associate myself with the remarks you made in respect of David Taylor. I wish to be associated with those.

Indeed, there are probably four new faces from the last time we sat at this meeting here today and I wish a warm welcome to the Reverend Richard Hines and although not in the inner sanctum, still within the chain fence. I welcome the Attorney General David Pickup to his first meeting, Dr. Michael Blanch back for a return match, so to speak and to Group Captain Peter Jones.

Honourable Members, I do look forward to participating in your desire to take forward not only constitutional development but also the way in which meetings and legislative business is conducted. I will make myself available to whatever meetings you wish to propose to take all that forward and I very much look forward to it.

I appreciate that some Honourable Members have made various commentary in the Penguin News over the last week or so and while standing orders of this House are rather strict, I have endeavoured, particularly in terms of question time to allow you to ask a number of supplementary questions. I suspect if there had been another Speaker here he may not have been so inclined to allow them. They are sometimes rather loose in nature but I have taken the view that there is a listening public out there and indeed, when it is listening, and they appreciate those extra comments and extra statements you are able

to make, even if it causes in one particular case the Financial Secretary to go scurrying into his briefcase to find the answer to give to the House.

So I welcome your forward thinking in terms of constitutional development on the proceedings of the government business of this House.

The House stands adjourned *Sine Die*.

Confirmed this 22nd day of February 2008.



Speaker of the House.