

MINUTES OF THE MEETING OF THE
LEGISLATIVE COUNCIL
HELD IN STANLEY

28TH AND 30TH MAY, AND 2ND JUNE 1986

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HELD IN STANLEY ON 28TH MAY, 30TH MAY AND 2ND JUNE 1986

PRESIDENT

His Excellency the Governor, Mr. G. W. Jewkes CMG.

PRESENT: MEMBERS:

Ex-Officio

The Honourable the Chief Executive
(Mr. D. G. P. Taylor)

The Honourable the Financial Secretary
(Mr. H. T. Rowlands OBE)

Elected

The Honourable A. T. Blake
(Elected Member for Camp Constituency)

The Honourable D. L. Clifton
(Elected Member for Stanley Constituency)

The Honourable C. D. Keenleyside
(Elected Member for Stanley Constituency)

The Honourable L. G. Blake OBE JP
(Elected Member for Camp Constituency)

The Honourable J. E. Cheek
(Elected Member for Stanley Constituency)

The Honourable R. M. Lee
(Elected Member for Camp Constituency)

The Honourable Mrs. Norma Edwards
(Elected Member for Stanley Constituency)

The Honourable E. M. Goss MBE
(Elected Member for Camp Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Air Vice-Marshal R. J. Kemball CBE RAF)

Attorney General
(Mr. M. C. Ll Gaiger)

CLERK Mr. P. T. King

PRAYERS were said by the Reverend D. J. Palmer RA ChD.

Contents

Address by President	1
Motion of Thanks	10
Papers Laid on the Table	31
Questions for Oral Reply	
1/86 Hon. L. G. Blake OBE JP Recommendations of Select Committee on the Constitution	32
2/86 Hon. L. G. Blake OBE JP Reduction in price of fuel supplied by MOD	33
3/86 Hon. L. G. Blake OBE JP Rating of Town Land in Stanley	33
4/86 Hon. J. E. Cheek Deep water fishing survey	34
5/86 Hon. J. E. Cheek Acceptance by FIG of School Hostel Building from MOD	35
6/86 Hon. J. E. Cheek Sale of Government Houses	36
7/86 Hon. C. D. Keenleyside Costs of new hospital	36
8/86 Hon. C. D. Keenleyside Building Priorities	37
9/86 Hon. C. D. Keenleyside Stanley Housing	38
10/86 Hon. E. M. Goss MBE Increases in Postal Rates	39
11/86 Hon. E. M. Goss MBE The Prynne Report	39
12/86 The Hon. Mrs. Norma Edwards Fishing by Japanese Vessels within the FIPZ	39
13/86 The Hon. Mrs. Norma Edwards Port Facilities	40
14/86 The Hon. Mrs. Norma Edwards Overtime for Craftsmen	41
Motions	
Hon. Financial Secretary Exemption from Taxes and Duties - NAAFI	43
Hon. Financial Secretary Customs (Amendment of Import Duties) Resolution 1986	76
Hon. L.G. Blake OBE JP Labour Party Policy-rejection of	44
Hon. L.G. Blake OBE JP Sinking of Taiwanese Fishing Vessel	118
Hon. D. L. Clifton Litter in Stanley	51
Hon. Mrs. N. Edwards Compulsory Acquisition of Foreign-owned Properties	55
Hon. Chief Executive Motion for Adjournment	88

Ordinances

Appropriation (1986/87) Ord. 1986	- Budget Address by the Hon. Financial Secretary	61
	- Report by Hon. Financial Secretary on proceedings of Select Committee on Appropriation Bill	74
Supplementary Appropriation (1984/85) Ordinance 1986		80
Old Age Pensions (Amendment) Ordinance 1986		80
Non-Contributory Old Age Pensions (Amendment) Ordinance 1986		82
Family Allowances (Amendment) Ordinance 1986		82
Legislative Council (Allowances) (Amendment) Ordinance 1986		83
Executive Council (Allowances) (Amendment) Ordinance 1986		83
Fisheries (Amendment) Ordinance 1986		84
Plant and Transport Authority (Dissolution) Ordinance 1986		85
Estate Duty (Amendment) Ordinance 1986		86
Motion for Adjournment		88

APPENDIX A

Questions for Written Answer

1/86	Hon. C. D. Keenleyside	Estancia Track	108
2/86	Hon. C. D. Keenleyside	Crowding in Schools	108
3/86	Hon. E. M. Goss MBE	Rates - Fox Bay Village	109
4/86	Hon. Mrs. N. Edwards	Purchase of FIC land for development purposes	109
5/86	Hon. Mrs. N. Edwards	Pensions for Widows	109
6/86	Hon. R. M. Lee	Fox Bay Village - Government representative	110
7/86	Hon. R. M. Lee	Ferry between East and West Falklands	111
8/86	Hon. R. M. Lee	Weekend Passenger Flights	111
9/86	Hon. R. M. Lee	Publication of Reports by visiting experts	111
10/86	Hon. D. L. Clifton	Fox Bay Village - Capital input	112
11/86	Hon. D. L. Clifton	Tax Deductions for Home Improvements	112
12/86	Hon. D. L. Clifton	New Hospital - Midwives	113
13/86	Hon. R. M. Lee	Farmers' Open Days	115

APPENDIX B

Extraordinary debate concerning sinking of Taiwanese fishing vessel by Argentine Gunboat	116
Motion by Hon. L. G. Blake OBE JP condemning sinking of Taiwanese Fishing vessel	120

ADDRESS BY THE PRESIDENT (28.5.86)

Honourable Members:

Any meeting of the Legislative Council is an important event in the life of the community. I believe this to be especially true of budgetary sessions when, among other things, the Council is able to examine the record of the financial year which is drawing to a close, to consider proposals and determine priorities for public expenditure in the following year, and the ways and means by which governmental activities are to be financed.

This, of course, is the first opportunity that the Council elected last October has had the opportunity to put its own particular stamp on the budget. Given the importance of the task, I am glad that we have in the Chamber today a complete, experienced and dedicated team of Councillors. It is only a short time ago that I feared that the burden of this week's work might have to be carried by seven eighths of a team. Happily, however, after a period of uncertainty, four public spirited men put themselves forward as candidates for the by-election in the Camp constituency. We welcome today to our deliberations, and congratulate, the victor of that stirring contest, the Honourable Eric Goss from North Arm. Mr Goss succeeds in effect to the seat which his father occupied with distinction for several years.

I am also glad to see in his place the Commander of the British Forces, Air Vice-Marshal Kemball. The Commander attends and may participate in this Council, and also in Executive Council meetings, by Constitutional right. I am glad that the framers of the Constitution made such provision at a time when the presence of the British military establishment continues to be so important to the well-being and security of the Falkland Islands. As I shall have no further opportunity of doing so in Legislative Council before he moves on later this year, I would pay the warmest tribute today to the conscientious attendance and participation of the Air Vice Marshal in both Exco and Legco. We wish you, Air Vice Marshal, and Mrs Kemball well for the remainder of your tour of duty and for your future appointments.

Apart from the work of our respected Clerk of Councils, the burden of official preparation for this Council has fallen mainly upon the shoulders of three senior officials here present - the Honourable Chief Executive, the Honourable Financial Secretary and the Learned Attorney General. The first two named remain of course, ex officio but non-voting members of the Council under the Constitution adopted last year. I never cease to appreciate the sheer amount of excellent work so consistently undertaken by this trio or the very high level of their professional skills. That this Colony, at a time of unprecedented development, is so well served by such a team (and I stress that it is a team), should be a source of satisfaction and pride and assurance to Honourable Councillors and their constituents. It certainly is to me.

I shall refer towards the end of my speech to the matter of the budget. We must not forget, however that there is other business to be transacted - Honourable Councillors' questions to be answered, motions to be debated, bills to be passed. The importance of the questions and motions on the order paper cannot be over-estimated. The right of elected legislators to challenge and examine the executive - and, indeed, to remind Her Majesty's Government and Loyal Opposition of Falkland Islanders' rights, interests and desires - lies at the very heart of the democratic process which is so cherished in this place. Moreover, the opportunity to inform members of the public whom I'm so glad to see in attendance today and in the wider radio audience beyond these walls about public issues should not be dismissed lightly.

I would, if I may, pursue that theme for a moment. Despite all the efforts of Honourable Councillors themselves, of the broadcasting officer and of those who publish local newspapers from time to time, there seems at times to be a disturbing lack of understanding of the problems and issues faced by the Colony's Administration and of the ways in which those matters are being tackled. In part, misunderstandings may stem from difficulties of access between different parts of the Islands and the nature of internal audio communications, which it is intended should be improved ere long. The absence of serious daily newspapers reflecting different points of view does not help. But the Falkland Islands do enjoy other advantages denied to other countries - the majority in fact, whose populations are measured in millions. One of those advantages is the electorate's accessibility to Councillors and of virtually everyone's chances of formal or informal access to officials.

By contrast, in Britain, the ratio of electors in each constituency to Members of Parliament is several tens of thousands to one. Indeed I believe that the average number of electors in each constituency in England is now on average of the order of 65,000 electors to each Member of Parliament.

I urge all who hear these remarks, especially private individuals and organisations who wish to participate in public debate or who stand to be affected by Governmental decisions, to make a determined effort to inform themselves properly about the issues of the day and not to be swayed by or worse, to be the instigators of misleading and at times injurious rumours. Senior officials know that I want the process of Government in the Islands to be both open and honest. When something can be said publicly, it will be, but if nothing can be said, there will be good reason for it. Please forgive me if I appear to labour this point but, as Governor, I am concerned about the quality of political debate throughout the Islands.

Returning to the subject matter of Honourable Councillors' motions and questions, it is always of great interest, not to say instructive, to see what issues have made or are making their way (in disc jockey's parlance) into the top ten or twenty.

Sovereignty and fishing - both issues with international ramifications - continue to claim pride of place. But several interesting domestic issues are near to the top of or rising, in the charts. Housing, litter, oil and postage prices, overtime payments to craftsmen are, possibly, the stuff of which questions have been made for years past; like the proverbial poor, they seem always to be with us. However, two or three new questions are clearly beginning to intrude upon Councillors' and the administration's consciousness. I refer particularly to the annual running costs of the new hospital, to internal communications, and to the future level of aid provision.

It would be presumptuous of me to anticipate either the contributions of Honourable Councillors to further debate or the no doubt elegant and convincing replies to their questions which will be given later today by the Honourable Chief Executive and the Honourable Financial Secretary. However, I would touch briefly upon one issue on which no specific questions or motions have been tabled but to which I myself attach considerable importance, namely, proposals to reform and simplify the grading and salary structure of the Civil Service.

When I arrived here last October, I became aware of widespread dissatisfaction both within and outside the Civil Service. The causes of dissatisfaction seemed to be various - responsibility was not being rewarded, the grading structure was too complicated, salaries - especially at the lower levels - had become seriously depressed and uncompetitive. If the Service was to be shaped in a manner which would make it responsive to the needs of the day, something had to be done about it.

Earlier this year, the Colony was fortunate indeed to secure the services as consultant of an experienced retired Colonial Administrator, Mr Philip Dale. I believe that the comprehensive report and recommendations which Mr Dale left behind provide an excellent blueprint for the restructuring of the Civil Service. I commend Mr Dale's Report as a whole to Councillors and to those directly affected by its terms - the Civil Servants themselves. It is important if the Colony is to thrive that its Civil Service should attract a reasonable share of the best people at all levels, that they should be fairly but not over generously rewarded in relation to other sectors of the community, and that each and every member of the Service should carry his or her appropriate weight of responsibility. Given the new Constitution, the time has gone when Departments should try to dispose of their problems by referring them upwards or, as is often the case, that many members of the public should assume that the only way to get action was to go right to the top.

Civil Service reform is a matter which affects all Departments to a greater or lesser extent. Let me now turn the spotlight briefly on some aspects of individual Departments' activities.

I doubt whether any Department has been more affected by change

during the past year than the Customs and Harbour Department. The opening of Mount Pleasant Airport with its wide-bodied jet arrivals, and the introduction of fees relating to the transshipment of fish in Falklands harbours, have added significantly to the Department's workload. I congratulate Mr Halliday and his staff on rising so well to the challenge. The Department has now become one of the Government's largest revenue earners. If the revenue-earning potential of the Department is to be maintained and, indeed, strengthened, some money may have to be spent on new equipment in the coming financial year. I commend the thought to Honourable Councillors. Whatever fisheries regime may be in force from next season, the policing of Berkeley Sound, Port William and other coastal waters cannot continue to be dependent upon military facilities such as the 'Euroman' tug.

Turning to the Posts and Telecommunications Department, the urgent need to foster revenue from other sources is strengthened when one appreciates that the philatelic market has recently been in recession and suffering from over-exploitation. I look forward, if he cares to take Council into his confidence, to hearing the views of the Honourable Lewis Clifton on the outlook for world philatelic sales in particular and possibly Falkland Island philatelic sales as well. Councillor Clifton has recently returned from a major international philatelic exhibition - "Ameripex '86" - in Chicago. I especially sympathise with him this morning recognising what he has just gone through in travelling to Chicago and back via England within two weeks - a journey which I myself undertook in the opposite sequence last year within the same time period.

On the communications side of the Department, recently-received proposals from Cable and Wireless for the development of an island-wide digital telecommunications system could, if adopted, transform internal communications. A word of caution, however. It will take time to implement whatever system is chosen and I must counsel patience especially in those outlying areas which stand most in need of improvement.

I confess that until recently, I had not thought particularly of any public **Medical Department** being a revenue earner. It is noteworthy, however, that our own Medical Department, under the leadership of Dr Tom Pearce whom we shall be so sorry to lose shortly, has experienced a moderately profitable increase in workload of some 20 to 30 percent. This is due largely to the increase in foreign fishermen and contractors requiring medical attention. Far be it from us to make money out of others' misfortune but the facts are there.

A less satisfactory aspect of the Department's operations, and one which I know is of concern to our present professional staff, is that ways and means have yet to be found of training local nursing staff to internationally acceptable professional standards within the Islands. If we are to pay something more than lip service to the need to become less dependent upon

overseas contract officers, this is one area deserving of attention and local commitment at a variety of levels.

The major event in the Medical Department's past year has been the start of work on the new hospital, on which work proceeds apace. There is much to be done, but I believe that consolidation of close working relationships between civilian and military medical staff bodes well for the future of the joint hospital. It is a sad fact that the recent helicopter crash may have done more than anything else could to highlight the need for, and stimulate, close military and civilian cooperation in the medical field.

The **Aviation Department** becomes shortly a fully locally-staffed operation upon the completion within a few days of Captain Alsop's OSAS contract. Our best wishes and thanks are due to him as he leaves after three years of distinguished service.

Our internal air operations are now under the scrutiny of a Civil Aviation Advisory Committee chaired by the Honourable Member for Camp, Tony Blake, and I shall resist the temptation of commenting further upon the operations of the service or upon the acute problem of bringing the Department's revenues and expenditure closer into line.

The **Public Works Department**, because of its relatively large size and the extent to which it impinges upon the daily lives of so many, is perhaps the target more often of criticism than of praise. However, there is much to commend. More has been achieved than readily meets the eye, despite at times acute staffing difficulties. There is a question down for oral answer (No 14/86) regarding one major and long running issue. Again, I shall not anticipate the reply to this, except to say that the problem of the lack of men employed as craftsmen in the Department is, in my view, a critical one. It is perhaps worth noting that the PWD has made and will continue to make a notable contribution to the modernisation and operation of the major infrastructural works on which much capital aid money has been spent and remains to be spent.

I next look very briefly at the **agricultural sector** which is, and which seems likely to remain, the backbone of the Islands' economy. It has been one of the truly great pleasures of my present job to get out and about, with my wife, into the Camp and to see so many farms large and small (to the extent that that term can properly be used of any farm in the Falkland Islands). There are many more that I hope to see in the coming months. I follow keenly the debate about future land transfer policy and the application of current policy, problems of wool shipment and marketing and the role in relation to farming matters of both the Falkland Islands Development Corporation and the Agricultural Research Centre. I am at one with those who believe that the present rate of transfer from expatriate to local ownership is about right overall, although I accept that the pace of transfer may vary from one year to another. I hope and trust that it will

not be necessary to move to the compulsory purchase of existing overseas-owned farms in order to meet whatever level of demand exists within the Islands during the next few years.

My reference to the Agricultural Research Centre reminds me that we are shortly to lose the services of the Centre's Team Leader, Mr Tom Davies who, with his wife Gwen, will soon enter retirement. I would pay tribute to their most valuable contributions to various aspects of the life and work of the Falkland Islands over so many years.

The well-being of the **Education Department** and of the children they serve should be the concern of each one of us here today. The question of inadequate school accommodation is touched on in a written question. I would seize this opportunity, however, of commending the staff who have so ably overcome both teacher and accommodation shortages whilst maintaining high standards. Discipline within both the schools and the residential hostel compares very favourably, in my view, with that to be found in comparable schools elsewhere.

The Headmaster of the Senior School will shortly leave the Education Department after some eight years' service. The recent public examination results, when 71 GCE or GCE equivalent passes were achieved, provide evidence of the important contribution that the Headmaster has made here to secondary education.

Money invested in education is often slow to pay dividends. Yet the priority accorded to education, especially at secondary and advanced levels, no less than the encouragement of parents, teachers and employers, must not be skimmed in any way. This is especially important if the Colony is to stand a reasonable chance of becoming more nearly self sufficient in terms of meeting internally its own needs for technically and professionally qualified people in both the public and private sector.

The **Justice Department** has received welcome strengthening on the arrival in the Colony of a permanent Senior Magistrate and the Crown Solicitor. I believe that the role of public defender undertaken by the Crown Solicitor has generally been appreciated. It is perhaps worth noting that the Justice Department - which, if the Learned Attorney General will forgive me, tends like any legal department perhaps to be more closely associated than others in the public mind with the quill pen - was actually the first local Department to obtain and use a computer.

Our Learned Attorney General is doing valiant work in reducing the backlog that he inherited of legal drafting. Much remains to be done and I am pleased to say that arrangements have been made for him to receive outside drafting assistance at modest cost.

We should be very proud, I think, of our Falkland Islands **Police Force**. A force's efficiency might be measured in several ways.

I am especially pleased to say that our Force's crime detection rate - 63 percent - compares favourably with standards in the UK and probably with most standards in the United States of America.

Honourable Members will know that moves are afoot to transfer responsibility for fire services to an enlarged unit whose title - the Police, Fire and Rescue Services - will readily identify its range of responsibilities. Many of these are, or should be, closely related. This seems to me to be an entirely logical step.

It is inevitable, I fear, that the constraints of time and resources preclude specific open debate throughout the year on the activities of all Departments or upon all subjects of interest to the electorate. However, Honourable Councillors, with their own specific departmental interests, will, I am sure, grasp the opportunity afforded today and on the Motion for Adjournment to address matters of public concern to which I may or may not have referred.

Before I make a few remarks about the budget itself, let me comment briefly on two fairly recent visits by Ministers of Her Majesty's Government which, I think, have an important bearing upon Council's deliberations this week.

Both the Rt Hon The Baroness Young and the Rt Hon Timothy Raison were encouraged by and encouraging about developments in the Falkland Islands as they saw them some two or three years after previous visits.

Lady Young reiterated the unswerving commitment of Her Majesty's Government to the Islands and their future. At the same time, the Minister hoped that we would all recognise the importance of Her Majesty's Government's efforts to normalise relationships between Britain and Argentina, a process which the Prime Minister herself had pointed out would be in the interests of the Islanders, not least in the sense that it would permit a lessening of tension in the South Atlantic.

Mr Raison for his part, built upon the political assurances offered by Lady Young, encouraging all of us to think ahead about the future direction of the development programme once the present allocation of £31 million had been fully committed and spent. I hope the prospect of further aid came as a relief to any who feared that the tap might be turned off abruptly.

Decisions on future levels of aid will not be taken for some time. We are now at the beginning of a process, and Honourable Councillors are at the very centre of that process. I would take it upon my own shoulders to advise that we should be cautious in our expectations. There is no lack of good will on the part of Her Majesty's Government. It is a fact, however, that the Falkland Islands must in effect compete for scarce resources with other Dependant Territories, some distinctly more impecunious than the Falkland Islands, quite apart from the developing world

at large. Having sounded a note of caution, it would be utterly irresponsible of me to speculate about the size of any extension of the current aid programme. We need to determine together what we want and then, to use an ugly but useful Americanism, to "prioritize" our needs and wants over the next few years.

Since I am permitted only one opportunity to make a speech in Legislative Council, I request your indulgence, therefore, as I seize a little more time to set on the record a few points relative to the sensitive question of fishing by foreign fleets in waters surrounding the Falkland Islands.

There should be no doubt in anyone's mind that, for both conservation and economic reasons, I personally would like to see fishing controlled in such a way that fish stocks are maintained at levels which assure their replacement year by year whilst, at the same time, producing a decent and reliable income for the Falkland Islands.

Having said that, I have the strongest possible doubts that such a regime can possibly be achieved or maintained by unilateral action. My doubts are political, practical and financial. However, I hope that what we may not achieve unilaterally may be achievable in the near future by the FAO multilaterally, although I do not under-estimate the difficulties of achieving such a solution to current problems.

Whilst we should continue to hope for a satisfactory outcome to the FAO's studies, we must build locally upon the practical experiences of recent fishing seasons, overhauling our own fishing legislation, reviewing our transshipment fees regime and, as I hinted earlier, examining the possibility of policing our own waters. Quite a lot of progress was made this season. Much remains to be done.

And finally, to the budget itself.

I mentioned earlier in my remarks that we were passing through a period of unprecedented growth. If concrete illustration of this claim is necessary, I would draw your attention to a few - very few - comparative figures.

Ten years ago - that is for the Financial Year 1976/77 - the approved estimates provided for ordinary revenues amounting to just over £1 million and to expenditure of £1.1 million.

Five years ago - 1981/82 - the corresponding figures were about £2.5 million for ordinary revenue and £2.4 million for expenditure.

For 1986/87, the Honourable Financial Secretary will present a draft budget containing a forecast of ordinary revenues of some £7.2 million and a total for planned ordinary expenditure amounting to £7.4 million.

Even allowing for inflation, I suspect that such figures represent significant real increases on both sides of the account. But it is not so much the figures in each column that matter as the balance between the two - whether to budget this year or any year for a surplus or a deficit. As the Honourable Financial Secretary will no doubt remind us (and again I have much sympathy with him having been for four years Finance Officer of the British Diplomatic Service), the problem is that revenues are by their very nature unreliable, difficult to predict and to a great extent out of Government's control. Proposals to spend, however, seem to rise inexorably year by year at a relentless pace and the growth in demand is all too predictable. Sir Winston Churchill, a former Chancellor of the Exchequer himself of course, understood the dilemmas facing Chancellors of the Exchequer and Financial Secretaries when he said that "Expenditure is always popular; the only unpopular part about it is raising the money to raise the expenditure". Unlike many larger countries, including the mighty United States of America, we cannot and should not try to borrow our way out of trouble if things go wrong. The books must balance - certainly taking one year with another.

Lady and Gentlemen of the Council, politics is about priorities. A major and arduous task of selection, confirmation and rejection rests upon your shoulders once the Honourable the Financial Secretary has unfolded the details of his own carefully considered and prudent budget proposals. I wish you all well as you approach that task.

MOTION OF THANKS TO HIS EXCELLENCY ON HIS ADDRESS TO COUNCIL
(28.5.86)

The Honourable A T Blake

Your Excellency in rising to support the Motion of Thanks, I should, first of all, welcome the Honourable Eric Goss to Council. Over the years Eric and I have worked together on a number of things and I suppose this is the ultimate responsibility that we are able to share in the Colony. I am sure the Colony is going to be well served by the inclusion of Eric on Council.

Sir, looking at your speech this morning and with reference to your top ten or twenty I feel I must make some comment on the first two, as you put them, sovereignty and fishing. The Labour Party, through a well known mouthpiece, are looking for a response to their proposed policy on the Falkland Islands and I hope all Councillors are going to respond at some stage or another throughout these meetings. I consider they ought to respond violently, and with water jugs if they feel necessary, on behalf of the people of these Islands. There are many things we can tolerate in these Islands. We tolerate the weather, the isolation and we perhaps might even be able to tolerate higher taxation, but the one thing we will not tolerate is the suggestion that we should surrender our British citizenship and our British Territory to the Argentines. I hope that all Councillors will confirm this intolerance. I should point out that the statements made by the mouthpiece are made on behalf of the Labour Party as a whole, and we should direct our response at that Party. I hope that the Motion which will shortly come before us and a resume of our comments can be circulated to all members of the Labour Party so there can be no doubt within the Labour Party as to how the Falkland Islanders view their policy. I think I should also warn, not only Councillors but everybody, that it is unwise to follow blindly what the political parties in power or in opposition in the United Kingdom would like us to accept from them. The party in power can change and party policies can change and we have a responsibility to protect the future interests of these Islands and the people who live in them. We must therefore think, act and plan now for our future.

To other parts of your speech, Sir, I listened with interest to your comments about people informing themselves and the liaison between us and our constituents. Perhaps, sometimes, we do not inform the people well enough. We are not forthcoming quite enough sometimes, but there are an awful lot of people who do not bother to ask even the simplest of questions of their Councillors who you quite rightly point out are available, in some form or another, most days to most people and, I am afraid, I fall back on my saying that quite often when sober assessments are required it is not the sober who are always heard.

Your remarks, Sir, regarding the Civil service have been a matter of much concern to previous Councils and, in particular, to this

Council and I am confident that this Council will act in a way which will improve the efficiency and the service that is afforded by the Civil Service. We must remember, however, that in this world you do not get anything for nothing and we may well have to spend today to give ourselves a better well-being in the future.

I noticed also, Sir, that you remarked about priorities. I have been asking for priorities for quite some time so that we knew where we were heading and we have always agreed that we should have priorities, it has always seemed to be in our interest, but these lists, for some reason or another, have never been forthcoming, or, if they have been forthcoming they are usually fairly regularly changed. I really do think we should, as a body, sit down and try and decide exactly which way we are heading, put some priorities on paper and try to stick to them.

The number one or number two on your list out of fishing and sovereignty, I must refer to the fishing; it varies whether this is top or bottom depending on what is happening. This morning when I was thinking of this speech I put it as number two, but I think events of the morning have proved that I should really have put it at number one. I am beginning to run out of patience with the lack of progress in the policies that are being followed by the British Government. We seem to be pussyfooting about while the Argentines are rushing around with a machine gun. They seem to be much more effective than we are and I do not think they have the slightest intention of joining the multilateral approach.

I will not carry on, Sir. We have a lot of business to proceed through over the next few days, but I would make a remark as to that unfortunate mistake you made in your speech, right at the end when you said "Ladies". I think it was an unfortunate mistake and I think it should be "Ladies" and not "Lady".

Sir I beg to support the Motion.

The Honourable D L Clifton

Your Excellency, Honourable Members. In rising in support of your Address, Sir, I would also like to welcome Mr Goss and I look forward to debating with him at future meetings.

I had not quite realised that Air Vice Marshal and Mrs Kemball were shortly to depart and I would like to express at this time my best wishes for their next and future postings.

Sir, you covered many aspects of our national events and international politics. It would take far too long to refer to them all directly in one way or another but I will, if I may, briefly mention one or two.

You mentioned the lack of daily newspapers or the opportunity for the public at large to debate some of our more important problems and projects. With all due respect, Sir, I refer to our broadcasting department, and I would like to make a public comment that the programme substance coming from the Falkland Islands Broadcasting Service today is not what the general public are really looking for. I think I am quite right in saying that there is far too much music coming from that Station today, rather than serious programmes devoted to our national interest. I hope that with the recommendations contained in the Dale Report this area will be looked into.

I did not, for one reason or another, make any direct address to the conditions of the Civil Service either in a Motion or a question in the House because I am quite happy that the report Mr Dale has produced will fit nicely into the Civil Service here and will mould it for many years to come. I would only ask that this Council act upon it in the way that Executive Council have and that future Councils will also act upon it in the same way.

You mentioned that Departments should become directly responsible for their own actions and I fully endorse that. I only hope that the Dale report will be seen as cementing the initial way forward for Departments to become more responsible to the public at large.

You mentioned, Sir, the development which has taken place in the Customs and Harbour Department through the fisheries that we now have, and the licence that we have introduced. It all seems to happen far too fast for us to set up the infrastructure that is necessary to cater for development. I can use my own experiences in the Philatelic Bureau where Council some years ago suggested that the Philatelic Bureau be established on the recommendations of the Shackleton Report and then really did not pursue it to its full extent, not really catering for proper office facilities and not really thinking it right through. In this light, in relation to the Customs and Harbour Department, I would ask that sight is not lost of the requirement for the necessary navigational aids that should be found, and indeed are located on the maritime charts of these Islands. A recent accident to the FIC launch, I think, illustrates the point in question. Also I would make comment that the revenues from the Customs and Harbour Department are anticipated, they are not necessarily guaranteed, and I think this is something we have to take into quite serious consideration within the Budget proposals.

The Medical Department. The new hospital is certainly striding ahead but I think that we must cater for the recurrent expenses much more carefully when we consider development projects. We cannot simply be led along and have development projects thrown upon us for which we cannot meet the recurrent costs and I would also illustrate, perhaps to this, the infrastructure at Fox Bay. I believe it is by no means complete at Fox Bay at the moment. It is still going to cost us a quite considerable capital outlay for sewerage, for a deep water jetty and then there are still the

long term recurrent costs to be considered. I hope, Sir, during this Budget session that we can also implement some form of charge for the use of resources at Fox Bay by the inhabitants.

You mentioned, Sir, education and indeed it is pleasing to note that so many children today can leave school with so many certificates, GCE or whatever. Education, I believe, has advanced ten times since I left school some 15 years ago. However, I think it is a pity that school children, certainly the upper age groups, are not in evidence at this meeting today. Education should not necessarily be directly concerned with the theoretical aspect of life, more the practical side of it, and I hope that the education authorities might perhaps look into this in future.

You mentioned PWD very briefly, Sir. I know it comes in for a lot of flack and some may be justified but some may not be so justified. There is one point that I would like to make in that we are now considering the possibility of having a long term road maintenance scheme and I would hope that this Council will pursue that aim so that we may at least enjoy tarmac roads throughout the Islands; certainly within Stanley.

The Honourable Tony Blake made reference to the Labour Party. I regret that having been away for two weeks I am not quite up to date with the political scene either here or overseas. I will take note and comment upon it when it comes forward as a Motion. Thank you Sir.

The Honourable C D Keenleyside

In rising to support this Motion, Sir, I too should like to welcome Councillor Eric Goss to this Council. I feel he will make a very valid contribution when we come to our debates and I welcome him wholeheartedly.

I, too, note that we will soon be losing the present Commander British Forces. His valid advice and sense of humour has often brought us closer to accepting facts that sometimes we might not like but often we have to accept.

I note your comments on aid. I think we need to make sure that the aid we envisage is constructive within the Islands. We need to make good use of the employment possibilities brought about by such aid so that, in the event of the aid, we in fact train our people within the structure of that aid. We do not want to have a project come along and at the end of it be left with the project without any formal training having been undertaken within the structure of that aid.

I looked at the Dale Report with great interest. It appeared to be a concise and very complete document but we must bear in mind that we do have cost limits and we cannot just dole out money; we do not have it, as our Budget will show.

The Government Departments. I agree there should certainly be more control within those Departments. However, we must ensure that we give concise and clear direction to those Departments in which level that control is going to be.

The communications system we envisage in future, which includes in fact, as far as I can see, Camp tracks as well as audio communications. I think it is perhaps better to wait a little while and get a decent system than try and push one through quickly which is not exactly what we want.

I wish to commend Dr Pearce on the particularly good job they are doing under the conditions in the hospital. I wish him all the best in the future when he leaves us. I think we must ensure with the new hospital that we are careful that it is correctly set up. It is very important we get the administration right at the start so that once we get on the right foot we can keep things going correctly. I am rather worried about the possible future costs of the new hospital, and particularly their apportioning.

I must offer my condolences to the families of the victims of the recent crashed helicopter and I take this opportunity to offer those condolences.

I feel at present, in some of the decisions we make, we are reaping the results of lack of financial input into the the Colony's services over the years. We seem to have come to a head with many projects where we have now to do a total renewal job where perhaps if a bit more input and care had been taken over the years we might not have been put in this unfortunate situation.

You mentioned a quote on levels of expenditure and their popularity. Levels of expenditure are popular, but they are not popular when the public consider that they are wasted. We must be very careful that we do not waste any of the money that is entrusted to our care. Also, I feel that when you comment on the seriousness of newspapers I consider our small newspaper, small though it is, to be a very serious affair and I think that the comments expressed in it should be well noted by all here and I have no doubt that many of them are.

My doubts, for the same reasons as your own, on the multilateral fishing - you give political, practical and financial doubts about the unilateral zone - I have exactly the same doubts about a multilateral one. I do not believe that it is politically practical or financially beneficial to the Islands.

Sir, I wish to support the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, may I join you, Sir, and other members in saying au revoir to Air Vice Marshal and Mrs Kemball. During his time here he has done much to foster and develop the link between the people of these Islands and the Forces. I think this was probably exemplified in the shock and horror of the loss recently of two members of the Chinook crew. Everybody was deeply grieved and I hope that he will pass our messages of sympathy to the bereaved and injured and also to their comrades. It was an Island-wide reaction and I think this sort of reaction stems from the Commander right down through the Forces because of the close contact between our two communities.

I would also like to welcome the new Honourable Member to Council, the Honourable Eric Goss, and I am sure his addition to Council will make up for the loss of his father from this Table.

I must comment, Sir, on fishing and your remarks which I think you know do not wholly tally with my opinions. I said at an earlier session of this Council that I believed the multilateral approach would produce little other than verbage and I am sorry to say that we seem to be finding this is so. A feasibility study of setting up a multilateral approach I think is the phase we are in at the moment and once we get past that one, perhaps in the next six to nine months, we go into phase two which I should think is the deep freeze operation. However, we have a problem and we cannot get over it on our own, but I do not think we can ever point out enough that the current slowness of progress is hindering the control of the level of fishing; is continuing to denude our fish stocks and, although it is said that the wildlife do not feed on the squid that is being caught, they feed on young squid and I do not think that it can be a coincidence that there are vast numbers of dead penguins about our shores at this time. This, I think, is probably stage one and it will not be just penguins. More of our wildlife will go shortly if we do not find a way of controlling the level of fishing and this co-operation which has been shown by the Japanese with regard to maintaining their fleet - the other ten boats they were going to send they have leased to Marr so that is ten extra boats from that organisation and many of the fishing nations are not cooperating at all. I do stress, Sir, that our concern is extreme and our faith in the outcome of a multilateral approach is very, very low.

I was interested in your comment, Sir, with regard to the salaries review. This, I think, is the fourth or fifth salaries review since I joined Council. Each time we hope that it has solved the problem and I hope this one has. But I do feel that it has still failed to meet one demand or desire and that is the ability particularly for skilled craftsmen to opt for either a permanent and pensionable or an hourly paid post, the hourly paid post which would take into account the advantages that they would give up with regard to a permanent and pensionable post but one cannot have everything and hopefully, generally speaking, this

salaries review will bring advantages in its train in addition to the rising costs.

I would also, Sir, like to join you in wishing Tom and Gwen Davies farewell, and thanking them, particularly thanking Tom in that it was he who originally drew the guidelines for research in these Islands; it was his foresight which started ARC. There are a lot of critics of ARC but I do not believe that an agriculturally based economy can function without research. Research is always expensive and in the early stages not always visible in its immediate benefits, but the thought and care that he has put into these Islands over the last 17 years I am sure the agricultural industry will benefit from, has benefitted from, and will benefit from in the future.

I do not normally, Sir, talk on education. I feel that it is a bit out of my field, but I have been stung into talking about education by the report of the British Council of Churches which describes our system of education, which takes students to 'O' level, as being rather poor, or words to that effect. I would challenge any of that august body - I want to be a little bit careful with my adjectives for them to be quite honest because I do not want to ascribe to them virtues I believe they do not possess - or any of those people who visited these Islands and drew up this report to do an analysis of a community in Britain and find the level of education there that we have here among our children and our young people. I would also like to challenge a second piece, I hope you do not mind me extending education beyond that into information, where they say that people here are badly informed about world events. I believe that the residents of these Islands are better informed about what is going on in the world than any of their British counterparts. One of the real problems in Britain, I find, is finding out what is happening in the world. You can find out what Arthur Scargill is doing or what the current dispute which is occupying the television screen is doing; you can see the results of the latest slaughter in Beirut; you have been able to see the flames from the Chernobyl disaster; but with regard to international politics people in Britain have no idea who leads who, or who lives where, and I believe the people of these Islands are far better informed than the average British resident. My one sorrow here, of course, is that we are preaching to the converted - I hope we are preaching to the converted - and the rotten brutes will not even hear me anyway. However, be that as it may.

Finally, Sir, you were talking about the need to keep funds within the Islands. I raise this one at regular intervals but, other than individual business, there is no way for residents here to invest in the development of these Islands. I ask again, is it not time we produced our own development bonds to allow people to invest their savings in the development of these Islands instead of investing them in the development of everywhere else in the world? Not only are we doing that but our Old Age Pension Fund is invested for everybody else's development. We then have to pay commercial rates to borrow money

to develop these Islands, or we will have to in the long term, and I think that we must address this situation, and address it quickly.

Sir, I beg to support the Motion.

The Honourable J E Cheek

Your Excellency, Honourable Members, in rising to support this Motion, I, too, would like to welcome Mr Eric Goss. I have missed the sound of a Goss voice here although I think Eric has a little bit to go before he catches up with his father but I still welcome him and look forward to hearing him.

Likewise, although the Air Vice Marshal has still some time with us, this meeting will be our last opportunity to say goodbye and to thank him for all he has done within the Islands. I, too, would like to join with the Council Member for Stanley, Mr Keenleyside, and pass on my sympathy to those who lost their lives in the recent Chinook helicopter crash and also to those who were injured.

You mentioned several senior Civil Service members who will be leaving in the near future: Captain Alsop, Tom Davies, Dr Pearce and also Jem Baylis. I, too, would like to pass on my thanks for all they have done. In particular, as Chairman of the Education Committee, I would like to pass on my heartfelt thanks to Jem Baylis. He has had, particularly since 1982, a very hard task. For the year or two after the war, I think they were, at times, down to almost 50% of their staff and he managed to get through that period without any real disasters and with the results that you yourself, Sir, mentioned this morning. I think he has done a tremendous job and I look forward to the headmastership of his replacement and only hope that he does as well.

Moving on from that, Sir, to your top ten. I will not comment on the sovereignty as that will be mentioned later on in a Motion, but you did mention that Baroness Young talked about normalisation. I do not think you qualified it and I assumed you meant between Britain and Argentina to which I have no objection. If one talks about normalisation between Argentina and the Falklands I think that is a different matter and I have a nasty feeling that some people who do talk about normalisation between my country and Argentina are talking about returning to pre-1982. Certainly there is no way I would return to pre-1982 and I do not think any of my constituents would either; possibly to pre-1972 but those who talk about it do not mean that.

My views on fishing are well known but once in the past, when one of your predecessors made his speech to this Council, I did not comment and neither did anyone else and, afterwards, the Foreign Office said that this Council had accepted whatever it was that was mentioned purely because we had not indicated otherwise. So in this case I feel I must indicate, as everyone knows, that I am against a multilateral fishing regime. As Mr Keenleyside said, I

think we can turn your arguments against that as much as you use the same arguments against the unilateral fishing system.

There is a lot to cover this afternoon and we will have opportunities to mention various things later on so, before closing, there is just one other thing. Mr Clifton mentioned the lack of public debate, amongst other things, I am not sure if he used the word "debate" but he certainly mentioned the lack of more interesting programmes on FIBS that would be useful to the Islands and I think that one of those could well be a reintroduction of debates on various subjects by the Broadcasting Station. I hope that will come about in the near future.

Otherwise, Sir, I wish to support the Motion.

The Honourable R M Lee

Your Excellency, Honourable Members. In rising to support the Motion, I would like to echo the thoughts and feelings of all the other members who have spoken before me, first of all welcoming Eric and, secondly, saying goodbye to Commander Kemball. Also, regarding the Chinook disaster, I know from experience that everyone in our area was certainly very shocked, and I think everyone's feelings were with those people on that day and still are.

Now, referring to your speech, Sir, I was very pleased to hear that you were concerned about the lack of information being fed to the public. I, too, feel that this is a major problem we have and I have commented on it before. I think that we should make a huge effort to try and inform the public about what we are doing.

On the subject of reports, I have had a number of complaints from people that the various reports that we have had written and have been finally circulated to Councillors take an age to get to the general public. I know the argument is that they cost a lot of money but, quite frankly, I think that we spend a huge sum of money getting them written, bringing the experts down here and so on, and I think we should spend a little extra and have them circulated more widely. Someone said the other day "oh there is a copy of the Prynne Report in the Library". Well that is not a lot of good to the people on West Point in my opinion so I feel that we should look into this problem and do something about it. The other thing - still on reports - if we circulate them and people read them they will comment and in my opinion some of the most expert advice available to Government is within the Islands and if people read those reports and make comments Government will receive a lot of good advice.

I thought I was going to be original by referring to your top twenty but a number of people have stolen my thunder I am afraid. I was a little bit concerned to hear that the cross-channel ferry was not even in the charts and FIGAS did not feature very high but I guess it is like any other top twenty, it varies from

region to region, but I can assure you that on West Falklands, number one is the ferry and number two is FIGAS.

You mentioned agriculture briefly. I agree with your comments on the speed of land transfer and I think it is about right although, as you say, it will vary from year to year as farms become available. I worry a little bit about the next generation of farmers. I do not think any of us have thought very seriously about what will happen in 20 or 30 years time when the present crop of farmers retire. They may have, perhaps, two or three sons and some of them may want the farm and some of them may not. I think we should be aware that there will be problems, and there are problems in any other agricultural community where fathers produce sons and daughters and pass on. I think we should be aware that there will be problems and it may be up to Government to control this to a certain extent. We certainly do not want to see very old crippled farmers running their farms into the ground and we do not want to see very young farmers making a bad job of running farms either.

The major event in agriculture in the last few months, to my mind, has been the success of the Open Day that was held at Horseshoe Bay. I have believed for a long time that we should be doing this and we finally organised an Open Day, thanks to FIDC mainly, and it was a great success. The weather was terrible and the airstrip was very soft but FIGAS pulled out all the stops and we got there and back and the general opinion was that it was a very worthwhile day. I know it cost quite a lot of money but I believe it was money very well spent. I would like to see it happen every year.

Talking in a bit more detail about FIGAS, I do realise that a committee has been set up to study FIGAS and the possible use of the third Islander, and weekend flying and so on, but I feel I should put my spoke in here because I feel very strongly about it. I am very disappointed that we have had the third Islander now for what seems like a lifetime and really there has been no change in the service offered to the people in the Camp. Of course, the basic questions people are asking are, "What are you doing with the third Islander? Why isn't it flying?" So I would just like to urge the committee that is involved in sorting this problem out and making recommendations to try and get on with the job and come up with the goods.

The other small nagging problem that I feel strongly about is transport from the FIGAS hangar to Stanley. I think this is a nuisance to most travellers in that you arrive in Stanley and there quite often is not a telephone you can phone anyone on and unless you have got a friend or a taxi waiting, you virtually have to thumb a lift. Now I think this is wrong. I see no reason why consideration should not be given to the purchase of a small minibus. FIGAS staff and pilots are running up and down that road all day, or most of the day, with mail and changing pilots and so on, and I am convinced that a small minibus could be employed to carry passengers, mail, pilots, the lot, and I would

like the committee to give consideration to that.

On the subject of international politics, I agree entirely with Tony's thundering speech about a certain mouthpiece. My feelings about the whole business are that in the UK the Falklands is not really a high talking point within the general public so there are a few fanatics who cannot let it rest and feel that their way to success is to bring down the Government by attacking Mrs Thatcher on the Falklands issue. I personally believe that this is what it is all about. Those people are obsessed with bringing down Mrs Thatcher in particular and they believe that by writing reports and making remarks continually that they will succeed. I do not really believe that we should be too worried about our future though. I think the silent majority in the UK still support our cause and they will do if there is a major decision to-be made.

To conclude I will touch briefly on the fishing problem. I agree with the Honourable Tim Blake and all the other people who have talked about fishing. I think it will be a great shame if we lose revenue from fishing but a disaster if we lose our wildlife and there are indications that we may. There is no real proof that the penguins are dying because of over-fishing but there is not real proof that they are not dying because of it, and I feel more concerned about our wildlife than I do about any profit that we may be losing.

I wish to support the Motion.

The Honourable Mrs N Edwards

Your Excellency, Honourable Members. In rising to support the Motion of Thanks may I also welcome Eric Goss to the fold and offer best wishes to the Air Vice Marshal and Mrs Kemball when they leave these Islands. Also my heartfelt sympathy to the relatives and the injured in the recent Chinook disaster.

I would like to add my thanks also to the Clerk of Councils and the Attorney General and the Chief Executive for the unstinting work that they do. The Chief Executive, in particular, is the most harworking man I have ever come across and I think we should realise what a gem we have. I hope that when his term of office comes to an end he will consider staying on with us.

You mentioned that there may be a lack of information in the Islands. I think the bulk of the population understand very well the problems and issues that are faced but I think it is our fault that we do not keep in closer contact with the public. We have had one public meeting, two of us, and I think we would be well advised to look to having more because that was very successful and some useful information was exchanged. I think it is up to us to make more of an effort to keep in contact with our constituents in town. It is difficult in the Camp, I know, but there is always the two metre set, which is widely used in the

evenings I believe.

Mr Dale's Report - I am pleased to see the pay structure will be re-graded and I hope that the pay scale fits the responsibility taken by the various officers in the Civil Service which I feel does not happen at the moment and when we are looking at the restructuring of the Civil Service pay structure I hope that will be taken into consideration.

You touched on the new hospital and you hoped that in the future perhaps there would be local professional staff available. I have to reiterate what I have said before that I feel the only way we are going to get local professional staff employed in the Islands is if they are paid according to their qualifications and not according to their place of birth, which is what happens now. In the case of nurses you can go anywhere in the world and have the Whitley pay scale as your salary, except in the Falklands if it happens to be your place of birth, and I feel this is wrong. Not only in respect of the hospital but in respect of any other professional job in the Islands which could be undertaken by Islanders but will not be until we recognise the fact that these people who have lived on a students wage for up to six years are not going to be prepared to take a big dip in pay at the end of it all.

The Public Works Department. PWD will only flourish again, I think, if tradesmen are paid more than labourers, which they are not, and I know that this will come up later in this discussion so I will not dwell on it.

I must also respectfully disagree with your comments about compulsory purchase. I feel there is a case for compulsory purchase with regard to the Anglo-Argentine land in these Islands, and the sooner it happens the better. It is a problem which will not be solved by shelving it.

I, too, would like to reiterate the remarks made by the Honourable Tony Blake regarding the Labour Party's proposed paper, if they accept it, which I expect they will. I do feel that it concerns us very much if they get into power, and it is all 'ifs' and 'buts' at the moment but we have to prepare to fight it all the way now, before they do get into power, if they ever do.

To conclude I, too, would like to congratulate the Police Force on their 63% rate of crime detection but I sometimes wonder whether the punishment fits the crime. I am tempted to do some heinous crimes sometimes when I am really tired so that I can go into prison for rest and recreation because I feel that is the end result to some sentences. I think we should look at that in more detail at some other time because I do not feel that some of the prisoners who have been locked up have had a very bad time at all.

Sir, I beg to support the Motion.

The Honourable E M Goss MBE

Your Excellency, Honourable Members. In reply to your opening address to Council this morning, Sir, I thank you for the welcome extended to me in being elected to join this Council and to all its Members here for their encouraging remarks.

As a newcomer to the Table I am not versed or groomed in matters of procedure but I hope this Council will tolerate any blunders I might make in my early hours or days of these present meetings. I know I have a lot of catching up to do and I will need prompting to move when I should be getting up to speak or to do something or to nod when I should. I have listened with interest to the many subjects touched upon this morning but because time is important to me, and all of us, a lot has already been said by my fellow colleagues and I will not delay business by dwelling on any particular subject, but I do join you in appreciation of the service given by Andy Alsop to FIGAS, Tom Davies to ARC and the Air Vice Marshal to the Falklands. I am, of course, curious to learn more about many things, so I thank you and I will take my seat so that we may proceed.

The Honourable The Financial Secretary

Your Excellency, in rising to support this Motion, I also express my heartfelt sympathy to the relatives and the colleagues of the men who lost their lives in the recent Chinook accident.

I think at this time with the move that is being made to Mount Pleasant, the military/civilian relationship should be emphasised. We have had a splendid relationship including the period of Air Vice Marshal Kemball's command. I shall miss him at both Councils and also the times that we have sat in Joint Liaison Committee together. He has always been very considerate of our problems and I do not know whether it is his farming background or not but he seemed to be quite at home on the farm. I wish him and Mrs Kemball all the very best for the future. I would also like to say that the Joint Liaison Committee will become much more important in the future now that the move has taken place to Mount Pleasant. I think it is important that the civil/military relationship continues as it has done over the past four years. I must say that I personally miss many of the friends that I have made and the people who I have met who arrived to liberate us and, also, I sadly miss the noise - I miss the Phantoms.

I, too, extend a very warm welcome to Councillor Eric Goss. I am very pleased to see that he is with us and it was good to see him present at the Standing Finance Committee meeting in the Secretariat the other day. It was the first time he has been in there I think for probably the last forty or fifty years, something like that! I seem to remember he was in the Secretariat just about when I joined the Service.

There are a few points which I should like to reply to, in relation to finance, which have been discussed today. First of all there is the waste of expenditure to which Councillor Keenleyside referred and I agree with him entirely that we must avoid waste of expenditure at all times, waste of taxpayers money. I have often noticed the cost of very expensive equipment being mistreated and, although action has been taken by the Administration in certain cases, there still seems to be a lack of appreciation of the value of expensive machinery.

With the introduction of the Dale Report I think we should look to the Civil Service for a better performance. I believe that we can all improve and give a much better service to this community than we have done in the past.

With regard to investment in the Falkland Islands, which was raised by Councillor Tim Blake, I agree that we should issue development bonds if we are required to do so. Much depends on the servicing of the debt afterwards and on what investment we can attract and at what rate, but he will be pleased to know that I do have in this Budget a proposal to raise £200,000 to meet some of our development commitments and this will probably be by the issue of stock. We will look into this deeper in the course of our deliberations in Select Committee.

With regards to Councillor Robin Lee's difficulty in getting from the airport to Stanley, I think that this will probably be overcome very shortly because he will no doubt be pleased to know that there is a proposal for an immigrant to come to the Falkland Islands to set up a regular taxi service.

I beg to support the Motion.

The Honourable The Chief Executive

Your Excellency, Honourable Members. I thank you for your Address and for the many wise and helpful things which you have said which we shall all bear in mind as we face the daunting tasks of the next few days. I am particularly grateful for all that you said about the Civil Service and I would like to add my own thanks and appreciation for the support which I have had from them during the past year, especially those who are leaving and who have contributed so much: Tom Davies, Jem Baylis, Andy Alsop, Tom Pearce, and could I add someone who has not been mentioned here today, Nutt Goodwin, the Master of the 'Forrest', who, of course, will be remaining in the Islands.

Can I go on to add my own condolences to yourself, Air Vice Marshal, and to the relatives of those men who died in that dreadful helicopter crash a fortnight ago. This is in fact the second time that I have had to express such condolences in this House. I can only say that such terrible events are a grim reminder that we must never take for granted all that you in the Armed Forces do to preserve the safety of the Islands. It was

particularly sad and poignant to learn that the crew involved in that crash had been those who only a week before had been so helpful in landing the containers of kits for the new lodge on Sea Lion Island and had thereby played such an important role in the Islands' development as well as in their defence.

May I now pass on again to the happier task of adding my own welcome to the new Honourable Member for Camp, Mr Goss. His father was, as Your Excellency reminded us, a much respected and well-liked member of this House and, while we shall not perhaps expect his son to have the same fund of nautical knowledge and advice, we are sure that he is a chip off the old block, or perhaps as the new Honourable Member himself would put it, comes from the right stable! I do not suppose, Your Excellency, that there has ever been such an obviously reluctant candidate in any election so far held in the history of the world, but I personally am delighted to see such modesty thus crowned with victory.

I shall be leaving my tribute to the Air Vice Marshal to the end, lest he bask in too much praise this afternoon, but I would like to say how pleased I was that the Army Chaplain, the Reverend Derek Palmer, was present to read the prayers because, since the departure of Harry Bagnall, both Derek and his RAF colleague, the Reverend Richard Lee, who recently returned to the UK, have contributed a great deal to the civilian community in addition to their regular military duties - yet another example of our excellent civil/military relationship which you, Sir, have done so much to foster.

Now when I begin to consider what I am going to say, Your Excellency, in answer to Your Excellency's address my first thought is to see whether I can get hold of a copy of it in advance of the meeting. My second thought is to look for inspiration in what I have said on similar occasions in the past. This is my opportunity, as I see it, for saying what I think rather than responding to what Honourable Members say, or answering their questions.

When I first addressed a Budget session of this House in June 1984, I said that the battle for the Falklands had shifted from the sovereignty issue to the development issue and I said that that battle had to be fought on two fronts, the real battle to achieve development against substantial inherent disadvantages, and another propaganda and information battle which had to be fought both here and in the United Kingdom against the misunderstanding of what we, all of us, were trying to achieve in developing the Islands.

And when I again addressed this House at the Budget session a year later in June 1985 I recorded my satisfaction that the journalists who attended the opening of Mount Pleasant Airport that May had found so little to write that was critical or sensational. I went on to record my particular pleasure at the success of FIDC but carefully warned myself against being too

complacent or too self-congratulatory.

Your Excellency, I need not have worried. I have only to read almost any number of the "Falkland Islands Times" for any sense of complacency, any tendency to self - congratulation of FIDC to be replaced by a profound sense of concern that so much hard work done by a small team of dedicated and professional people, Islanders and expatriates alike, should apparently be the cause of such apprehension and misunderstanding.

The work of FIDC has just been the subject of a joint Government/ODA review and I would not wish to anticipate the findings of the review team by entering into a detailed defence of FIDC, if defence be necessary, or a detailed explanation of their activities, or a discussion of whether or not they have too many luxury landrovers. What I would like to do here, Your Excellency, is to try to set the work of all those who are involved in developing the Islands, in the overall context in which it is taking place so that it is a little better understood.

There are, without a doubt, a number of real concerns, strongly felt by some people in the Islands, in relation to their development. They think it is all happening too quickly and sometimes on too large a scale; they often find what is happening complex to understand and they feel that insufficient attention is paid both to local opinions and to the local, traditional way of life, and too much reliance is placed on experts from outside the Islands.

It is the ultimate irony for me, Your Excellency, who was so wounded by the Foreign Affairs Committee's criticism of the funereal pace of development in the Islands, to be told that we are developing too fast or on too large a scale. I have often said that it is ultimately up to the people of the Islands to say what they want but, equally, I should remind them and this House that the British taxpayer and the British Government, having spent the sums which they have on the defence and development of these Islands, are unlikely to be impressed if we say to them now: "We have decided against developing the Falkland Islands, because some people don't want it". The Islands will not have political credibility with the silent majority to which the Honourable Member for Camp, Mr Lee, has referred if they do not have economic credibility.

Nor is there some way in which they can be developed in some deliberately slow, stately and leisurely fashion, pausing to admire the scenery. Heaven knows it takes long enough to do things without trying to make them happen slowly, and quick development sometimes means large rather than small, and expensive rather than cheap. It means, for example, a relatively expensive hydroponic market garden in which salads and vegetables can be grown almost immediately rather than gradual expansion from small beginnings.

People are fully justified in feeling the Falklands to be an excessively complex place. It is a ridiculously complex place in relation to its size and no-one wishes more than I that it were less so. As Honourable Members are aware, Government is currently considering how it will organise its future fuel supplies. So far the discussions on this subject, relatively simple in itself, have involved the FCO, the ODA, the MOD both in Stanley and in London, representatives of all three armed services and the Royal Fleet Auxiliary service, the PSA both in Stanley and in Croydon, FIDC, Peat Marwick Mitchell, Exton & Gold, FIC, the Crown Agents and something like half a dozen commercial concerns. It is difficult enough for me who am involved in it to understand. Is it surprising that the man in the street in Stanley or in the Camp finds it difficult? The time is past, if ever there was one, when a well informed person outside Government could expect to understand in detail most of the main issues of the day in the Islands and yet people still expect to do so and are upset when they do not know everything that is going on.

It is, Your Excellency, a serious charge that we in Government or FIDC pay insufficient attention to local opinions and to the preservation of what people see as the traditional way of life of the Islands. The machinery for consultation is there. The Falklands has never been more democratic with elected majorities in this House and in Executive Council, and everything I see of the work of Honourable Members suggests that never have Honourable Members been more aware of their constituents' concerns or active in pursuing them. Now the Corporation of FIDC is not directly elected by popular vote but its Constitution dictates that all substantial interests should be represented and no-one who knows Neil Watson, Terry Betts, Stuart Wallace and the Honourable Member for Camp, Mr Tony Blake, would suppose them to be easily persuaded to do something they did not want to do. We even had Terry Peck on the Corporation for a time.

But Honourable Members of this House and Corporation members of FIDC are ultimately only as effective as the public makes them. The difficulty so often seems to be to find out what people really do want rather than people waiting for us in Government or FIDC to do something and then saying that is not what they wanted. People must in the immortal words of the election address of the Honourable Member for Camp, Mr Tony Blake, "help us to run the country". In the absence of expressions of opinion from the public, officials in Government and FIDC and the Honourable Members and Corporation members who supervise and support them can only do what they themselves think best.

And, of course, we have to use experts. There has recently been enormous interest in the Prynn Report. It is acknowledged to be one of the best analyses of some of the problems of the Islands ever written, even if the number of people who have managed to read it is more limited than people would have liked. We hope that it will provide a way ahead in transport policy for years to come. No-one in the Islands, Islander or expatriate, has either

the expertise or the time to write such a report. Your Excellency has referred to the work of Philip Dale. Philip Dale has produced a report which will, if Honourable Members vote the funds to implement it, play a critical role in producing a better organised, more efficient and contented Civil Service. Again no-one in the Islands could have had the time or the expertise to do such work and, at a less exalted level, we have had the Olivers and their knitting classes and Penny Boulwood and her crash hairdressing course, but both enormously important in the development of people's skills and giving them pride in achievement.

As far as preservation of the traditional way of life in the Islands is concerned, I do sometimes wonder whether that is not more often the cry of latecomers to the Islands who came here to enjoy an idyllic way of life which was always something of an illusion and which they now feel is an illusion shattered for ever. There is an obvious conflict between the commerciality which is part and parcel of development and the lack of commerciality which must have been such a pleasant characteristic of the Islands before 1982. It would be very nice, for example, if tourism could be based on traditional camp hospitality rather than on multi-centre holidays based on tourist lodges but it is simply not possible to organise a viable tourist industry, however small and limited, on that basis. But I would like to think that the Islands could get the best of both worlds, understanding, as anyone who spends any length of time here, how far, as the Honourable Member for Camp Mr Tim Blake has said, "the Islanders are a people unto themselves", I believe that it is a way of life which will survive any number of visiting experts and any number of whirling dervishes. It is not FIDC which threatens the way of life of the Islands, it is the people over the water.

Nothing that I have said, however, of the pace and complexity of development in the Islands nor of the difficulties absolves Government and FIDC of the duty to communicate. Indeed it makes communication even more important. FIDC, for all its success, in particular, clearly needs to do more to ensure that people understand what it is doing and certainly I will look at Government's and FIDC's distribution of the reports which they commission. But, whatever Government or FIDC does by way of press interviews or radio interviews or publishing reports or whatever will not be enough unless people themselves make an effort, as Your Excellency has said, to keep themselves informed. In a place of this size we are all readily accessible to the public: Your Excellency, Honourable Members, and FIDC Corporation members. There is every excuse for feeling that the Falklands have become a far more complex and fast moving place, far more difficult to understand; there is no excuse for repeating and acting on ill-informed rumours without taking the trouble to find out the truth. It is Government's duty in turn Your Excellency, to make the truth as accessible as possible to all who wish to know it, and I, as long as I am in the Islands, will do everything I can to that end.

I beg to support the Motion.

The Commander British Forces

Your Excellency, Honourable Members. This is a time of considerable change for the military community and in rising to support the Motion I would like to outline the significant military moves that are already under way and which will continue into 1987. But first I, in my turn, would like to welcome and congratulate the Honourable Eric Goss on his election to this Council. As an outsider far be it for me to say much except that with the widespread reputation he has for eminent good sense and practical experience it came as no surprise to the military that he was victorious in the election and we wish him the best of good fortune and application of his undoubted talents in this Council.

To return to my theme, it is with mixed feelings that the RAF together with a company of Gurkhas moved from Stanley, Navy Point and Kelly's Garden to Mount Pleasant in April. There is no doubt that they now enjoy considerably better working and living conditions, but those previously in the Stanley area miss the civilian leisure facilities and all miss the opportunities to mix regularly with the civilian community. Within ten months the bulk of the garrison should be in the Mount Pleasant complex and we are likely to have adopted revised force levels. However, final decisions on the strength of the force have not yet been made. Over the past four years relations between the civil and military communities in Stanley have generally remained excellent despite all the strains of living in close proximity to each other. I thank the civil community for their patience, kindness and hospitality. The move to Mount Pleasant will help cure some of the overcrowding and pressure on the infrastructure in Stanley and it certainly will make it a quieter place. However, we must ensure that geographical separation does not lead to less consultation, less understanding or less cooperation. There is undoubtedly a risk that it will, unless a determined effort is made by both communities and if we do not make specific arrangements for social and working contacts to continue. I have been somewhat reassured to hear the kind remarks made concerning military/civil relations. It is our aim that they should be mutually advantageous and agreeable. We have no desire to change in any way the pattern of Island life, nor to take over the organisation of events. However, with our ever-changing population we have only a short memory and we can only be aware of traditions, however long or short, if we are told. This lack of communication has been the cause of the problems reported in the past. But to represent the cause otherwise is mischievous and can be misunderstood and misconstrued outside the Falklands by those who would not appear to have the best interests of the Islands at heart.

In parallel with the concentration of the garrison at Mount Pleasant, we are mounting a major restoration operation in Port Stanley and at outlying sites. To help with this a Royal

Engineer regiment from West Germany will join the garrison in November and stay for four months. As we close camps and tidy up, items for which we have a continuing military need are being identified and removed, either to Mount Pleasant or returned to the United Kingdom. However, there are considerable amounts of stores and equipment for which we have no further military requirement. We recognise that these items may be of value and use to the civilian community and we aim to ensure that the Falkland Island Government and the civil population will have every opportunity to acquire them. In close consultation with FIG we will offer, as we did at Kelly's Garden, all surplus equipment for sale under a competitive tender arrangement. Concerning the sites themselves, we shall of course, be returning them to the landowner and in a condition that the landowner will find acceptable.

You may have heard the Secretary of State's announcement in the White Paper on the need to hold the level of defence expenditure. There is to be no real increase in the funds available for defence purposes over the next three years and also the cost of the Falklands garrison must in future be found from this money. The arrangements that have applied previously where the cost was met from the special contingency fund, will cease. However, with the completion of the Mount Pleasant Complex, defence costs in the Falkland Islands are expected to reduce significantly. Nevertheless defence expenditure has, and will continue to provide much direct and definite benefit to the community. In addition to the Mount Pleasant Complex which allows normal air services out of the Islands, defence funds have met £14 million out of the total cost of £15 million for the Mount Pleasant to Stanley road and Stanley bypass. On completion of the garrison's move to the Mount Pleasant Complex, we will hand the road over to the Falkland Island Government and MOD has contributed almost half of the cost of building the new Stanley hospital. A substantial amount of water pumping and filtration equipment has been gifted to FIG and also the Falkland Islands Defence Force have been gifted about £160,000 worth of equipment.

If I may I would like to digress to pay my compliments to the Defence Force with whom we have close and mutually beneficial dealings. They make a significant and valuable contribution to the defence of the Islands with their local knowledge and you can be justly proud of this small but effective force. I have been delighted by their renewed successes in the skill at arms competitions.

Equipment has also been gifted to the Falkland Islands Broadcasting Service and we are pleased that civilians, and particularly schoolchildren, can use the swimming pool and play squash on the courts on Coastel 3.

Commercially we are keen to make greater use of locally available resources, particularly foodstuffs and given the right quality at a competitive price, we will be good customers. Development in this area would be to our mutual benefit and I believe this is an

important way ahead in the expansion of the Island economy.

I close by recording the gratitude of myself, and all servicemen on the Islands for the help offered and given, and for the expressions of sympathy we received from yourself Your Excellency, Councillors, officials and the civil population following the Chinook accident on Mount Young on 13 May. And on a personal note I have enjoyed the privilege to be a part of your deliberations both here, and to borrow an expression from Westminster, in another place, and Val and I thank you all for your kind words, your friendship and your hospitality. Thus it is with best wishes from both of us for your future that I beg leave to encourage voting members to support this Motion.

The President

Thank you. I thank Honourable Members for their kind and constructive responses to my Address. I shall add nothing further at this stage except to congratulate especially the new Member for the Camp constituency, the Honourable Eric Goss, on his maiden speech. Now, I am looking at the Order Paper today and am conscious of the amount of work that we have to get through so I would propose that we take the next item, Papers To Be Laid On The Table, before adjourning for a short time for some refreshments which will fortify us for the Oral Questions and answers period and also the moving of Motions and the debate thereon. So after this next item we will adjourn very briefly. Thank you.

PAPERS LAID ON THE TABLE
BY THE HONOURABLE THE CHIEF EXECUTIVE
(28.5.86)

- ORDERS
- 1/86 Schools (Amendment) Regulations Order 1986
 - 2/86 Legislative Council (Allowances) Order 1986
 - 3/86 Fisheries (Transshipment and Export) Regulations Order 1986
 - 4/86 Road Traffic (Amendment) Ordinance 1985 (Commencement) Order 1986
 - 5/86 Road Traffic (Provisional) Regulations Order 1986
 - 6/86 Road Traffic Declaration and Designation (Stanley-Darwin Road) Order 1986
 - 7/86 Co-Operative Society Rules Order 1986
 - 8/86 The Co-Operative Society (Exemptions) Order 1986
 - 9/86 Medical Fees (Amendment) Regulations Order 1986
 - 10/86 Medical Fees (Revocation) Order 1986
 - 11/86 Fisheries (Transshipment and Export)(Amendment) Regulations Order 1986
- PROCLAMATIONS
- 5/85 Wild Animals and Birds Protection Ordinance - The Ruddy Headed Goose
 - 6/85 Prohibition of importation of uncooked meats, fertile eggs and animal semen
 - 1/86 By-Election (19th/20th March 1986)
 - 2/86 By-Election (16th/17th April 1986)
 - 3/86 Sitting of Legislative Council 28th May 1986

The Board of Health (Amendment) By Laws 1986

The Report of the Falkland Islands Development Corporation for the year ended 31st December 1985 (in accordance with Section 20 (3)(a) of the Falkland Islands Development Corporation Ordinance 1983)

QUESTIONS FOR ORAL ANSWER
(28.5.86)

QUESTION NO 1 of 1986 by The Honourable L G Blake OBE JP

When will the recommendations of the Select Committee on the Constitution, which were not part of the new Constitution, be brought into effect.

The Honourable The Chief Executive

Your Excellency as the question implies, the Select Committee on the Constitution covered a number of matters which were not covered in the Constitution itself.

In particular these were:

- many detailed aspects of the conduct of elections;
- recommendations relating to the recording of proceedings of this House;
- a recommendation that the Governor should continue to call joint meetings of this House and of Executive Council to advise him on matters of particular concern.

As far as the recommendations on elections are concerned, nearly all of them were included in the Constitutional Regulations 1985 thus enabling an election for this House under the new Constitution to take place. Three specific recommendations - those relating to the appointment of an Electoral Commissioner, the inclusion on the register of those who would be 18 before the next electoral roll was prepared and a provision for a change of constituency - were not implemented in the Constitutional Regulations, because they were longer term matters better addressed in due course in substantive legislation. It is Government's intention to introduce later in the year a Bill to provide for Elections which will replace both the Legislative Council (Elections) Ordinance and the Constitutional Regulations.

Now as far as the recommendations relating to the recording of proceedings of this House are concerned, it is not anticipated that they will be the subject of legislation. They are, to some extent, a counsel of perfection and I am not sure that they are practical with existing resources.

As far as the calling of Joint Council meetings is concerned, no official meeting of Joint Councils has been called since the new Constitution came into effect. I believe, Your Excellency, that I may have been remiss in not drawing Your Excellency's attention to this well established custom. However, I also believe that there has in practice been very full consultation with Councillors, both formal and informal, on matters of particular concern.

The Honourable L G Blake OBE JP

Your Excellency, in rising to thank the Chief Executive for his reply, may I just ask that having waited for six years for the recommendations of the Select Committee to be implemented, that we do not wait another six.

The Honourable The Chief Executive

Your Excellency, you have my assurance that the Government will give this matter extremely early attention.

QUESTION NO 2 of 1986 by The Honourable L G Blake OBE JP

In view of the fact that crude oil prices are now about a third of what they were six months ago, when may we expect a reduction by the Ministry of Defence in the fuel prices being charged in the Islands?

The Commander British Forces

Your Excellency, MOD does not buy crude oil on the spot market where the major reductions have taken place but by long-term contracts to guarantee deliveries. The reductions in crude take some time to become effective in such contracts since oil companies will already be holding product purchased at the higher crude oil price. Furthermore, the percentage reduction in crude will not be reflected directly in the price to customers since of course the cost of refining, storage and transportation will at best remain the same.

We have, however, been notified by MOD that as from 1 July 1986 the prices of fuels will be reduced as follows:

Civgas from 22 pence per litre to 19 pence per litre and Kero from 60 pence per litre to 57 pence per litre. We have yet to be advised of the price of Dieso which will obtain from the 1st July.

QUESTION NO 3 of 1986 by The Honourable L G Blake OBE JP

The last Select Committee on the Estimates recommended the rating of land in the Town of Stanley and the Financial Secretary agreed to examine this idea at the Budget Session before that. When may this House expect to see legislation before it giving effect to such rating?

The Honourable The Financial Secretary

Sir, this matter has now been considered by Government. It is considered not as straightforward as it first appeared and the Attorney General has produced a paper for the stimulation of
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general discussion on the subject. It will receive wide circulation and interested persons are asked to make their views known to Government. Before any proposal can be implemented to rate land in Stanley, a new plan from which land sizes can be measured accurately is required. I cannot see any legislation which may give effect to rating land in Stanley being considered before the 1987/88 Budget.

The Honourable L G Blake OBE JP

Your Excellency, in view of the fact that this has now taken us two years to get to the examination point again, it is rather like fishing I think, can I ask the Financial Secretary if such mapping is under way so that we may begin to think of rating land in the Town of Stanley?

The Honourable The Financial Secretary

I can assure the Honourable Councillor that mapping is on the way.

QUESTION NO 4 of 1986 by The Honourable J E Cheek

Would the Chief Executive indicate when the deep water fishing survey will be completed and when we can expect a report. Considering the concern regarding over-fishing, is there a possibility of an interim report?

The Honourable The Chief Executive

Your Excellency, the so-called Taiyo/Coalite Agreement, which is that to which I think the Honourable Member refers, came into effective operation in May 1985. Taiyo/Coalite's obligation to fish in accordance with the terms of the Agreement terminates at end September 1987. Under this Agreement, two Taiyo/Coalite vessels fish around the Falklands mainly, but not exclusively, within the FIPZ carrying two observers who report back to a third senior, shore-based observer, Dr Patterson, details of the catches and bring back samples for analysis. Much detailed scientific information has been collected by the observers. There is a great deal of data to be processed and there are a great many samples to be examined. This work is expected to be fully reported on by mid-1987.

Now it has, of course, been substantially supplemented by a great deal more information gathering which has taken place in connection with Dr Beddington's work for the FAO study and which is available to the Falkland Islands Government as a result of the conditions imposed for the issue of transshipment licences.

Dr Patterson has himself written a number of interim reports on the state of the fishery for each species. It would be quite wrong to draw any final conclusions about over-fishing from any
/of these

of these. Each of these, however, can be made available on a strictly confidential basis to Honourable Members.

The Honourable J E Cheek

May I ask why the information will be strictly confidential?

The Honourable The Chief Executive

The information will be strictly confidential for a number of reasons. First of all because the basis of the information is, to some extent, military surveillance, and it is necessary for it to be confidential for that reason. Secondly, we do not believe that it would in fact be in the interests of the Falkland Islands Government to make these reports widely available to the public since they would, I think, be able to draw certain conclusions as to future policy from them. Thirdly, much of this information has been made available prior to the transshipment legislation on what amounts to a confidential basis by the fishing fleets.

QUESTION NO 5 of 1986 by The Honourable J E Cheek

Will the Chief Executive please confirm that the school hostel (now known as HQ BFFI) was never accepted from ODA by the FIG?

The Honourable The Chief Executive

Your Excellency, I can confirm, after what amounts to exhaustive research in the files, that there is no record of the Falkland Islands Government having accepted the HQ BFFI hostel, as it has come to be known, in any formal signed document. It is, however, on crown land and has been paid for by ODA. Government have charged rent for it to MOD. It is, for all practical purposes, a Falkland Islands Government asset.

The Honourable J E Cheek

Your Excellency, may I query the word "asset"? My understanding of the building is that it is certainly not waterproof and it leaks badly. As a supplementary perhaps I can word it another way. Does the Chief Executive see any use for that building without considerable expenditure to make it habitable?

The Honourable The Chief Executive

Your Excellency, at this stage Government has yet to address itself to the problem of the future use of that building. As we are all aware, it has a number of defects which it would be idle to attempt to conceal. We shall obviously have to look very carefully at whether we can use it for any practical purpose and in looking at that we shall have to take into account not only the costs of any conversion which may be necessary but also the very substantial recurrent costs which might arise from endeavouring to maintain it.

The Honourable J E Cheek

Your Excellency, I find it difficult to pose as a question, may I start it off with almost a statement? Inasmuch as the answer leads me to believe that ODA has provided something that is substandard and it is not, I believe, habitable, do we have to accept such gifts from ODA when the outcome of that gift is the necessity to spend considerable amounts of money from our own exchequer?

The Honourable The Chief Executive

Your Excellency, I would hope, in fact, that we would never be placed in a similar position in future and I will certainly do my best to ensure that that does not occur.

The Honourable L G Blake OBE JP

Your Excellency, as a supplementary to that question, may I ask the Chief Executive, in view of the fact that we now have a white elephant, could he arrange a shooting party?

The Honourable The Chief Executive

I believe, Your Excellency, that the HQ BFFI building was in fact demolished this morning in an attack by a low lying Phantom!

QUESTION NO 6 of 1986 by The Honourable J E Cheek

Because of the shortage of PWD artisans to maintain Government property, has the administration plans to sell off some of the older houses?

The Honourable The Chief Executive

Yes, Your Excellency, it continues to be Falkland Islands Government policy to sell off older houses, where it can. 10 have been sold and efforts to sell more houses will continue.

QUESTION NO 7 of 1986 by The Honourable C D Keenleyside

Can Government give an indication of the likely annual cost of the new hospital, and what proportion is the Falkland Islands Government expected to pay?

The Honourable The Chief Executive

Your Excellency, unfortunately it is not yet possible to give a precise answer to either question.

The total annual cost is not yet known because of the cost of the MOD staff, and of the drugs and medical equipment which will be
/ordered

ordered through MOD are not yet known. The cost of Falkland Islands Government staff at the hospital will be the same as it would have been at the Brewster hospital allowing for annual increases and no increases in number of Falkland Islands Government staff is forecast.

It is agreed in principle that the costs of running the hospital will be shared between the Falkland Islands Government and MOD but the precise basis has yet to be established in discussions between ODA, FCO and MOD. These discussions are expected to take some time. ODA and FCO will be under advice from FIG who will in the end have to decide what cost burden they are prepared to accept before the hospital opens next year.

The Honourable C D Keenleyside

I am interested in what the Chief Executive says about the cost burden Government is prepared to accept. Given that Government was prepared to accept a certain cost burden may I ask what would happen to the rest of the cost?

The Honourable The Chief Executive

It is hoped, Your Excellency, that this matter will be able to be resolved on the basis that some of the costs are shared by the Ministry of Defence and some of the costs are shared on a recurrent basis by the Falkland Islands Government. That is what I anticipate will be the outcome of the discussions which are taking place.

QUESTION NO 8 of 1986 by The Honourable C D Keenleyside

What are the Government's top ten building priorities for the coming year in order of preference?

The Honourable The Chief Executive

Your Excellency, I think that it would be misleadingly simplistic to attempt to formulate such a list. As the Honourable Member knows, the Director of Public Works, who I am pleased to see here today, has put certain proposals under Development Expenditure for 1986/1987 but Executive Council has not attempted to place these in any order of preference as yet, perhaps preferring to wait until they see precisely what funds are likely to be available for each proposal when the Budget is agreed in Select Committee. Any view that I might express now would be a purely personal one.

The Honourable C D Keenleyside

May I ask if the proposed new Stanley Fire Station is considered high on the present list?

The Honourable The Chief Executive

Your Excellency, following the concern which the Honourable Member, Mr Keenleyside, expressed at the last session of this House, very great priority is given to the early establishment of a Fire Station.

QUESTION NO 9 of 1986 by the Honourable C D Keenleyside

Can Government give some indication of what is being done to house the persons presently on the housing list?

The Honourable Chief Executive

Your Excellency, perhaps I can, as this is a subject that I know many people are always concerned about, reply in a little more detail, a little more detail even than some of the answers that I have given to previous questions. The Housing Advisory Committee continues to meet monthly in order to house as many people as possible on the housing list. As some indication of the progress, there are now some 44 applicants on the list; six months ago there were 53 applicants.

In the short term the completion of the mobile home site at Jeremy Moore Avenue has provided 10 mobile homes for up to 2 people each. The hospital build will produce sheltered housing for 7 single elderly people and 4 married elderly couples and hopefully release other houses currently occupied by them, as well as 8 2-bedroomed houses, some of which may need to be made available for accompanied military hospital staff but the rest of which will be generally available. There will also be some slight alleviation of the housing situation from the reduction in the number of Diplomatic Service officers and military staff.

In the medium term, design work is proceeding for a mobile home site for 14 - 16 mobile homes at Eliza Cove Road. Work could begin on preparing the site in July. It would take several months.

No decisions have yet been taken as to how far it will be possible to use Britannia House, which will be available, I think in 1987 and the Brewster Hospital which will also, of course, eventually become available in 1987. I will not comment on possible future uses for HQ BFFI.

In the longer term the Falkland Islands Government's policy will be to provide opportunities for house building in the way of land and services, notably at the German Camp site, renamed the Jersey Estate, and to provide housing for special categories of need, in particular single people, but not to build houses for general needs. It will continue to provide mortgages for house building and purchase.

QUESTION NO 10 of 1986 by The Honourable E M Goss MBE

Referring to the recent increase of almost 43% in local postage and nearly 8% to overseas airmail, some of my constituents ask that it be explained how the increase was arrived at and was adequate forward notice given to its introduction?

The Honourable The Chief Executive

The Superintendent of Posts & Telecommunications considered the 43% increase on internal mail necessary to cover the 50% increase which FIGAS imposed for the carriage of mail for 1985/1986.

At the same time he also decided that there needed to be an 8% increase in overseas rates essentially to cover inflation.

The new rates came into effect on 21 April. Details of the new rates were circulated in a series of broadcast announcements from 9th April. This was considered to be adequate notice.

QUESTION NO 11 of 1986 by The Honourable E M Goss MBE

What is the present position regarding the report by Prynn on the internal transport study?

The Honourable The Chief Executive

Your Excellency, I am happy to tell the Honourable Member that Executive Council considered "The Falkland Islands Internal Transport Study - The Prynn Report" at their meeting on 13 May and have broadly accepted its recommendations.

QUESTION NO 12 of 1986 by The Honourable Mrs N Edwards

Have the British Government been informed that, contrary to the agreement reached earlier this year with the Japanese fishermen to curtail the number of their ships fishing in the FIPZ to 55 for this season, there have been reports recently of up to 84 Japanese ships fishing in our waters?

If the British Government have been informed, what are their comments?

The Honourable The Chief Executive

Your Excellency, the agreement to which you refer is known as the Voluntary Restraint Agreement and I think I should stress the word **voluntary**.

To complete the picture, in addition to the agreement for 55 Japanese vessels there are two further agreements in operation relating to the Japanese. The Taiyo/Coalite Agreement and the
/Marr/KSJ

Marr/KSJ Agreement. These allow for an additional 12 Japanese fishing boats. Therefore the total number of Japanese vessels allowed under all the various agreements, to fish at any one time, is therefore 67.

Now, it is important to be clear that the agreements refer to fishing days, that is to say, days spent fishing with nets in the water. It is not at odds with the Voluntary Restraint Agreement for the Japanese to have more than their quota in the area. Boats crossing the zone or transshipping in Berkeley Sound do not, for example, count as part of the quota. It is not unusual therefore to have reports of more Japanese vessels inside the zone than specified in the various agreements.

Having said that, we believe that there have been breaches of the Voluntary Restraint Agreement but these are not always necessarily easy to substantiate. Where we believe that there have been breaches we have forwarded the reports to the British Government who in turn have raised the matter with the Japanese Government.

In addition the Japanese fishing fleet managers and their agents have been informed of the reports and they have been urged to keep within their agreed quotas.

The Honourable Mrs N Edwards

Can I just ask what have their replies been? Have they agreed to keep the Agreement?

The Honourable The Chief Executive

Your Excellency, we know, for example, that the Japanese Government have actually given instructions to one of their fleets to put their house in order as a direct result of reports which we have passed through the British Government to them.

QUESTION NO 13 of 1986 by The Honourable Mrs N Edwards

As the FIDC have been asked for advice on the Port Facilities tenders which have been submitted, will the final decision as to who will be the successful applicant rest with FIG?

The Honourable The Chief Executive

Yes. As Honourable Members are aware, FIDC has a statutory role to advise FIG "on matters relating to economic development" and it has performed this role in this case by commissioning Peat Marwick Mitchell to evaluate the proposals, that is the tenders to which the Honourable Member has referred. Their preliminary advice has reached my desk and I hope to have a paper prepared for Executive Council on the 24th of June or thereabouts.

QUESTION NO 14 of 1986 by The Honourable Mrs N Edwards

In view of the fact that with the extras paid to labourers, such as overtime and dirt money, they frequently end up being better paid than our craftsmen in PWD. Would it not be possible to pay overtime to our skilled workers and not time off in return for extra hours worked, and thereby encourage people to take up the vacancies which now exist in PWD for carpenters, plumbers, electricians, etc?

The Honourable The Chief Executive

Your Excellency, this is a problem which Mr Dale was asked to consider in his work on salaries and gradings. It is an issue which has remained unresolved for too long and I am grateful to the Honourable Member for highlighting, as she makes a habit of doing, a problem to which the Falkland Islands Government must address itself sooner rather than later.

Mr Dale took the view that it would not in fact be appropriate to pay overtime or, for example, to make in future the sort of ex gratia payments which were agreed for the Power and Water men at the end of 1985. He took this view because he considered that the additional hours worked by craftsmen were quite often the product of an abnormal situation, not necessarily permanent, and that to pay overtime to these craftsmen in these circumstances would lead them always to expect to receive it, thus again effectively distorting salary gradings. He suggested that in appropriate instances an additional allowance clearly distinguished from salary payments should be agreed and I have asked all Heads of Department to make out cases for those people to whom they consider such payments should apply with recommendations for the amounts. Unfortunately there has not been time to reach decisions on these recommendations before the Budget but I would expect them to be considered by the Falkland Islands Government as soon as this session is over.

The Honourable Mrs N Edwards

I thank the Chief Executive for his answer and may I just point out that, once again, if we continue to pay our labourers more than our craftsmen we are not encouraging people to take up apprenticeships and therefore fulfil any ambitions or the posts now vacant.

The Honourable The Chief Executive

I entirely accept what the Honourable Member says.

The Honourable J E Cheek

Honourable Chief Executive, you said that the report mentioned the hours of overtime for craftsmen were abnormal. Presumably the hours of overtime of the labourer are also abnormal and they will be reducing. Therefore there will presumably be reductions

in the difference between the salaries of craftsmen and labourers which will result in a more normal situation?

The Honourable The Chief Executive

Your Excellency, I really do not want to get into debate about the details of this. I think we all know that there is generally a problem over the question of overtime and I would hope that the whole issue could be resolved reasonably soon.

MOTIONS (28.5.86)

MOTION BY THE HONOURABLE THE FINANCIAL SECRETARY RELATING TO EXEMPTIONS UNDER THE TAXES AND DUTIES (SPECIAL EXEMPTIONS) ORDINANCE 1984 IN RESPECT OF THE NAVY, ARMY AND AIR FORCE INSTITUTES

Your Excellency, Honourable Members. The Navy, Army and Air Force Institutes, commonly known as NAAFI, which is the official trading organisation of Her Majesty's Forces has been an integral part of the Forces in the Falkland Islands since the Task Force arrived here in 1982. The operational circumstances at that time required that NAAFI's role would be performed in uniform. With the recent relocation of major facilities at Mount Pleasant, the British Forces have embarked upon a policy of normalisation and NAAFI staff will gradually abandon uniform for the more normal civilian role. NAAFI have applied to the Falkland Islands Government for exemption from Income Tax, Customs Duties, Old Age Pensions contributions, Medical Services Levy and Harbour Dues. At present Her Majesty's Forces all receive the same concessions. I commend this Motion to Councillors and beg to move that the Resolution be adopted.

The Honourable A T Blake

Your Excellency, Honourable Members. I wonder just for clarification, for members of the public, if the Honourable Financial Secretary would, with his closing speech, clarify that this will not apply to Falkland Islanders who work for the NAAFI, if that occurs.

The Honourable J E Cheek

Your Excellency, I rise to support this Motion. I normally oppose motions of this nature but in the case of the Armed Forces, as I consider this, I will support it. There is one thing that worries me. When this subject first came up, two and a half to three years ago, we were informed rather informally that any expenses incurred by the Falkland Islands Government would be paid by whoever was getting these free duties, free taxes, whatever, and I found out in recent years it is not so although provision is made that such people would pay medical expenses if they used our medical services. That does not apparently apply if they use our educational services. I would like to see in this and other cases, if it is possible, that paragraph 2 be extended. The wording itself, if people agree with my sentiments, could possibly be provided by the Attorney General. But paragraph 2 to be extended to say something along the lines that "any such person or his family using educational facilities will pay the full cost of such facilities". Otherwise I support the Motion.

The Honourable The Financial Secretary

Firstly, I can assure the Honourable Member for Camp, Mr Blake, that under Section 3b a person recruited by NAAFI in the Falkland Islands, whether or not such a person is a resident thereof, is not included. The position on education is that the cost of education is a separate matter which I think we must address ourselves to separately because it is not only applicable to this one Resolution. This is a matter which I will note and it can be considered at a later date.

The President

Are you content Councillor Cheek?

The Honourable J E Cheek

I will accept that as long as the later date is not too far in the future.

The President

In consideration of the comments that have been made on this, may I ask, are there any Honourable Members opposed to the Motion as proposed?

The Motion is therefore adopted.

MOTION BY THE HONOURABLE L G BLAKE OBE JP

"That this House rejects as totally unacceptable the proposals for adoption by the Labour Party made by Mr George Foulkes in his broadcast on "Calling the Falklands" on 20 May 1986, emphasises their total unacceptability to the vast majority of Falkland Islanders and draws the Labour Party's attention to the results of the recent Marplan poll of opinion in the Islands which indicated that 94.5% of Falkland Islanders wish to continue to enjoy British sovereignty."

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members. This Motion really falls into two parts; in fact three parts. First the two major parts being drawing attention to the Marplan study and the second part referring to the Labour Party's policy document, and there is a sub-part of that, I think we must differentiate in fact, the sub-part is the Labour Party's policy document as portrayed by Mr George Foulkes. We have had occasionally in the past to question this gentleman's integrity with regard to the Islands and in other matters, and I think we have to be a little bit careful in assuming that words that come from his mouth are in fact part of the policy document. However, I would like to deal if I may with regard to the Motion, with it mainly in two parts. Firstly I must commend to all organisations, bodies and policy thinkers,

particularly in the United Kingdom, the result of that survey which showed the attitude of these Islands. I must also, and I am sure this House will join me, in thanking the London Falkland Islands Committee for actually organising it. I think it was particularly valuable in many ways because it was organised by a wholly independent body. We put no influence into it, the British Government exerted no influence on it, it was absolutely, totally independent. Nobody was pressurised to answer in any particular direction and yet we have this 94.5% vote in retaining our British sovereignty and our British way of life. At the time of the publication of the result, there was a mound of adverse comment in the press saying that the questionnaire should have been much longer, there should have been options put that were not put and that it was not an absolute answer. I would say to those commentators that there was one question put and there was one question answered. As far as we in the Falkland Islands are concerned, the Falkland Islands are British, we are British and it is our wish to stay so and I do not believe that if 40 other options had been offered the results would have been greatly different except that it might have muddled some people in their answers and they would have been reluctant to decide what shade of opinion they should go for. But the fact that the questions were simple and effective brought forth the response that we hoped it would bring and it demonstrates beyond all possible doubt the feelings of these Islands.

If I may, Sir, I would like to turn to the second part, the report of the policy document of the Labour Party's Foreign Affairs Committee as portrayed by George Foulkes and I do specify that in that I am always suspicious of George Foulkes anyway. But if one examines the statements made in that policy document, and one assumes that it is a document, or should this document be accepted by the Party's annual jamboree, have they given any thought to some of the comments made there? Should by chance the Labour Party become members of the new government will the new Labour Foreign Secretary wish to convey to Argentina that the present state of affairs is not an option? The present conditions are untenable and that the British Government under the Labour Party would recognise the claims of the Argentine people to the Falkland Islands. Now is that the beginning of a negotiating stance for any responsible Government? I do not believe it is and whether they accept it or not I think that like so many documents the Labour Party accepts in opposition it will be forgotten in office. George Foulkes we met in 1985 and he told us of his views. We did not really need telling but he did tell us that basically these were his views and that was as far as the discussion went. But he also told us "of course you must realise that when the Labour Party next comes to power, I shall be the Minister of State". Now I conveyed that comment to a Noble Lord, a Labour Noble Lord in fact, who really and truly folded up in his chair, laughed like a drain and said, "well that is just like old George, he always gets in league with the fairies".

I would question and I would point out, I would ask anybody else to show me how many Opposition portfolios when the Government has changed hands have continued to be in the hands of those that have carried them in Opposition? Virtually none, and I believe we are fairly safe from George Foulkes. With luck he might get shipping or something like that. Shipbuilding is falling apart and so hopefully will he. But the fact that a man who is anti-colonial, and he makes no bones about this, anti-Falkland Islands, and he makes no bones about this, and anti-NATO, and he makes no bones about that, should be the deciding force in the present Labour Party for future performance should they come into power, I think is of concern. Largely I think the concern that such a Government is not going to go into bat with no policy at all. In his various broadcasts at the time, as have been pointed out, even his figures have varied, from £550 million down to £350 million and I would query those figures. If one sets aside the Mount Pleasant Complex, the actual building thereof, which I think has to be set aside, what are the costs of the garrison in the Falklands? The transport of the stores, food, equipment and men to the Falkland Islands and really that is all. All the service personnel here are detached from their units. They are still officially in Germany, Bavaria, Cyprus, Belize or wherever. The only added costs are the added distances of transport and if anybody can make those add up to £300 million I will be only too pleased because it does mean that the shipping industry is getting some sort of help. But I hope, Sir, that our attitude on this subject, and it is not a, well it is an inflexible attitude, but it is not born from the beginning. We have no faith in the Argentine Republic being able to run itself and therefore we have no wish for them to try and run us.

Sir, I beg to move the Motion.

The Honourable J E Cheek

Your Excellency, Honourable Members, in rising to second this Motion I agree wholeheartedly with everything the proposer has said. I can add very little and none of that as eloquently as the Member for Camp, Mr Tim Blake.

On the Marplan poll, there was basically one question and the answer does not need explaining by me - if anyone cannot understand it, and I believe even Mr Foulkes could understand that answer, there is something wrong with them. I have met George Foulkes a number of times over the last year or so. When he was here last May we had a working breakfast, I think he called it, the only one I have ever had and we certainly gave our views to him. I think he understood them but I do not think he accepted them. I met him again in August, I think by myself, then I met him in November with the Honourable Member for Stanley, Mr Clifton. Again we put forward our views to him and he was not prepared to accept them. I do not think he listens. I think he disregards.

He wants one thing only and that is to get rid of the Falklands if he can and before that to make as much embarrassment for the current Government as he possibly can. But this paper that we are talking about is currently only a proposed policy document. I would hope that the Labour Government, Labour Party not Government yet and I hope not at the next election, rejects it by showing a much greater regard for democracy, for the right of self determination for the Islanders than George Foulkes is showing. I believe if they have any feelings for democracy that they will reject that policy paper.

I would also disagree, as Mr Blake has done, with George's figures, whichever ones we take, and he also mentions that the Argentines are now promising that the Islanders will continue their way of life if they take over. I remember well February 1982 when a different Argentine government promised exactly the same thing, but they changed their minds fairly rapidly in April of the same year. George Foulkes is talking about the education of the Islanders. I am not sure how he proposes to educate us, but really by education he means to change our minds so that we can accept what he wants, that we can accept an Argentine control of these Islands. Certainly I cannot accept it, and I do not believe that any other member of my constituency would accept to be under the control of the Argentines. President Alfonsin may be an honourable man, I do not doubt that but he has only been in Government what, about two years, and we have seen the frequency with which Argentine governments have changed and the number of years, certainly in my lifetime, that the Argentines have been governed by dictatorships in one form or another. As I say, my hope is, and my plea with this Motion to the Labour Party, is that they reject these proposals from George Foulkes and that they look towards the Islands' future as being a democratic one. I am starting to think of Foulkes as the Falklands' Ridley of the Labour Party, I can hardly say anything worse than that. Sir, I support the Motion.

The Honourable Mrs N Edwards

Sir, in rising to support the Motion, I would just like to say that I wholeheartedly agree with everything that both Mr Cheek and Mr Blake have said. I would just like to point out that should the Labour Party accept this document, should Mr Foulkes ever become Foreign Minister we have a grain of hope because he does say that they would speak only to a democratic government and thereby I think he has made a grave mistake. There may well not be a democratic government in the Argentine by that time.

One other thing I would like to point out is that he offers remuneration to people who, should the time ever come, do not wish to stay in the Islands under Argentine rule. Well I would only say should this unlikely event happen, just to remind people what he is really offering is a small amount of money for resettlement in England. I well remember when the Tristan da Cunhaans were resettled after the volcano erupted.

They were placed in a military camp and I think that should we ever be resettled it would be into Council houses with the dole as payment and I would ask people to remember this should the day ever come when we are offered anything like Mr Foulkes is planning.

The poll I wholeheartedly agree was well conducted and should qualify any comments that anybody has to make regarding the wishes of the people and sovereignty in these Islands. I beg to support the Motion.

The Honourable R M Lee

Your Excellency, Honourable Members, I would just like to support the Motion wholeheartedly. I agree with everything I have heard so far. I said this morning I thought that George Foulkes was a bit of a fanatic who was out to win votes and I firmly believe this to be true. I do not really think he cares whether its the Falklands or Hong Kong or whatever that he is giving away providing he gets some votes for his particular party. I do not think that we should take him too seriously. I do not think we should worry. I think we should take him seriously but I would hate the general population to get upset and worried about what he is up to. I think it is perfectly natural for a person like that to act in such a way and to write such a report. I beg to support the Motion.

The Honourable C D Keenleyside

I, too, rise to support this Motion. I can only conclude that Mr Foulkes is basically misguided. He shows no interest in the democratic way of life which the Falkland Islanders have although he appears to contradict by saying he supports democracy in Britain, but he is not prepared to support it in the Falkland Islands. This to me is quite deplorable and shows the kind of man we are in fact dealing with. It appears that as far as Mr Foulkes is concerned, the only education he wants to give the Falkland Islanders is basically that which tells them that they have no option other than to go to Argentina and that no British Government is going to support them for much longer. I consider that he is totally wrong in this and I can say little more than to support the Motion.

The Honourable A T Blake

Your Excellency, in rising to support this Motion I agree wholeheartedly with nearly everything that has been said. When I was writing the speech which I presented in the Thanks to your Address I consulted Roget's Thesaurus to give me a better word for 'fool' and I found 158 variations. To be quite honest with you in definition of a certain gentleman I would like to use all 158 but we do not seem to have time for that. We have more important things to attend to.

Unfortunately, the gentleman concerned has been pulling the wool over his constituents' eyes for such a long time that he has become used to the idea and, unfortunately for us, he visited the Falkland Islands thinking that he was going to do the same to the Bennies. Unfortunately for him the Bennies showed him for for the fool that he was and he has taken out a personal vendetta against us for doing so and we are at the moment bearing some of the brunt of that little vendetta.

I think the Honourable Time Blake said that nobody could be deceived by the 94% but I hope he noticed that Mr Foulkes said that 94% was an apparent answer to the question. He was not even prepared to accept 94%. Although I tend to dismiss, as the Honourable Mr Lee did, the importance of this address I do feel that we should act swiftly and abruptly to this sort of approach by anybody and I hope that we can give this Motion the widest possible circulation. We have a good office in London, our London office, with a staff who I know at times perhaps feel they are carrying out rather mundane tasks and I think we ought to take the chance to use the talent we have there to give this Motion the widest possible circulation. In particular, I think we ought to make sure that every Member of the Labour Party gets a copy of this and perhaps some of our more relevant comments.

If the Honourable Member, Mr Tim Blake, does not mind I would like to move an amendment to insert at the end of the Motion "and moves That this Motion be circulated to all Members of the UK Labour Party".

The Honourable E M Goss MBE

Your Excellency, in rising to support this Motion I would like to bring everybody's attention to the fact that it has been made relatively public by Eric Ogden I think, and a few others, that Mr Foulkes has financial interests in the Argentine and he is also representing other embarrassed British citizens who have great financial interests in the Argentine that the invasion in the Falklands war eventually locked up. I think he is getting a lot of prods from those sort of people because of their financial interests and money as we know, and we are going to be talking about it for these next few days, is the root of all evil and here I feel it is at its highest. Thank you.

The Honourable D L Clifton

Your Excellency, in rising to support the Motion I would also go some way to endorsing Councillor Goss's sentiments. On the face of it Mr Foulkes does seem to be rather a nice sort of gentleman but beneath he is rather devious and scheming, I think, to his own personal ends. I can do nothing else, Sir, but support this Motion in its entirety.

The Honourable A T Blake

I would just like to clarify my amendment, which has not been seconded incidentally, that in referring to the Labour Party I meant the Parliamentary Labour Party.

The Honourable D L Clifton

Your Excellency, I wish to second that.

The Honourable The Financial Secretary

Your Excellency, I am a voteless member now but I certainly support this Motion wholeheartedly and virtually all the sentiments that have been expressed today. I only wish I had a vote to add to it. Thank you.

The President

Just before I invite the Honourable Member for Camp, the Honourable Tim Blake, to sum up the debate so far on this most interesting Motion, I would just remind Honourable Members that we have the proposal that the words, and I stand to be corrected here by the proposer of the amendment, that the amendment after the words "British sovereignty" be the addition of the words-"and moves that this Motion should be brought to the attention of all members of the UK Parliamentary Labour Party".

Now may I invite the proposer to wind up on both his original Motion and perhaps indicate his attitude towards the proposed amendment as well, which has of course been seconded.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, I happily accept the amendment put forward by my colleague, the Honourable Tony Blake, which has been duly seconded and I am sure other Members will accept that amendment also. I would like to thank Members for their support for this Motion. While I agree that one should not get over-alarmed by the George Foulkes's of this world, I think one has to accept that they exist and it is no earthly good walking in a snakepit if not taking serum because you know the rotten so and so's will bite at some point or another. So it is sensible to take precautions if you are walking among snakes, in other words if you are dealing with, what is the quotation - when you sup with the Devil, use a long handled spoon - I would love a long handled spoon and with this devil it would not hurt to crown him with it!

However, Sir, in summing up I am grateful to the Members for their support and I would like to add one final thought and that is that the suggestion that the delegation from the Parliamentary Labour Party, while in Opposition, should come and explain their

attitudes to us would be a waste of the Parliamentary Labour Party's funds and just provide a jolly for the boys. Sir I thank you.

The President

All Members of Legislative Council have, of course, spoken in this debate save the Chief Executive, a non-voting Member of the Council, but as far as the elected Members of Council are concerned I deem it to be their unanimous wish that the Motion as amended be adopted unanimously.

The Honourable Chief Executive

I would like to just say, Your Excellency, that in anticipation that this Motion might enjoy at least some measure of support in this House, I have in fact also in anticipation that they might wish that its contents be widely known in the Labour Party, got in touch already with Alastair Cameron with a view to arranging for that sort of circulation of it to be done in due course.

MOTION BY THE HONOURABLE D L CLIFTON

"That this House observes the manner in which general litter and unwanted waste materials are freely disposed of by certain elements of the community - residents and visitors alike - and requests that suitable control be exercised to minimise such untidy and unnecessary action by enforcing and, if necessary, revising legislation relating to public nuisances."

The Honourable D L Clifton

Your Excellency, this might seem something of a minor and very basic Motion to move but I believe it is very topical at this particular time, and more so since we are talking of introducing tourists to our environment this coming summer. Stanley, I think on the face of it, leaves a lot to be desired. There are numerous forms of litter generated by the public generally, visitors, perhaps the contractors, and some of our own governmental litter. We seem to be doing very little to stem this. I am not really sure in moving this Motion how perhaps we should attack it. I have given some thought to perhaps using the education process, but there are elements within the community that are ensuring that their properties are maintained correctly, they are well painted but outside on the street there is the other element that simply discards the beer cans or has his lorry load of peat tipped on the pavement and forgets to throw it into the shed. There is also the abandoned vehicle that lies unwanted and unattended on public land.

I believe many years ago there was, within the town, a gentleman called "An Inspector of Nuisances" who actually went along looking at all the public complaints, taking particular note, and two or three days later he would go along to those same spots and

making further notes, and then demand of the individual of the household that the mess be cleared up. This must have been a very simple and very basic form of getting things done but nevertheless it apparently did work and today I only wish that a similar sort of arrangement was in being.

I understand that we do have legislation to cover the problem of unwanted vehicles on public paths or public ground and there is also some form of control through the public health legislation to prevent any unwanted or uncontrolled waste being thrown on pavements or public rights of way. The main purpose of moving this Motion is to draw not only Councillors' attention to what I believe is an unnecessary aspect of our life, but also to draw the attention of the public to the fact that they are violating some of our current forms of legislation. At the same time I would like to move that this House considers a very basic form of legislation, such as the United Kingdom's Litter Act of 1958, which will actually give control over the depositing of beer cans and coke cans or whatever on our few public greens, Victory Green and Arch Green.

There is a way perhaps of attacking this through an education process. I know when I was at school, and it is not that many years ago, if a schoolchild was seen depositing litter on the street outside the whole classroom was made an example of and we had to go out on the street and clean it up. It annoys me that with the vast numbers of schoolchildren we have walking up and down our streets today, particularly the Ross Road area which is quite an interesting focal point from the tourists' point of view, that the children simply leave the shops and deposit their litter all over the place. Public Works have made considerable efforts to keep control of public litter and there are some very attractive litter bins scattered round the town. I know that our basic refuse system of depositing ash and cans in 40 gallon drums leaves a lot to be desired but, nevertheless, we do have the facilities and the receptacles in which to deposit litter. I wonder perhaps if we could not start this education process off at school. But essentially, Sir, what I am looking for is support to enforce the legislation that we now have through our Road Traffic Regulations and also our Public Health legislation - the by-laws - and also asking that Councillors consider introducing, or certainly providing for, the introduction of the United Kingdom Litter Act of 1958 to reduce and prevent further littering of our public places.

The Honourable A T Blake

Your Excellency, I would like to support this. I think as part of a manifesto which I did not have to really put at the last election, I feel obliged to support this and in actual fact I agree with everything that has been said. We do have receptacles now for rubbish to be put in, although the number I see about town does not relate directly to the number that were in actual fact imported into the Islands, but they most probably could be put in more convenient places, to areas which are now obviously

becoming areas where litter is dropped and I would support the recommendation for amendments to be made to the legislation and, in particular, perhaps with reference to the Litter Act 1958.

I do not in actual fact see in my mind why, if we do bring in an act of this sort, why it should be limited to Stanley. I think we all know what happens out in Camp, and probably to a higher degree than in Stanley, people driving along will just throw out rubbish and litter. I suppose we have all done it at some stage or another during our lives. It does seem totally unnecessary and it does at times cause inconvenience if not injury to animals so I will second the Motion.

The Honourable Mrs N Edwards

In rising to support the Motion, Sir, I would just like to say the PWD hope in the future to have rubbish skips stationed around the town. It might alleviate the problem to some extent but I agree wholeheartedly with Councillor Clifton that legislation needs to be enacted to try and prevent this nasty eyesore. It is not only the roads that are littered with beer cans, we get them in the gardens as well and it would be very nice if we could quickly enact some legislation to impose fines on litterbugs. I beg to support the Motion.

The Honourable J E Cheek

Your Excellency, I rise to support the Motion. The proposer said that there was legislation already to get rid of abandoned vehicles and I would hope that the Police would enforce such legislation if they can. Certainly on one or two areas of Stanley vehicles have been sitting for upwards of six, nine, twelve months. The only other point I would make extending it further from Stanley, this has been raised in the past, but I would hope that the Administration would see their way to finding a more suitable rubbish dump. The current one being to the West of Stanley means that a lot of the rubbish just gets blown back into the town itself.

The Honourable R M Lee

Your Excellency, I agree entirely with the Proposer. Being pro-tourism I am very much ashamed of some of the litter I see laying around Stanley and as the Honourable Tony Blake says there are some pretty untidy places in Camp too. There is no need for it and it is something that we can do something about without spending vast amounts of money so I support the proposal wholeheartedly.

The Honourable E M Goss MBE

Your Excellency, I rise to support the Motion also but I think we should exercise a little bit of caution in bringing in legislation where we take control or have say over people to pull down their untidy fences or their dilapidated buildings, or to

move their vehicles that are maybe stored as spare parts. perhaps there might be some young lad who is starting off a garage and he has not got adequate storage space to put his vehicles safely so he may have them in the back yard or at the side of the road, so I think some provision should be made for those sort of people. But, in essence, I support the Motion.

The Honourable The Chief Executive

I just wanted, Your Excellency, simply to clarify the law on this as advised to me by the Attorney General and generally on that basis to support, as a non-voting member, the Motion. I understand from the Attorney General that the Common Law of Nuisance requires that the offence be something more serious than just leaving litter around, so we cannot use that.

There is the Public Health Legislation as Honourable Members have said. The problem about this is that it applies primarily to matters of health as its name implies and whilst apparently under this legislation it would be an offence to throw a dead cat into the garden of Sullivan House it would not be an offence to throw empty beer cans.

There is also, as has been mentioned, the Road Traffic (Movement of Vehicles) Regulations 1979, and I note that whilst the Police, if personal experience is anything to go by, are zealous in prosecuting parking offences they rarely, to judge from the appearance of certain parts of Stanley, use their powers under these regulations. I would wholly support that they should use those powers more frequently than they do but I believe that if they use them they would certainly expect to give notice before they removed a vehicle and thus cater for the problem raised by the Honourable Member for Camp, Mr Goss.

I think that we will have to go for a combination of the UK 1958 Litter law and something of a litter campaign which we shall have to think about. We will not need an expert commissioned by FIDC I think to advise us on that and certainly we need to provide more in the way of litter bins. The Learned Attorney General and myself have noticed that a large empty oil drum left between our houses in Ross Road is in fact very frequently used as a repository for litter and it gives us cause to hope that if there were more such litter bins available to the public both our gardens would have rather fewer beer cans in them than they do at the moment.

Sir, I will undertake if this Motion is passed that Government will at an early date seek to implement it by the drafting of appropriate legislation on the lines of the 1958 UK Litter Act.

The Honourable L G Blake OBE JP

I would just like to rise to support the Motion and to suggest that someone should write a litter!

The President

I did not hear that. May I then ask the proposer of the Motion, the Honourable Member for Stanley, the Honourable Lewis Clifton, simply to wind up at this stage.

The Honourable D L Clifton

Thank you Sir. I would like to thank Councillors for expressing their comments on the Motion and for their support. I had not quite taken into account the litter that is generated outside Stanley. I tend to be a city dweller rather than a Camper but, on reflection, I have heard comments on the large number of beer cans and empty receptacles that are found along our river banks today where the fishermen deposit any of their gear they do not want to take home. There are much wider implications of abandoned rubbish and I take note of, I think it was Councillor Cheek's comments, in relation to the rubbish tip at the West of Stanley. That is something I intend to pursue outside of this House. I would like to thank Members for their support.

The President

The overwhelming measure of support has been given to the Motion introduced by the Honourable Member for Stanley, the Honourable Lewis Clifton, and I deem the Motion to be adopted.

MOTION BY THE HONOURABLE MRS NORMA EDWARDS

"That this House requests support from Her Majesty's Government with regard to the compulsory purchase of the neglected properties of the Trustees of the John Hamilton Estate and the Estate Louis Williams."

The Honourable Mrs N Edwards

Sir, in putting this Motion forward, I would just like to point out that we have now for innumerable years watched Estate John Hamilton be neglected by the landowners. Had they been Irish or Dutch or French or of any other nationality they would have been out on their necks years ago and I feel that just because they happen to be Anglo-Argentine is no excuse for not putting a compulsory purchase order on the land. We have the right to compulsory purchase I believe, but in this case we need the support of Her Majesty's Government. I feel if it is a problem that you shelve any longer it will only get worse and I think the time has come to take some action. I am not asking for an invasion force to the Argentine or anything like that but I am asking for support from Her Majesty's Government for this Motion.

The Honourable C D Keenleyside

In rising to support this Motion, I must say that I, too, have noted the continuing dilapidation of Estate Louis Williams

properties within the Town, and the obvious total lack of interest of the present owners who appear to be quite prepared to rent out the properties, get what they can out of them, and just leave them to become public eyesores and eventually public nuisances.

Concerning the Estates of John Hamilton, I think it is to the great credit of the people running those Estates that they have managed to keep them going to the extent that they have with the lack of support that they have had. I think many people would have given up years ago and I think it shows great dedication on the part of those people that they have not and I can only say that I wholeheartedly support this Motion.

The Honourable A T Blake

I rise to support this Motion. I feel that we have done much over the past years to deal with the problems or, I do not know that they are altogether our problems, but to deal with the problems of absentee landlords, and the whole of the land reform process we are going through now is a result, perhaps, of our desire to have more control over the assets of the Colony. Under normal circumstances where property owned outside the Falklands was maintained and there was a credit to its owners and served the purposes of the Colony I would not support such a Motion. But I do feel that in spite of all the noises made by the government representing the owners of these two particular properties, they do not seem to be putting their money where their mouth is. To that respect we have at times acted against British citizens with the use of compulsory purchase and I do not see why a property should be immune just because it belongs to an Argentine. Sir, I beg to support the Motion.

The Honourable L G Blake OBE JP

Your Excellency, I rise to support this Motion and I feel that in tabling it we should point out that Government has made every effort to purchase, and fairly purchase, particularly the Estate John Hamilton properties, with seemingly nothing but stone wall tactics or kicking the ball into the long grass tactics. We have tried very hard, seemingly to no avail, and therefore I support the Motion.

The Honourable R M Lee

Your Excellency, Honourable Members. I, too, support the Motion but I do have reservations because, from a practical point of view, especially talking about the Hamilton Estates, there is no question in my mind that they are severely run down and being improperly managed. As I understand it there is an opposition to this suggestion from the UK and I do not fully understand all the political reasons so I would therefore support this Motion, but I do have reservations. If the British Government have strong feelings against compulsory purchase I think it is time they explained to us in great detail exactly what these problems are

because we do not seem to know. Sir, I will support the Motion.

The Honourable D L Clifton

I rise to support the Motion. Like Councillor Lee there are likely to be all sorts of hidden political implications in this. I used this particular theme as part of my address to the United Nations in November last year with Councillor Cheek expressing then that the Estate of John Hamilton was in a sad and neglected state and that the Falkland Islands Government may consider compulsory purchase. But the Argentines did not comment on that part of my address, for what reason I know not.

I would in supporting this Motion like to draw Councillors' attention to the unsatisfactory state of affairs that we have in one of the Roy Cove subdivisions. It seems to be going the same way as the John Hamilton Estates. Sir, I support the Motion.

The Honourable J E Cheek

In rising to support this Motion I have little else to say, just to reiterate that the Motion has been Tabled because of the neglected state of these properties and not, as I think was announced last night in a news broadcast, because it is Argentine.

I would also say that if there is not legislation that allows compulsory purchase because of neglect, I think it is time we had such legislation because I believe that these are not the only two properties. Certainly there was another small island that I believe two or three years ago, or slightly less than that, could well have been compulsorily purchased because that, too, was in a very bad state. I support the Motion.

The Honourable E M Goss MBE

Sir I rise to support the Motion but I understand that this has been discussed in the past and it created a certain amount of nausea and embarrassment in the United Kingdom because of the friends of the likes of George Foulkes who have financial interests in the Argentine and, if we enforce compulsory purchase here and take over their land, it could cause people who have money invested in the Argentine a lot of embarrassment and probably poverty. I do not really know what the implications would be but I understand that that had been discussed here before. So I rise to support the Motion with those comments.

The Honourable The Financial Secretary

Your Excellency, I would like to stand up and be counted on this matter. The fact is, as I see it, while I can have sympathy with purchasing property owned by the Argentines, because I am generally opposed to foreign ownership of land in the Falkland Islands and I have always been so, I do not wish the British Government to come under unnecessary pressure. Already the

British Government are paying a considerable amount for the Falkland Islands. We are reminded of this regularly but this Government we have has been a staunch ally of the Falkland Islands. I understand that there is some valuable British property in the Argentine and I would not like to think that there are going to be reprisals taken by the Argentine Government on the British Government, to whom we owe so much. I would therefore just like to mention that. I have no vote obviously.

The Honourable Chief Executive

Your Excellency, I have to go against the tide, albeit as a non voting member, and to say that I oppose this Motion. There is little doubt that the Government has in terms of existing legislation power to compulsorily acquire both Hamilton Estates and the properties of the Estate Louis Williams subject to Her Majesty's Government's residual power. What I think we should ask ourselves though, first of all, is whether the Falkland Islands Government is actually justified in terms of its present policy in acquiring these properties by compulsory purchase and, secondly, whether it is reasonable for the Falkland Islands Government to expect the support of Her Majesty's Government in taking such action.

Now no-one feels more frustration over the situation with regard to Hamilton Estates than I do having been involved in something like two years negotiations with the Trustees essentially because of their unwillingness, doubtless under the pressure from the Argentine Government, to make them available except on a leasehold basis. They certainly would make admirable subdivisions and their farms are also rather run down.

But we do, as I say, have to ask ourselves whether in fact we would be justified in acquiring them in terms of our present land transfer policy. Do we in fact need to acquire them to maintain the momentum of the land transfer programme? No we do not, we have just acquired Fox Bay West. It is not yet, as far as I know, the policy of the Falkland Islands Government to acquire land compulsorily for land transfer if sufficient land is available on a willing seller, willing buyer, basis. Nor, as far as I know, is it Falkland Islands Government policy to acquire land because a farm is unprofitable or does not appear to be well managed. Because if it is, some other farmers might need to look out. So I conclude that the Falkland Islands Government would not be justified in using their compulsory purchase powers in respect of Hamilton Estates. It would clearly be discriminatory. And it follows, I think that it would not be reasonable to expect the support of Her Majesty's Government in making such an acquisition and indeed Her Majesty's Government have made it quite clear that such financial assistance as the Falkland Islands Government would almost certainly need to purchase the Hamilton Estates would not be forthcoming. I think one should be quite clear for the benefit of the listeners on the radio that assets compulsorily acquired still have to be paid for.

Again I ask in the case of the Estate Louis Williams in town, whether in fact we would be justified in proceeding with compulsory purchase in terms of present Falkland Islands Government policy. It is not yet present Falkland Islands Government policy to acquire land generally for development without having a specific purpose in mind. Nor is it Falkland Islands Government policy to acquire other derelict and ill-cared for properties in town, so why do we pick on the Estate Louis Williams. Again I do not believe that the Falkland Islands Government would be justified in using their compulsory purchase powers and I do not believe that we would be supported by Her Majesty's Government in so doing because it would clearly be discriminatory.

Now two Honourable Members have implied that there is a wider context to the view of Her Majesty's Government about the compulsory acquisition of these properties. Essentially it is the policy of the British Government to stand firm on their sovereignty over the Falkland Islands. It is their policy to defend and develop them and it is also their policy, as Your Excellency emphasised in your Address, to normalise their other relationships with Argentina, and Honourable Members have accepted this. Nothing it seems to me could be more damaging to that policy than compulsory acquisition of Argentine assets in the Falkland Islands mainly because they are Argentine and not in accordance with normal Falkland Islands Government policy so that they would, in fact, be compulsory acquisitions on a clearly discriminatory basis without other good and substantial reasons. I do not believe that, whether we like it or not, we can ignore that additional dimension so I have to ask the House, respectfully, to reject the Motion.

The Honourable Mrs N Edwards

I thank the Honourable Members for their support for this Motion, with the exception of the non-voting Members, and I have to say that I disagree with the Honourable the Chief Executive. I feel there is very good reason to compulsorily purchase both these properties. Estate Louis Williams because it is prime land in the centre of town which we do need for development, so it is not just acquiring it because it is Argentine owned and it is falling down. If we have not legislation to counteract this kind of thing, I think it is time we had some.

In respect of John Hamilton Estates I think the farms have been well run by the Managers, but it will not go on for ever, and the longer you leave this problem, the longer you shelve it, the worse it will become. I think 250 dead British and Chinese are reason enough for not supporting any Argentine owned land in this Colony and therefore in that respect, yes, I suppose it is detrimental to the Argentine, but I am sorry they did not consider us when they came in here, and I do not think we should consider them now. In respect of the British-owned land in the Argentine, the Argentine, at the moment anyway, owe their souls to the International Banks so I think if they tried to twist

anybody's arm in that direction I think Britain is in a pretty good position to say no you cannot do it. But all I am asking is for support from the British Government for this Motion should we wish to implement it and I feel that is not too much to ask. Thank you Sir.

The President

Clearly the Honourable Proposer has not been swayed by the eloquent opposition of the Honourable The Financial Secretary or the Honourable The Chief Executive and I wonder at this stage whether it is the wish of elected Councillors who, of course, have spoken in support of the Motion, that they wish the Motion to be adopted or that they wish it to be withdrawn. 'Could I put it to you on this occasion. Could all in favour of the adoption of the Motion please raise their right hand, and I will have the Clerk of Councils count the vote in favour of the adoption of the Motion at this stage amongst elected Members. The Motion is adopted unanimously.

ORDERS OF THE DAY: BILLS (28.5.86)

The Appropriation (1986/87) Bill 1986

The Honourable The Financial Secretary

Your Excellency, Honourable Members. I am pleased that we have managed to produce the Budget for consideration by Legislative Council in the month of May. This is the first time that this has been achieved since 1973. The format of the 1986/1987 Estimates is similar to that devised by Peat Marwick management consultants and used for the last two years.

There are a few changes to the Departmental Estimates. The Fire Section of the Public Works Department is to be transferred to the Police on 1st July 1986 and its new title is "Police, Fire and Rescue Service". The Public Works Estimates also include some slight amendments. There are two new sections, namely "Design and Contracts" and "Construction". The section previously referred to in the Estimates as "Buildings and General" has been amalgamated with "Municipal Services" and the new title of this section is "Property and Municipal Services".

This is the first Budget under the new Constitution and Honourable Members will note on page 4 of the Estimates that the balances of the old General Revenue Balance Account and Reserve Fund have now been transferred to the new Consolidated Fund. This transfer was required under Section 68 of the new Constitution. This new fund contains the total reserves supporting the Ordinary Revenue and Expenditure section of the Estimates.

Before disclosing the details of the 1986/87 Budget, I shall briefly refer to the Revenue and Expenditure Estimates for the current year, that is the Financial Year which ends on 30th June 1986. The revised estimate of Revenue for the current year is £6.078 million which is £479,000 more than the original estimate. Honourable Members agreed to increase the transfer to the Development Fund during the course of the year from £100,000 to £300,000 principally for enabling a greater sum to be available for housing loans. After taking this transfer into account, Expenditure is shown at £131,000 more than the original estimate of £5.588 million. The main increases in Revenue are shown under the investment section of the Secretariat and Treasury Estimates and under the Public Works revenue head.

It is forecast that we should embark on the new Financial Year on 1st July 1986 with reserves in the Consolidated Fund of £2.78 million.

I now turn to the 1986/87 Budget. In round figures the estimate of ordinary Revenue for 1986/87 is £7.2 million and the estimate of Expenditure is £7.4 million. A deficit of almost £200,000 is forecast.

The Expenditure Estimates contain a proposal to transfer £0.5 million to the Development Fund. It has been brought to my attention that some members of the public are slightly confused over transfers to a local Development Fund. I emphasise that these transfers do not go to the Falkland Islands Development Corporation. They are transferred to the Falkland Islands Government Development Fund for meeting a wide variety of development projects that the Falkland Islands Government undertakes, such as the assistance given to the link road programme at Port Howard and Darwin and the new Stanley Fire Station. It is essential that some of the Revenue we raise must go towards development. However, the Development section of the Estimates is referred to in detail later in this address.

Excluding the transfer to the Development Fund, the total Ordinary Expenditure is shown at 25.76% higher than the 1985/86 Financial Year. There are many reasons for this substantial increase. The Public Works Expenditure estimate totalled over £700,000 more than the original estimate for the current year. There were a number of reasons for this. We are required under the terms of the United Kingdom Government assistance which was granted to the new Power Station and Water Plant to make realistic contributions to the replacement funds in order that funds will be available when the time comes to renew both lots of plant again. The greater consumption of fuel at the Power Station arising from the increase in demand for electrical energy also contributes to the increase in PWD Expenditure. There is improved provision for plant and vehicle spares and increased provision for wages and salaries.

There is a considerable increase shown under the Police head of Expenditure. This is mainly due to combining the Fire and Rescue Service with the Police. Some of the Expenditure growth is due to the need to provide full provision for the salaries of officers who will replace the officers seconded from the United Kingdom under Technical Assistance arrangements.

Under the Secretariat, Treasury and Central Store head, there is a considerable increase in Expenditure owing to growth in a number of items including stores for the Central Unallocated Store and coins for the Treasury.

There are a number of other heads of Expenditure which call for comment, the Medical Department Estimates in particular. I refer to the need to provide funds for our share of the recurrent costs of the new hospital. The Budget provides for the last three months of the forthcoming Financial Year. Arrangements for financing the recurrent costs have not yet been finalised but the project's recurrent costs do appear high and the future financing of them does cause concern in the Treasury.

Later during this meeting of Council I shall be introducing two Bills for increasing Pensions, both Old Age Pensions under the contributory scheme and under the non-contributory Pension scheme. The increases are higher than usual, more than twice the

inflation rate for last year. However, I know that Honourable Members consider the Pensions currently paid to be relatively low and the proposed measure goes some way to improve the pensioners' position. I feel the proposed increases are justifiable, in particular, with the current increase in inflation locally. Some of the proposals contained in this Budget will influence it even further.

The proposed increase in weekly pension rates, under the contributory scheme, for a married couple are from £28 to £36; a single pensioner from £19 to £24. Under the non-contributory scheme the weekly pension for a married couple will rise from £24.50 to £31, and from £18 to £22.50 for a single pensioner. Provision for the non-contributory pension increases is made in full under the Social Welfare Expenditure head. Provision is made under the same head of Expenditure for an increase of £6,700 in the subsidy to the Old Age Pensions Contributory Scheme fund to absorb some of the cost of the proposed contributory pension increases.

There is a further Expenditure proposal under the Social Welfare head. This is a proposal to increase the non-taxable Family Allowance from £15 per month to £20 per month with effect from 1 January 1987. It is proposed to introduce a Single Parent Allowance of £15 per month with effect from 1 January 1987. I shall explain the details when I introduce the Family Allowance Bill during the course of this meeting.

The Expenditure Estimates include provision for the implementation of the recommendations made by Mr Dale in his review of the grading and salary structure of the Public Service of the Falkland Islands. Funds provided under all Departmental Expenditure heads are influenced by the proposed increase in salaries. There are a considerable number of posts redesignated and details of the new titles are shown under each Departmental head in the Estimates. There is one point that I am required to make loud and clear in connection with the adoption of the recommendations in Executive Council and that is acceptance in Executive Council is subject to a review of the Leave and Passage Regulations.

The Budget also contains a proposal emanating from the Dale Report for Government pensions to be increased, that is Government Service pensions, by 20% for those pensioners who retired before 1 July 1977, and 10% for pensioners who retired after that date.

I turn now to the Development Estimates of Expenditure. For the first time the Estimates include a Development Plan Summary showing forward projections and include projects for which external aid is received. From local sources provision is provided for a release of a further £200,000 for housing loans; £40,000 for Stanley roads reconstruction; £50,000 for the Stanley water supply local costs; £25,000 for the workshop and improvements of the Islander Hangar; a sum for the improvements

to the water supply at Fox Bay Village; £20,000 for assistance to Camp link roads; £30,000 for subsidised immigration; £20,000 for the Junior School extension and £100,000 for phase 1 of the new Fire Station, Archives, Philatelic Bureau and Library.

To finance these development projects £500,000 has been transferred from our Ordinary Revenue and Expenditure Account, £55,000 should be received in respect of the annual instalments of outstanding housing loans and the balance of £200,000 will need to be raised by other means, such as the issue of stock.

From the £31 million UK Development Aid Grant, it is estimated that in 1986/87 £2 million will be withdrawn for the Stanley water supply project, £1.1 million for the fuel depot, £1.5 million for the Jersey housing estate, £70,000 for recruitments and contracts and £100,000 for telecommunications.

In addition, the Development Estimates forecast £100,000 will be spent on the expansion of Stanley Senior School which is to be financed from the European Development Fund.

The balance of the 1973/78 UK/Falkland Islands loan is to be used on improving the printing facilities.

It is also envisaged that £11,343,000 provided for the hospital jointly by the Overseas Development Administration, the Ministry of Defence, Sir Jack Hayward and the States of Guernsey, will all be spent in the 1986/87 Financial Year.

Some of those development projects, in particular infrastructure development, will incur higher recurrent expenditure. The Stanley/Mount Pleasant Road will possibly be handed over to the Falkland Islands Government towards the end of the 1986/87 Financial Year and it is my duty to forewarn Councillors that considerable maintenance costs will arise in the future.

It is at this point I wish to refer to the financial position of the Colony. Firstly I refer to Revenue under Customs & Harbour. In particular to the Revenue of £650,000 in harbour dues arising from the fishing fleets using Berkeley Sound and Port William and the further £600,000 forecast from the recently imposed transshipment fees- a total of £1.25 million. We are now relying on this to a certain extent to provide for the day to day services of the Government. Honourable Members, I ask, how reliable is that Revenue? I do not have an answer to that question but the reason for asking it is to bring the matter to the public's attention. Severe Budgetary measures would need to be taken if some of that Revenue disappears. Expenditure is growing fast and we are fortunate today in having increased Revenue to offset that Expenditure growth, apart from the £178,000 deficit which I referred to earlier. No amount of crystal ball gazing will forecast the future Revenue from the fishing fleets; nor will it tell us the future of the price of wool. The present price is poor and at this stage the prospects of yield on company tax for the year after next appears, at this

stage, rather gloomy. I believe it is therefore important to keep our reserves intact.

For the present level of Expenditure the reserves of £2.783 million in the Consolidated Fund, are in my opinion, adequate but should not be allowed to fall. During the course of the Select Committee's deliberations on the Budget we should endeavour to eliminate the £178,000 deficit. Having uttered a note of warning on unreliable Revenue and informing of rising recurrent expenditure from the development of the infrastructure, which it is my duty to do, I consider it is not a time for despondency but a time for confidence in finding a path forward. We cannot remain the same. Everything that I am aware of in the world either progresses or deteriorates- nothing stands still. The Falkland Islands therefore develop or decline. It is productive development that is paramount to the economic life of these Islands which obviously leads to the efforts being made by the Falkland Islands Development Corporation. This Corporation was conceived by Lord Shackleton's team. Let us encourage it in the hope that it will foster the successful but productive investment for the prosperity of the people of the Falkland Islands.

I shall now turn to the Revenue proposals in the 1986/87 Budget. It is proposed that persons in receipt of Falkland Islands Old Age Pensions be permitted to purchase non-priority Islander flight tickets at 50% of the normal resident rate. It is proposed that FIGAS air fares be increased as follows:

The boarding fee from £13 to £14.30, an increase of 10%.
The mileage from 34p to 37p with the rebate remaining at 13p.
The resident fare will therefore increase from the present 21p per mile to 24p.

To give you some idea of the additional cost, I quote a few sample fares. From Stanley to Douglas Station or Stanley to Lively Island, both I understand are about 30 miles from here, the non resident rate would increase from £23.20 to £25.40 and the resident rate would increase from £19.30 to £20.70. 85 miles, Stanley to Fox Bay, non resident, the increase would be from £41.90 to £45.75. 131 miles, which I understand is the greatest distance in the Falklands, Stanley to New Island, the non resident rate would increase from £57.74 to £62.77. The maximum fare for residents increased from £28.50 to £31.50, the cut off point, I understand, being 71 miles. It is proposed that FIGAS freight rates be adjusted as follows:

From 16p to 20p per pound with the minimum charge increased from 50p to £1 and the minimum weight increased from 3 lbs to 5 lbs.

It is proposed to make the following modest increases to Stanley School Hostel charges, the first child from £48 to £60 per term, the second child from £38 to £40 per term, the third and subsequent children will remain free of charge.

It is proposed that a modest increase should be made to the Customs import duty on alcoholic beverages and it is proposed that a 10% increase be imposed. This will mean that beer will be increased from 13p to 15p per litre which is less than 1p per can. Spirits from £5.28 to £5.81 per litre which is an increase of 4Cp on a regular bottle; table wines from 34p to 38p per litre, an increase of 3p on the bottle; fortified wines such as sherry and port from 41p to 46p per litre - an increase of approximately 4p on the bottle. It is proposed that Customs import duty on tobacco and tobacco products be increased by 15%. Cigars from £20.27 to £23.32 per kilo an increase of 3p per 10 cigars, cigarettes from £14.66 to £16.86 per kilo, an increase of slightly less than 4p on a packet of 20. Tobacco from £13.33 to £15.33 per kilo, an increase of 10p for the 50g pouch or tin.

It is proposed to double the threshold when estate duty become payable from £15,000 to £30,000.

It is proposed to increase Government house rents by 10%, principally to take into account inflation and increases in Stanley Rates.

It should be noted that the Standing Finance Committee is the authority for levying Stanley Rates and it is forecast that an increase will be required to cover the period 1 July 1986 to 30 June 1987.

In accordance with the recalculation of the tariff for the supply of electricity, it is indicated that the tariff should now be fixed at 14.5p per unit. It is recommended that this tariff should be introduced with effect from 1 July 1986 and that the present subsidised rate of 11p per unit for resident consumers should cease.

During Mr Ritchie our Fiscal Adviser's last visit to the Colony, he made some recommendations regarding personal taxation. He made them subject to the Colony being able to afford them. These proposals were considered recently in Executive Council and it was decided that we could not afford them. So a modified reform is now proposed with effect from the next tax year. It is proposed that the personal allowance should be increased from £2,000 to £2,100, the allowance for a wife, £1,150 to £1,200, the wife's earned income relief maximum from £2,000 to £2,100.

The maximum amount of loan for housing on which mortgage interest relief can be claimed is £10,000. It is recommended that this figure be increased to £15,000.

It is also proposed to allow payments of alimony or maintenance under a Court Order or legally binding agreement for tax purposes in the hands of the person paying and to make the payments liable to tax in the hands of the recipient.

It is proposed to revise the Income Tax Annual Values Rules which have not been revised since January 1983. It is proposed that the values be increased by about 30%.

It is proposed to introduce a reform of company tax and capital allowances later in the year.

With regard to the alterations to both personal and company tax, these proposals will be brought forward to the next Legislative Council in the form of a Bill. In the meantime it will be given publication so that there is plenty of time for it to have debate in this Council.

Numerous minor charges for various services performed by the Public Works Department, the Police and other Departments will be kept under review throughout the year.

I present the Government Budgetary proposals for 1986/87 and am confident that with the co-operation of all Members our deliberations will once again proceed with expedition and success. I beg to move that the Bill be read a first time.

The Bill was then read a first time and on the Motion that it be read a second time the following Honourable Members spoke to the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members. When I joined Council 22 years ago our recurrent expenditure was £234,000. We had an air service, we had a legal department, we had a police department, we had a fire department and it cost us £234,000. This year our estimated expenditure is going to be £7.4 million, an increase in twelve months of 25.76%.

The Financial Secretary pointed out in his address some of the reasons for the changes in this figure and the increase in inflation. The Public Works costs were up because of the renewals fund. The Police Department costs were up because the Fire Brigade was added to it. He did not actually say that the Fire Brigade had been taken out of the Public Works Department so the Public Works Department is up even more because we have got to allow for the fact that the Fire Brigade has been taken out of its Budget. He forecast increases in our taxation, direct and indirect, between 10 and 20% - 33% I think was on cigars but I think that was particularly for spite. And then he told us the good news, 5% up on the personal allowance and 5%, or something under 5% up on the allowance for a wife. And then he told us even better news. He is going to introduce new taxation proposals in a few months time and that we would need plenty of warning to be able to swallow them. I have addressed this Bill in a slightly humerous vein, Sir, but these Islands are becoming taxed to the hilt. It is quite something when it becomes more expensive to drink whisky in the Falklands than in Britain.

Our fuel, our commercial fuel, is costing us far more. The query this morning about the availability of land and the necessity to purchase land compulsorily - I do not think that is going to worry too many people because, quite honestly, agriculture is going to go bust with these current levels of taxation and the current wool prices and so it will be easy enough to get land for the taking. But these Islands cannot continue to absorb the 25% increase in expenditure because we cannot raise it. Alright, he has only screwed the taxpayer for 10% again this time but we are becoming more heavily taxed, probably, than we would be in Britain.

The Honourable D L Clifton

Sir, I rise to give some support to the Financial Secretary's budgetary proposals. I agree they are not what everybody would like in relation to the duties on tobacco and alcohol. I would much prefer to see the percentage increase on tobacco something like 600% and take it off entirely from alcohol. We cannot actually please everybody. What I would like to see is a balanced budget. How we should go about this I do not know. Basically I would like to give my support to the budgetary proposals but we must really consider the Budget as a group to make it balance at some stage.

The Honourable J E Cheek

Your Excellency, Honourable Members. In rising to speak to this Bill I find myself largely in agreement with the Honourable Member from Camp, the Honourable Tim Blake.

Just quickly looking at our expenditure divided by our population it comes out to the horrifying figure of something like £4000 per head. Our tax burden is I believe, I have not seen recent figures, but it must now be considerably greater than UK. It was almost level two years ago and since then the United Kingdom have had a number of changes, and our changes have not been as great.

I believe that to a large extent we can no longer maintain the subsidies that we provide to certain sectors of the community. For example FIGAS, I have not worked out the exact figure, but its subsidy is somewhere around 60-65% at the moment and that is covering the whole thing. We are talking about flying visitors around who pay slightly more. I think if we work out their subsidy it is only 50% but it is coming out of my tax, it is coming out of the tax of all my constituents. We are paying half the cost of those visitors' fares. I think I could go on but that is the most glaring example.

I noticed the Honourable Financial Secretary looking up under his spectacles when he was talking about the OAP. I have objected to us subsidising the Old Age Pensions out of general revenue and I continue to do so.

I agree I have pushed ever since I joined Council that we should increase pensions but pension increases should be paid for by contributors so that later on we will also get higher pensions because of the higher contributions which will be payable at that stage. I do not agree to financing subsidies from general revenue.

The other thing that worries me very much is the future maintenance costs. Someone was talking about the Prynn Report. I agree it seems to be an extremely good report. I see the suggested figures for the costs of the Mount Pleasant Road - what is it 45 kilometres - and then try and multiply that up by the figures and distances that Prynn was talking about for roads. And then we are also talking about some sort of ship running across Falkland Sound. I think it is a very good idea but whether financially it is a good idea I have strong doubts. Some people say it will be cheaper to come in from West Falkland - yes because it is my, and my constituents' tax, which will be paying for the cost of it and not the person who is using it. I believe that if the actual cost is charged out to the user it will not be cheaper at all.

I suppose finally I come to what I started off with, tax, which is the way I got it from the Honourable the Financial Secretary. The tax reductions, my colleague mentioned 5% personal tax and whatever it was for a wife. They are ridiculous. I think that if these rates of taxes continue you will see people leaving the Islands because it is hardly worth staying here.

Nevertheless, the next few days will prove interesting as we battle our way through this. Hopefully some of the changes I have suggested I might like to see may well come about.

The Honourable A T Blake

Sir, I also rise to congratulate the Honourable the Financial Secretary on another excellent job.

There are one or two things that I would like to point out so that there is no misconception about what was said. The surplus we ended up with last year was not in actual fact profit. It was really a budgetary error on our part in that we did not spend all the money that had been allocated. I do not like people to think that we were screwing everything down to make a profit out of the public which was not quite the case. That is unspent expenditure rather than profit and I do not intend to play around with words. That is a fact of life.

I am very thankful that the Financial Secretary pointed out the fact that our income from fishing, to a certain extent, is hypothetical and must always be treated with caution.

I am somewhat disturbed by the across the board statements from some of the members of the Council. One member said that we had increased tax by 10%.

I think there might be a 10% on some minor element there but certainly not on income tax as I happened to hear, unless there is something wrong with my hearing. And yet we heard this across the board statement which is almost bordering on being irresponsible to mislead the public into thinking that we are putting tax up by 10%. This is not the case. Personal income tax has not been increased at all. There are increases on what I call optional tax items, indirect tax items, it is optional whether you pay tax on beer and tobacco. You do not have to drink it and you do not have to smoke it. I do not think the Honourable Member for Stanley, Mr Lewis Clifton, was joking when he mentioned that we should consider putting 600% on tobacco and probably more on drink both of which, from time to time, do create expenditure in terms of medical treatment and policing. So I think that the public want to be very wary of the use of that general banded about figure of a 10% increase in tax.

I also disagree very strongly with the fact that our tax is anything like as high as UK. It is nothing like it. You have got to take into account in the UK of national insurance and VAT and even if you subtract those from British taxation at the moment we are just about level. I do not think we can expect to run the country efficiently without expecting to maintain that and I do not accept the argument some people use that freight offsets VAT in the Falkland Islands. Freight is a geographical fact of life in the Falkland Islands and we have to face it forever. It is not a substitute for a tax that we do not levy on the people. So with those few comments, Sir, I look forward to a fairly lively debate and I support the Motion.

The Honourable R M Lee

Sir, I would like to support this Motion. This is my first Budget and I admit I have not experienced anything like this before. It has been explained to me and it is very interesting but on the face of it, when I look at these proposals from the point of view of a person living on West Falkland, I must admit that it is a pretty horrible sight. What are they getting? An increase in airfares, an increase in freight rates and they are paying more for their children to go to school. There is not really very much in it for someone living on West Falkland and we hear people like the Honourable Mr Cheek even suggesting that a ferry is a waste of time. So I think that if anyone out there wants to come to Stanley they should do so pretty soon because they may not be able to afford it by next month. That is the only comment I have and I look forward to a lively debate and with that I would like to support the Motion.

The Honourable C D Keenleyside

I rise to speak to the Appropriation Bill. I have been very interested to hear the arguments for and against items in the estimates. I think this is a very go ahead budget we have been given here. I consider that in the past the Estimates have been held down because people have not allowed for the future.

We should always do this. There have not been allowances for the replacement of anything or some looking ahead in any way at all. I think this budget looks ahead. I think that if somebody is considering leaving the Islands for monetary reasons and I do not think there are very many people who stay in the Falklands for monetary reasons - I do not meet many of them normally - I think people stay in the Falklands because they want to stay here. If they are purely looking to stay in the Falklands for monetary reasons and start comparing them with any other place in the world I think it is a very wrong thing to do.

Looking at the various items. For example, we have just proposed an increase in Old Age Pensions, proposed increases in Family Allowances, and proposed increases in tax allowances. The only real increases in items that we shall pay for are those which I consider are the result of basic inflation. I have heard criticism in the past of sudden huge increases in, say, Stanley Rates or Airfares and everyone has asked why the increases were not imposed progressively. Well this is just what we aim to do in this Budget and I support those figures.

The Honourable E M Goss MBE

Your Excellency, I was very pleased to hear the Honourable Member from West Falkland, Mr Robin Lee, saying that this was his first time at the Budget Session and I thought I was the only one with that honour here, but I am glad I am not alone.

As I said earlier in the day I am not too familiar with procedure here, and I am not too sure if I should rise to speak or comment on occasions like this but I am sure I will be put in my place if I should go out of line.

What I do ask in listening to our annual list of gloom from the Financial Secretary, which is nothing new, we hear this every year and although I have not been at the Table to hear it first hand I have listened to it over the radio and I fall all over the floor and I think "rotten jokers" and all the rest of it. But I hope in this next week or so we can perhaps screw down some of these things that he has asked for. What I do ask is are we living beyond our means because if I cannot afford something I do not buy it? So what I say we should be looking at in this next week is trying to identify what we can do without. And if the Financial Secretary's worry about the reduced revenue from the fishing activities comes true then I think we should examine the proposed budget very closely and perhaps chop it down where we can do without.

There are lots of things that worried me at the onset but listening to other Members' comments about them has perhaps reduced my fears a little. FIGAS, of course, affects all those living in the Camp more than anyone in Stanley. We all pay our taxes so it affects the people in the Camp, or those who live in Stanley and want to use FIGAS to get to Camp. It does of course also affect development.

If we are going to develop Fox Bay it has put up the costs there and I am sure those people at Fox Bay Village and in the nearby farms or settlements will be listening with avid interest. Where in Stanley we have revenue that could come from Rates. It has been mentioned that they will be reviewed and I do think they need reviewing. What I have always been concerned about is one of the most costly things that people enjoy in Stanley and that is water and the cost of producing that water is not charged for as such in their rates. The rates are charged for according to housing area, floor area I think it is, but not exactly in gallons of water. A few years ago one Council tried to introduce water meters and this was probably accepted by an old couple living on their own, but it certainly was not accepted by people who waste and use lots of water. I do not know what happened to those meters but maybe we should perhaps bring them back off the shelf and dust them down and start gearing our charges to make people pay for the services they actually get.

Booze - 40p a bottle - that does worry me a bit because when I was in the UK I was buying booze at the same specific gravity as we are getting here in the Falklands at a lower rate although cigarettes which I do not use are twice the price, so there is room for movement on cigarettes. I can accept the proposed increases on cigarettes and tobacco but I am not so sure I am happy to accept cigars because I used to use them and I might start again one day. So I think that we should watch that one.

In making those few comments on the Financial Secretary's hard graft in producing this I am sure we are going to have some lively discussions on actually finalising the Budget.

The Honourable Mrs Norma Edwards

Your Excellency, Honourable Members, in rising to speak to the Bill may I just say that I was a bit disappointed to see that the old age pensioners will probably get an increase to £24 for a widow etc but they are only going to get 50% off the airfares. I had hoped that they might get one concessionary airfare per year which would not, I think, imbalance the Budget too much.

I am a little bit concerned about the increase in electricity to 14.2p. That means the local population will be subsidising the overseas taxpayer as I understand it, or as I know very well, because I have been paying 16.2p per unit because my husband is an overseas taxpayer - until next month - and that has now been reduced to 14.2p overall. I feel that it is a bit hard on the general public to subsidise the overseas taxpayers, so I would query that discrepancy.

I congratulate the Financial Secretary for managing yet again to produce a pretty reasonable budget.

The Honourable the Financial Secretary

Your Excellency, there has certainly been much discussion and debate.

As a matter of fact I am very grateful to one half of the House for sorting out the other half of the House! However, there are a few things that I must point out. I would congratulate the Honourable Member for Camp, Mr Goss. He certainly got a very quick understanding of our budget and he is right that we must look to see if we are living beyond our means. This is very important. No family can live beyond their means. Alright, everyone may want more money so that they can have a better life but if they cannot get it from anywhere they have got to live within their means. He is quite right and we should keep this uppermost in our minds.

With regard to the water meters which he referred to it is a fact that a proposal was made in 1973 for the introduction of water meters, but a petition was taken around by one Councillor and the Stanley residents did not wish to proceed with it. I believe we do have some water meters if they have not been taken by the Argentines in the meantime.

The question of electricity being 14.2p per unit, I would like to point out that that is the full economic price. It is not a subsidy for the military. The reason why it has reduced in price from 16.2p to 14.5p, this is our proposal, is because of the lower oil price to that applicable last year. That is the main reason for it. There is a separate computation which is done, which I am sure I have circulated to all Members, and we can discuss this in Select Committee.

With regard to references to personal and company tax I can see that this item needs clear debate and it will certainly have wide publicity. It is a fact that company tax rates in the Falkland Islands are certainly much higher than those in the United Kingdom and there will be increasing pressure on us to make some changes there. I promised that we will have a reform of company tax together with the review of capital allowances under the Income Tax Ordinance and the personal tax bill will also be published in plenty of time. There are a number of other changes which we have in the pipeline but which are not for publication at this stage, but in the forthcoming twelve months we will have a busy period from the financial side of the House and I am hoping that we will be able to make some improvements.

Without further ado I would just look forward to our Select Committee meeting which I hope will be carried out expeditiously.

The Bill was then read a second time and was referred for detailed consideration by a Select Committee of the House, sitting in another place.

REPORT ON THE PROCEEDINGS OF THE SELECT COMMITTEE ON THE
APPROPRIATION (1986/87) BILL 1986 (2.6.86)

The President

I now invite the Honourable the Financial Secretary to Report on the proceedings of the Select Committee on the Appropriation Bill.

The Honourable the Financial Secretary

Your Excellency, the Select Committee appointed by you has completed its review of the 1986/87 Estimates. The review has resulted in some changes to the Estimates of both Revenue and Expenditure for 1986/87.

On the Ordinary Revenue and Expenditure account, which is part 1 of the Estimates, the objective of producing a balanced Budget has been achieved, but only just. The Estimates now show a tiny surplus of £2900.

The Revenue Estimates have been increased from £7.225 million to £7.325 million and Expenditure has been reduced from £7.402 million to £7.322 million.

With regard to the Revenue proposals the general consensus of the Committee was to adopt the proposed increases in Customs Import Duties to come into effect immediately. Alcoholic beverages by 10%, and tobacco and tobacco products by 15%. Details of the revised rates of Duty will be given in the introduction of the appropriate Resolution.

Other proposed increases approved in Select Committee were the Stanley School Hostel charges for the first child from £48 to £60 per term, for the second child from £38 to £40 per term with the third and subsequent children remaining free.

FIGAS airfares. It was agreed to increase them by approximately 10% as proposed with effect from 1st July 1986. That is- the boarding fee from £13 to £14.30; the mileage from 34p to 37p per mile; and the rebate of 13p to remain.

Therefore the resident fare will be from 21p to 24p per mile.

Sample fares:

30 miles - Stanley to Douglas or Stanley to Lively Island - a non-resident will be required to pay £25.40 instead of the present £23.20. For a resident it will be an increase from £19.30 to £20.70.

85 miles - Stanley to Fox Bay - a non-resident will pay £45.75 instead of the present rate of £41.90.

131 miles - the longest distance in these Islands, Stanley to New Island, the non-resident will now be required to pay £62.77 instead of £57.74.

The maximum fare for residents will be increased from £28.50 to £31.50.

It was agreed that persons in receipt of Falkland Islands Old Age Pensions be permitted to purchase non-priority Islander flight tickets at 50% of the normal resident rate.

It was also agreed that FIGAS freight rates be adjusted from 16p to 20p per pound with the minimum charge increased from 50p to £1.00 for a package weighing up to 5 pounds.

It was agreed that Government house rents be increased by 10% with effect from 1st July 1986 to take into account inflation and increases in Stanley Rates.

The increase in the tariff for the supply of electricity was agreed, from the present subsidised rate of 11p per unit to the full economic rate of 14.5p per unit, with effect from 1st July 1986. Councillors expressed concern over the effect of the increase on old age pensioners and agreed that a measure of relief should be allowed. Details of this will be broadcast shortly.

Council noted that there was to be tax reform for both personal and company tax. Details of the proposed changes will be published later in the year.

It was agreed in principle to increase the threshold when Estate Duty becomes payable. Details will be given when introducing the Bill during the course of this meeting.

Council noted that charges for Government services generally would be kept under constant review to ensure gradual increases and to avoid unpalatable, large increases.

I must also report on the fact that Standing Finance Committee met during the period of our Select Committee meeting and it is appropriate for me now to notify you of the fact that Stanley Rates will be increased from £3 to £3.60 on the pound - that is a 20% increase. But I must point out here that the full cost would be £8.09 rather than the £3.60 which represents a 55% subsidy on the services. It was felt that we could not go beyond a 20% increase to £3.60 at this date.

With regard to Development Estimates it was agreed to insert two items which had been not given priority treatment in our Development Plan and this was with regard to housing. In particular, £80,000 was inserted in the Development Estimates for single dwellings, flats, and £30,000 for the preparation of a mobile home site. The total expenditure now for the Development Estimates, from our local fund, is £793,950. To cover the increases proposed it is planned that we should get a further £100,000 for the issue of Stock, and a further £20,000 withdrawal from the Development Fund.

During the Committee Stage **Clause One** of the Bill was adopted without amendment.

The Schedule was adopted with the following amendments:

- 100 Aviation - substitute £526,550 for £539,430;
- 150 Posts and Telecommunications - substitute £491,370 for £486,210;
- 200 Medical and Dental - substitute £480,130 for £500,060;
- 250 Education and Training - substitute £547,300 for £551,450;
- 300 Customs and Harbour - substitute £156,550 for £157,940;
- 350 Public Works - substitute £2,995,290 for £3,054,590;
- 390 Fox Bay Village - substitute £40,000 for £44,000;
- 450 Justice - substitute £80,950 for £82,170;
- 550 Police Fire and Rescue Service - substitute £256,460 for £269,160;
- 600 Secretariat, Treasury and Central Store - substitute £461,900 for £460,580;
- 650 Pensions and Gratuities - substitute £153,880 for £142,350;
- 700 Social Welfare - substitute £183,450 for £171,150;
- 750 Governor - substitute £87,860 for £86,200;
- 800 Legislature - substitute £35,960 for £32,660;

Substitute £6,822,180 for the sub-total of £6,902,480.

Total Ordinary Expenditure - substitute £7,322,180 for £7,402,480.

951 Expenditure to be met from Local Funds - substitute £793,950 for £673,950.

Total Expenditure - substitute £8,878,730 for £8,839,030.

Clause 2 was adopted with the following amendments:

Delete the words and figures £8,839,030 and insert £8,878,730.

The Bill was then read a third time and passed.

THE CUSTOMS (AMENDMENT OF IMPORT DUTIES) RESOLUTION 1986 (Introduced under a Certificate of Urgency)

The Honourable the Financial Secretary

Your Excellency, Honourable Members, I mentioned previously that the general consensus of opinion is that we should introduce this Motion for obtaining more revenue. The Resolution provides for increasing the Duty on Beer, Ale, and Stouts of all kinds to £0.15 per litre; on Spirits to £5.81 per litre; on Wines to £38 per litre; on Vermouth £0.46 per litre; on Cigars to £23.22 per kilo; on Cigarettes to £16.86 per kilo; and on Tobacco to £15.33 per kilo.

Those figures probably do not reveal much to the general public and I would just like to repeat what I said in my Budget Address, that the increase on beer is less than £0.01 per can; on Spirits an increase of £0.40 on the regular bottle; on Table Wines an increase of £0.03 per bottle; on Fortified Wines an increase of

£0.04 per bottle; on Cigars an increase of approximately £0.03 for ten cigars; on Cigarettes an increase of slightly less than £0.04 for a packet of twenty; and Tobacco an increase of £0.10 for 50 grams. I beg to move that the Resolution be adopted.

The Honourable E M Goss MBE

Your Excellency, Honourable Members, I would like to oppose the Motion as proposed by the Honourable the Financial Secretary on the strength of the fact that cheaper spirits and tobacco in the Falklands was one of the attractions to bring people into the Colony and made life a little bit more bearable and pleasant in these circumstances. To you people around the Table here it might not be so important as to some others. But it is important to some, and in your recruitment efforts overseas, I know in the past, that one of the things that was actually put up as one of the attractions was that cigarettes would be a whole lot cheaper and so would spirits and wines. But, bit by bit this has been eroded and now they are very close and sometimes ahead of, or higher than, the United Kingdom prices. I just wonder how far the Customs Duties really extend. We know in Stanley if it is £0.40 on the bottle to the man in the street, for spirits, it is locked up in the bonded warehouse and it does not really affect the person who imported those goods sometime ago. But when it is released it may be £0.40 extra duty on that bottle but then the mark up of the man who imports and sells is a bit more - and the same goes for the £0.04 on your cigarettes and so on. I just wonder how far it affects bonded stores on ships. Do those ships in Port William and Berkeley Sound pay duty? We now have lots of ships in those places. When I was at sea I understood - it might surprise you that I have been to sea but I have and I know it happens - that in ports the Customs Officers would come aboard and open bonded stores and release a bit to you. I assumed that we were paying duty on those but it was certainly controlled. I just wonder if it still is controlled.

Now my objection to the introduction of this Resolution to increase the Customs duties is just to keep the social value of it in the Falklands at a lower level, so I would ask for it to be reduced to, say 5% instead of 10%. I know that it must go up but I would ask that a reduction be looked at.

The President

The Honourable Member for Camp is in fact proposing an amendment to the Resolution that we have in front of us, namely that its effect should be an increase, it depends whether the glass is half full or half empty does it not, it is either an increase of 5% or a reduction to 5% from the 10% proposed. Is there perhaps a seconder for the proposed amendment.

The Honourable L G Blake OBE JP

Your Excellency, I will rise to support such a noble amendment.

I do not think that I need to explain the problems I have in surviving in this world; the problems I would have in surviving this world without my cigars would be even worse! I therefore support the amendment.

The President

I wonder if I might just clarify for the benefit of Honourable Members that the proposed amendment applies to each of the categories within the Resolution. In other words not merely to beer but to spirits, to wines and to fortified wines and to tobacco. Is that the proposal of the Proposer and the Seconder? Yes, indeed it is. Do any other Honourable Members wish to add their voice on one side or the other of this interesting debate?

The Honourable the Financial Secretary

Your Excellency, first of all I am assured by the Harbour Master that the control exercised for the ships' supplies of alcohol is adequate. The point that I must make here, with regard to the proposed reduction, is the fact that if we do not get our revenue through the duty on alcohol or tobacco we will have to get it from somewhere else. Do we put up income tax? Or do we introduce some other measure? At least with items such as beer, spirits, wines and tobacco products, they are all voluntary and I really think that the proposed increase is a very modest one, taking into account that the inflation rate for last year was just over 11%.

The President

There being no further comment, I think, on this I would put it to the Honourable Proposer, if I may. Do you wish to pursue your amendment, Sir, or to withdraw it?

The Honourable E M Goss MBE

Your Excellency, I would ask that it be pursued and reconsidered at the lower rate that I suggested. I know it is voluntary but I am suprised that our economy, or our survival, depends on voluntary revenue because the members of the public who feel strongly about this are now in a position to impose a fine on Government by not taking any tobacco or spirits, and it would hurt. What we should be aiming at is not the little penny-pinching bits of revenue earning, but in greater production and actually finding something that we can produce to earn money rather than second-hand money, as I call it. I have nothing further to say.

The President

Thank you very much. Honourable Members, there is clearly, I sense perhaps, some division of opinion in Council today about this issue.

We have had elegant pleas in favour of an amendment on the one hand, but I sense that the silence of the majority is indicative of consent that the Resolution, as introduced by the Honourable the Financial Secretary, is carried in its original form. The Motion as introduced is carried.

The Honourable J E Cheek

Your Excellency, on a point of order, can we have a vote on the Motion?

The President

I shall be happy to have a vote. Could I ask the Clerk to stand and would you please each in turn indicate your 'Yes' or 'No' as he takes the vote, starting with the Senior Member, in favour or otherwise of the Motion as introduced by the Financial Secretary.

Votes were cast as follows:

The Honourable A T Blake	Yes
The Honourable D L Clifton	Yes
The Honourable C D Keenleyside	Yes
The Honourable L G Blake OBE JP	No
The Honourable J E Cheek	Yes
The Honourable R M Lee	Yes
The Honourable Mrs Norma Edwards	Yes
The Honourable E M Goss MBE	No

The President

Honourable Members, the Motion as proposed by the Financial Secretary is carried in this Council by a vote of six votes in favour and two against. The Motion is adopted.

THE SUPPLEMENTARY APPROPRIATION (1984/85) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, Honourable Members, expenditure in addition to the Appropriation Ordinance is required under our Constitution to be covered by a Supplementary Appropriation Ordinance. This is a formal piece of legislation and it purely legalises £143,917 of excess expenditure, all items of which have been approved in Standing Finance Committee. I beg to move that the Bill be read a first time.

The Bill was then read a first time and passed through its remaining stages without debate or amendment.

THE OLD AGE PENSIONS (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, Honourable Members, recently all Members of Council have expressed concern on the plight of our senior citizens. There are at present, under the contributory old age pensions scheme, 206 old age pensioners - 126 single and 80 married. Many of these people find it difficult getting by with the pensions we have been paying. We have in the past been increasing pensions by, approximately, the rate of inflation. This time a very strong plea was made by Members that we should increase them further. There is a substantial increase proposed this time: for a married couple from £28.50 to £36.00, which is a 26.3% increase; and a similar increase from £19.00 to £24.00 for single pensioners. In order to raise the money the contributors are being asked to increase their contributions from £2.25 to £2.85 per week - that is for the employee. The employer from £3.35 to £4.25; and the self-employed from £5.60 to £7.10.

It had been proposed to finance part of the increased costs by increasing the subsidy from Government funds from £25,000 to £31,700 but this was not agreed to in Select Committee and there are other proposals which will be considered in due course. I beg to move that the Bill be read a first time.

The Honourable L G Blake OBE JP

Your Excellency, I rise to support the Motion but I would like to, perhaps, correct a possible mistaken impression which may have been created by something the Financial Secretary said in his introduction, in that he announced the new contribution rates and then said that it had been hoped to finance the Bill by an increase in the subsidy but we had disagreed with this increase. That is absolutely true; it did not result in an increase in subscriptions though; this is the one point I wish to make.

Our fund is, I believe, in an extremely healthy condition and I do not believe that, in view of that fact and the precariousness of our Budget, that it merited an increase in the subsidy and therefore I opposed the subsidy, but I do welcome the increase in the pensions.

The Honourable A T Blake

Your Excellency, Honourable Members, I still view with concern the fact that the pensions are still only 47% of what is considered to be the basic minimum wage and I do believe that Council should address itself in an attempt to increase that to much closer to the 100%, if not to the 100% itself. We may well have been able to increase that percentage - this years' increase of 26.3% - by injecting a little bit more money into the basic fund. That is all I wish to say, Sir.

The Honourable J E Cheek

Your Excellency, Honourable Members, basically I support the Bill but I do have one or two points. Firstly, I believe that the fund should be self-supporting and not only that we should not increase the subsidy from Government but we should delete it. I also believe that the current 47%, which this represents of a labourer's wage, is too low. I would certainly like to see it go up to 100% but I would hope that next year we will aim for something realistic, such as possibly 60%, but that it should be self-supporting and that contributions from the members in the old age pensions scheme should be paying for their own pensions in the future.

The Honourable D L Clifton

Your Excellency, I rise to support the Motion. I believe that the contributing individual has to pay in the long term for the pensioners' benefits. I realise that, perhaps, the increase as outlined is not as large as everyone would wish but nevertheless it is a step in the right direction.

The Honourable the Financial Secretary

Your Excellency, I have noted the points made by Honourable Members and I thank the Honourable Member for Camp, Mr Tim Blake, for explaining the reasons for the reduction in the or at least the contributions were not increased for contributors and also the reason for the rejection of the proposed increase in the subsidy which is a fact that it was because of our budgetary difficulties.

I have taken note of the wish of all Honourable Members who spoke to keep the pensions under review and, of course, this will be done. We do keep them under annual review.

The Bill then passed through its remaining stages without further debate or amendment.

THE NON-CONTRIBUTORY OLD AGE PENSIONS (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, Honourable members, the non-contributory old age pensions scheme is financed from local Government funds and it is proposed that we should increase the pensions for pensioners coming within the scheme from £24.50 to £31.00 per week for a married person, and for a single pensioner from £18.00 to £22.50. The cost of the increase is £4,100 and will come from the public purse. I beg to move that the Bill be read a first time.

The Bill was then read a first time and passed through its remaining stages without debate or amendment.

THE FAMILY ALLOWANCES (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, Honourable Members, family allowances are now considered to be important in the welfare of the community and it is proposed that we should increase them from the present £15.00 per month to £20.00 per month with effect from the 1st July 1986. The Bill proposed that they come into effect on the 1st January 1987 but at the meeting of Select Committee Honourable Members requested that we should introduce them with effect from the 1st July 1986 rather than the 1st January 1987 and I will be moving an amendment when we come to the Committee Stage of the Bill.

This Bill also provides for the introduction of a Single Parent Allowance of £15.00 per month. It is not paid for each child; it is one allowance of £15.00 per month to a single parent. I beg to move that the Bill be read a first time.

The Bill was then read a first and second time. During the Committee Stage the following amendment was moved:

The Honourable the Financial Secretary

Your Excellency, I beg to move that Clause 1 stands part of the Bill with the following amendment:

by the deletion of "the first day of January 1987" and the insertion of "the first day of July 1986".

The amendment was adopted and the Bill passed through its remaining stages without further debate or amendment.

THE LEGISLATIVE COUNCIL ALLOWANCES (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, since the Legislative Council Allowances Ordinance 1977 was enacted, the work of Legislative Councillors has increased considerably. The purpose of this Bill is to allow Executive Councillors to be paid an allowance in addition to their Legislative Council Allowance to compensate for their considerable workload. I beg to move that the Bill be read a first time.

The Honourable A T Blake

Your Excellency, Honourable Members, I would just like to express my concern, generally, that I believe that the level of allowances paid to Councillors may be in some way responsible for the lack of interest in certain areas in the running of the country. And when I look around the Table today I notice that very few Councillors, if any, are suffering financially as a result of sitting here. I may be wrong; there is something going off to my left which I could not quite catch, but generally speaking people around this Table are not suffering financially from attending these meetings, but I do believe there are a number of people in the community who are probably capable of representing the public on Council who do not stand because they would in actual fact suffer financially, and I do refer to the small business man and perhaps contractors whose money is directly related to the amount of time that they spend at their job. I do think that this particular subject should be kept under review as all other costs and expenses are kept under review in Government.

The Honourable the Financial Secretary

Your Excellency, I have noted what the Honourable Member for Camp, Mr Tony Blake, has said and I entirely agree with his view that we should keep the matter under review and I give an assurance that this will be done.

The Bill then passed through its remaining stages without further debate or amendment.

THE EXECUTIVE COUNCIL ALLOWANCES (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, since the Executive Council Allowances Ordinance 1977 was enacted the work of Executive Councillors has increased considerably. The purpose of this Bill is to allow Executive Councillors to be paid an allowance in addition to their Legislative Council allowance to compensate for their considerable workload. I beg to move that the Bill be read a first time.

The Bill then passed through its remaining stages without debate or amendment.

THE FISHERIES (AMENDMENT) ORDINANCE 1986

The Honourable the Chief Executive

Your Excellency, as Honourable Members are aware Regulations were made in April this year, by the Governor in Council, under the Fisheries Ordinance. These provided for the payment of fees for fish transshipment and export licences. The licences, of course, are for transshipment in and export from the territorial waters only, as our legislation cannot provide us with control beyond those waters. It is intended to bring a comprehensive Bill to this House for the control of fishing and transshipment and export of fish as soon as this can possibly be done. In the meantime it has been considered wise to introduce the Bill before this House to amend the existing Fisheries Ordinance, which was enacted in 1944, in order that certain provisions may be clarified; that the powers of detention of ships and arrest of their masters may be spelt out and the fines in the Ordinance brought into line with inflation and, indeed, increased to indicate the seriousness with which offences in relation to fisheries are viewed in the Falkland Islands.

The Bill begins by dealing with some definitions, then in paragraph (b) of Section 2 it amends paragraph (d) of Section 3 of the Ordinance. Paragraph (d) enables the Governor in Council to make regulations prohibiting, restricting, or regulating the removal, transfer, sale or purchase of any fish or products of fish from, or in, the territorial waters of the Falkland Islands. The amendment makes it clear that the provision relates to fish, whether or not caught in the territorial waters; in other words if we control transshipment of fish in our waters or export of fish from them we control transshipment and export whether or not the fish were caught in our waters or outside our waters.

Paragraph (c) of Section 2 amends Section 4 of the Ordinance. Section 4 as it stands forbids fishing in territorial waters and export of fish from those waters without a licence. The amendment adds a paragraph to forbid transshipment without a licence and, like Section 2(b) makes the licences for export and transshipment allow to fish and fish products wherever they are caught. It is really what I would call a belt and braces clause.

Paragraph (d) of Section 2 provides for a new section for the seizure and detention of vessels and their gear, and allows the use of force in seizing a vessel. It also provides for arrest of persons suspected of committing an offence; it further provides for the bringing in of vessels and their crews to Port Stanley and the manner of dealing with the vessels.

Paragraph (e) of Section 2 provides for the amendment of Section 5 of the Ordinance to provide for the increase of a fine for a first offence from £50 to £5000, and for a further offence from £100 to £10,000. The amendment gives jurisdiction to the Senior Magistrate and not less than two JP's to hear cases under the Ordinance, and for them to refer cases to the Supreme Court for sentencing, if need be. I should emphasise that the power of the Court to order forfeiture of a fishing vessel and its gear still remains in the Ordinance. Indeed the Bill, in paragraph (e)(ii) makes it clear that in making an order for forfeiture a Court does not have to enquire into the ownership of a vessel. If the person breaching the Ordinance, or Regulations, uses a vessel belonging to another he will have to make his peace, if he can, with the owner if the Court orders forfeiture. I beg to move the first reading of the Bill.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, while rising to support the Bill in that the Chief Executive described it as a belt and braces exercise I would suggest that this is right down at ground level and is a shoe laces exercise. While welcoming even such a minor improvement in our control of fisheries we must, I believe, as a Council, register our disappointment that this only gives us jurisdiction with regard to the transshipment of fish within our waters, and the catching of fish within our waters; and those waters are today, unfortunately, only three miles. I will welcome the day when either we can control those waters very much further afield than the three mile limit, either on our own or under the auspices of the United Nations, and I look forward to that day and I hope that we may persuade Her Majesty's Government that that day is not too far off.

The Bill then passed through its remaining stages without further debate or amendment.

THE PLANT AND TRANSPORT AUTHORITY (DISSOLUTION) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, the Plant and Transport Authority was established by Ordinance in 1978. The Overseas Development Administration had made the establishment of the Authority a condition of the Grant of financial aid towards the cost of construction of the Stanley to Darwin Road. Councillors, from time to time, expressed dissatisfaction with the operation of the Authority and, in 1984, it was agreed in principle that the Authority should cease to operate. The surplus held on the Authority's account of £219,798.65 was transferred to the Falkland Islands Government in 1984. The purpose of this Bill is to give legal effect to what has in fact actually happened. Ownership of all plant now rests with the Government and the liabilities of the Plant and Transport Authority are also transferred to Government.

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

The Bill then passed through its remaining stages without debate or amendment.

THE ESTATE DUTY (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, Honourable Members, at present Estate Duty is levied when the market value of an estate reaches over £15,000. It is considered that this threshold should be increased owing to the increased value of property in the Colony, and that it be doubled to £30,000. The Bill therefore proposes that the threshold be increased from £15,000 to £30,000 and I suggest that it comes into effect from today. I beg to move that the Bill be read a first time.

The Bill was then read a first time and on the Motion that it be read a second time the following Honourable Members spoke to the Motion:

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, I believe that the Bill, as presented, does not in fact fully allow for the rise in the value of property, and I am quite sure that Members here would agree with me that it is not our intention to put an undue burden on any individual with regard to a relative or friend's estate. £30,000 today represents a very modest house with little else added and therefore, Sir, I would ask leave, when we come to the Committee Stage, to introduce an amendment to the Bill.

The Honourable D L Clifton

If I may, Sir, I would like to support the sentiments expressed by Councillor Tim Blake.

The Bill was then read a second time. At the Committee Stage the following amendments were proposed:

The Honourable the Financial Secretary

I beg to move that Clause 1 stands part of the Bill with the following amendment: that "the second day of June 1986" be inserted.

The Motion was adopted.

In considering Clause 2 the following was proposed:

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, I beg to move that Clause

2(a) be amended by the deletion of the figures "£30,000" and by the insertion of the figures "50,000"; and that the Schedule in Clause 2(b) be amended by the deletion of the words "exceeds £30,000" to and including the words "does not exceed £50,000" and the deletion of the figures "3", "4", "5", "6" and "7" in the side column, so that the Schedule starts where the principal value of the estate exceeds £50,000 and does not exceed £55,000.

The Motion was seconded by the Honourable D L Clifton and adopted. The Bill was then read a third time and passed.

MOTION FOR ADJOURNMENT (2.6.86)

The Honourable The Chief Executive

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

The President

The Motion is that this House stands adjourned sine die. Does any Honourable Member wish to speak?

The Honourable A T Blake

Your Excellency, in rising to support the Motion, I look around the Table and I should probably be making remarks about the fruits of our labours; we have been grappling with affairs of state and only those, perhaps local, present here will know what I am referring to. Anyway I will move on and make comments about the Budget. It has been a very interesting and sometimes entertaining period that we have just been through. I have been delighted by the way in which the new Councillors have joined in the spirit of things and have worked hard and long hours and brought into our judgments and deliberations those elements which are always helpful and give us new ideas. I think the public should be aware of the fact, as pointed out by the Honourable Financial Secretary, that the rate of inflation here is 11% and it is very, very difficult for us to do what every politician, I am sure, would like to do and that is to give a reduction in everything so that one gets re-elected. I do not think there is a politician that was born that would not like to be able to do this and present company is not excluded. However, I can assure our constituents that we have tried very, very hard to keep the various increases at the lowest possible levels.

I would like to make reference to a number of things that have happened about us in the past wee while, and things that are about to happen. I would, at this juncture, like to thank the various people who have served this Government and the people of these Islands well for the past few years, and in this respect I refer to Jem Baylis, Dr Pearce, Andy Alsop and Tom Davies, that I know of at the moment, who are shortly to disappear. I think it would be very very hard to single any of them out. I think they have all served us very well and with dedication. The other person, of course, who will be going over the horizon shortly is the Commander British Forces. I think that I should express my thanks for everything he has done for us, particularly during the last couple of days when we have had a somewhat traumatic experience he has been a very level and very informative source of help to us. I cannot express my gratefulness for his efforts there enough. While referring to the somewhat military side of things, I think we should express pleasure in the fact that the FIDF continues to show a very high skill at arms and I, for one, am very pleased that money that we vote to our Defence Force is

producing results in a very finite way. I do take some pleasure in the fact that incoming units, when having to go into battle, as it were, over the various skills have first to beat the FIDF before they are going to get anywhere. I think that is a very very satisfactory state of affairs.

I think just at the moment there are large numbers of outside contractors who have been in the Islands for some considerable time and have been working away like beavers and to many of us, particularly perhaps in West Falklands, go unseen and unnoticed. These gentlemen have been working away producing fantastic results as far as I am concerned. I managed during my period here to pop down to MPA and see further increases in the infrastructure and setting up of a complex which is somewhat mind-boggling and I think we owe a great "thank you" to those contractors for the work that they have done in producing such a wonderful complex.

I would like to bring up one point, which has already been referred to earlier in this meeting, about people making comments and criticisms about the Islands' institutions and services and who do so without bothering to find out the facts. The fracas that we had a few days ago is a clear indication of people acting, and wishing to act, without being fully aware of all the facts.

One little thing which happens in Council and does, I think, confuse people, is the matter of Papers being laid on the Table. This is always done and I presume it is done elsewhere, but I wonder if for clarification, and I know that these things are gazetted, when papers are laid on the Table it would be possible for the Clerk of Councils to read out which papers are being laid on the Table.

In looking through the Budget and the Development Plan I did sense, as a lot of people have, that we have to watch that our recurrent costs are not increased to the extent that we cannot proceed with development projects. There are a number of joint-projects with which we are concerned and in which the proportion of the recurrent costs that we are likely to be involved with are totally out of proportion to our capital input. I think Council should be aware, when we are considering recurrent costs in some of these development projects, that our proportion of recurrent costs should remain somewhat tied to the amount of our capital input.

Sir, with reference to one of the Bills - the Plant and Transport Authority (Dissolution) Bill I think it was - I hope we have not dissolved it completely. I am sure that the Standard Chartered Bank Manager would wish to support some comments about the poor standard of some of the transport which is travelling about the town and the difficulty which some Departments are having in maintaining their wheels as it were. I think Council may well want to address this fairly serious situation in the near future.

I notice, Sir, that the Clerk of Councils, Mr Peter King, is not with us and we have Mr Rex Browning standing in. I hope the events surrounding the non-attendance of Mr King are happy ones. Thank you very much Sir.

The Honourable D L Clifton

Your Excellency, Honourable Members, if I may briefly refer to the Budget, Select Committee, and the hassle we all seem to go through to make ends meet and to ensure that at least some of the things we promised in our election manifesto actually come to fruition.

One of the more serious complaints in Stanley, at the moment, is our poor road network and I am pleased that we have now been able to vote considerable sums, I think to the tune of £1.9 million from local development funds, over a period of years, to renovate our road network. This year we have allocated something like £53,000 which, I am assured, will improve Brisbane Road, Dairy Paddock Road and Halkett's Hill as well as some modifications to Reservoir Road.

For the older citizens I am pleased that we have been able to increase the pension payable to them. We have been able to agree on a subsidy for any and all FIGAS flights they may wish to enjoy. There is also provision for the elder citizens to enjoy a quota of, perhaps, free electricity, but these details have yet to be finalised.

On the point of rising costs, the elder citizens will be affected by the increase in Stanley rates. I understand from the Financial Secretary there is provision for them to apply for a reduction in the rates that are levied and I would urge all pensioners who think they may be hard faced with the increase we have recently agreed to make some form of representation to him for a reduction.

In relation to the computation of Stanley rates, I was quite alarmed at the way the costings are computed. For street cleaning a sum of £200 was allocated last financial year. This year we are allocating something like £11,000 which, I understand, ensures that two full-time men are employed on cleaning Stanley roads. I use this opportunity to urge Stanley residents to ensure they do not tip their litter all over the streets and to ensure that visitors are reprimanded for dropping their beer and lemonade cans around our greens.

I wish it was a simple matter to increase the income tax allowance. We have agreed to increase it a little. It is not all that I would wish for but I believe that we have to face times of reality and it is simply a matter of fact that we could not afford anything better at this stage.

For the Civil Servants, I know speaking as a Civil Servant, the Dale Report will, I hope, be the blueprint for all future negotiations on Civil Service salaries.

In my election manifesto I made reference to the fact that Government had vast numbers of houses/dwellings on its list, and a high proportion of them were not receiving any form of maintenance. I ask for Councillors' agreement to sell off some of these old and poorly renovated houses during this coming financial year. I think we have to address ourselves not only to the housing problem generally but also to the sale of Government houses in conjunction with it.

A certain priority has been given to the Fire Station equipment. That again has cost a considerable sum of money to ensure that it is put together in a reasonable form to ensure our continued safety not only within Stanley but also in the immediate areas outside Stanley in relation to Stanley Airport and further afield.

I am rather disappointed that within this Budget we were not able to implement any form of taxation deduction or improvement incentives for the private householder. I did make representation to our financial adviser in November last to see what sort of assistance he believed we should be in a position to provide to the private householder. A number of people this summer have spent considerable sums on renovating and improving their homes and I believe that we should be in a position to assist them with some form of tax relief.

In your address, Sir, on Wednesday, you mentioned the Falkland Islands attendance at the largest philatelic exhibition that has so far been staged and which was held in Chicago, USA. Philatelic revenue today, unfortunately, is not as we would wish it and this is due to an international recession which has been affecting the western world generally, certainly the small island territories like ourselves, for something like 23 months. The success of this international stamp exhibition in Chicago will, within the next few weeks, or certainly within the next three months, determine how the recession is going to continue; whether it will continue to decline or whether we will be able to come out of the recession.

It was rather a moving experience to go and to take two of my staff to Ameripex. We were somewhat subordinate as far as civil servants go and if I can relate, Sir, we were competing not only amongst Philatelic Bureau Managers like myself but also amongst Postmaster Generals, Ministers of Posts, Revenue Managers equivalent to our Financial Secretary and, also, as far as one state was concerned, we were competing with Presidents of nations. I believe that in view of the distance we had to travel in order to get to Chicago that the exercise will be cost effective. Certainly in the short term. We can cover our costs in relation to air travel and subsistence and also the hire of the stand. I have to carefully judge the long term aspects of the revenue that will accrue from this exercise in the way of standing orders. I would add that now that the show has actually closed I am in a position to say that we will be able to meet all costs and cater for substantial revenue in future years.

I would perhaps make comment on the way that we tend to be rather ultra conservative with our stamp issuing policy. I have to address the whole question rather properly and I will in due course submit a paper to the Administration on my reflections of attending a major international exhibition. Perhaps if I can make comment, Sir, the territory of Bahamas issued a one dollar postage stamp to commemorate this large international exhibition which depicted the Statue of Liberty. One customer went to the Bahamas stand and bought 5,000 of them. I think we tend to be rather ultra conservative and I do not quite know how to approach this problem but I am certainly convinced that if we had had a Statue of Liberty on our postage stamp we would certainly have sold \$5,000 worth there and then to one customer. I think we have to carefully address the whole area of philately and I will, as I say, be providing some information to the Administration in due course.

I would, Sir, if I may as a final point like to to make reference to the Chief Executive. It did come somewhat as a shock to receive a letter from him advising that he will in fact be leaving in March next year. It is perhaps rather late in the day to put a Motion forward but I wonder whether the Chief Executive would consider staying on for a further 12 months, up until the period March 1988, by which time we will have some idea of how the next development stage will be moving along. Sir, I beg to support the Motion.

The Honourable C D Keenleyside

Your Excellency, Honourable Members. In rising to support this Motion, I think we have had a very interesting few days recently in which we have considered what I think is a very realistic Budget. We have projected some £100,000 forward to undertake projects from local funds. This figure, I think, is a realistic one. Often in the past figures we have projected for projects to be completed which we do not have the resources to meet. I do believe we have the resources to meet the projects under this. We have a modest building plan which includes, I am pleased to say, some single unit accommodation and also further mobile home sites. Education Department buildings also feature on this plan.

In computing the rates the Fire Service now appears as a major part of the rates and I believe well it should. The Fire Service previously, I think, has been somewhat neglected and I am pleased to say it has at last been given some of the recognition it deserves.

As far as the old people are concerned it may appear at first sight to be somewhat alarming, some of the increases in rates and other items, but I think that looking at the plight of the older members of our community realistically, we definitely need to give consideration to a reduction in their electricity bill. I believe this has the support of all Members. I also support the idea of the 50% flight subsidy on FIGAS, I think that is an excellent idea.

I agree with Councillor Blake when he says we have to be careful that we can meet the cost of maintenance of aid. It is all very well us having this aid but when it comes down to it we must be prepared to accept the consequences of the projects, whether in fact we are able to meet them or not.

I was concerned prior to the Budget very heavily with a review of FIDC, which I must admit was a very enlightening one, and Members will be seeing the report later. I was aware as we did this review that the participation of Falkland Islanders in FIDC was in fact limited. It seems that we have a lack of people with the necessary get up and go. Well I believe we still have the people with the necessary get up and go and as long as they come forward and put themselves in line for projects, I think we can prove that they have not in fact got up and gone.

We have also been given a paper today on Development Policies and Objectives. This paper is to be given broad circulation within the Islands and I would ask people to feel free to comment on this paper, to me or any other Councillor, because this is the kind of thing that shapes our future.

I agree wholeheartedly with Councillor Clifton that we should sell off more of the Government houses. Increasingly over the years they are becoming a burden, one which we cannot put up with any longer as far as the Government is concerned and I really do support that idea.

I also support Councillor Clifton's views on the Chief Executive. He is a very key man here and I feel that his loss would be severely felt. Sir, I Beg to support the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members. I heard our deliberations of the last couple of days as being described in many fashions, but for two it was excessively hard work and I think they should be congratulated and thanked for the effort they put into it. I refer to our Financial Secretary and his Assistant.

I harp on about the £234,000 twenty two years ago but it is a fact that as time goes on so the Budget document gets thicker, and so Council will sit longer each day to consider that Budget document. But we forget that at the end of the day the Financial Secretary and his Assistant then have to sit even longer to make sure the sums are right when we start again the next morning. We finished last night at about 5.30 I think and the sums were not quite right but I had no fears that by this morning they would be. They are just right by some 2000 odd pounds and next year at the beginning of Council we will stand or sit down once more and again, no matter what has gone before, even if we have saved a mint, they will still look just about right with a modest surplus because our Financial Secretary cannot live with a large deficit; nor can he live with a large surplus. It gives Councillors ideas

above their station, particularly surpluses, so he will have done his homework yet again. But I do, Sir, thank him and his Assistant most profoundly for their efforts. We could not be sitting here today if they had not worked most of the last 24 hours non-stop and I think, they are to be commended.

I should at the same time like to thank our Chairman for his forbearance and patience in an atmosphere of waffle and argument. Not only did he not throw his apron over his head and rush out of the door screaming, which would have been forgiveable, but he even brought us his Christmas cake to sweeten up the atmosphere at one stage.

And so we complete yet another Budget, and when we get back to our various areas there will be complaints of "why are we being charged all this; yet they have got that?" Now this will happen no matter where your constituency is. But I would remind all those "why are we being charged this, and they are not being charged that", that this a Budget for the Colony; it is a Budget aimed, hopefully, at improving the quality of life generally, and the day we have to draw up separate Budgets for separate communities will be the death of these Islands.

Two members have already mentioned, before me, development. The Development Corporation has come in for a tremendous amount of stick and one of the major complaints has been that we have not got control of our development and it is being controlled by a group of outsiders who do not know what we want. I will not even bother to enter that argument because I do not believe it is a true one. But what I would do, Sir, is to remind the complainers of periods in our not distant history when we did not spend development aid because nobody had time to get down and write development projects or think about development projects. Perhaps, not every pound is spent as wisely as the pundits outside this Chamber could have spent it but at least there is an effort to broaden our economy and at least an effort to involve more of the community in that economy and I think, therefore, we can only thank those that are working and hope to God that they do not get disappointed and clear off. Sir, I beg to support the Motion.

The Honourable J E Cheek

Your Excellency, Honourable Members. I am pleased that I am only half way around this Table because, as each Member speaks, I cross off yet one more subject. I would hate to be in the position of the Honourable Eric Goss where by the time it is his turn to speak I am sure every subject has been mentioned.

We have covered a considerable number of things in the last few days and I hope our efforts have done something for the Colony. I think one of the major things - it has already been mentioned but if I crossed off everything that had been mentioned I would have nothing to say - is the acceptance of Dale.

The Dale Report which gave, on average, an 18 - 20% increase in salary to members of the Civil Service, rather more or less in the cases of regrading I think, has done a lot for the Civil Service. Dale also mentions that the senior people in the Civil Service should now accept more responsibility and I believe not only that they should accept it but they should be given it. I do not think it was entirely their own fault that they had not accepted responsibility in the past. In some cases it was not given to them; it was kept very much from them. But I hope that Dale has strengthened and improved and will give us a Civil Service that we can be proud of in the future. That is not to say that vast sections of the Civil Service in the past have not given a great amount to this Colony but I think we can now look forward to even greater improvements. Of course there will be costs, as was mentioned by the Financial Secretary earlier, and we hope that there will be changes to the passages and leave rights. My own feeling is that passages, leave and indeed pensions are more expensive than this Colony can afford and, possibly by next year, I hope to see some changes there.

An item which has also been mentioned is the paper from the Chief Executive which looks to the future. I have only had a quick look through it but a tremendous amount of work has been put there which brings all the various options, or a lot of the various options, together and I think will provide quite a lot of discussion in the future. I only hope that the various people who read this, the various organisations, the SOA, GEU, whoever, will discuss it amongst themselves and come back either to Councillors or the Administration with their comments on it. I think it will provide, if not the blueprint for the future, at least the blueprint for the blueprint as it were.

Lastly, Sir, I also would like to add my appreciation to the work that has gone on at MPA and to the contractors who have done a tremendous job. I still think that job has not been reported enough in the world press or the British press. I think if people in UK realised how much work can be done without disputes etc, etc, and if more people would work like that in Britain, or indeed here, both the Islands and Britain might be better places. Sir, I support the Motion.

The Honourable R M Lee

Your Excellency, Honourable Members. In rising to support this Motion I, too, would like to reiterate the remarks made by Councillors about the Financial Secretary and Chief Executive. I have listened to many speeches made after the Budget and I really thought it was a matter of form that you congratulated Harold on the work that he does but, having seen him in action, I really must say that I am impressed and I really do mean what I say.

On the Budget - it has certainly been an eye-opener for me to see the amount of figures and the costs of everything and I have been quite horrified by the amounts of money we have had to approve.

They are not anything greater than previous Budgets but when you see the figures on a piece of paper it is quite horrifying. One of the major costs I saw throughout the Budget was the cost of labour and it just appears to me that we do spend a huge amount of money paying people to work. That is natural enough, but I would like to take this opportunity to urge all the people that are earning that money to give a good day's work for a good day's pay because we need that. If we are going to develop we need value for money and we do not want any people earning money and not working, we just cannot afford it. I do not just mean the people that are working for Government; that applies to my mind to everyone who is in the Islands. We are in a period of development, there is money about and there is expertise and advice, but we need to work hard for the money that is being spent on us and I think we owe it to the British Government and whoever supplies that money, each and every one of us, to work hard.

On the subject of Old Age Pensions, I could have made remarks earlier as we were passing the Bill but as I had a note to talk about it now I did not bother. I would just like to say to the old folk that I do not think we have gone far enough to increase their pensions but I hope that what we have given them will be an improvement and they will realise that. The other thing I would like to do is urge them not to be ashamed of coming forward and asking for aid or concessions if they feel that they are hard done by. There is no crime in coming forth and asking Government for money. Everyone else does it so they should too.

I do not think I have ever given a speech or said a few words without mentioning FIGAS and the ferry. I realise I am becoming a bore on this subject but that does not deter me. I am quite happy to be labelled a bore if it means I get some results. I am afraid I have to apologise to people in Camp at the moment because the air fares are increased but the service is just the same. You will still have to thumb a lift when you come into Stanley if you want to get into town. And do not get any grand ideas about phoning a taxi because the phone seldom works and neither does the toilet if that is of any interest to you.

On the subject of development I agree entirely with what the Honourable Mr Cheek has said. There is a very interesting paper now, a discussion paper, written by the Chief Executive, and I would urge people to get hold of that, read it, and pass on their comments as soon as possible.

I do not think there is anything else I can say except to touch again on the Argentine episode of the other day. The smoke has now died down, people are not talking about it, but there will be more like it I am quite sure and I would just urge people not to worry unduly about it. It is just a part of the Argentine mentality, I am afraid, to act in this way. The people have Council's support and we will not be moved by their silly actions, there is no possible doubt about that. Sir I wish to support the Motion.

The Honourable Mrs N Edwards

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment, I would like to thank all Honourable Members for putting up with me around the Table this week. This is my first Budget session and my eyes have been opened. As a fat, middle-aged mum with not a good head for figures it enlightened me a great deal to see how Government does its housekeeping and perhaps next year I will be in better shape, in all ways, for the Budget!

I can understand now why the Argentines want to get their hands on the Falklands; it is not for the Islands, they are after our Financial Secretary so that he can sort out their monetary problems and I think he would do it very well. He keeps a very close hand on the purse strings and he is to be much commended for that. He has looked after our money very well over the years and has done so again this year. His Financial Assistants are to be congratulated, too, for all the hard work they do.

The general public do not like Budgets and nobody likes taxes going up, or booze going up or cigarettes going up etc, etc. but I hope that something has come out of this Budget that is on the plus side for our community. The ceiling on estate duties has risen to £50,000 which I think is right and proper and it is a much more realistic figure than the £15,000 it was set at. It should help the less wealthy in our community a great deal. The Family Allowance has been increased a little and a Single Parent Allowance has been introduced, which is to be commended.

Old Age Pensions have risen, although not enough in my view, and I hope that next year we can perhaps put them up even more. I had hoped that perhaps pensioners would have had full concessionary fares on the Islander but a half fare is better than nothing so I suppose we cannot complain about that.

We have had the FIDC report which I have not studied yet but I have to say that FIDC has taken a lot of stick lately. In some respects I think perhaps it is because their public relations at home have not been up to scratch. They have deserved some of the criticism they have had and I hope that in the future we will have a little bit more information a little bit earlier from FIDC on what they propose to do. I know we have a Councillor who sits on FIDC but I do feel as they are shaping the future of the Islands it would be nice if the whole Council were consulted about their proposals. I am not talking about the financial side and the wheeling and dealing that is going on, but just their future proposals before they are presented as almost a fait accompli. I have not looked at the accounts yet, but I might suggest that they move their cabbages to their office because when I was up there I could not put my hand on a pipe because it was so hot. So making a little reduction in the heating bill for FIDC would be in order, but that is a minor point.

I have taken into account, Sir, the Honourable Robin Lee's concern for a ferry. I have to reiterate what I have said before that I feel we have to be very careful before we jump in with both feet, get rid of our present coastal shipping system and get ourselves a ferry, because we have to look to roads etc, and the upkeep of those roads to support a ferry and I think we should take things step by step. I am a little bit worried that we will end up spending a great deal of money, or asking for a great deal of aid, which our grandchildren and our great grandchildren will be continuing to pay off after we have long gone, and I feel we have to look at this whole thing very very carefully before we say yes to Mr Pryn's report.

I would like also to commend the contractors for the work that they have done over this past year. I had thought when MPA opened last year that the work would slow down but, having visited the place earlier in this year, I find that there has been even more work done since the opening of the airport. They certainly have not slowed down. They have worked tremendously hard and they should be greatly commended for what they have done.

One point I would like to mention, it might well not be a small point in fact, but before we take over the MPA Road officially I feel we must insist that the edges are clearly marked, because if you are driving along in the dark it is very very difficult to see the edge of the road. I know there are crash barriers by the minefields but it would be nice to have a white line at the edge of the road before we officially accept it and before somebody goes over the edge.

I had hoped by the time we sat for the Budget session we would have had some decision on the Jersey Estate and the valuation of land. Unfortunately, we still have to wait for Exco to approve the valuations that have been suggested and I would hope that before too much longer we can have that land evaluated for sale so that we can get on with the building programme as soon as possible.

I am delighted that we have voted money for single people's dwellings and the sooner that goes ahead the better for all.

There is just one other thing that I would like to bring up, Sir, and that is Prince Andrew's wedding. I had an R/T conversation today with Mrs Luxton. I think because of Mr Foulkes and the Labour Party and the Argentines shooting up Taiwanese we have rather tended to forget that Prince Andrew is getting married in July and it would be nice if the people of the Islands could contribute to a wedding present for him. I think it should come from the people and not just from Government as an official body. He is rather our special Prince and I think the people would like to contribute to his wedding present. Mrs Luxton pointed out today that this has not been mentioned and I think we might well put this into action before too long - he gets married on 20 July. I am pleased to support the Motion.

The Honourable E M Goss MBE

Your Excellency, Honourable Members. I know my position as last speaker is not envied by some of the other members of Council but from my jumbled notes here I hope I can sort out something. All I do, it is quite easy actually speaking from this end of the Table, because you have all said some nice things and some good things and being last speaker really is a bonus.

In my search around the ceilings and walls for something that you might have missed I noticed the clock needs attention, but I have to look everywhere, have I not. Although I might be the roadsweeper of Council who has just got to pick up the pieces that you have missed I did manage to make a few notes and, if I can decipher them, I may be able to air a few subjects.

Sir, if I can just brush over a few, and particularly one that we must keep in focus and that is to get the world to recognise a median line between the Argentine coast and the Falklands for our economic development and future. I think that is very important to us.

We had a look at our Budget during our deliberations over the last few days and searched for cherries and things, but they are a bit withered. I think the tax reform is a kindly sort of token which I hope will remain static for some years to come so we can give up the usual annual juggle over these things as a little prize here, a little gift there, to take your focus off other rates and duties that might be going up. I hope that we can get away from our usual practice and stabilise it. If this is going to be the income tax schedule let us stick to it, not next year come along and juggle a few bob here or a few bob there because, although it is very nice, there is not a lot there. If it is going to stay like that for some time and not march with all the other things that do then that is fine.

The increase in the Stanley electricity costs do reflect in the Camp in their cost of living because most farms have adopted the Stanley rate for charging their employees. It is a subsidised thing in the Camp and it costs us much more than it does Stanley to produce our electricity. One or two people have asked me what we are doing about the Stanley electrical charges because they understood that with this new power house the cost of electricity to them would actually come down. But we are moving towards every department paying its way and they are going to find it has gone up, and they know it now anyway, but it does also affect the Camp as well.

I think the computation of the Stanley Rates needs an overhaul. I do not think there is any doubt about that. I do not think it is really satisfactory in fairness to everybody in the community and I think Government should look at it very closely.

From my jumbled notes I am still having trouble finding odd subjects that other people have not touched upon. With regard to the services provided by Government it seems that we are moving towards all department's paying their way. I think there always will be some that will be subsidised but the only way we are going to ease that is if we can have more people. Of course, with more people in the Colony they must have something useful to do so that they can produce something, something that earns money, and we must attract them even if it means foregoing some of the revenue on duties etc. However we must have something nice to offer people coming into the Colony and we must have something for them to do.

Now we are very fortunate in lots of ways to have FIDC helping us and guiding us into where we might earn more revenue. When I think of the 5,000 sheep I committed last month to our dog proof compounds for the winged sea birds and scavengers to enjoy, I feel that is a wasted revenue earner. If we could only bone the meat, or crush it up and freeze it into blocks and send it away in ships to pet food markets. I am sure it must have some value and could win a little more revenue for us. If the fishing ships that go at the end of the season have not quite got their holds full, the cool carriers or what have you, maybe they could carry a bit of it for us. It must be of some value and I think it is a field that we could look into.

My notes are so jumbled and the other Members have said so much that this grasping for something to comment on does not leave me very much at all, but what I will support is all the good things that Councillors have said about the efforts and labours of the Financial Secretary and the Chief Executive in this week's work. I beg to support the Motion.

The Honourable The Financial Secretary

Your Excellency, in rising to support the Motion there are a few points that have been mentioned around the Table which I should address.

The first point I noticed, on the financial side, concerns Stanley Rates, and I have been requested by the Honourable Member for Camp, Mr Tim Blake, to circularise all Stanley householders with the computation of Stanley rates and this will be done.

There is provision for persons to become assisted in paying their Rates, which Councillor Clifton referred to. This depends on the financial circumstances of the Old Age Pensioner, but forms are available in the Treasury for any person who wishes to apply, but I repeat, it depends on their financial circumstances.

I do not wish to delay the meeting any longer but it would be wrong of me not to mention some of the nice expressions that have been made at this Table today and pass them on to my staff who are super.

It is quite easy with a good staff and I would also like to pass them on to the Heads of Department and, in particular, to the Attorney General and the Clerk of Councils.

I would support the Chief Executive's arm being twisted even though he is a hard taskmaster and I would certainly support a longer period with him.

I beg to support the Motion.

The Honourable Chief Executive

Your Excellency, Honourable Members, we are now at the end of our labours and the Honourable Financial Secretary has, as usual, summed up our immediate financial future and it falls to me to try to put into context some of the other concerns which we have had over the past six days, which have been expressed in this debate.

May I begin by thanking Your Excellency for the constructive and kindly way in which you presided over our debates. Once again we must, as all other Honourable Members have said, be grateful to the Honourable The Financial Secretary and his hard-working and dedicated team for making sense of our not always very clear deliberations - what the Honourable Member for Camp, Mr Tim Blake, would call our waffle - and getting the results down on paper.

I always think it is particularly gratifying that the Treasury, which is at the heart of Government in these Islands, and is generally so efficient, should in fact be an OSAS - free zone entirely staffed by local people. There must be a message somewhere in that for FIGAS when they lose their last OSAS pilot.

Now, once again, the Clerk and the numerous people in the Secretariat who support him, and Sharon Halford who has provided the refreshments in the Town Hall, also deserve our gratitude for their quiet competence in making all the arrangements. I understand that the Clerk is at the moment displaying his quiet competence in another place. Rosemary and the baby and the proud father to be, or proud father already, we are not quite sure, have our every good wish. And we very much appreciate the willingness and if I may say so, the expertise which Rex Browning has brought in stepping into his place.

We are also grateful to the Public Works Department for the amazing way in which they sustained the electricity supply throughout the Budget session. From my experience of the past two years, I had come to feel that perhaps there was a tradition of concentrating the minds of Honourable Members and officials on the Budget by ensuring that their work took place in conditions of the maximum discomfort and inconvenience in which, perhaps, thermal underwear took the place of the hair shirt.

Before I answer the debate as best I can I want to add my own tribute to the gallant Commander British Forces, Air Vice Marshal Kemball. I have now had the privilege and pleasure of working with two generals and one air vice marshal and soon I shall be able to add an Admiral to my list. I find, Your Excellency, the thought of the Admiral particularly daunting having been a very junior sub-lieutenant in the Navy during my national service. I remember the Honourable Financial Secretary saying to me soon after Kip Kemball arrived, that he seems a real Chay. Not being a Chay myself I am not quite sure what he meant, but I am sure it was meant to be complimentary and I have no doubt that it was well deserved. Kip has, as has been pointed out in this House before, a farming background and I think this has been evident in the very sensitive and sympathetic way in which he has dealt with farmers' concerns in particular, not to mention his exploits at the Stanley race meeting. Behind the scenes he has been wise and helpful and rational; in Executive Council and in Joint Liaison Committee and indeed in the continuing dialogue which is so important in the civilian/military relationship. I join the Honourable Member for Camp, Councillor Tony Blake, in saying that his contribution in this House last Friday when he did so much to clarify for Honourable Members and for the public at large, the horrible events at sea was enormously reassuring. We wish him and Val, who entertained so many of us so well, Godspeed. We speculate as to whether the Tristar will be delayed on their departure day.

Now, having delayed it for as long as possible, I turn to the various points made in the debate. As always, I indemnify myself from the start from any blame for not answering every point and every criticism by entering a specific disclaimer of my ability to do that. But I will do my best to deal with Honourable Members' main concerns.

It was clear, however, that Honourable Members felt that no speeches were needed at this stage of the session to highlight the place that fisheries continues to occupy in people's minds throughout the Islands. The week began with more reports of dead and dying penguins; it continued with a far grimmer report of the loss of human life in the Taiwanese fishing vessel so brutally attacked on Wednesday. Honourable Members have frequently made clear the frustration that they feel at the laborious information gathering process which it seems must precede any negotiations to set up a multilateral zone. They will, I know, continue to feel frustrated until such a zone is established. Indeed, the uncertainty over the future of offshore fishing not only causes immediate concern about stocks and wildlife, but also gives rise, Your Excellency, to an effective planning blight in respect of all those developments related to offshore fisheries, such as joint ventures with fishing companies, harbour facilities and the sort of vessel needed for fishery patrols which we discussed in Select Committee early this week. None of these are easy to agree until the nature of the future control arrangements is known.

The events of the mid week underline how political and tough the world of fisheries can be and perhaps how difficult in practice it would have been to maintain a unilateral zone, but they also underline the urgency of the problem and the need to deal with it sooner rather than later.

Now turning to specific points which were made during the debate. I would like to say first of all how well I believe this Council continues to do its work, and I would like to say how impressed I have been with the contribution of the new Honourable Member for Camp, Eric Goss, in all our deliberations this week. Eric Goss, incidentally, will take the place of former Councillor, Tim Miller, in looking after the Posts & Telecommunications portfolio; he will take his place on the Prerogative of Mercy Committee and also on the Education Committee.

I do not think, if I may say so, that the Honourable Member for Stanley, Mrs Edwards, may feel in any way diffident about her contribution. Along with other Councillors, she is notable for her concern about human beings and the way in which our decisions affect them and that, in my view Your Excellency, is far more important in an Honourable Member than a dexterity with figures which we leave to the Honourable The Financial Secretary.

I would like to address the question of recurrent costs. This is something which has been a concern of Honourable Members of this House since I was in the Islands. The particular concerns at the moment are, I think, the cost of maintaining the road to MPA, the cost of the joint hospital and perhaps, as expressed by the Honourable Member for Stanley, Mrs Edwards, the cost of the Prynne Report. Of course, we have to have the question of recurrent costs in mind in all the developments that we do. It is absolutely critical that we never allow ourselves to get into a situation where we have to have outside support to meet our recurrent costs.

The Honourable Member for Stanley, Mr Lewis Clifton, particularly concentrated on the problems of Stanley. He has himself already contributed valuably by his Motion in respect of Stanley litter and we will do our very best to bring in legislation to meet the requirements of that Motion.

I note also that Honourable Members, for the first time in three years, voted some money for the refurbishment of Sullivan House. I am not quite sure whether Sullivan House is intended to be a tourist attraction or whether that is intended to be some inducement to myself to stay on, as some of you have so kindly suggested, but it is very welcome nevertheless.

More importantly and more seriously, we have voted monies both for the Fire Station and for the improvement of the equipment used by the Fire Brigade. This is something which has been very dear to the heart of the Honourable Member for Stanley, Mr Keenleyside, and I am delighted at the progress that we have made.

I was extremely pleased, not surprisingly, at the kind things which were said about FIDC. I felt, Your Excellency, to have praise from the Honourable Member for Camp, Mr Tim Blake, in this respect was praise indeed, because I know that if FIDC had failed he would undoubtedly have been one of its very sternest critics.

I agree with the Honourable Member for Stanley, Mrs Edwards, that FIDC has not been as good at its public relations as it might have been and that is something that we have to put right in the coming year. I beg leave, however, to disagree about the question of FIDC submitting its various schemes and proposals to this House. The object of setting up FIDC was essentially to set up an organisation which was, to some extent, independent of the kind of bureaucracy and processes which we subject Government Departments to and I think it would be a pity if we did not allow it the independence which I believe it was intended to have when it was set up. Having said that, I think it is always very important that FIDC works within the policies laid down by the Falkland Islands Government, and I think it is very important too, that its management consult with local people about their schemes and proposals. It will be very interesting to read the report of the Falkland Islands Government/ODA joint study of FIDC, or it will be very interesting for other people to read it, I have read it already, when it comes out, and I hope that that in itself will cause there to be more debate about FIDC.

I am also very pleased that Honourable Members have welcomed the document which I have produced about Falkland Island Development Policies and Objectives. I tried for two years to produce a quantified development plan and eventually concluded that what we really needed was essentially to agree on our policies and objectives and allow the figures to reflect them without setting out the figures in the first instance and having the figures, as it were, as hostages to fortune from the start. I believe that that will be another opportunity, provided that that document is widely circulated and widely debated, for people to say what they would like FIDC in particular to be doing and what they would like it not to be doing.

I, too, am delighted with the Honourable Member for Stanley, Mr Cheek, at the Dale Report. I think it gives us a clear way ahead in the Civil Service. I believe that the last time that I spoke in this debate, I found myself in the business of defending the Civil Service against allegations that their morale was low, that they were inefficient and so on and so forth. I am delighted that the Dale proposals appear to give the Civil Service the boost to its morale, if that were needed, and the ability by being well organised and properly structured to deal with the problems of 1986. I think the Civil Service has sometimes rightly been criticised for being a little old fashioned and a little slow to react. But I would remind Civil Servants of the words of the Honourable Member for Camp, Mr Lee, that you have to do a good day's work for a good day's pay.

If I could just refer to one proposal made, I think it was by the Honourable Member for Stanley, Mrs Edwards, and that was the present for Prince Andrew's wedding. In fact Government does have in hand the thought of a present for Prince Andrew's wedding and I would simply like us to consider whether it would be possible in some way to extend the participation in the giving of that present on the lines that Mrs Luxton has suggested.

Before I close, and I am aware that I have gone on rather a long time, I think I should just comment on Honourable Members' Motions and the action that will be taken on them because I think this will be perhaps important to the general public. There have been four Honourable Members' Motions, all enjoying unanimous support.

The first made clear the House's satisfaction at the Marplan poll, but more importantly their utter rejection of the recent proposals for the future of the Islands by a Labour Party committee. A copy of this Motion will be sent to every member of the Parliamentary Labour Party, that is to say to every Labour Member of Parliament and of the House of Lords.

The second Motion proposed tighter legislation and greater efforts to control litter. Officials will be drafting appropriate legislation on the lines of the 1958 UK Litter Act for consideration by Executive Council.

The third Motion asked for Her Majesty's Government's support for the compulsory purchase of Hamilton Estates and the properties of the Estate Louis Williams. As Honourable Members are aware, I advised against the adoption of this Motion but I will certainly not comment further now. I suggest that it would be appropriate, Your Excellency, for Honourable Members to discuss it with Mr Broad of the Foreign & Commonwealth Office who visits the Islands later this month.

The fourth Motion expressed Honourable Members' reaction to the attack on the Taiwanese fishing vessel and that has, along with all the other Motions, been sent to Alastair Cameron in London to deal with as he deems best. But perhaps the most important aspect of the short notice debate which we had on Friday was the extent to which it informed people in the Islands, both about the event itself, and also about Honourable Members' concern over it.

Honourable Members have, incidentally, had a lengthy, helpful and friendly discussion earlier this morning with the Broadcasting Officer about the problems which arose over reporting this incident and indeed about broadcasting policy generally.

Several Honourable Members have kindly said that they would like me to consider staying on in the Islands when my contract expires. I am so taken aback by their remarks that I feel that I should not reply now but reserve my position.

Now can I just say this in conclusion. I began this session by talking about the need for Government, and for FIDC, to make the effort to communicate and for the public to make the effort to find out. I have just referred to the value which the debate on Friday had in terms of providing information and I hope that all our proceedings, going out over the radio as they do, will in themselves have helped listeners to understand a bit more of what we are all, together, trying to do.

I have also on several occasions during this session referred to the wider dimension of our affairs and of the need always to bear in mind what others think of us. I do not need to remind this House that the run up to the General Election in the UK is already beginning and, as the General Election grows nearer, so the Falklands which has gradually become less of an issue in the UK over the past two years will increasingly again occupy the minds of voters and politicians and journalists. The message of the Marplan poll is clear. Let us continue to tell the world, and the British public in particular, of our determination to preserve our identity, of our pride in what we have achieved and of our hopes and plans to continue to make the Islands a better place to live.

The Commander British Forces

Your Excellency, Honourable Councillors. In view of the remarks made in this closing debate, I feel that I must take the opportunity given to rise and support the Motion in order to thank you for your kind expressions of satisfaction with the military and, I believe, thank the Chief Executive for his so favourable reflections on my own personal contribution.

In Your Excellency's address to the last Legislative Council, you referred particularly to the shifting of the day to day business of running the Islands towards the Chief Executive, the Financial Secretary, the Government Secretary and the functional Government Departments. I would just like to say from the military point of view that I believe that has been a success and for us it has made dealings with the Government both easier and more expeditious. That was from your point of view, I think, a vote of confidence in all those involved, but especially in the Chief Executive, which leads me to him personally and his letter which advised us that he was planning to leave the Islands next year. I know there is some time before his departure but it is timely to comment because I will not have a subsequent opportunity to comment upon his great integrity, intellectual grasp of the issues, and his enormous capacity for hard work. He has played a most prominent part in the life of the community and in civil/military relationships and we in the military have great respect for the man and his wise counsel. He would be a great loss to the Islands and perhaps his great contribution will be only properly recognised, as so often happens, after his departure. If his last remarks can be taken to suggest that there is a possibility that that might be delayed I would say it can only be to the advantage of the Islands.

Finally, to close, I would like to do so by recording my own personal gratitude for the way that I have been accepted into the community here, allowed to take part in Government business for which I came totally unprepared and quite unexpected in the career that I chose, but particularly gratitude for the friendship and hospitality which has so warmly been given, not only to myself, but to all the servicemen and women in the Islands. It is of vital importance to the community that this continues and I do not differentiate by saying the civil or military community since we are part of the Falklands community and proud to be so.

I beg leave to encourage voting members to support the Motion.

The President

The Motion is that this House stands adjourned sine die. The House stands adjourned accordingly. I thank you.

QUESTIONS FOR WRITTEN ANSWER

QUESTION NO 1/86 by The Honourable C D Keenleyside

When will work on the Estancia Track recommence?

Reply by The Honourable The Chief Executive

It is not yet known when work on the Estancia Track will recommence. Work has ceased because ODA decline to fund the route chosen by FIG on the grounds that it appears to them to be substantially more difficult and expensive to build than ODA's preferred route, as well as increasing the distance to be travelled from Stanley to Estancia and involving steeper gradients in poorer weather conditions. FIG consider that ODA overestimate the costs and the difficulties of FIG's chosen route in comparison with ODA's chosen route, as well as over-emphasing the significance of distance and steepness which they consider are essentially local considerations for their judgment. Further discussions with ODA are taking place, following a re-examination by officials of the various estimates and taking into account a third route proposed by Councillor A T Blake as a possible compromise.

QUESTION NO 2/86 by The Honourable C D Keenleyside

What is being done to alleviate the present crowded situation in Stanley schools?

Reply by The Honourable The Chief Executive

I agree that the Senior School operates in premises which are inadequate in several respects, particularly in the cramped provision for science and craft subjects and the total lack of space for home economics and the assembly of the whole school. Government hopes that its application to EDF for funds to build an extension to the Senior School, first put to ODA in March 1985, will be agreed for the way would then be open to provide the facilities needed.

At the Infant and Junior School the policy of admitting the "rising fives" at the beginning of the school year has resulted in a total of fifty-six pupils organised into two classes in the infant department. Although the physical resources are considered adequate for the needs of the pupils the demands on the teaching staff are clearly considerable. To help alleviate this burden the Education Department has engaged the services of an additional assistant teacher and each infant class is now looked after by a certificated teacher and a full-time assistant.

QUESTION NO 3/86 by The Honourable E M Goss MBE

The public are becoming aware of certain alarming expenses of the establishing of Fox Bay Village. What decides the gearing of their rates; is it parallel with Stanley rate payers, or higher, because fewer people actually benefit from the costly services provided?

Reply by The Honourable The Chief Executive

The people of Fox Bay Village pay no rates. However, their representatives have expressed a desire to pay rates in acknowledgement of the services provided. I shall advise FIG to give urgent consideration to this once an efficient water system and an efficient sewerage system have been installed, hopefully by the end of 1986. Of course, the people already pay for their electricity at the Stanley rate. The capital expenditure which has been incurred on Fox Bay Village is in no way unreasonable bearing in mind the state of the buildings and the utilities there when it was purchased, its distance from Stanley and the need to expand its infrastructure in line with its economic development.

QUESTION NO 4/86 by The Honourable Mrs N Edwards

Would the Chief Executive ask the FIC if they would be willing to sell to Government, or privately, the plot of land opposite the Kelper Store which has been unused since the demolition of the Stanley Arms over thirty years ago, or would they be willing to sell any of their unused land on Fitzroy Road for future housing or development?

Reply by The Honourable The Chief Executive

If the Executive Council so directs and if Legislative Council will make the funds available, I will certainly approach the FIC on the lines which the Honourable Member suggests. However, it is not yet FIG policy to acquire land on a speculative basis for no specific purpose. The problem of land acquisition and valuation by FIG for development purposes is a difficult one on which Executive Council has yet to reach a decision. It is about to be addressed in a consultative paper prepared by the Attorney General which will receive wide circulation.

QUESTION NO 5/86 by the Honourable Mrs Norma Edwards

There are at present several widows who are senior citizens and whose husbands at their time of retirement from Government Service were not entitled to a pension from Government. Since that time pensions have been granted to long serving Government employees. These ladies, however, have to exist on £19 per week. Would it not be possible to include these few pensioners into the current Government pension scheme for widows of late employees of Government?

Reply by the Honourable the Financial Secretary

The provision for pensions to widows was made in 1979. Ordinance No 5 of 1979 refers. The recommendation for this provision emanated from the 1977 report on the salary structure and conditions of service of the Civil Service by Mr H P Ritchie CMG. It was agreed that it should be made effective from 1st July 1977, ie the date on which the majority of recommendations contained in the report became effective. It was intended to improve the conditions of officers in the service on 1st July 1977 and those who would follow. Some representations were made by the widows of officers who were in the service and retired before 1st July 1977 and the matter was referred back to the Salaries Commissioner. He replied as follows:-

"You have to draw the line somewhere and I think the decision to apply the new Widows and Orphans pensions to officers in the service on the date of implementation of my last report was reasonable. If you went further back, how far would you go? I shall not be recommending any change."

It would appear to be inequitable to consider selecting some other date unless it provided for the surviving widows of all deceased Government officers.

There would also appear to be some injustice in restricting such an extension of the scheme to those few who are resident in the Falkland Islands.

The immediate cost of widening the scheme could be substantial and would probably escalate over the next few years. In the light of the present financial situation of the Falkland Islands Government it is considered that Government would be ill-advised to change the qualifying date.

QUESTION NO 6/86 by The Honourable R M Lee

In view of the many administration problems experienced at Fox Bay Village does Government agree that there should be a position created for a full time Government representative at Fox Bay?

Reply by The Honourable The Chief Executive

Proposals for the administration of Fox Bay Village agreed in principle by Executive Council were put to the Village Council earlier this year and I recently discussed them at length with the Village Spokesperson and the Government Agent. As a result of the meeting the original proposals have now been further refined and slightly changed and should be discussed again shortly in Executive Council. It has not so far been considered necessary to have a full time representative of Government at Fox Bay Village. Some of the problems to which the Honourable Member refers should be eased if FIG is able to agree to a greater degree of local control over some categories of expenditure but

many are simply the result of distance and pressure on FIG resources. The present part-time Government Agent is extremely efficient and in collaboration with the Spokesperson loses no time in making known the Village's needs as they arise; the General Manager, FIDC, to whom FIG have delegated the responsibility of liaison between FIG and the Village, is extremely active in responding to those needs and enlisting the assistance of Government departments to deal with them.

QUESTION NO 7/86 by The Honourable R M Lee

Is it fair to suggest that there will be a ferry link established between East and West Falklands and if so, when?

Reply by The Honourable The Chief Executive

As the Honourable Member is aware, the Prynne Report recommended such a link and that recommendation was accepted in principle by FIG at a meeting of Executive Council on 13 May. However, there is some question as to whether the type of vessel recommended by Prynne is suitable and, as it will be expensive to buy and as its purchase will almost certainly need to come out of aid funds, it will obviously take time to implement the recommendation.

QUESTION NO 8/86 by The Honourable R M Lee

Can Government explain why even though we have a third Islander we have still heard nothing about weekend passenger flights?

Reply by The Honourable The Chief Executive

I refer the Honourable Member to the answer which I gave to a similar question which he asked orally on 1 December 1985 (Question No 17/85). At least until the Civil Aviation Advisory Committee (which is now meeting regularly) has reported I am sorry that I cannot really be more helpful or encouraging than I was then. I entirely endorse the sentiment behind the question.

QUESTION NO 9/86 by The Honourable R M Lee

Will the administration give an assurance that in future they will make available to the public copies of the many reports written by visiting experts and advisers?

Reply by The Honourable The Chief Executive

I agree entirely with the desire for open government which the Honourable Member underlines in his question. I am also aware of the extent to which the consultants whom FIG or FIDC employ to write reports rely both on the information and on the hospitality provided by Islanders who are then understandably curious to know what the consultants write.

Some reports are intended for public consumption and can be published immediately. Such was the Calcutt Report on the hospital fire. Others, specifically because they make recommendations with which Government may or may not agree, can only be published after Government has considered them. Such is the Dale Report. Others may never be intended for publication because the matters they describe must remain confidential either because of the subject matter or to protect their sources. Many reports are simply too lengthy to make generally available, unless the public are prepared to buy them and pay the cost of producing and distributing the additional copies.

Such a blanket assurance as the Honourable Member requests is not therefore possible. Nevertheless, I will make it my business to see that both FIG and FIDC bear in mind the concerns which he has reflected in dealing with any future reports.

QUESTION NO 10/86 by The Honourable D L Clifton

Within this Budget we are likely to be asked to vote further capital and recurrent expenditure for the stabilising of the Fox Bay East infrastructure. Can the Honourable the Chief Executive indicate the total capital input to date from both FIG and FIDC sources and if he can indicate what further capital funds will be necessary within the next 5 years for Fox Bay East?

Reply by The Honourable The Chief Executive

The total capital expenditure by FIG related to Fox Bay Village was £214,952 in 1984/85. Further capital expenditure amounting to £217,590 is shown in the 1985/86 Revised Budget and £64,640 will be requested in the 1986/87 Budget. There are at present no plans for further capital expenditure by FIG at Fox Bay Village beyond that although a figure of £30,000 out of aid funds is available for further expenditure on electricity generation. Further housing could be required in future years and this might also involve further capital expenditure on the provision of services. FIDC have not provided any capital input for infrastructure at Fox Bay.

QUESTION NO 11/86 by the Honourable D L Clifton

As part of my manifesto to the electorate, in September, I indicated my support for tax deductions to be available to those owners/occupiers of dwellings who may effect considerable home improvements. Reference was made to the Fiscal Adviser, during his visit in November, on this matter. Is the Honourable the Financial Secretary in a position to report on the representation made to the Fiscal Adviser?

Reply by the Honourable the Financial Secretary

The Fiscal Adviser did not leave any papers on this matter. Mr Ritchie has now been asked to comment on the suggestion of introducing tax relief for home improvements in respect of owner/occupier dwellings. A copy of Mr Ritchie's reply will be sent to you immediately it is received.

A similar question, No 12/85, was raised by the Honourable H Bennett OBE JP in 1985 and I append a copy of the question and the reply given for your information.

**QUESTION NO 12/85 TO LEGISLATIVE COUNCIL BY THE
HONOURABLE H BENNETT OBE JP**

Will Government consider giving tax concessions to owners of property in Stanley who carry out repairs/improvements to their property? If such incentives were offered owners would be able to afford a great deal more to effect improvements; costs of materials and labour make it prohibitive on the present low wages for them to do so.

Reply by the Honourable the Financial Secretary

Certain aspects of this question have much to commend it, but it would be inequitable that the taxpayer reaching the higher tax bracket would derive a greater benefit than the taxpayer who is only subject to the lower tax bands. In fact some of our senior citizens, who are not taxable, and who in all probability have greater difficulties in maintaining their properties, would not derive any benefit whatsoever from such a scheme. A more equitable method to encourage repairs to and maintenance of property would be the introduction of improvement grants. However, owing to the financial situation of the Colony at the present time such a step could not be recommended.

QUESTION NO 12/86 by The Honourable D L Clifton

It is expected that the new modern Military/Civilian hospital will be ready for occupation towards March 1987. Can it be assumed that the present high rate of sending pregnant mothers overseas for childbirth will cease and sufficient midwives will be retained in the anticipated hospital staffing structure? The Honourable the Chief Executive omitted any mention of midwives in his Oral reply in this House in October.

Reply by The Honourable The Chief Executive

The Civilian and Military Medical departments, whether, as now, in separate hospitals, or as planned for 1987, in a new joint hospital provide a combined expertise sufficient to manage most surgical and medical emergencies, and much of the routine clinical care of patients. There exist areas, however, where expert consultant supervision, necessary for the safe professional care of some patients, is not available on the Islands. One of these areas is the care of expectant mothers where there is reason to suspect that the management of the pregnancy might be complicated. Whilst the recruitment of medical staff takes this requirement into account, recent obstetric experience being a prerequisite of appointment of a medical officer, it is clearly impossible to provide consultant care for the complicated pregnancy in either the Civilian or Military establishment.

Consultant care, whether it is for expectant mothers, or in other specialities, must remain the province of the consultant centres overseas.

Every effort is made to undertake the safe delivery of expectant mothers in the Islands. The Medical Department offers a standard of care commensurate with that provided by a peripheral Maternity Unit in the United Kingdom. Nevertheless, where the safety of mother and baby is concerned, the Medical Officer must act in the best interests of both. To do otherwise would be negligent.

Contrary to what the Honourable Member says, the number of pregnant mothers sent overseas is not high in relation to total deliveries, apart from the exceptional period after the hospital fire, as this table indicates:

Year	Falkland Islands Deliveries	Overseas Deliveries	Total	Percentage Overseas
1979/80	26	5	31	16%
1980/81	21	4	25	16%
1981/82	23	1	24	4%
1982/83	25	1	26	4%
1983/84	18	8*	26	31%
1984/85	21	4	25	16%
1985/86(to date)	22	3	25	12%

*includes four referred after fire because of loss of hospital.

Midwives are retained on the Medical Department establishment in order to undertake the care and delivery of mothers in the uncomplicated pregnancy. It is Medical Department policy that a doctor should be present at all deliveries. The number of midwives in post has no bearing on the referral rate overseas where anticipated complications require consultant obstetric

care. In order to provide a less onerous on-call commitment for the midwives, it is planned that all five civilian sisters posts on the establishment of the new hospital will be filled by nurses with midwifery qualifications.

QUESTION NO 13/86 by The Honourable R M Lee

In view of the recent very successful and well attended farmers Open Day will Government reconsider offering free or reduced flights on a yearly basis for such an event?

Reply by The Honourable The Chief Executive

I note that the Honourable Member drew Government's attention to this issue in his speech on the Adjournment on 11 December 1985. I also note that FIDC paid FIG almost £4,000 in fares for the farmers Open Day held on Thursday 1 May. I believe it would be sensible for FIG and FIDC to consider whether the cost of such days might not be more evenly spread between them and I will undertake to have this possibility examined.

EXTRAORDINARY DEBATE (30.5.86)

The Honourable A T Blake

Your Excellency, I request the leave of the President that the business of this House be adjourned so that Members may debate a matter of grave importance, namely the incident which occurred on the Northern edge of the FIPZ last Wednesday.

The President

Thank you. I am glad to accede to that request and would invite the Commander of the British Forces in the Falkland Islands, Air Vice Marshal Kemball, to make a statement about the events of the 28th May. The Air Vice Marshal.

The Commander British Forces

Your Excellency, Honourable Councillors. I am very pleased to present this report of incidents concerning the Argentine fishery protection activity outside the Northern edge of the FIPZ on the 28th May. The incidents all took place outside the FIPZ which is of 150 miles radius but based on a geographic point in the centre of Falkland Sound. They also took place outside a 200 mile line drawn from the Argentine mainland but inside a 200 mile line drawn from the Falklands coast. The report will follow in chronological order although not all the facts that I will report were known in that sequence. However, both incidents featured extensively on use of the 4.5 megahertz communications and this net was widely monitored and considerable information and intelligence on events at the scene of the action was available by that means as they occurred.

The incidents started at about 08.30 local time when a report was received on the farmyard net of harassment of the Chii Fu No 6 which had occurred since 05.45 and it was claimed that this included a shooting incident at position 49.10 South, 061.00 West.

The Chii Fu No 6 had first been ordered to stop on VHF. The vessel had refused to stop because he was outside the Argentine 200 mile limit. However, he was then fired upon and continued and in fact entered the FIPZ when the Argentine vessel broke off pursuit. Some time later, the Argentine had moved away slightly towards the North East and came upon a number of other vessels, whether he attempted to arrest some of those is not clear, but a little later it became clear that he was pursuing three Taiwanese vessels towards the North East. The slowest of these was the Chiann Der 3 and eventually at about 11.23 he had closed to 1.7 miles and the Chiann Der, under his instructions, hove to at a position 48.56 South, 060.18 West. Boarding was impossible due to the adverse weather and the Argentine instructed the Chiann Der 3 to set course for Puerto Deseado.

The Chiann Der then began a spirited attempt to buy time, negotiating on the radio, and there was a long exchange between the two vessels with the Argentine threatening to use force and the Chiann Der refusing to cooperate. This continued until 14.11. At 14.20 a final deadline was issued by the Argentine vessel Prefecto Debray, for the Chan Der 3 to submit to arrest. However the fishing vessel tried to escape, putting the steering on autopilot control and the crew took cover in the engine room.

There was then a considerable break in transmission and obviously during that time the Debray fired on the Chiann Der 3, setting him on fire. At 15.15 a third party vessel reported that the firing had ceased and also called for assistance. At 15.30 a warship which we had already sent to the edge of the FIPZ as soon as we heard of the incident received a 'Mayday' on 4.5 megahertz and she was instructed to offer assistance and, subsequently, at 15.32 the Mayday was received, or at least heard, in the Joint Operations Centre. There was no response to the warship's offer of assistance.

At the same time we also had a C130 Hercules aircraft on a maritime reconnaissance mission which was in the area and which had been again diverted to the area as soon as the incident had opened. At 15.49 a second fishing vessel, the Yu Chuan Far, also offered assistance and the Debray gave clearance for that vessel to close with the burning Chiann Der No 3.

Over the next period of time the warship offered further assistance but obtained no response and the situation appeared that survivors were being taken off from the Chiann Der 3 either by the Argentine coastguard vessel or by the fishing vessel Yu Chuan Far. At this time we attempted to contact the rescue co-ordination centre at Comodoro Rivadavia in order to ascertain what the situation was and to offer further assistance but we were unable to establish contact due to the lines being engaged.

We moved a further vessel further North to act as a possible refueling base for search and rescue helicopters and when it became possible that there were bodies in the water, and it was felt that it would be difficult for surface vessels to provide an adequate rescue for them, both due to the high seas and also with dusk approaching, we scrambled two search and rescue helicopters to the area and, also, a further maritime reconnaissance aircraft to act as top cover for them as the previous aircraft was becoming short of fuel. That was at about 17.30.

At 18.30 as the helicopters reached the area the crew of the fishing vessel became accounted for with 21 survivors in Debray, of whom 3 were injured, but it was claimed that none of them were injured seriously. However, there was in addition one dead. At the same time we established communication with the rescue co-ordination centre at Comodoro Rivadavia and informed them that we had sent helicopters to the area.

At 19.42 we recalled the rescue helicopters and the maritime reconnaissance aircraft. They had sighted the Chiann Der 3 which was burning from stem to stern with no possibility of survivors on board, or sign of them in the surrounding sea. They had also established contact with the Argentine vessel and established with him that the Captain of the Chiann Der 3 was satisfied that all members of his crew were accounted for. The only final part of it is that today we have again sighted the Chiann Der 3 in the area still burning and with a 30 degree list. A navigation warning has been issued to shipping. That completes a factual review of the events.

There are two points that I believe I should cover as I know that they have raised questions in peoples' minds. The first is why, if the arrest was based on a claim to the Falklands, that the Falkland Islands are Argentine, why the British Forces did not take action against the Argentine coastguard vessel? The basis for that is that we do not claim water, or sovereignty over water beyond the three mile limit from the Falkland Islands and beyond that area it is high seas. There is the Falkland Islands Protection Zone which is banned to Argentine vessels. There is no claim for an economic zone extending from the Falkland Islands. Thus the incident took place on the high seas outside the FIPZ; it did not involve British interests and it did not constitute a threat to the Falkland Islands directly in military terms. We did send the vessels to the edge of the FIPZ to ensure its integrity. The status of warships on the high seas is that they are representatives of the sovereignty and independence of the state to which they belong and they remain subject to that state's exclusive jurisdiction in all circumstances. Thus they may not be boarded, searched, detained or arrested by the authorities of any other state. Therefore we took action to preserve the integrity of the FIPZ and we allowed the Argentines to continue with this incident, for which they must bear full responsibility.

The other point is one which concerns the rescue, and the Mayday call that was received in the Government radio shack. The normal procedure for Mayday calls is that they should, in the first instance, be responded to by people or a station that is able to offer material assistance. In this case, the warship in the area had already received the transmission and therefore the advice was passed to our representative in the Government radio shack that there was no need for it to be acknowledged, thereby putting further transmissions on that frequency.

In fact we continued to offer assistance from the warship and then, subsequently, when the need arose, with search and rescue helicopters from the mainland. That concludes the statement that I think covers the incidents. However, I would be prepared to elaborate if there are any further questions on the facts.

The President

The House is most grateful to the Commander British Forces for his statement of the events which occurred on the 28th May and his further explanations. Perhaps later this afternoon it would be appropriate for the Commander to make a further contribution in the light of questions which Honourable Members themselves may have, but at this stage I would invite the Honourable Chief Executive to read into the record a statement made yesterday, the 29th May, on the incidents by a spokesman for the Foreign & Commonwealth Office in London. The Honourable the Chief Executive.

The Honourable Chief Executive

Your Excellency, Honourable Members. The spokesman for the Foreign & Commonwealth Office spoke as follows:

"We greatly deplore the Argentine use of force against an unarmed vessel on the high seas which was both unjustified and excessive. We are shocked at the tragic loss of life and the sinking of the vessel. The British Government rejects Argentina's claim to exercise jurisdiction over the waters in question. This action amounts to an attempt to pursue a sovereignty claim by force. The British Government believes that the regulation of fisheries in the South West Atlantic is an international problem that calls for an international solution based on cooperation. It is for this reason that the British Government has supported moves in the United Nations Food and Agriculture Organisation for a collaborative approach to conservation and management of the South West Atlantic fishery and has urged all the countries concerned, including Argentina, to support it. Yesterday's incident illustrates all too vividly the validity of this view. Earlier this week the British Government reminded the Argentine Government through the Swiss Government of the need to avoid actions in the South West Atlantic that could increase tension."

The Honourable L G Blake OBE JP

Your Excellency, I beg leave to introduce a Motion to the House.

The President

Permission is granted to that and I will invite the Clerk of Councils to read the Motion.

The Clerk

"MOTION BY THE HONOURABLE L G BLAKE OBE JP

That this Houses wishes to express in the strongest terms its condemnation of the action taken by the Argentine Democratic Republic in sinking an unarmed fishing vessel with the consequent loss of life and injury to the vessel's crew. This regime which professes that it is its intention to settle disputes by peaceful means has shown how shallow these intentions are. We would commend Her Majesty's Forces for their efforts to assist the injured with immediate medical attention and support wholeheartedly the British Government's rejection of this attempt by Argentina to pursue by force their sovereignty claim over the waters in question."

The Honourable L G Blake OBE JP

Your Excellency, this week we have seen one more in a series of acts by the Argentine Government to provoke our forces, to cock a snook at Her Majesty's Government. We have been encouraged by some members of the Opposition parties in Britain to view more favourably the Argentine Democratic Government, yet that Government has had to admit that it was not in full control of its vessel and that it was acting without full authority. I draw the attention of the House to such statements and draw attention to those who seek to encourage us to view Argentina more favourably than the Argentine Government is not yet in control of its own house. Sir I beg to move the Motion.

The Honourable A T Blake

Your Excellency, in seconding this Motion, I would like to point out to our constituents both in Stanley and in Camp, perhaps in my case particularly to those people in Camp, that I acted as quickly as possible in the interests of those people who expressed concern to me about the events that have passed and Council has been, in actual fact, considering what action should take place regarding the last two days.

This matter was discussed at a special Executive Council meeting yesterday and we were briefed both by Your Excellency and by the Commander British Forces. We were briefed again today when further information was available. So I do extend thanks to all those people for bringing the matter to my, and our, attention, We were very busy at the time and those people were in a better position to know what was going on than we were ourselves in this House.

It comes as no surprise to me that this action has happened. It has been shaping up to it for a long time and there are those, I am sure, who have memories of similar types of events happening in the past.

The Argentine Government either has absolutely no control over certain elements of its armed forces or it has made a deliberate attempt to provoke an incident which is going to increase tension in the South Atlantic. I would submit that the actions justify the Islanders' attitude towards movements that may be made to unify us with Argentina in some way or another and I would also submit that it justifies the action of Mrs Thatcher's Government. I beg to second the Motion.

The Honourable D L Clifton

Sir, I rise to support this Motion and I also rise to thank the Commander British Forces for putting forward such an excellent brief. The facts are much clearer today than they were yesterday. I regret that it is, perhaps, inexcusable that we were not able to relay the information to our constituents sooner than this hearing here today.

I wonder, Sir, if I may briefly refer to the United Nations debate in November last year when Dr Caputo said that the Argentine Government is convinced that the rule of international law and the peaceful settlement of disputes, in addition to being the very basis of co-existence among nations, also provides to date the most practical, simple and effective way to resolve conflicts. I wonder, Sir, how this particular gentleman would interpret that statement today. The attack on the Taiwanese vessel was one of outright armed aggression. It is one we have seen here before; it is one we want to stem at the very outset. My heart goes out to those people who were involved in that incident on Saturday, the Taiwanese. It leaves no reason for us here to think any better of the Argentine Government today, however democratic it may seem to be at first glance. The Argentine Government have been simply armed aggressors in this matter and there is no excuse whatsoever Sir. I beg to support the Motion.

The Honourable C D Keenleyside

Your Excellency, Honourable Members. I believe this disgraceful incident highlights the fragile nature of the Argentine Government's control, or indeed its lack of control, over its armed forces. The Taiwanese captain displayed commendable courage and also showed how little he thought of the Argentine's claim to our territory and our waters and incidents such as this will give the world a chance to think again about the so-called peaceful nature of the present Argentine Government. The subsequent recall of the Taiwanese fishing vessels is regrettable. These fishing boats were fishing outside the Falkland Islands Protection Zone as a result of an agreement between their Government and the British Government. They were to have withdrawn from the Falkland Islands Protection Zone on the 24th of May. This they had done as part of the Voluntary Restraint of fishing in Falklands waters. That they had to do so under such disgraceful conditions I think is unspeakable. Thank you.

The Honourable J E Cheek

Your Excellency, Honourable Members. In rising to support this Motion I endorse everything my colleagues have already said.

Sir, some days ago, The Times, in a leader writing about the subject of the Falklands and their defence, said something along the lines of "where is the threat from Argentina today?" I think their answer came two days ago. Although the British people may believe that the Argentine democratic government, as it now is, is no longer a threat, I do not think we in the Islands have ever changed our minds at all since the 2nd April 1982. Whether or not this incident was under the direct orders of the Argentine Government it was, nevertheless, obviously ordered by at least part of the Argentine Navy. I do not think the use of force is far from the minds of many within the Argentine armed forces, if not their current government. As we have said many times before, however much we would like to see that democracy in Argentina continue, how long in fact will it continue?

I would like to commend, as the Motion has already done, the fast action of the British military forces here, the rapidity with which they offered assistance to save lives and to provide medical assistance. That the Argentines were not prepared to accept that is no fault of the British military forces here.

One last thing, Sir, I have been appalled by the lack of news items on this incident emanating directly from the Falkland Islands Broadcasting Station. The rapidity at which sports programmes can be rescheduled at almost a moments notice shows that there is the expertise there to do it, and the speed at which the Broadcasting Officer can report to various news agencies in Britain shows that he too has that expertise. I would hope that in the future the dissemination of information will come first to the Islanders. Thank you Sir.

The Honourable R M Lee

Your Excellency, Honourable Members. In rising to support this Motion, I would just like to say that as an instigator of this very special meeting today, I would like to allay anyone's fears that they may have, that we are actually worried about the possibility of any further Argentine action. The purpose of this meeting is not to upset people or worry them in any way. It is more a purpose to demonstrate just how united we all are within Council on this. We feel we could not just let it happen once again and not say anything. We are all in a position to call a meeting and we thought about it very carefully and this is what has happened. But there is no reason for anyone to be alarmed. Just be assured that we are all united in our thoughts about this dreadful business. I think most things have been said. We all deplore the actions of the Argentines over the last two days. It is very typical of them; there is nothing new at all.

I think we can again be reassured by the way the military handled the situation. They were on the spot very quickly and I think it is very encouraging to see just how well organised they are and how quickly they can get their forces to a given area. I really do not think there is much more I can say. The Argentine actions have just hardened our resolve to have absolutely nothing to do with the present Government. They have years ahead of them yet before I am prepared even to talk to them and I think their mismanagement of their patrol vessels is a classic example of the state and terrific muddle they are still in. Sir, I wish to support the Motion.

the Honourable Mrs N Edwards

Your Excellency, Honourable Members. In rising to support the Motion I, too, would reiterate what my colleagues have already said. It is no surprise to us that the Argentines have acted in this way. It is what we have come to expect of them. They seem to be very adept at playing the game of brinkmanship and I expect they will go on doing so. I think it does point to the rest of the world exactly what their democratic government is about. We all know that they are not as democratic as they would like the world to think and it is appalling that they can go into international waters and shoot a defenceless ship. As I say, it is what we have come to expect of them. I would like to commend the British forces on the way they acted. They acted very honourably and very swiftly and I think they are much to be admired for the way they handled the whole situation. I have nothing else to say, Sir, other than that I support the Motion.

The Honourable E M Goss MBE

Your Excellency, Honourable Members. In rising to support the Motion I, too, add condemnation to what is an act of piracy and plunder on the high seas, a practice I thought went out with the last of the Caribbean buccaneers. If action had been taken some years back on a suggestion I put to the Minister, Ted Rowlands, to establish a median line, equidistant between the extreme Western point of the Falklands and the nearest Argentine land, in other words a half way mark on the map, had this boundary been put in place, perhaps by the World Council of the Sea, Wednesday's events might not have happened. I thank the Air Vice Marshal Kemball for his report and the good intentions of the British forces involved. I note his description of our radio station and I agree with the remarks made by other Councillors on the subject. I support the Motion.

The Honourable The Financial Secretary

Your Excellency, purely as an official on this Council, although I am a Falkland Islander through and through, I wish to associate myself very strongly with the Motion introduced by the Honourable L G Blake.

The Honourable Chief Executive

Your Excellency, Honourable Members. I would just like to say before associating myself wholeheartedly with the Motion that I think it would be wrong instantly to judge the actions of the Broadcasting Officer until we have had an opportunity of investigating what seems to have gone wrong over the transmission of news about this incident and this I will do at the earliest possible opportunity.

I wish to emphasise much more importantly my support, my wholehearted support, for this Motion. Thank you.

The President

The Commander British Forces, did you wish to say anything else to this? There is no necessity to do so.

The Commander British Forces

Your Excellency, Honourable Councillors. I would just like to say on behalf of myself and the British Forces of the Falkland Islands how we are very pleased and grateful for the remarks you have made this afternoon, both in your trust in us and in your approval of the way we conducted ourselves in this incident. Thank you all.

The Honourable L B Blake OBE JP

Your Excellency in winding up, may I first of all, as perhaps I should have done in the beginning, thank you for your readiness to bend, or not bend the rules, but find the appropriate rule that allowed us to meet this afternoon and accept this Motion. I am sure we are all most grateful. There is little I can add in that we have said it all already, but I think that the message we wish to put out is that we abhor aggression. We commend the fortitude and care and attention of the British Forces and we suggest to other nations, particularly the Third World who are the sufferers because they are the little ones, it was not a Russian ship they took on yesterday, it was a Taiwanese, that we are not the only small people who are endangered by aggression but that we are as important and that principles matter no matter how big the nation. Sir I thank you.

The President

I commend Honourable Members both elected and official on their contributions to this afternoon's debate on the Motion introduced by the Honourable L G Blake. I think it goes without saying from the tone of the contributions made that no vote of adoption is necessary to be taken because unanimity has been displayed in all speeches this afternoon which I think carries from this Chamber to those listening outside, both in the Falkland Islands and elsewhere, the depth of Council's feelings about the events of the 28th of May. The work of the Select Committee on the Appropriations Bill will resume shortly in another place. The Council is adjourned.

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON WEDNESDAY, 12TH NOVEMBER 1986

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON WEDNESDAY, 12TH NOVEMBER 1986

PRESIDENT

His Excellency the Governor, Mr. G. W. Jewkes CMG.

PRESENT: MEMBERS:

Ex-Officio

The Honourable the Chief Executive
(Mr. D. G. P. Taylor)

The Honourable the Financial Secretary
(Mr. H. T. Rowlands OBE)

Elected

The Honourable A. T. Blake
(Elected Member for Camp Constituency)

The Honourable D. L. Clifton
(Elected Member for Stanley Constituency)

The Honourable C. D. Keenleyside
(Elected Member for Stanley Constituency)

The Honourable L. G. Blake OBE JP
(Elected Member for Camp Constituency)

The Honourable J. E. Cheek
(Elected Member for Stanley Constituency)

The Honourable R. M. Lee
(Elected Member for Camp Constituency)

The Honourable Mrs. Norma Edwards
(Elected Member for Stanley Constituency)

The Honourable E. M. Goss MBE
(Elected Member for Camp Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Rear Admiral C. H. Layman DSO LVO)

Attorney General
(Mr. M. C. Ll Gaiger)

ACTING CLERK

Mr. A. S. BROWNLEE

CONTENTS

Prayers	1
Confirmation of Minutes	1
Papers Laid on the Table	1
Questions for Oral Answer	
15/86 Hon L G Blake OBE JP Shortfall in taching staff/improvement of recruitment procedures	2
16/86 Hon C D Keenleyside Decrease in electricity charges	4
17/86 Hon C D Keenleyside Funding of purchase of farms for subdivision	4
18/86 Hon R M Lee Report of Civil Aviation Advisory Committee	5
19/86 Hon R M Lee Latest position on Prynne Report	5
20/86 Hon R M Lee Repair/improvement of present telecommunications system	6
21/86 Withdrawn	
22/86 Hon Mrs Norma Edwards Plans for maintenance of Stanley to Mount Pleasant Road	7
23/86 Hon Mrs Norma Edwards Payment of pensioners individually in cases of mutual rather than legal separation	8
24/86 Answered together with Question 15/86 on page 2	
25/86 Hon J E Cheek Senior School Extension	8
26/86 Hon J E Cheek Contracting out of maintenance of Government Buildings	9
27/86 Hon E M Goss MBE Improvement of internal communications system	10
28/86 Hon E M Goss MBE Future arrangements for the supply of fuels	10
29/86 Hon D L Clifton Sale of Government houses	11

30/86	Hon D L Clifton	Renovation of Police Station building	12
31/86	Hon D L Clifton	Publishing of General Orders	13

Motion

	By the Honourable the Financial Secretary for the	Confirmation of the Income Tax (Annual Values) Rules	15
--	---	--	----

Ordinances

	The Fisheries Conservation and Management Ordinance	1986	17
	The Income Tax (Amendment) Ordinance	1986	56
	The Old Age Pensions (Amendment)(No 2) Ordinance	1986	62
	The Family Allowances (Amendment)(No 2) Ordinance	1986	62
	The Litter Ordinance	1986	63
	The Falkland Islands Development Corporation	(Amendment) Ordinance 1986	64
	The Consular Relations Ordinance	1986	64

Motion for Adjournment

	Hon L G Blake OBE JP	66
	Hon C D Keenleyside	66
	Hon J E Cheek	67
	Hon D L Clifton	68
	Hon R M Lee	69
	Hon Mrs Norma Edwards	70
	Hon E M Goss MBE	70
	Hon Financial Secretary	71
	The Commander British Forces	71
	Hon Chief Executive	72
	The President	75

APPENDIX 'A'

Questions for Written Answer

14/86	Hon C D Keenleyside	Jersey Estate	77
15/86	Hon R M Lee	Tidying-up of Stanley	77
16/86	Withdrawn		
17/86	Hon Mrs Norma Edwards	Archives custodian	78
18/86	Withdrawn		
19/86	Withdrawn		

PRAYERS

Prayers were said by the Reverend M Roemmele, RChD.

CONFIRMATION OF MINUTES

The Minutes of the Meeting of the Legislative Council held 28th May to 2nd June 1986, having been circulated, were confirmed without amendment.

PAPERS LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE

ORDERS	12/86	The Pioneer Enterprise (David James Clarke) Order 1986
	13/86	The Co-operative Societies (Falkland Farmers Limited) Exemption Order 1986
	14/86	The Co-operative Societies Rules (Amendment) Order 1986
	16/86	The Income Tax Rules (Amendment) Order 1986
	17/86	The Schools Regulations (Amendment) Order 1986
	18/86	The Legislative Council Elections (Variation of Dates) Order 1986
PROCLAMATION	4/86	The Interim Fishery Conservation and Management Zone

QUESTIONS FOR ORAL ANSWER

QUESTION NUMBER 15/86 BY THE HONOURABLE C D KEENLEYSIDE

What is the anticipated shortfall in teaching staff in the Junior and Senior Schools at the start of term in 1987, and what measures have been taken to improve recruitment procedures?

The Honourable the Chief Executive

I should be grateful if I could take at the same time the Honourable Member for Stanley, Mr Cheek's question 24/86, which I will read myself: "Will the Chief Executive please detail what steps have been taken to ensure a reduction in the time taken and an improvement in the system of recruitment of teachers through the ODA for the Education Department?"

I should also be grateful, Your Excellency, if, in view of the public concern expressed over this issue, I could make what is more of a statement than an answer.

The anticipated shortfall in the full complement of teaching staff in the Infant and Junior School at the start of term in 1987 is three in all. Furthermore, replacements will need to be found for three more teachers in the Junior School whose contracts end in February and May respectively and one whose contract finishes in October but who has asked to go in May. The main immediate area of concern is in the Infant School where it is not yet known whether the former Camp teacher recruited on a temporary basis to fill that vacancy till the end of this current term will stay longer. Of the two current vacancies in the Junior School one is valiantly covered by the headmistress and the other is for a remedial teacher whose work is being done by a part time teacher.

The anticipated shortfall in the teaching staff in the Senior School at the same time is a deficit of three teachers out of an establishment of ten. However, there will be two further vacancies in February and March respectively.

The present recruitment position is that all present vacancies and those presently anticipated to occur (apart from the post of Commercial Studies teacher which seems to have been omitted in error) were the subject of a comprehensive ODA advertisement on 17 October to which there have been, I am advised, rather over 70 expressions of interest. Interviews should be taking place about now or a little later. The urgency of our situation has been stressed several times over. As far as the Commercial Studies post is concerned, ODA have been asked to put this omission right as soon as possible.

Turning to recruitment procedures, I have read personally virtually every single piece of paper relating to the recruitment of teachers since the beginning of 1986. The files reveal both slowness on the part of the Falkland Islands Government in initiating recruitment action and slowness on the part of ODA in responding effectively.

The one particular failure to recruit which has been greatly aired in recent weeks was the result more of indecision and delay on our part following ODA's recommendation of the candidate than anything else.

There seems to have been a tendency too on the part of ODA to slacken their recruitment effort, as soon as it seems as though a local appointment is a possibility and not to reactivate a recruitment nearly quickly enough when a candidate drops out.

We have to continue to use ODA, partly because they fund the UK element in OSAS teachers' salaries and partly because the other obvious alternative of FIGO, which does excellent work in recruiting Camp teachers on one year contracts, could not cope with the additional burden of OSAS teacher recruitment. I have initiated some improvements in our systems which should help us to be immediately clearer about requirements and progress than we seem to be at present. It has also been agreed that, as far as possible, vacancies will be notified to ODA as a matter of course nine months in advance.

I have already written to ODA to express my dissatisfaction but more than anything it is a question of everyone involved anticipating further recruitment needs as early as possible, and, having initiated action to deal with them, to ensure that the process then all happens with the maximum of despatch and the minimum of delay.

The Honourable J E Cheek

I thank the Honourable the Chief Executive for his reply and hope that the steps he has taken are effective.

The Honourable A T Blake

Could the Chief Executive confirm whether the post of Superintendent of Education has been advertised in the United Kingdom?

The Honourable the Chief Executive

No, Sir, the post of Superintendent of Education has not yet been advertised in the United Kingdom because we are presently still considering the possibility of a local appointment.

The Honourable A T Blake

Would the Chief Executive agree that it would be wise to advertise in both places at the same time in order that should we not make a local appointment the recruitment process is already in motion in the United Kingdom?

The Honourable the Chief Executive

The ODA are generally most reluctant to in fact advertise on our behalf as I have indicated if in fact there is a local appointment likely to be forthcoming. I would certainly like to bear the suggestion of the Honourable Member for Camp, Mr Tony Blake, in mind.

I believe in fact that we will resolve this issue quite quickly and certainly we will take urgent steps if we cannot make a local appointment to press the ODA to recruit an OSAS appointee as quickly as possible.

In the meantime I should say that I have very great confidence in the acting Superintendent of Education who I believe has taken up the reins of the post extraordinarily competently and is willing to remain in that post, as I understand it, for quite a long time to come.

The Honourable C D Keenleyside

I would ask if in fact the system he has outlined is going to be extended into other areas of Government recruitment or purely for the Education Department?

The Honourable the Chief Executive

I believe that it would be appropriate to look at our whole recruitment system and certainly I have it in mind that the same broad principles and the same arrangements should apply to other recruitments as apply in the Education Department.

QUESTION NUMBER 16/86 BY THE HONOURABLE C D KEENLEYSIDE

With the recent reductions in diesel fuel costs when can electricity consumers in Stanley expect a decrease in charges which reflect this?

The Honourable the Financial Secretary

Sir, it is forecast that the consumption of diesel oil at the cheaper rate will commence in the power station generators early in 1987. A revised computation of the costs for the supply of electrical energy will be submitted to the Governor in Council for consideration shortly.

QUESTION NUMBER 17/86 BY THE HONOURABLE C D KEENLEYSIDE

What provision has been made to fund the purchase of farms for subdivision given the present position of aid funds allocated for this purpose?

The Honourable the Chief Executive

The total amount allocated out of the £31m for land transfer is £2.5m. Expenditure to date amounts to £2,136,458. This includes the most recent Port Howard transaction. The balance left for the continuation of the land transfer programme is therefore of the order of £460,000. If there are to be further funds for land transfer these will have to come either by altering the use of funds already committed out of the £31m, or from further aid, or from FIG or from commercial sources.

QUESTION NUMBER 18/86 BY THE HONOURABLE R M LEE

When can we expect the long-awaited report by the Civil Aviation Advisory Committee to be made available to all Councillors and does it recommend weekend flying?

The Honourable the Chief Executive

The final version of the Report of the Civil Aviation Advisory Committee was made available to me on 9 October. As was required by its terms of reference it has been submitted to Executive Council together with a covering paper by officials. Given the pressures of other business it has yet to be discussed.

In view of its importance and sensitivity and that we do not yet know how far Executive Council will agree with its recommendations, Executive Council have agreed that its circulation to all Honourable Members should be delayed until Executive Council's conclusions about it can be attached.

In this way, I believe that Honourable Members will have a clearer picture of the way ahead. It would not be appropriate to reveal any of its recommendations at this stage.

QUESTION NUMBER 19/86 BY THE HONOURABLE R M LEE

Can the Chief Executive explain what the latest position is regarding the Pryn Report?

The Honourable the Chief Executive

As I stated in my answer to the Honourable Member for Camp, Mr Goss, on 28 May, Executive Council have approved the general conclusions of the Pryn Report and endorsed, in principle, a number of its specific findings. The implementation of those findings, which relate to the provision of a Camp track network and the replacement of the "Forrest" by a vessel capable of doubling as an East - West ferry will involve a great deal of further thought and planning and will be heavily dependent on further development aid. Those relating to the operation of coastal shipping services, to the problem of jetties and to the operation of FIGAS are not dependent on aid to nearly such a significant extent, and progress can be expected to be made on all of them over the next six months or so.

The Honourable R M Lee

Would the Chief Executive agree that this has taken an awful long time and there is an urgent need to ensure that something is done about a roads system and an East-West ferry as soon as possible?

The Honourable the Chief Executive

I would hope that the Honourable Member would agree that the pressures on the administration to deal with a number of matters are very considerable.

I can certainly assure the House that we do regard the improvement of the road system as an extremely important matter but we do not anticipate being able to plan a significant program of improvement in under a period of, shall we say, two years.

QUESTION NUMBER 20/86 BY THE HONOURABLE R M LEE

As it will be many months or even years before we can expect a new radio and telephone communications system to be installed Falklands-wide, will Government consider improving and repairing the present system?

The Honourable the Chief Executive

I shall be dealing in more detail with the question of replacement of the existing telecommunications system in an oral answer to the Honourable Member for Camp, Mr Goss, later today.

In the meantime, I recognise that the present system is old, dilapidated and only works as well as it does because of the continued excellent work done by the staff of the P&T Department in maintaining the service. It would, however, surely not be sensible to spend funds on trying to improve a system which is obsolete and which cannot therefore be improved piecemeal and for which, for example, spares are unobtainable because they are no longer manufactured. ODA and FIG acted very quickly after the Conflict in commissioning the British Teleconsult study and in endorsing its proposals which were agreed as long ago as August

1984. FIG have, however, taken the view since that they should wait for the C&W proposals which, though long in coming, represent an attractive alternative. Every effort is being made and will be made to resolve the issue as quickly as possible.

The Honourable R M Lee

I thank the Honourable the Chief Executive for his reply. I do feel obliged, however, to point out that there is grave concern among the people that I represent that many of these things like the Telecoms and the FIGAS business, the ferry and the roads, seem to be bogged down in very lengthy reports and periods of waiting to hear from the ODA. I feel obliged to point out that people are concerned that we have to put up with very old telephones, a FIGAS air service which hasn't changed for four years, and no real sign of a ferry or a roads system, while we wait for what seems like a lifetime for these reports to be compiled and acted upon. Having said that I realise that Government is under pressure, has a lot of work, but I feel I must point that out.

The Honourable the Chief Executive

In this particular instance I think I would have to say that Cable and Wireless themselves have to some extent delayed the resolution of this issue because they did in fact take rather longer to present their proposals than we expected them to do.

I think it is in general a fact of life that any proposal which involves aid is likely to take considerably longer than any which involves our own monies and that is because we have to satisfy ODA that this is the best and most sensible use of the money which they are going to provide, and the most cost effective. They do look at these things very carefully. Their economists pick over them with a very fine-toothed comb and we have to take quite a long time to convince them to satisfy our needs out of aid in a way in which we want.

QUESTION NUMBER 22/86 BY THE HONOURABLE MRS NORMA EDWARDS

Would the Chief Executive tell Council what the intended plans for the maintenance of the Stanley to Mount Pleasant Road are, and will we be expected to meet these maintenance costs entirely from the local economy?

The Honourable the Chief Executive

The Falkland Islands Government are expected to take over the maintenance of the Stanley to Mount Pleasant Road in 1987 once the military transfer from Stanley to Mount Pleasant has been completed. The Falkland Islands Government will pay for its maintenance thereafter out of local FIG funds and financial provision will need to be made. I can confirm that there will be no outside assistance for its maintenance.

The Honourable Mrs Norma Edwards

I thank the Honourable the Chief Executive for his answer but would just like to make the point that I feel we really ought to be looking now to a proper road team to do this work and get it organised now, rather than having it deteriorate into the state of the road to RAF Stanley.

The Honourable the Chief Executive

I can assure the House that there have been very considerable discussions with the Director of Public Works about the maintenance problem that this road is expected to pose, and we shall continue to give it very careful attention.

The Honourable A T Blake

Could the Honourable the Chief Executive indicate whether the Falkland Islands Government has signed an agreement to maintain the road? I am particularly worried in that the amount of maintenance required by the Falkland Islands Government is totally out of line with the level of investment we have in that facility.

The Honourable the Chief Executive

We have not as yet taken the road over because we will not take it over formally until we agree with the Ministry of Defence that we should do so.

The understanding that we have with the Ministry of Defence from that point when we take over the road, and I may say that in taking it over we will have to ensure that it is in very good condition, is that we will ourselves maintain it. As at present the Ministry of Defence have not been willing to indicate that they are prepared to contribute to the maintenance of that road. It has always been understood that it would be a task for the Falkland Islands Government. Having said that, it is of course true to say that our resources are essentially limited and that the maintenance of that road might have to be the subject of further discussions with the Ministry of Defence in due course on the basis of traffic usage.

QUESTION NUMBER 23/86 BY THE HONOURABLE MRS NORMA EDWARDS

Would the Honourable the Financial Secretary consider pensioners being paid individually in the case of mutual rather than legal separation of pensioner couples?

The Honourable the Financial Secretary

The Old Age Pensions Board of Management does not have the authority to reduce a contributors pension unless the marriage has been dissolved by a competent court or the man is separated or living apart from his wife who cannot prove that he is contributing to her support. Legislation would be required to introduce a pension for a wife if there is separation of a pensioner couple after the wife has attained the age of 50 years as the wife would not then be entitled to join the Old Age Pensions Fund and therefore not enjoy its benefits. The matter raised by the Honourable Mrs Edwards has been noted as is now under examination.

QUESTION NUMBER 25/86 BY THE HONOURABLE J E CHEEK

Will the Chief Executive confirm that funds are now available for the Senior School extension and can he tell Council what are the planned start and completion dates for the building?

The Honourable the Chief Executive

Yes, I can confirm that funds are available subject only to the formality of ODA's signing the appropriate agreement with the Commission of the European Communities.

The Director of Public Works anticipates that construction by the PWD could start on 1 May 1987 and that it could take from 18 to 21 months to complete, depending on the manpower resources available and the priorities at that time. Thus a target date for opening could be the first term of 1989.

The Honourable J E Cheek

I thank the Chief Executive for his reply. I wonder why, as funds are available apart from the final signature, the long delay until May 1987 before it is possible to make a start?

The Honourable the Chief Executive

Your Excellency, I am sure the Director of Public Works would point out that a certain amount of design work is needed before in fact the building can commence.

QUESTION NUMBER 26/86 BY THE HONOURABLE J E CHEEK

Considering the generally dilapidated state of many Government buildings and houses and the shortage of PWD manpower, has the Administration plans to contract out the necessary maintenance and repair work?

The Honourable the Chief Executive

In principle there is no reason why maintenance and repair work should not be contracted out. The problem, however, with any contract work for Government is that it must be very carefully defined and costed before commissioning and inspected after completion in order to ensure that Government funds are both properly used and seen to be properly used. Contract work is generally more expensive than direct works and the general shortage of skilled tradesmen in the community means that the prices asked tend to be high.

The type of work to which the Honourable Member alludes is generally rather difficult to contract out. Whilst Government has, for example, contracted out repairs to various items of equipment, it would be much more complicated to contract out the maintenance or general refurbishment of a building.

The Honourable J E Cheek

Has the administration not considered for example the case of painting? I believe in the past painting was contracted out at a figure of "so much per square metre" which, once the figure is set, can be applied to all buildings which need to be painted and there are, I believe, a considerable number of buildings which do need to be painted. It is fairly simple to see if painting has been completed satisfactorily. That is only one small point. I think that there are other areas of maintenance of this type where it is fairly easy to set a standard price and relatively easy to check that the work has been carried out.

The Honourable the Chief Executive

I would certainly be prepared to look again at that suggestion from the Honourable Member for Stanley, Mr Cheek. I think one of the complications is that once you start painting you then find that you need other works to be done which require other sorts of craftsmen. However, I will certainly discuss the possibility again with the Director of Public Works.

The Honourable D L Clifton

In relation to the Chief Executive's final response there to Councillor Cheek, I wonder if I can ask for some urgency to be attached to this. Summer, although it does not look as though its here at the moment, is on its way and if we leave this any longer another summer will have passed without any contracted renovations being done to Government buildings.

The Honourable the Chief Executive

I am certainly prepared to look at that again subject to the manpower available.

QUESTION NUMBER 27/86 BY THE HONOURABLE E M GOSS MBE

When can the public expect to learn of any positive move to improve internal communications both in Stanley and the Camp?

The Honourable the Chief Executive

I assume that the Honourable Member refers to telecommunications and in effect wishes to know when a decision will be taken on the future of telecommunications in the Islands. I am, I fear, not yet able to tell him. As he will be aware, the choice lies between proposals made by British Teleconsult in 1984 and proposals made by Cable & Wireless in 1986. Both require of the order of £1m in aid funds and must therefore be the object of very careful scrutiny and consideration by ODA and FIG. This is now taking place and ODA have appointed independent consultants to do a very short, and I emphasise, a very short desk study. I would hope to have their advice available in the New Year.

The Honourable Mrs Norma Edwards

May I just point out to the Chief Executive that with the subdivision of farms we are going to need a lot more AEL transceivers and can we be assured that these have been ordered for future subdivision holders and that they will be maintained, because I believe the mainenance side of the system is in doubt at the moment?

The Honourable the Chief Executive

I have been in discussion with the Superintendent of Posts and Telecommunications about this issue and I would like if I may to write to the Honourable Member on this subject once I have spoken with him further. This problem is fully recognised and of course the problem of subdivisions is also fully recognised in the consideration which we are giving to the various long-term proposals.

QUESTION NUMBER 28/86 BY THE HONOURABLE E M GOSS MBE

What progress has been made on the future arrangements for the supply of domestic fuel in the Colony?

The Honourable the Chief Executive

As I indicated in my reply to the Honourable Member for Stanley, Mrs Edwards, in this House on 28 May, Peat Marwick Mitchell were asked to evaluate the various proposals made by the companies competing to provide future fuel supplies to the Islands following a presentation by those companies in London on 23 April. Those companies were the Falkland Islands Company, the SASASCO consortium and Hogg Robinson. A paper discussing their advice went to Executive Council on 24 June. At that meeting Executive Council decided that they could make no decision until Hogg Robinson had been given the same opportunity to discuss its proposals with Honourable Members as had previously been given to FIC and the SASASCO consortium.

Hogg Robinson made a presentation on 3 September.

On 8 October, Executive Council considered the matter again but felt that they could take no decision in view of the fact that one elected member, the Honourable Member for Camp, Mr Tony Blake, was absent ill. Since then we have had the sudden and unexpected declaration of the Fisheries Zone and this has altered some of the factors which have to be taken into account in reaching a conclusion. In the circumstances Executive Council have again deferred a decision.

QUESTION NUMBER 29/86 BY THE HONOURABLE D L CLIFTON

Early in the year Government agreed a policy to sell off some of its housing units as part of a general housing policy but to date no units have been offered for sale. Can the Chief Executive advise if such units have been identified and when can prospective buyers expect the units to be offered for sale?

The Honourable the Chief Executive

I agree entirely with the implication of the question that Government must maintain the momentum of disposing of such houses as it can. I am happy to report that on 8 October Executive Council agreed in principle to offer ten Dorran houses for immediate sale to their existing occupants. I say in principle because all the valuations still have to be provided and this will inevitably take time. So will the process of financing the sales, which is likely to be out of Government mortgage funds, and their completion, which involves considerable further work, especially in the Legal Department. However, three out of the ten houses have already been valued and Executive Council agreed to the valuations yesterday.

If and when these ten houses have been sold, there will have been a total of 20 disposals since the policy was introduced out of 27 houses offered for sale. 18 will have gone to present occupants, one to a non-occupant on the housing list and one to FIDC.

Efforts are being made to establish a basic minimum Government requirement for houses to be retained for rental purposes to Government officers with the implication that the balance of older houses which are particularly expensive to maintain can all then be regarded as available for sale.

The Honourable D L Clifton

I thank the Honourable the Chief Executive for his reply but wonder if he can confirm that the ten Dorran houses identified will actually go to permanent residents and not to contracted officers?

The Honourable the Chief Executive

It is anticipated that they are likely to go to permanent residents.

The Honourable J E Cheek

Although I welcome and in fact I've spoken for the sale of Government houses in the past, in relation to this would the Chief Executive please confirm that there will be sufficient houses for the teachers who we all expect and hope will arrive in February, because I believe currently there are no houses free for those people when they arrive?

The Honourable the Chief Executive

It is Governments agreed priority that OSAS and TCO officers should come first in the housing list. I am not aware in detail I have to confess, Your Excellency, of the housing situation with regard to the future housing of those officers and I will undertake to look at this as soon as I can immediately after this meeting. I entirely agree with the implication of the Honourable Member for Stanley, Mr Cheek's, question.

QUESTION NUMBER 30/86 BY THE HONOURABLE D L CLIFTON

In the 1985/86 Estimates funds were voted for the renovation of the Police and Prisons accommodation. Work commenced on the jail renovations last year but were never completed. It appears funds are not available to complete the work this current financial year. In view of there being no ablution facilities in the prison block, the keeping of prisoners, a necessary evil in this small community, is an arduous task and not terribly hygienic. Is the Government aware of this predicament and when will something be done to remedy this situation?

The Honourable the Chief Executive

I share the Honourable Member's concern over the prison and I am aware of the quite unsatisfactory washing and lavatory facilities for prisoners - indeed I have seen them for myself, but not as a customer!

I note that most of the £2,500 voted for Police Station improvements in the financial year 1985/86 were spent on various works to improve the efficiency of police operations generally but that the problems mentioned in the Honourable Member's question remain outstanding, along with the problem of replacing the heating system in the building. Funds amounting to £5,000 have been voted for the heating system in 1986/87 but no specific funds have been voted for the even more urgent other work needed on the washing and lavatory facilities. However, that can readily be funded out of the Repair and Maintenance of Government Buildings since the amount of money involved is quite small.

The difficulty has been to assign appropriate craftsmen to the job which will require work from an electrician, a carpenter and a plumber. I understand that it does not require design work. It has once again been a question of priorities and scarce human resources. But be that as it may. The Director of Public Works has been asked to give the highest priority to this task and work is in progress.

The Hon D L Clifton

I thank the Honourable the Chief Executive for his reply. In view of the fact that there are only limited and very basic facilities to be installed would FIG consider offering the work out to contract, rather than to utilise a much reduced Public Works labour force?

The Honourable the Chief Executive

I can confirm that I have discussed this possibility with the Director of Public Works.

The Honourable Mrs Norma Edwards

Can I suggest that perhaps the prisoners could help with the labouring side of the task?

The Honourable the Chief Executive

I think that it is not a question so much of labouring as craftsmens' skills but certainly that could be borne in mind.

QUESTION NUMBER 31/86 BY THE HONOURABLE D L CLIFTON

During the 1985/86 summer, Mr Phillip Dale OBE was tasked with updating the Falkland Islands Government General Orders but to date these have not been published. Is the Chief Executive in a position to advise when the release of these General Orders can be expected?

The Honourable the Chief Executive

A draft of General Orders was indeed prepared by Mr Dale.

Officials have been studying the draft in detail since it was prepared and it appears that it requires some changes, involving the possibility of some substantial re-writing in some areas.

Once the Orders have been re-drafted they will have to be considered and agreed by Your Excellency in Council and will also need to be approved by the Secretary of State. It is hoped, all things being equal, that they will be issued some time in the New Year but the pressures of time on the officials concerned are enormous and I would not wish to set a target date. The House should rest assured that I attach a great deal of importance to General Orders and it is for this reason that I am anxious that they should be got right and believe that it is worth taking time to do this.

MOTIONS

MOTION BY THE HONOURABLE THE FINANCIAL SECRETARY THAT THE INCOME TAX (ANNUAL VALUES) RULES 1986, MADE BY THE GOVERNOR IN COUNCIL ON 8TH OCTOBER 1986, IN EXERCISE OF THE POWERS CONFERRED BY SECTIONS 5(b)(ii) and 5(c) OF THE INCOME TAX ORDINANCE, BE CONFIRMED IN ACCORDANCE WITH THE SECOND PROVISIO TO SECTION 5 OF THAT ORDINANCE

The Honourable the Financial Secretary

Your Excellency, the Order recently made in Executive Council to update the Income Tax (Annual Values) Rules has now been published in the Gazette, and is required to be confirmed by the Legislative Council under the second proviso to Section 5 of the Income Tax Ordinance. The Rules relate to the annual values prescribed for assessing to income tax the value of benefits provided by employers to employees. For example, free accommodation, free fuel, free electricity etc. Owing to the erosion of money due to inflation it is necessary to update the values from time to time. The last amendment was effective from the 1st of January 1982.

The new values, which are now under consideration, will commence from the year of assessment January 1987. The proposal increases the values by approximately 30%. Changing circumstances here have required the extension of taxation of free board and lodging where it is provided outside of Stanley as it has now been established that some Camp-based concerns are providing free board and lodgings to their employees. If Honourable Members compare the 1986 Order with the 1983 Order it will be seen that the words "in Stanley" have been deleted from Section 3(10) to enable taxing free board and lodging where it is supplied to employees outside Stanley. I beg to move that the Resolution be adopted.

The Motion was seconded by the Honourable the Chief Executive.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, I shall be speaking later to the Income Tax (Amendment) Ordinance, but I do rise to oppose the Motion in that the erosion of money doesn't seem to have kept pace with the allowances which haven't gone up by 30% in three years. If the value of accommodation has gone up by 30% in three years because of the erosion of money then I feel that allowances should have gone up by 30% and this percentage has not been reached. I therefore oppose the Motion.

The Honourable the Financial Secretary

Your Excellency, if the Honourable Member looks at the amounts chargeable he will see how outdated they are; he will see, for instance, that we are proposing to charge an employee with a furnished settlement house £325 for it, and £195 for an employee with an unfurnished settlement house. We are proposing to charge a person in receipt of free fuel in Stanley tax on a value of £150.

I think there must be some relevance in the charges where people get their benefits in kind, free of charge, as well as those paying rents for various properties.

I think it is justified and in fact I can assure the Honourable Member for Camp that the Index of Retail Prices between the 1st of January 1983 and the 1st of October 1986 has increased by 30.3%. The proposals are approximately 30%.

The relevance he suggested to the Income Tax Ordinance, which will be debated later today, cannot be accepted because it depends on the amount of money we can afford to pay and I will be going into the Bill which is on the Order Paper at a later stage.

The President

I offer the opportunity for any further comment if the Honourable L G Blake wishes to do so.

The Honourable L G Blake OBE JP

Your Excellency, I thank you for the opportunity but I will debate the whole question on the Income Tax (Amendment) Ordinance.

The President

I take it that the Honourable Member still wishes to maintain his opposition to the Motion.

The Honourable L G Blake OBE JP

I do wish so to do, Sir.

A vote on the Motion was then taken with the following result:

The Honourable A T Blake	in favour
The Honourable L G Blake OBE JP	against
The Honourable C D Keenleyside	in favour
The Honourable J E Cheek	in favour
The Honourable D L Clifton	in favour
The Honourable R M Lee	in favour
The Honourable Mrs Norma Edwards	in favour
The Honourable E M Goss MBE	against

The Motion was therefore carried.

ORDERS OF THE DAY - BILLS

THE FISHERIES CONSERVATION AND MANAGEMENT ORDINANCE 1986

The Honourable the Chief Executive

Your Excellency, in accordance with Order 9.1 (n) of the Standing Rules and Orders I lay a Certificate of Urgency on the Table in respect of the Fisheries Conservation and Management Bill 1986 and also in respect of the Falkland Islands Development Corporation (Amendment) Bill 1986.

The Bill was read a first time and on the Motion that it be read a second time the Honourable the Chief Executive spoke to the Bill, as follows:

Your Excellency, when I spoke in this House at the December meeting in 1985 I said that I believed that a satisfactory resolution of the offshore fisheries situation would be regarded by Islanders as one of enormous significance in terms of their relationship with Her Majesty's Government and go a great way to underpinning the confidence which they already had in Her Majesty's Government's commitment to the Islands. Nothing in my view which Her Majesty's Government could have done for the Falklands could be more important in political terms than that which the Foreign Secretary announced in the House, and which you announced in the Islands on the 29th October, the establishment of the Falkland Islands Interim Conservation and Management Zone. It is an event of the greatest significance in the relationship between the United Kingdom and the Islands and I feel privileged to be proposing this piece of Legislation.

In preparation for this debate, Your Excellency, I was looking at the debate which we had last year on the motion by the Honourable Member for Camp, Mr. Tim Blake, urging Her Majesty's Government to do what it has in fact just done to introduce a unilateral zone. I have no doubt of the satisfaction that he must feel when he looks back at the very persuasive speech which he made on that occasion and which won unanimous support for his motion. However, that debate, focused as it was very largely on the defects of the proposed multilateral zone, concerned itself very little with the problems of enforcing a unilateral zone. I think it important as we prepare, so to speak, by courtesy of Her Majesty's Government to give ourselves the very substantial powers to regulate fishing in our waters for which we have so repeatedly asked. We should take care to consider what is involved in their enforcement. I want therefore to talk about that before we look at the Legislation itself.

There has long been a view in the Falklands that such a unilateral zone would require very little policing that, in effect, those lucky enough to get licences would police it themselves. It has always been the view of Her Majesty's Government that the policing required would be considerable given the area to be covered. The challenge to British Sovereignty over the Falklands, which the declaration of a unilateral zone might provoke, and the high commercial stakes involved.

Since that debate in this House we have had another debate over the horrible incident involving an Argentine patrol vessel and a defenceless Taiwanese fishing boat. We have seen the Argentines sign bilateral fisheries agreements with the Russians and the Bulgarians and we have seen the enormous excitement which Her Majesty's Government's declaration of a zone following those events has generated amongst commercial fishing interests. It is quite clear that the authority of the Falkland Islands Government in respect of the zone could well be tested on political grounds and it is even more likely to be tested on commercial grounds.

Your Excellency, we cannot afford not to have credible, efficient and comprehensive enforcement machinery right from the day on which we propose to enforce our authority over the zone, the 1st of February 1987. In the short time available to us we have taken the best possible advice we could about that machinery, the advice of Mr. Peter Derham, the Chief Fisheries Inspector at the British Ministry of Agriculture, Fisheries and Food, a man, I may say, renowned worldwide for his expertise in fisheries control. That advice has cost us nothing but the consequences of taking it are expensive. He reckons it will cost us some £4,000,000 in the first year, perhaps a little less later because there is of course an element in that of start-off costs. To do the amount of systematic patrolling and surveillance and, if need be, enforcement work that is required we need to charter two well equipped ships of 1500 tons or so each; to buy a Dornier aircraft; to buy a smaller patrol vessel; to hire a considerable number of people and to have them all operational by the 1st of February.

It must be quite obvious that we could not mount such an operation single-handed and Mr. Derham will make the necessary arrangements if we mandate him to do so, but it all has to come out of Falkland Islands Government funds with no question of assistance from aid funds. It is our intention to cover the costs of the operation out of revenue from licencing fees. But if that revenue were not to cover the costs any assistance from Her Majesty's Government to cover the deficit which would arise would have to be in the form of budgetary aid and, because of the need to get the policing machinery into place quickly before the season starts on the 1st of February, £1,000,000 or so of it has to be produced up front out of our reserves before one penny of licencing revenue has been received.

I'm not able at this stage to say what the licencing revenue will be. We had a great many detailed discussions, Your Excellency, on this subject last week both with Mr. Derham and with Dr. John Beddington. There are still a number of issues to be resolved and the learned Attorney General and I will be going to London next week to resolve them. We hope to achieve a licencing regime which is fair to all the interests involved, which is effective in conservation terms and which gives us a revenue surplus once we have paid the cost of enforcement.

It is not something which we can decide entirely for ourselves, much as we would like to, because whatever is decided will inevitably have ramifications well beyond these shores.

It is anticipated that as the ground rules for licences are established licence applications will be called for later this month and that by mid December we shall know who is to receive licences and how much they will expect to pay.

It is likely but not yet certain that there will be broadly two types of licences - to fish north of the 51 degree line for the squid known as illex and to fish south of the 51 degree line for the squid known as loligo and for fin fish , blue whiting and hake.

The licence fees are likely to relate to the commercial value of the fish, to the state of the resource, to the time of the year and to the gross tonnage and type of vessel. Each licenced vessel will have to report physically to Stanley on arrival to receive its licence and to receive instructions as to how to conduct itself and will be liable to deposit a bond effectively as a surety for good behaviour.

I believe I should touch on the Taiyo/Coalite agreement. I can confirm that the agreement provides for certain concessions to the Taiyo/Coalite joint venture for the survey work done and the provision of information both directly and through our observers. However, the need to maintain commercial confidentiality does not allow me to provide the details of the agreement in this House. In any case we do not yet know the precise implications of the concessions in terms of revenue foregone until the licensing regime is agreed since they are in a percentage form. Nor do we yet have the final report arising from the survey until Dr. Patterson completes his work at the year end. I believe that our final judgement will probably be that it will have provided information not obtainable in any other way without much greater expenditure at the time that it was initiated and that, in addition, Executive Council's consistent support for the agreement was important in demonstrating the Falkland Islands Government's serious commitment to control fishing.

Licence fees will not be the only financial benefit from the zone. We shall of course continue to receive transshipment and export licence fees as well as harbour dues which this year have amounted to some £1.5 million. We should also be able to begin to plan to provide shore based services to the fleets and perhaps arrange joint ventures with some operators, all of which should in time bring economic benefits to the Islands.

It is proposed that expenditure incurred and fishing licence fees received in connection with the zone should be dealt with separately from other Government finances. It is thought that this is important especially in the early stages that in this way we concentrate our minds on the costs and benefits and on how best to use any surplus, rather than simply putting the money into the Consolidated Fund and not perhaps thereby making the best use of it. This will require Legislation, Your Excellency, in due course, but for the present it is proposed that £1,000,000 should be taken from reserves and kept in a separate interest bearing account.

It stands to reason that the operation of all these assets, the ships, the aircraft and the people in them will be a task for the Falkland Islands Government. It is proposed that in due course a new Department of Fisheries should be created with a Director of Fisheries and supporting staff divided into three sections - a monitoring, control and surveillance unit; a harbour control unit and a resource assessment unit. The monitoring, control and surveillance unit will consist of three fisheries protection officers, one of whom will be shore based and the other two at sea in the large patrol vessels which Honourable Members have already agreed should be called "Falklands Desire" and "Falklands Right". The harbour control unit operating from the smaller patrol vessel under the Harbour Master will be concerned primarily with the collection of transshipment licence fees, export licence fees and harbour dues in Berkley Sound and Port William.

The general public have already I believe been advised by FIBS that it is intended that the small patrol vessel, previously called "The Fox", would be renamed "the Warrah" for Falklands services. Honourable Members resisted the desire to call it either "Halliday's Desire" or "Halliday's Right"!

The resource assessment unit will receive and process the considerable amount of information which the licence fees will be required to produce and also place observers on various fishing vessels as an additional check. This is critical in terms of the information needed for conservation and therefore for the longer term management of the regime. The information will be further processed and analysed in the United Kingdom, but of course the front line will be the monitoring, control and surveillance unit which will use the two large patrol vessels and the Dornier aircraft to receive information, to check it and to act upon it if necessary.

Do we really need two 1500 ton vessels with a crew of 25 or so each, costing £2,000,000 a year to run and a sophisticated Dornier aircraft costing over £1,000,000 a year to run and purchase? Couldn't we use FIGAS Islanders with a few modifications just as well and perhaps enlist the aid of the under-used "Forrest"? No we could not if we expect to police our zone both efficiently and as importantly to be seen to be policing it efficiently. Couldn't we enlist the help of the Navy and the RAF since they are here already? No we could not, for two good reasons:-

Firstly, it would be enormously more expensive and require a substantial increase in the defence assets deployed to the Islands.

Secondly, it would be quite inappropriate, Your Excellency, to confuse the defence of the Islands with the control of a fisheries regime for economic and conservation purposes.

Now let me turn to the Legislation itself. I'm sorry that it's not been possible to let Honourable Members have a sight of the Bill 'till yesterday when the learned Attorney General had finally produced his ninth or, it is now I think, his tenth draft for Executive Council.

If this has involved some Honourable Members in burning a little midnight oil it will surely have been as nothing compared with the midnight oil burned by the learned Attorney General. I believe that he deserves the thanks, Your Excellency, not only of this House but of the Islands for the speed and skill with which he has worked in the short time since he knew that such a Bill had to be prepared and if as I trust, Your Excellency, you could pass this Bill today he still has to prepare a set of regulations for approval by Your Excellency in Council.

Honourable Members who have burned the midnight oil will see that it is a comprehensive Bill which covers every aspect of fisheries licencing and control, the transshipment and export of fish, the appointment of a Director of Fisheries and his staff, powers of enforcement, offences and penalties and the relevant Court and other procedures. Not only is it comprehensive it might even be regarded as Draconian. The powers it gives to Fisheries Protection Officers were widely defined, are in themselves very wide, and it increases the powers of our own Senior Magistrate and Justices of the Peace to exact the stiff penalties imposed for breaking the law.

It gives wide regulatory powers to the Governor in Council. In short it appears to be a very effective instrument for our purposes. It is intended, I should explain to Honourable Members, that the fullest opportunity of examining it in detail will be given at the Committee Stage when we shall enlist the aid of the learned Attorney General to assist us to understand it. I shall say nothing further now.

The President

May I invite Honourable Members to participate in this second reading debate. I am most grateful to the Honourable the Chief Executive for reminding us that matters of detail within the Bill itself can of course be looked at, and willingly be looked at, in the Committee Stage, which will of course be a Committee of the whole House as is customary, but I invite Members of this Council to contribute on the broad principles of this debate. I'm already having my eye caught and I think if I invite the Honourable L.G. Blake in the first instance and proceed.

The Honourable L.G. Blake OBE JP

Your Excellency, Honourable Members, as the Chief Executive said in his opening speech I am delighted to rise and support the passage of this Legislation. I would also like to congratulate him on that opening speech and thank the Attorney General for his efforts with regard to the production of the Bill, and whilst casting forth bouquets I believe that we should also remember the work which Dr. Beddington has put into this industry of ours and Dr. Patterson and his staff. Without Dr. Beddington's report in the first instance I don't believe that we would even today be examining the Legislation which is before us.

It is very easy to bemoan the past and say, "I told you so", but I hope that having registered that fact to pass on to other items.

This Bill has really set the cat among the pigeons worldwide. Our critics and friends, George Foulkes on the South Atlantic Council, Latin American countries, even the United States are all running round the circuit with their aprons over their heads crying, "Woe, woe, woe". It reminds me very much of the nursery story of the three little pigs. They I believe are the big bad wolf and they are huffing and they are puffing because they think our house is made of straw. But I believe the Legislation that we have before us will confirm to them and to the world at large that our house isn't made of straw and I would remind them of the fate of the big bad wolf, he eventually fell down the chimney into a pot of boiling water and died.

It has been said that the declaration of the zone is illegal because we did not inform Argentina. This has been proved to be false. It has been said that we have provoked Argentina but if we examine the last twelve months it will be seen that the provocation in fact has come from the other side.

Her Majesty's Government, against our wishes I will admit, went to great lengths to produce a multilateral regime which would control and preserve our fish stocks. Argentina on her own and with malice aforethought completely killed that initiative having announced that she wouldn't take part in it and then started making bilateral agreements of her own. They are now beginning to say, "Oh well you know we might like to talk", but whilst they talk at least we will be controlling our fishing and our fish stocks.

As the Chief Executive mentioned, we have seen the behaviour of their fisheries control in the winter of last year and the effect of that behaviour on the Taiwanese fishing boat and it is therefore necessary for us to move forward and control our own zone. It is my hope and expectation that that control will be peaceful. We still provide the best fisheries protection in the world. When you're inland you know that you are going to be free from harrassment from gunboat jolly rogers from across the water. But if you're inland and I say this to the fishermen, get a licence and have a licence in your pocket because, Sir, I shall make every effort, as the Member most interested in fishing, and as a Justice of the Peace, to attend this Chamber for another purpose and try the first Captain that we can get. I will look forward greatly to that day but hope that it may not be necessary.

There has been much made of the fact that nations will not take out licences and that they will come down here and thwart our Legislation. I think we want to look partly at the economics of that behaviour. We are a long way from the fisheries nations so they are going to have to steam here with a valuable boat to look for fish. If they don't come into our fisheries zone and fish outside then they'll get a fairly hot reception from the dear little fellows across the water vide what happened last year. If they do come into our zone the "Desire" and the "Right" will be there to greet them, welcome them, show them how they should go on.

I notice among the persons in the public gallery today our friend the Command Secretary and I am quite sure that he is there to make certain that we do not claim the use of Her Majesty's Forces in the protection of our fish. Of course we wouldn't allow a frigate to tell us that there is a fishing boat in the zone, and of course we wouldn't allow any other form of vessel to be there, whether above the sea or under it, to frighten the fishermen in any way. They will be there to show the flag and to remind people that they are within the protection zone where they are protected from those outside, but not from those within. I believe that the co-operation we have had from the Royal Air Force and the Royal Navy in giving us information with regard to boats will continue and will be of great assistance.

The purpose of this Bill is, I think, two-fold. One is to ensure our fishery is controlled and properly managed, and the other, of course, is to get the Falklands what is by right ours and which has to date flowed just into the pockets of foreign nations.

I believe that the Bill before us does just that but I think we will have to beware in our licencing regime of fly-by-nights who are going to come here to make a killing at our expense and their profit. We will welcome and we look forward to a fisheries fleet registered in the Falklands using Falklands facilities and making a profit for them and a profit for us. This we won't see this year but I believe in the long term if we control our fisheries in the proper manner and if we are not greedy but careful we will all end the day better off and with a surplus in our trading accounts.

The other fact that I would like to mention, and which has already been touched on by the Chief Executive, is that I feel that we must avoid the temptation to take what we can out of fishing today, put it in our pockets, use it to bolster our current standard of living and do nothing else. The fish stocks may not last forever. The market for fish may disappear. People may find they don't like squid etc. and if we just channel the revenue into our exchequer and do as some of the Arab States did when oil was at 30 dollars a barrel, use it to live high, wild and handsome, I believe that future fishermen and future Falkland Islanders will condemn us for it. I support and promote the idea of the development fund which would come from the direct revenues of fishing. Sir, I beg to support the motion.

The Honourable A. T. Blake

Your Excellency, I rise with pleasure to support this Bill. I think probably it is the most important Bill that has been before Legislative Council perhaps in the history of the Falklands. I'm exceedingly grateful to all the exceedingly hard work that has been going on behind the scenes and I don't think the man in the street could possibly understand the extent of that work and the disruption that it has had on other matters of State as it were, hence the Honourable Chief Executive's comments about pressures of work.

I think it rather amusing, Sir, that within a matter of months after seriously reducing the staff at Government House we have one of the most monumental decisions which I'm sure has also put a tremendous amount of pressure on the staff that you have at Government House and I suppose I should really apologise for, in colloquial terms, giving you a rollocking for having so many meetings in November! I must admit I was flying fairly high at the time. However, I must admit that I am delighted to actually be here for this particular Bill. My comments about meetings, particularly for Camp Members during this particular period of the year of course I'll reserve for future years.

The Bill that we have before us, I think we must make it quite clear to all those people that are listening and of course they are not only Falkland Islanders that are listening today. I am sure we are being listened to avidly from other quarters. The Bill we have before us today is primarily as a response to tremendous pressure from the Falkland Islands Government on the British Government to have a zone created and I am sure that if we did not want it that we wouldn't be in the situation we are now. I believe that in creating a conservation and management zone we have been acting as responsible citizens of the South Atlantic in that we have been protecting a resource which is going to benefit not only us but all the countries which border the South Atlantic in the future, and as such I think various comments aimed at the British Government could not quite really apply, if you consider how in fact the Bill comes to be before us today.

It has been our pressure and as a consequence of course it is in our area of responsibility to look after and maintain it, but it is also our benefit to be able to reap the funds that will come from it. I think that we've also acted in a fairly responsible manner in not exerting even greater pressure to retain all of the rights that we could have, in other words by extending the zone right out to the two hundred mile limit.

In fact I think we've been exceedingly reasonable, the British Government and ourselves, in making sure that we didn't encroach too close even on to the median line. I have learnt this morning I should point out, from the Rear Admiral, that we in fact are some 19.4 nautical miles away from the median line so we are most definitely not trying to antagonise certain parties in our belief. We are acting in a very responsible manner. I believe also that perhaps if the Argentine Government had acted in a similarly responsible manner we may well have been in a situation where we could have controlled perhaps the whole of the two hundred mile limit that we have at our disposal.

We have over a vast number of years now had very very good contact with the fishing fleets that have been visiting our waters. I don't think we have had any bother at all and we have a rather good association with them - I won't bother to go into nationalities - but I am sure that some nationalities have been here for many, many years. We've always found them reasonable people and I am positive that if we continue to treat them in a reasonable manner we will have very little, if any, trouble from them at all.

I do, Sir, rather feel that the Foreign Secretary's statement was a little unfortunately worded, particularly with various references to using force to control the particular area and I think it could well have been somewhat antagonistic to some people. Be that as it may, I do believe that we are dealing with reasonable people and we are prepared to continue dealing with reasonable people in a reasonable way. Over the last few days it has become apparent that we are also going to deal with unreasonable people in a reasonable way but I am sure that if people continue to be unreasonable we would be prepared to call for assistance from other sources if and when we need it. Sir, I don't want to continue too much longer. I will just support the Bill.

The Honourable C D Keenleyside

Your Excellency, this Bill is in my mind too one of the most important pieces of Legislation we've had to debate in this House. The Chief Executive referred to the policing of the zone. The most important thing of course is that it be effective. We are entitled to this zone and at last we are going to do something about it.

Initially we are putting up a considerable amount of money from our reserves. This I am convinced is money well spent on a well thought out and efficient system. The employment opportunities created are considerable and should be of great benefit to our people interested in the type of work offered. The fines and penalties set out are heavy prices to pay for the erring fisherman but should provide a way of making him think twice about infringing our regulations. Sir, I beg to wholeheartedly support this motion.

The Honourable J E Cheek

Your Excellency, Honourable Members, I too rise to support and very much welcome this Bill. In one way or another I and others have been pushing for it for quite a number of years. Certainly when I stood for Council in 1981 it was one of my main points and when in 1977 I stood again, unsuccessfully, it was one of the points that I raised.

Thanks have been given to the people who have been working so hard on this Bill and mention has also been made of the pressure from the Falkland Islands Government to the British Government to declare such a zone. I think we also have to express our thanks to, amongst others, the Falkland Islands Association in Britain. They have been placing pressure on the British Government as have our friends in Parliament and elsewhere in the United Kingdom.

I think probably one of the greatest pressures that has finally forced, or should I say changed the British Government's minds on this, and here we must also thank the Argentine Government.

I think without the Argentine Government's provocation over the last twelve months I would doubt if we would be standing here today welcoming this zone, so if I may thank them on this occasion - it's not very often we do that!

One or two other points, Sir. I too would like to see such financial returns from fishing and I do believe that we will be getting some. I would say that at least 50% is held for our future, either our future or our children's future and I welcome Mr. L.G. Blake's more detailed comments on that.

One other point I'm rather pleased to see that there should be not only returns to us but definitely returns to the British economy from this zone. Figures of something like £4,000,000 in cost to police this zone has been mentioned. Of course almost all of that money will be going to the British economy and at least it's something we can do in return for the money the British Government has been spending on us and continues to spend on us. Apart from the money of course there is presumably some easing of unemployment in their shipping industry. If something like 50 men have been employed on two ships that in today's terms of the British Shipping Industry is not all that small.

I think most other things I would like to comment on have already been mentioned by predecessors particularly the Honourable L.G. Blake who has probably said it far more eloquently than I can so again I would like to support the motion.

The Honourable D. L. Clifton

Your Excellency, I rise to wholeheartedly support the Bill before us. Thanks have been expressed round the Table and I don't think there is any need for me to elaborate on them at this stage although I am truly grateful to everyone who has contributed to enable this Bill to come to this Table today.

There are one or two points that I would like to raise. I don't really wish to appear to be the thorn in the side and I am not sure whether to actually seek clarification now or during the Committee stage. They are really in particular relation to the conservation theme generally.

I take note of Councillor Tim Blake's comment that we must channel the funds that we will obtain from the fisheries and conservation management Bill into future development, but if we do not really cater for some of the other marine resources we have within these shores at the moment we are not really going to cater for the long term aspect of tourism. I raise this point because I believe as I read in this Bill that the term fish means any marine animal not being a mammal or bird, whether fresh or cured, including shellfish and any part of such animal, includes salmon, migratory trout and fish meal. It does not really, I think, take into account the possibility of our wildlife being taken whether actually accidentally or accidentally on purpose.

The penguins must proceed to sea at about the same time that the high season comes into effect and it seems to me right that we should consider along with this Bill areas of specific importance for the maintenance of conservation for our penguins and our seals. Sir, I would ask for some response from the Attorney General. I believe this is a necessity that we introduce some form of conservation measure within it, whether it is actually to specify penalties for the taking of wildlife, whether it be accidentally or accidentally on purpose. There are two distinctions to be drawn there and we should consider whether to actually proceed to limit the fishing areas around some of our more ecologically secure outer Islands. Sir, I support the motion.

The Honourable R. M. Lee

Sir, I rise also to support this Bill. I think it's an extremely exciting step we're taking. My first reaction when I learnt of the fishing zone that we were going to declare was one of excitement but I also felt apprehensive. I had butterflies in my tummy and I'm afraid they haven't gone away listening to the World News and all the opinions and actions being taken by people around the world.

I feel I ought to say that this is a very exciting thing we are doing and we could earn a lot of money. We could also get ourselves into an awful lot of trouble. I don't want to pour water on any fires but there could be problems and I think we should all be aware of that. I just feel I should sound off a slight note of caution here but basically I think it's a fantastic step we're taking and I support the Bill wholeheartedly.

People have already been congratulated on the work they've put into this. I think the Falklands and we Councillors are very lucky to have Mr. Taylor, the Attorney General, Harold, the Rear Admiral and you, Sir, yourself. You're all here at the right time it appears to me as a humble sheep farmer that doesn't know an awful lot about finance or fishing or boats but I feel very happy that you're all here together as a team at this particular time. I think the Falklands are very fortunate to have you. There's not really much more I can say, I think all the words of wisdom have been said but my devious mind starts working when you talk about aeroplanes and ships and I wonder if they could possibly be converted into ferries or will they even work weekends? I look forward to that with great interest. I wish to support this Bill.

The Honourable Mrs. Norma Edwards

Sir, I too rise to support this Bill and I am delighted to do so having traipsed around Stanley in company with the Honourable Charles Keenleyside with the fishing petition and flu and I'm delighted to see the Bill and to support it.

May I just say a little word on behalf of the penguins, I'm sure they'll be pleased too. I don't actually agree that they didn't die of starvation, that they had lead poisoning etc. It took a long time to find that cause. At first everybody was saying, "Yes, they're starving", so I'm sure the Rockhoppers will be pleased to see this Bill, or would be if they could understand it. I, too, feel a little bit apprehensive I suppose, but I have every confidence in Mr. Peter Derham. I think he is an excellent man. We are very lucky to have his advice to fall back on in setting up a protection zone and I hope that it doesn't prove to be waters too turbulent for the Royal Navy in future days and I'm delighted to support the Bill, Sir.

The Honourable E. M. Goss MBE

Your Excellency, I am very happy to rise to support this Bill. To me it's really a dream come true. I've been harping on about my median lines and pencil marks on the map for such a long time now I am very happy to be here at the Table. I feel it's a privilege that I am here today actually helping nurse this Bill through and I do appreciate all the hard work that has gone into getting it here on the Table in front of us today by both the Chief Executive and the learned Attorney General. Let us not forget the hard work and the hours you, Sir, must have put into it and all the other capable people we had to consult from the U.K., the Doctors mentioned by Mr. Blake and Peter Derham the Fishery protection expert.

I think we are most fortunate to have had the assistance of those people and I wholeheartedly support this Bill and wish it an easy passage through the House, which I'm sure it has got, and we can put it into effect. It is with great delight that I've had the opportunity to do that so I thank you and I support the motion.

The Commander British Forces

Your Excellency, as Commander of the British Forces and your Ministry of Defence representative, which I am certainly very privileged to be, I'd like to emphasise that there's no separate Ministry of Defence Policy on the Conservation and Management Ordinance. The policy is that of Her Majesty's Government and it has the agreement of United Kingdom Ministers.

It's the view, as you well know, of Her Majesty's Government that the most appropriate, the least expensive and the least provocative way to police your fisheries zone is by civil enforcement. The Military task in the Falkland Islands is very clear and it's to deter Argentine aggression and to protect the Islands and there's no change in that task by the introduction of this Ordinance.

Having said that we will of course continue to pass to the Falkland Islands Government information gathered during our normal surveillance tasking as we have done in the past and we've been very pleased to do.

Much of the information on which our knowledge of fish is based came from this source in the past and we're very pleased about that and, indeed, we would expect that the fisheries protection force would also pass similar information to us that they gather in the course of their very important duties.

From time to time, subject to operational capabilities of course, and I'm sure all in this Council will agree, that our foremost task is to protect the Falkland Islands from aggression but it may be that we would be able to provide, at the request of the Falkland Islands Government, some limited special additional patrols on a repayment basis if that is what you wish, but we're quite expensive! But let me also make it perfectly clear that it's open to Her Majesty's Government to order the use of armed force as a last resort in appropriate circumstances and it's my job as the man responsible for your defence to be ready for anything and that duty is unequivocal and will continue.

The Honourable the Financial Secretary

Your Excellency, I welcome the declaration of a conservation zone around the Falkland Islands for the preservation of the natural resources. It is important that our resources are protected. We are at present living off fishing, transshipping fees and also harbour dues. I'm pleased at last that the British Government has come to our rescue to support this revenue. It is important as the Honourable Member for the Camp, the Honourable L.G. Blake, mentioned that the everyday cost of this Colony must be met without tapping the licence fees of the fishing zone. This is extremely important, I believe, as it could happen that the fishing ships may not always arrive here. There is also an element of doubt still, although I don't wish to be pessimistic, but the fact is that it is important that all the licence fees are taken up. They will be controlled and the policing costs which the Chief Executive mentioned will fall to the Falkland Islands Government and we must avoid becoming grant aided. I think these points have now been accepted by Councillors and there are proposals already in train which cannot be divulged in detail at this stage of how the finances will be handled. I support the motion.

The Honourable the Chief Executive

Your Excellency, I would like to first of all pick up what Honourable Members have said about the support which we have enjoyed in the United Kingdom from the Falkland Islands Association and from other people interested in supporting the Falklands. We certainly owe a debt of gratitude to them.

Next I would like to say again how grateful we are to the work which has been done by our various advisers, particularly during the last few days, to Mr Derham and to Dr Beddington and indeed, of course, they are essentially building on work which has been done in the past by Dr Patterson and his observers in helping us to establish the framework within which we can set up this conservation regime.

I should also like to say how fortunate we are in having at this time an Admiral as our CBF. I think that we have always been fortunate in that the CBFs that we have had since I have been here have all been appropriate to their times and I think that the Admiral is particularly appropriate to this time. Whether in fact he will be required to play the role of a latter day Sir Francis Drake against the impending Spanish Armada we do not yet know, but we believe that he will play that role with distinction. Whether we can arrange for him to have a set of bowls to play with by the Battle Monument or something similar I don't know but we are very grateful, Sir, to have you with us and we extend a warm welcome - we haven't had an opportunity of doing this before - to yourself and Mrs. Layman and wish you a very happy stay in the Islands.

I am grateful to Honourable Members for acknowledging the pressure of work which the setting up of this zone will impose on officials. I don't want to labour this and I began to feel perhaps I already referred too often to this. I don't want the Attorney General or myself to become a fisheries zone martyr. I mentioned it not really by way of saying that we were about to have a nervous breakdown or anything of that sort, but really by way of saying that it will impose, undoubtedly, pressures and strains on an administration which already sometimes creaks a little and I would simply ask for Councillors forbearance if one or two other matters to which they attach importance are not dealt with as speedily as they might be, because of our involvement in the fisheries zone.

Of course we will have an enormous amount of help from the experts that we have coming out and we have a great deal of faith in them but we can't simply rely on them. It is ultimately the Falkland Islands Government which is responsible for running this show and we cannot simply expect other people to do it without our being heavily involved and now I will try not to mention that subject again.

One or two Honourable Members, I think it was the Honourable Member for Stanley, Mr. Clifton and the Honourable Member for Stanley, Mrs. Edwards, raised the conservation issue. I think there are really two points to be made here, Your Excellency.

The first is that really conservation legislation does not belong in this Ordinance as such. Certainly we can look at our conservation legislation to make sure that it is up-to-date and it provides the kind of protection for wildlife which the Honourable Member for Stanley, Mr. Clifton, has mentioned. I think having been with him on a recent visit to South Georgia and shared with him some of the pleasures of looking at wildlife, I fully appreciate the kind of concern he feels and I also share that concern.

As far as the point about the penguins made by the Honourable Member for Stanley, Mrs. Edwards, is concerned I think I should say that the study about the causes of the penguin deaths still has to be done and we all, I think, will await a definitive answer to this particular subject which has certainly worried a number of us in the community a great deal.

A point was made about employment opportunities. I think it should also be said that there could well be some useful training opportunities for our young people to be trained on the patrol vessels and also, perhaps, for some of our FIGAS pilots to be trained to become involved in the operation of the Dornier in due course. I think it's important to emphasise that not only will there be employment opportunities but training opportunities as well.

Now, finally, I would like to say that I think all of us to some extent share the Honourable Member for Camp, Mr. Lee's butterflies in the tummy at the thought of the enormity of the enterprise in which we have suddenly become involved. Certainly I have every confidence - particularly after the discussions that we've had during this past week and I believe that I shall feel even more confident when I've been to London next week - I have every confidence that this is an enterprise in which we will succeed and which will, hopefully, bring great benefits and a new confidence to the Islands. I beg to move the second reading of the Bill.

The Bill was then read a second time.

During the Committee Stage the Bill was considered in detail, as follows:

The Attorney General

What I would like to do is just give you the general background before I start on the provisions of the Bill. The Bill as we all know has been drafted in response to the Proclamation of the 29th October which declared the Interim Fishery Conservation and Management Zone. It has been drafted by myself with the help of the Foreign Office and the help of the Ministry of Agriculture, Fisheries and Food, and latterly with the personal help of Peter Derham who came here and I think we went through about three more drafts after he came. So in a fairly short time there has been a certain intensity of work on this draft so I think that although it has been drafted within a short period of time a certain amount of care has gone into it. We must remember with this Bill that it is in many ways an international document. It is not a purely domestic document. In fact most people who will be affected by it will not be people from the Falkland Islands. Consequently we are very much bound by international rules and conventions and, in particular, by the United Nations convention on the Law of the Sea which lays down certain principles which we have followed in different parts of the Bill.

If I may start by just repeating what the Chief Executive said that the Bill provides for licencing and control of fishing but incidentally, of course, it provides for conservation and management which I note was very much in Honourable Members' minds and particularly one section does say: "in order to provide for conservation or management we may, if we so wish, limit the number of fishing vessels in the waters". So although the Bill has economic aspects to it, it definitely does have a conservation aspect as well.

Now the Bill provides generally for the licencing and control of fishing, transshipment and export of fish, the appointment of a Director of Fisheries, Fisheries Protection Officers, powers of enforcement, offences and penalties and Court and other procedures. In fact there is one particular procedure in it which is very novel as far as we're concerned in the Falkland Islands.

Now turning to Section 1, the reason this section is rather more long winded than usual, it says: "shall come into force on such day as the Governor shall appoint by Order published in the Gazette and the Governor may appoint different days for the coming into force of different provisions". The thinking behind this is that we may not bring the whole of the Ordinance into force at once. We have declared as a matter of policy that the regime, as we call it, will come into being on 1st February but we can't start the regime without having done a tremendous amount of preliminary work first. In particular we have to arrange the licencing part of that regime and in order to do that I envisage we will probably bring the licencing sections into being to start with, not the procedural sections, the penalty sections and so on until somewhere around the 1st February next year.

Section 2 is the normal interpretation section. As one Honourable Member pointed out this Bill is limited to fish. Fish are rather widely interpreted here to include in fact even the produce from fish for a number of reasons. The reasoning again behind this is that this is a law to provide for the control of fisheries. It is not a law to provide for the conservation of wildlife. We will have to provide elsewhere for that. We have in fact in the past provided for the conservation of wildlife and also of seagoing mammals like whales. No doubt our Ordinances are all rather old fashioned. If there's any need to revise or reform those Ordinances I think we should look at them but as far as this Bill is concerned we are limiting it to the control of fisheries.

We have made the definition of fishing, on page 2, very wide indeed even to the extent of people preparing for fishing operations. The reason for that is, as Honourable Members will readily understand, it's not easy to catch a person fishing. You have a Dornier going over the area looking for the vessels and looking at their registration marks on the side to see whether they are licenced. He may find a vessel which probably is fishing but by the time a patrol boat gets to them that Captain's got the good sense to stop fishing, but he may not have had enough time to haul his nets in properly, stow his nets and so on, so this is why the definition here is so wide so that, to some extent, we can say he's fishing when in fact he's preparing for fishing, or he's doing something else in relation to fishing. You'll find later on in the Bill that we have many belts and braces and we have other ways of catching them also.

"Fishing boat" again is very widely defined in here. It includes boats that carry fish as well as real fishing boats. Then of course the important definition is the definition of "The Interim Conservation and Management Zone" which refers us back to the Proclamation.

The definition of "Internal Waters" I will refer to later. The definition of "Master" is an interesting one because of the modern methods of fishing where very often the Master or the Captain of the vessel is not in fact in charge of fishing. Because of that we have now widened the definition of Master for the purposes of the Ordinance so that we can catch the person who is in charge of fishing for offences under the Ordinance.

Again, "Transshipment", we are thinking of ways people can get round the law. We've widened the normal meaning of transshipment to include passing fish from one boat to another even though the fish hasn't got on to the first boat. In other words, they have been known to catch fish in a net and then pass it through the water to another vessel in order to get round the transshipping laws in other countries.

Section 3 - "Fishing Waters of the Falkland Islands". These have four elements: the internal waters, the territorial sea, the Interim Fishery Conservation and Management Zone and any other marine waters over which exclusive rights of fishing or fisheries management are claimed. If I can just briefly explain some of these for those Honourable Members who are not conversant with this sort of thing.

The "Territorial Sea" covers those seas measuring from the average low water level on the coast of the Falkland Islands but taking a line across some of the smaller bays, in fact they tend to be the bays of 24 miles or less opening. If you take a line around the Falkland Islands taking a line across the smaller bays you measure your territorial sea from that. Then you measure your other seas from that, your exclusive zones, and this is why you'll find in the diagram, which I hope all Honourable Members have, that where they show the 200 mile line you'll find it's not perfectly even, you find the odd little dent in it and if you could take a line from the dent to the Falkland Islands you'll find those dents opposite the rather larger bays that we have.

Then going on from that, "Internal Waters", put rather simply, are the waters in those bays where the line has been taken across so that the little bays of 24 mile openings or less have a line across them and you've got to call the sea waters inside those bays something so you call them internal waters.

Then the "Interim Fishery Conservation and Management Zone" extends from the outer edge of that territorial sea, but it is measured in fact from a central point which is in fact marked on your diagrams with a cross and extends for a radius of 150 miles with what I call a little dent on one part, which is shown there to, and it is pretty obvious from looking at the diagram that the dent is so made in order to avoid ships going by accident over the median line which is that dotted line close to the dent on your plans.

If I may just briefly say what the median line is because I notice it was mentioned earlier and I'm not sure that everybody knows what it is. When you have two countries fairly close to each other who are claiming these zones and the distance between them is less than 400 miles, if both declared 200 miles you would obviously get an overlap.

So you choose a line in the middle between them as your median line and that is that dotted line you see on your diagrams and quite clearly we have got to keep very clear of that to avoid any sort of confrontations.

The other "Marine Waters" referred to in (d) quite clearly are marine waters that may in the future be declared as coming within any sort of fisheries or economic zone.

The Honourable Mrs Norma Edwards

Why has it now become an Interim Fisheries Conservation Zone when it was announced as a Fisheries Conservation Zone?

The Attorney General

I think without going into the politics the answer is that it isn't a 200 mile zone, it's a 150 mile zone. Her Majesty's Government has declared its right to declare a 200 mile zone so if you declare something smaller you want to make it quite clear you've still got the right to go further and apart from that, as far as I know, the discussions with the FAO on multilateral agreements and so on have not finished.

The Honourable the Chief Executive

Certainly the original announcement was couched in terms of Falkland Islands Interim Conservation and Management Zone. That was the wording actually used by Sir Geoffrey Howe in the House of Commons on the 29th October.

The Attorney General

But the actual declaration of the British Government did say that we have a right, we meaning the Falklands and the British Government together have a right, to declare a larger zone if we wish. In other words we are not derogating from any rights that we have.

The President

Could I just from my aerie up here, I feel so far away from everybody, make another point about the line that is drawn between two co-ordinates in the south-west. The line has a practical value in that we hope that ships will not stray across the line, but it also does reflect developments in international law elsewhere in the world. Words like "delimitation" and "proportionality" come into this and I'm not a lawyer and won't come into the reference, but what it really means is this. If you have a big country and a small country and each cannot have a 200 mile zone, as the Attorney General has expressed, in international law, decisions, for example before the International Court of Justice, the tendency has been for judgements to be given in favour of the country with the longer coast line. Now manifestly Argentina has the longer coast line in this case and, as I said, it helps us practically but it really does help us too in international legal terms in that we are being very, very correct in moving the line in this instance.

The Attorney General

Section 4, obviously, is one of the most important sections in the Ordinance. This provides that fishing by a fishing boat, which as we know has been defined earlier, in the fishing waters is prohibited unless authorised by a licence granted under the Ordinance. The fine is the highest fine provided for in the Ordinance and that is £100,000 for breach. In other words if someone is caught fishing without a licence and he is successfully prosecuted he is liable to pay a penalty of up to £100,000 depending on the seriousness of the offence. I have been asked how this compares with other countries and I have a little table that I've been looking through and if you want to put us up high or low in the penalty stakes, as it were, it's very high.

Australia for example - don't forget that our trials will be summary and there's no question of a jury or going through indictment or all these heavy procedures - so for a summary trial the Australians fine the equivalent of about 4000 US Dollars. For an indictment they go up to about 210,000 but we are not into that sort of scene here. Fiji goes up to about 90,000 Dollars - don't forget we're talking in Pounds in our Ordinance - Nauru seem to have 8000 Dollars; New Zealand is 48,000 and so on; so I don't think we can be accused of aiming too low with our fines and we do have additional penalties elsewhere like "confiscation of catch and fishing gear" and also "cancellation of licences", all of which in many ways could, from an economic point of view, be much more severe than the fine.

Subsection (3) of Section 4 provides that a fee may be charged. This is deliberately simplistic in its terms. We just say a fee may be charged and leave the manner of calculating fees to regulations for a number of reasons. There may be different fees for different types of fish, for different times of the year and the regime may change from season to season, and so it is not right to be inflexible by putting it in the Ordinance which, of course, has to go through the legislative procedures for change.

The licences may be granted to masters, owners or charterers in respect of fishing vessels and you'll note that they have got to be in relation to specified fishing boats so its no good having a licence to fish and then changing your fishing boat. It has got to be with regard to that particular boat. The licences may be limited to areas and I believe that this may very well be the case, as the Honourable the Chief Executive has mentioned earlier, there may be limitations to certain areas and if you fish in a certain area and it is known that there's a certain type of fish in that area of course there will be an appropriate fee, and then the licences may relate to particular voyages, particular times, the types of fish caught and the method of fishing.

The fishing licence is also likely to have conditions - Subsection (5) says "may authorise fishing either unconditionally or subject to conditions". It is most likely that there will be conditions and in fact the draft Regulations already do have draft conditions in them.

The conditions can relate to things like the landing of fish, the use to which fish may be put, marking of the boat itself, records kept, navigation equipment and so on. You note the penalty here is £20,000. Penalties are related to the highest penalty. As I said we've got the £100,000 for unlicensed fishing and all the others are related to it to the best of our ability.

The Honourable D L Clifton

Earlier this morning I was of the opinion that the master of the vessel actually had to put into port to obtain the licence; here it says, "A Master, Owner or Charterer". Does that allow the term to move towards agents as well and do we have the ultimate control over the master of the ship?

The Attorney General

What we've done is we've made this, as you can see, an enabling provision and we actually have already provided in the draft licence for the collection of the licence at Port Stanley.

You will also find when we go through the Ordinance, I haven't mentioned it yet, that in the case of these offences you will find in most cases whoever is actually holding the licence and, by the way, I think we said it has to be held on board the boat, or we will say that, every one of them is guilty of an offence. So, if the worst came to the worst you could find us collecting £300,000 in fines or something like that, they're all guilty. I think the likelihood is - I'm not experienced in prosecuting fisheries offences - that we will probably charge the master. In many cases you'll find it's only the master, but in most cases each person is guilty of an offence, except the agent.

The Honourable J E Cheek

Just to totally clarify that, although there can be various people who can collect the licence will the ship itself have to come in with him on board?

The Attorney General

The ship will have to come in with the master on board. The master will have to be seen by the authorities here, so we know who he is and what he is like.

The Honourable J E Cheek

Every ship that is licensed to fish here will initially have to come to Port Stanley?

The Attorney General

That's right. I mean this is a proposal. But that is actually in the draft Regulations so far. By the way if I may revert to the question which is very much in Members' minds of the cost of this operation, how much we're going to put up front as somebody said. All these people who applied for licences, when they are told they've got a licence will have to put their money up front.

They won't be able to have a fishing licence as opposed to a transshipment licence, without having their money up front and when you know that could be £30,000 a time, something like that, I just don't know what it will be. It's a lot of money, so the money will come fairly quickly into the coffers once people start collecting their licences

The Honourable the Chief Executive

Does that mean that - I think I suggested that they would not actually have to be paying until the beginning of the fishing season - in fact the moment they are told they've got a fishing licence they have to actually pay at that stage do they? I mean even in December they might be beginning to pay?

The Attorney General

I don't think the final mechanics have been worked out but what will happen is they will not get the licence until the money's there.

The Honourable the Chief Executive

It might have been allocated to them but they might not take it up until later on.

The Attorney General

Yes, that is right and if they do not take it up they will lose it.

The Honourable D L Clifton

There will obviously be a set time for taking it up?

The Attorney General

I think so. These are the kinds of mechanics we are going to have to work out with the MAFF people.

The President

There are various ways they may think in practice and this is one of the mechanics that we've got to work out. The actual applications for licences we intend at the moment should be addressed to the Falkland Islands Government Office in London, but it is not unknown for things to come directly to the Falkland Islands. We will clear matters between Alastair Cameron and ourselves here and there are various ways in which of course the money can be made available. It might be that some people will actually turn up with a cheque in their hands. In other cases there will be a transfer of money from overseas accounts to an account opened specially for the purpose in the Standard Chartered Bank. There are a variety of ways but what it actually means is that in one way or another there must be money up front before the licence is literally put into their hands and becomes operative.

The Attorney General

Another corollary to that is also they may have to put up a bond, it hasn't been quite worked out yet, but they might have to put up a bond either on collection of their licence or at an early stage anyway. Probably against the highest penalty that they can pay so you may find a person collecting a licence for say £30,000 at the same time having either to deposit £100,000 in cash or take out a bond for that amount so that if we ever take them in we are already certain of getting our fine.

The Honourable E M Goss MBE

His Excellency touched on the forms of payment this might take in. I assume it's got to be done in pounds sterling but supposing a ship puts in and their local currency is monkey nuts do you receive thousands of tonnes of monkey nuts to go fishing with? What sort of exchange provisions have we for that?

The Attorney General

I think the answer to that is, again we haven't worked out the final details, first that ships won't be able to come in and get a licence. The licence arrangements will be made well before the ships come in anyway. The other side of that question is that as far as I know it has been provisionally agreed that licences will be expressed in sterling although most countries express them in American dollars and we will expect freely convertible currency of one sort or another. It will be up to us to decide but we won't take monkey nuts or bolts or anything else or fish meal for that matter! It will have to be something we can freely convert.

The Honourable L G Blake OBE JP

Presumably the Financial Secretary will be free to convert them when it suits him best, either quickly or in three months forward?

The Attorney General

Yes, these are the things that happen when you bring in something new. We'll be in the high finance markets as well I think.

The Honourable L G Blake OBE JP

He is well used to handling vast sums from the days of the Peso market!

The Attorney General

If I can turn to Section 4, Subsection (6), this again is an important provision. We've made it an offence for a master to allow to remain on board a fishing boat, within the fishing waters, fish which has not been taken under the authority of, and in accordance with, the fishing licence. That is one of the belt and braces things I was talking about. We might find a chap with fish on board, we can't prove he's been fishing but he's got fish he shouldn't have on board. It will be a defence for him to prove that the fish came from outside but he's got to prove it.

I think the next extremely important one is Subsection (8) on page 9, "A fishing licence may be varied from time to time and revoked or suspended if this appears to the Director of Fisheries to be necessary or expedient for the regulation of sea fishing, the conservation or management of fisheries in the fishing waters or for the economic benefit of the Falkland Islands". This is an extremely draconian measure. It's unlikely to be used just like that but not only obviously can it be used to implement policy where, for example, we may have to close the fisheries suddenly for some reason, or something like that, but conceivably could be used against fishing fleets who we feel are not behaving properly but we can't quite make out what they're up to. But as I say it's going to have to be used very carefully indeed.

The Honourable L G Blake OBE JP

Presumably the one thing that we can't do is sell them a licence for X and then vary the conditions so the licence in fact after they've got it costs X times three?

The Attorney General

No, we can't and also I think if we abuse this they could possibly take us to Court so we'd have to use it in an honourable manner. In fact Subsection (10) provides that if we are forced to suspend or revoke a licence, or vary it for that matter, we can actually refund, if necessary, fishing licence fees.

Section 5 again is another belt and braces provision. We require that masters of fishing boats who prior to the entry of the boat into the fishing waters, or prior to leaving an area of the fishing waters where they are allowed to fish, have to notify a Fisheries Protection Officer of the amounts, descriptions, sizes and presentation of fish on board the boat. That word presentation I was advised to put in by Peter Derham. Apparently it means rather the look of the fish or what's been done to it rather than, as somebody said, a bribe or a handout or something! It's something to do with the condition of the fish.

Then, even being more cautious in Subsection (2) we say that, even if he has given the notification (or so we are implying) and we find that the fish wasn't on board at the time, or something like that, he hasn't got a defence to a prosecution.

Stowage of gear is an extremely important provision. It is provided that masters must stow gear so that it cannot easily be used, or in a manner that we prescribe, when they haven't got a licence or they're only permitted to fish for a certain type of fish but they must store the gear for that sort of fish. The penalty you'll notice is £100,000 for contravention. Apparently the normal practice in other fisheries is that. If I may give the example of the Dornier again, if the Dornier goes over and sees a vessel which appears to be fishing, he's got his gear in the water, and then he notifies the patrol vessel, the patrol vessel gets there, finds the gear on deck but soaking wet and not properly stowed we go for him for that knowing really that he's been fishing but we can't prove it. That's why the penalty is so high.

The Honourable D L Clifton

One would assume that the Dornier would be able to take photographic evidence. Would that not hold up in Court?

The Attorney General

Apparently it's not very easy for them to tell from the air exactly what they are doing. They can see the gear's in the water but they can't check any further. I don't know whether the Admiral can confirm this?

The Commander British Forces

I wouldn't be quite as gloomy as that but there are difficulties. The Dornier may well be able to take some useful photographs in certain conditions.

The Attorney General

Subsection (7) is the transshipment licencing provision. It's in many ways similar to the fish licencing provision with certain restrictions. Because of the provisions of the United Nations Convention on the Law of the Sea, which has recently been interpreted in an international tribunal, we cannot get people for transshipping fish in our waters which they've caught outside our waters.

Also we cannot control the export of fish from our fishing waters unless they're actually exporting from our territorial seas. It sounds very complicated. I hope you understand. We can control transshipment if the fish is caught in our fishing waters which is the whole of the fishing waters I described earlier on. We can control export of fish if the fish are being exported from our waters. Now somewhere in this law, I think it's earlier on, it has been provided that we can require a person who has a fishing licence to tranship in a place decided by us. I think we're alright from the point of view of export because if somebody's fishing in our waters and we require him to tranship in our territorial seas the person who collects the fish from him will export it from our territorial seas. But what we cannot do and we hoped we could do, we can't catch those people who are transshipping outside our territorial waters, playing around a little bit by transshipping and leaving and so on. It won't be so easy to catch them now but I think we're fairly well covered for most activities that would take place and to be quite honest I think the number of people who will be interested, who are fishing 300 miles away from us, will be so small that it doesn't really matter.

The Honourable J E Cheek

But we can still charge people for transshipping fish although they haven't been caught within the fishing area as long as they tranship within the fishing area?

The Attorney General

No we cannot. With transshipping, as long as they catch the fish within that 150 miles we are alright but if it's outside that we can't charge them. They can come in, in fact, and tranship in our waters and we cannot charge them a licencing fee.

The Honourable J E Cheek

Can we charge them for importing fish into our territorial waters?

The Attorney General

Possibly, I don't know. We haven't thought that far yet.

The President

We can charge them Harbour Dues.

The Attorney General

We can charge them Harbour Dues and also the others, as I said, who are fishing with licences in our waters we'll move them into the territorial waters so that they do export from them.

The Honourable L G Blake OBE JP

Presumably the previous Legislation which governed the transshipment of fish will now be recinded because this Legislation has taken over from it. Is that correct?

The Attorney General

It will be. In fact I'm drafting two sets of regulations. I'm drafting regulations on fishing and regulations on transshipment and I think our earlier regulations, off the top of the head, did go slightly overboard, but I think we have an excuse because the judgement in that case had not been handed down then. It has only very, very recently been handed down. In fact the U.K. legislation has had to be changed as a result of that particular case so we're in good company I think.

The penalty for contravention of this, on page 30, is £50,000, the maximum penalty. Again Subsection (3) provides that we can charge a licence fee. Again the licence can be granted to a number of people, the owner, charterer or the master. Again there can be conditions as to where transshipment takes place and so on. Again conditions can be imposed and again they will be for the regulation of transshipment for the economic benefit of the Falkland Islands.

The Honourable J E Cheek

All this applies just to fish that have been caught in our area?

The Attorney General

Yes, it can only apply but within the 150 not the territorial seas.

The Honourable R.M. Lee

The territorial seas are only within three miles?

The Attorney General

Yes, three nautical miles, which is slightly more.

Then there are penalties for giving false information when you apply for a licence. Again we have the same provision on page 16 for the variation, revocation and suspension and again we have the same provisions about repayment of licence fees if we feel that's appropriate.

Section 8 is more philosophical than anything. It provides the way that the licencing powers may be exercised and in fact does underline the conservation side of the Ordinance because it says, "The licencing powers conferred by this Ordinance may be exercised so as to limit the number of fishing boats, or of any description of boats (including boats or any description of boats registered in a specified country) engaged in fishing", and then it goes on to say, this will be done "to such an extent as it appears necessary or expedient for the regulation of fishing, transshipment, export, conservation, management or economic benefit to the Falkland Islands".

Section 9 provides for the establishment of the office of the Director of Fisheries and also for the offices of the Fisheries Protection Officers. It outlines his responsibilities, which are, I think, fairly obvious. In fact they are itemised. And then it says, any "other matters referred to in this Ordinance" so literally he is administering the Ordinance.

In the performance of his duties he is subject to the direction of the Governor. The Regulations and Ordinance are enforced by the Fisheries Protection Officers who, in turn, are subject to the direction of the Director of Fisheries. Then we have a very wide Subsection (4), a very wide provision stating who are Fisheries Protection Officers. Quite clearly they will be people appointed as Fisheries Protection Officers but in case any certain other people get involved at any time, we have covered the Police Force, commissioned officers of any of Her Majesty's ships and persons in command or charge of any aircraft or hovercraft of the Royal Navy, the Army or the Royal Air Force or the Falkland Islands Government".

I hasten to add, as has been emphasised earlier, this law is creating a civil policing regime and not a military policing regime. The likelihood of Naval or Air Forces being involved is very remote but of course they are here for security and if any security situations arise obviously they will be involved then, but not for the enforcement of this Ordinance generally.

The Honourable J E Cheek

The last part of that, "a Falkland Islands Government official in charge of an aircraft" is so designated but not in charge of a ship?

The Attorney General

No. We just didn't put it in, but we can always appoint them. The feeling at the time when this was done - actually this was done very recently - was that we were thinking more of FIGAS than of the "Forrest" or any of our others, and of course people like the Harbour Master, people who will be in charge of the small patrol boat, will obviously be designated as Fisheries Protection Officers anyway.

Section 10 contains these draconian powers that were referred to. Again they emphasise that the powers are here in support of Fisheries Officers. They are not here for them to use just as they please and it is quite likely they will get very strict rules as to how they exercise their powers, particularly the question of using any sort of force. If I can just mention a few: they can stop boats; they can stop fishing; they can go on board vessels; they can ask for documents; they can look at documents; they can take copies of documents; they can if they are suspicious of anybody actually require a boat to go to Stanley or anywhere else - they can take it themselves if necessary, which might mean towing - and they can also require a boat to go somewhere for examination if they think it's too far out or something like that.

I think we've given them as much power as we can. Finally there is a novel one in here. If a boat is brought in to Stanley probably for the purposes of the person being prosecuted they can immobilise it, but they've got to do that with great care. Immobilising a boat can be done in a number of ways. One way is by just locking up the engine room. It doesn't necessarily mean breaking up the engine room or anything like that.

Subsection (3) seems rather strange at first. "The powers contained in this Section may be exercised in respect of fishing boats irrespective of whether the boat is at the time of such exercise engaged in fishing or in any activities in any way relating to fishing". The reason we've put that in is that later on in the Ordinance we've provided that there will be no limitation on when prosecutions can take place. You will find sometimes that either courts are themselves generally limited to when they can hear cases. In fact until very recently in U.K. for example Magistrates could not hear a case of an offence committed more than six months before it was brought before them. In this case we have taken away any limit there might be. The idea being that if somebody has behaved badly and we haven't been able to catch him we will catch him one day if he comes in for bunkering or something like that.

Release of boats. The Honourable John Cheek very kindly pointed out that this particular Section didn't make much sense and I'm afraid to say that up to the day before yesterday it did make sense, but the computer suffered from a severe dose of indigestion because when it churned it out again after a very minor amendment it completely altered the Section. So what I propose to do is put in a revised version of that Section when we come to go through the Clauses one by one.

What it actually says is, "where a fishing boat or any other thing has been taken, seized or detained in accordance with Section 10 the Director of Fisheries shall on demand release the boat or other thing to the master, owner, charterer or agent if no proceedings are instituted within 14 days of the arrival of the boat or thing in the port or harbour".

That provision in fact complies with the Law of the Sea Convention which states that proceedings must be taken as soon as possible and the ship released. The normal procedure, I understand, is that the master is charged the day after, or a couple of days after, he arrives in port. This puts the pressure on us to do our homework but I think this is quite proper.

The Honourable the Chief Executive

The actual prosecution is carried out by the Protection Officer, not by the Police?

The Attorney General

Yes. Later on in the Ordinance I've provided that subject to the powers of the Attorney General which are contained in the Constitution the Director of Fisheries can prosecute.

The Honourable R.M. Lee

If these people want to defend their case what facilities will they have within the Islands?

The Attorney General

The Attorney General will provide them with a Public Defender. That's all they'll have I'm afraid.

The Honourable R.M. Lee

They've no right to call in their own solicitors or lawyers to defend them?

The Attorney General

If they can get one here quickly and they will pay, yes, I think that will be the answer. But I think in most cases they will want to get it over with because by that time I think they will have got round to, I won't say we'll have done anything to make them feel that way, but I would have thought they will not wish to defend it. We have in fact provided a special procedure where they can actually admit an offence and don't need to go to court, which I believe is used quite often and was invented by the New Zealanders.

The Honourable D. L. Clifton

Do you anticipate language problems?

The Attorney General

This is another problem. Yes, I do, but we are going to provide in the regulations that they must have an English speaking person on board their ships, but how English speaking they will be I don't know. We've come across this before particularly with the Oriental fleets. Their English speaking people don't necessarily understand English as well as we think they do and they're not suitable for Court proceedings, but that again is a matter for the defendants. It depends what they want.

Section 12 again is another one about the release of fishing boats. This is where we've seized a boat and we want to take proceedings. The Court can release it on either being satisfied sufficient security's already been given, which we hope will be the case anyway, or on the provision of sufficient security. I don't think I need to go into this rather technical Section too much but that is really what it means.

Section 13. I wouldn't say it was put in as a special request for the Command Secretary but he was very pleased when he heard that we'd mentioned the Military, that we were also including a provision about indemnity and we've provided an indemnity here which again is quite normal for laws of this kind for people who act in good faith in the exercise of their duties.

Section 14 refers to obstruction of Fisheries Officers. In some countries they provide a penalty of imprisonment for this. I originally had it in the draft and then I took it out at a later stage and my gut feeling was actually satisfied by looking at the Law of the Sea Convention which made it pretty clear that penalties of imprisonment should not be imposed under these sort of laws. So we haven't got it and in fact the pocket actually, I think, has more influence than anything else in these particular cases. We have imposed quite a heavy penalty on expert advice because we understand that there are occasions when Protection Officers go on board, they tell them to go to port and they're immediately locked up somewhere and the ship goes off with them, so we've put a fairly heavy penalty here. How we're going to catch them is another matter. It's not provided for in here.

The Honourable R.M. Lee

In the event of them refusing to pay the money, we can't lock them up so what do we do then?

The Attorney General

It's almost impossible for them to refuse to pay the money because:-

- a) they probably have paid a bond anyway, so we'll have the money already; and
- b) if they haven't, we'll take that security when the case starts, they'll have to deposit the money, so in fact we will have the money. It is really a matter of paying back the balance if the fine is less than the amount they are charged.

The Honourable L. G. Blake OBE JP

We'll also have available to us presumably in the prosecution their gear, their boat and their catch so we've only got to hold them for 14 days, confiscate their gear, let their catch go bad and then ask them whether they want to go back on another boat or whether they'll suffer in one they're on already.

The Attorney General

There is an element of that. Definitely we can seize gear and in many of these cases it says the Court can award forfeiture of the gear and I guess, I don't know enough about fishing gear, but I guess in many cases that gear is worth much more than £100,000 and of course we'll sell it back to them so really it is a form of fine.

The Honourable L. G. Blake OBE JP

We can also impound their catch can't we?

The Attorney General

We can impound their catch, we can impound their boat, but the Court hasn't power to order forfeiture of a boat unless they don't pay up which again is part of the answer to your question.

The Honourable L G Blake OBE JP

Can we impound their total catch if they're caught contravening the Ordinance inside the waters even if they've declared some of those fish having been caught outside?

The Attorney General

I haven't really considered that but as far as I know all the Sections I have in there about impounding catch don't say what catch it is. It just says the catch on board, so I think you are right. I think we could impound everything that's there and as there's an indemnity there they can't get these chaps for the catch going bad anyway.

Section 15 covers offences and proceedings. There's what I call a wash-up Subsection which provides a penalty of £20,000 if we haven't thought of one anywhere in the Ordinance. Subsection (3) is the one we were just talking about- "where a person's convicted of an offence the Court may also order that any fishing gear, instruments or appliances used for the commission of such an offence and any fish on board shall be forfeited to the Crown".

The Honourable J E Cheek

A quick question, if anyone is brought before the Court and is successfully fined and pays it do these monies go into this fishery coffer or do they go into the fines ...?

The Attorney General

We have thought about this but only superficially but my immediate reaction is they become immediately part of the Consolidated Fund being a Court fine. It's possible when we do the Fund, it has to be done by Legislation and we'll have to put some thought into this, whether we should say any fines taken by the Court should go in there or not I don't know. It's something we'll have to think about.

The Honourable L.G. Blake OBE JP

It does in fact give us possibilities of balancing the budget by catching a few ships!

The Attorney General

Subsection (4) again is one of our presumptions. We presume that fish we find on a boat are caught within the waters until they prove the opposite and (b), which doesn't look that easy to understand, but what I am trying to cover in (b) "within the vicinity of the boat at the time the fish was so found where the licence to fish, specifying the boat, restricts fishing to a particular area", is going back to this idea that we may have to limit people to different areas. If a man is only allowed to fish in one area we want to know when he comes out what fish he's got on board so that he cannot then start fishing somewhere else. It's really just to make sure that he doesn't start moving in and out all the time which is the sort of thing that they do of course.

The Honourable J. E. Cheek

Unless the contrary is proved, is this not unusual in British laws?

The Attorney General

It is unusual but you'll find it's all the way through fishing legislation throughout the Commonwealth but it is changing the balance. The burden of proof as we call it is usually on the prosecution. In this case it's on the chap being prosecuted.

Then Subsection (6) provides that a master, although it doesn't say so, even if he is doing it legally, if he has got a licence to tranship himself, he takes on board a fishing boat something that's been dealt with illegally he commits an offence. It's seen to be an absolute offence here.

Then I've put things in the Ordinance in (7), (8) and (9) which are not usually in an Ordinance. But as I said earlier this appears to be an international law in many ways. We are putting things in here so that people from outside can see they are in our law, like aiding and abetting, attempts are the same as offences and so on so that they know. It's specifically said in this law, although we actually have it in other laws as well. Then (9) is the one where we allow the prosecutions to take place under the name of the Director of Fisheries and by him if necessary.

(10) is an extremely useful Subsection. If the Director gives the certificate to the Court that a person hasn't got a licence, or that a boat is not referred to on a particular licence, the Court accepts that certificate and this again is up to the defender to prove to the contrary. Again that's normal in fishing Legislation.

(16) is where we give the Magistrates, the JP's power to hear all the cases under this. We're giving him what we call territorial jurisdiction.

The Honourable the Chief Executive

That means that Magistrates from Hill Cove are allowed to hear cases does it?

The Attorney General

Yes, if we ask them. I think they may have an interest that's the trouble!

The Honourable J E Cheek

Is there a maximum fines limitation to this in the case of JP's?

The Attorney General

Yes, that's in here too, just for this Ordinance.

Section (17) is the one I referred to earlier about the forfeiture of a licence. You forfeit it if you don't stump up but the likelihood of a person being in the position where he doesn't pay his fine is so remote if we take all the other precautions that we may not have to use it. We've still got it there in case.

(18) is the unusual one, "Administrative penalties for minor offences", which was I think started in New Zealand. The idea here is if I may emphasise this is put in motion by the Government, not by the defendant.

The Honourable L. G. Blake OBE JP

Subsection (17) also makes it mandatory that if they commit two offences they lose their licence for three years.

The Attorney General

Yes, the idea is that if you commit an offence, then you commit another offence, you automatically lose your licence unless the Governor decides otherwise. The Court doesn't forfeit it, it automatically goes. Also you're not allowed to apply for a licence for three years and I think this is one they will be very worried about.

The Honourable D. L. Clifton

If the licence is granted to the ship's master rather than the vessel what's to stop the master coming back on another vessel?

The Attorney General

He won't be able to get a licence. It's really him we're after not the vessel.

The Honourable R. M. Lee

So they could change masters and carry on?

The Attorney General

Yes, they could change masters and carry on.

The Honourable L. G. Blake OBE JP

They could change masters and apply for another licence?

The Attorney General

Only if it's got a different owner or a different charterer. So they literally have to form another company in order to get round it.

So, if the Governor so decides he can, if he considers an offence minor and that excludes the offence of fishing without a licence, that is not covered by this Section, if he considers an offence is minor and he looks into the previous conduct of the person or even how the fishing boat's been used before, he can inform the person who has committed the offence that there is an offence and give him a summary of the facts and ask him for his defence. If the person does not want to go under this Section he will ask to go to Court. If he does want to go under this Section he gives such defence as he has. The Governor can then fine him up to one third of the normal fine. So there is an incentive for them to use this particular provision.

Section 18 this is the administrative penalty section. It's nothing to do with the forfeiture of licences. I'm afraid it's rather lengthy.

Section 19 is the forfeiture of fishing boat if you don't pay the fine. As I said the likelihood of that happening is remote.

Finally of course we have the regulation making powers which are fairly extensive also and they cover some quite important things, apart from the normal things like forms and fees and so on. The equipment to be carried on fishing boats which is (g). (i) is an important one, "The designation by applicants for licences and licencees of authorised agents...", which I think is a very likely regulation to be made. In other words they always have agents here because it's very, very difficult dealing with these people if they haven't got agents in Stanley.

(j) is the one I mentioned before, "the provision by applicants for licences or bonds or other forms of security for securing their compliance with obligations under and terms of the conditions of the licences or their compliance with the Ordinance". Again the regulations themselves can provide a penalty of up to £50,000 for contravention.

And last but not least Section 21. The Fisheries Ordinance is not repealed by this, it just is made not to apply to fishing in the fishing waters. I must say I find that rather a nice little Ordinance. I would hate to see it go. It served us very well in the last fishing season. We've kept it for fresh water fisheries only.

The Honourable J. E. Cheek

Previous to that all references are to the Governor. This one, is it not the Governor in Council?

The Attorney General

The Governor may by Order in Council, here, yes.

The Honourable J. E. Cheek

You don't say the Governor in Council by Order of ...?

The Attorney General

Regulations are always made by Order in Council. They can be made out of Council but they should be made by Order in Council, these Regulations, but in the case of the administration of the Ordinance it is felt that we have to move so quickly it would have to be the Governor. As you know, under the Constitution the Governor seeks advice of his Council, normally, unless there are very, very specific reasons for not seeking. One is of course shortage of time.

The President

There is an inherent safeguard I think in that, as the Attorney General says, if we had to act quickly we would act quickly, but no doubt if the issue raised one of principle it would be brought for retrospective approval by the Executive Council when they next met. I would see it working in that way.

The Honourable L.G. Blake OBE JP

I believe that under the Constitution, Sir, we can require you to justify acts, or the Executive Council can require you to justify any act which you took on your own behalf.

The President

That's right.

The Honourable D. L. Clifton

How does this, overall, affect the operations of inshore fishing here, like Fortoser?

The Attorney General

The answer to that is that it is possible under this to restrict fishing inshore. It isn't specifically said in here but we can provide in the Regulations, or the actual licences can actually exclude certain inshore areas and it is something I think we'll have to discuss with people like Fortoser to find out which areas they consider to be the areas which need protection.

The Honourable J. E. Cheek

And Fortoser themselves would need a licence?

The Attorney General

Yes, licencing is so flexible that we can provide the terms of that licence especially for them.

The Honourable R.M. Lee

Will locally based companies be given preference when the licences are issued?

The Attorney General

I think that's really more a matter of policy. It isn't anything to do with the law itself. Under international law certain preferences have to be given anyway. You start off with your home country to whom you have obligations under international treaties, like the EEC for example.

The Honourable D. L. Clifton

So could that mean that the long affiliation that we've had with the Poles could suddenly go out the back door if all the home registered companies come into being?

The Attorney General

I wouldn't say it would go out the back door because they also have historic rights and historic rights also have to be observed. I don't know whether theirs are the longest historic rights.

The Honourable the Chief Executive

I think that I didn't speak to this this morning but in essence what we expect is that the order of preference in our licences will be vessels which are both registered in the Falklands and which are owned by companies established and carrying on business in the Falklands. Then vessels which are operated under some form of joint venture arrangements with, for example, FIDC or other Falkland companies.

Then, finally, other vessels which have participated historically in the Falklands fishery and certainly on present indications it looks as though there will be sufficient room to cater for those various interests.

The Honourable D. L. Clifton

It seems to me that we shouldn't lose sight of the growing number of Poles.....?

The Honourable the Chief Executive

Nothing that I have seen and no discussions that I have seen about this suggest to me that the Poles will be lost sight of.

The President

There is always in a system of this nature a balance of interests to be found and the balance is perhaps especially difficult in the case of the Falkland Islands, in that up to this point there is no established indigenous fishing industry with a long track record in this. But there are many reasons for that and so there is a pecking order but I think at the end of the day everyone who has genuinely committed himself in some way to this will get a fair share of what is going. That is in terms of offers of licences. We cannot, of course, guarantee that everyone will take up all the licences that they are offered.

There could be distinct problems, I foresee, for countries which are short of hard currency. We are not going back to the point that the Honourable Eric Goss mentioned earlier, we are not going to accept fees in non-convertible currencies. We are not going into barter trading or switch trading or any other version of trading which has developed in the world to help these types of problems. But that is not our problem. That is the problem of the countries concerned.

The Honourable Mrs Norma Edwards

Presumably, Sir, the number of licences which will be issued will be discussed in London next week?

The President

Yes, well, the number of licences really arises to a great extent out of the type of scientific advice that we retain Dr. Beddington to provide. As you know we have been measuring fish stocks and we have been measuring the uptake of those stocks. It is possible to calculate levels below which it would be impossible for the stocks to replace themselves. That is the type of work that Dr. Beddington has been doing and we know so far a lot more about some fish stocks than we do about others. So we have to retain a measure of flexibility in all of this, hence our need for a resource assessment group that is collecting and analysing data.

Now at the moment we have a pretty good idea of the number of licences which would be justifiable on scientific grounds.

Next week there will be some refining of this and refining of the allocation policy, but obviously we've reached the stage where we've got numbers pencilled in against different interests and we shall be inking in those proposals next week. The whole idea is to get the offer process, the reply process and the final allocation process over by the 12th December at the very latest. But if we find for example that vessels are taking less fish than we think the fishery will bear then it's open to us to increase the number of licences over time. But obviously we will err on the cautious side in this. There's quite a lot of work to be done yet but we're well ahead.

I hope Councillors have found it helpful to go through the Bill in this case. I don't want to rush the proceedings. This is the opportunity to ask the questions and many of your insights are very, very valuable. Let me say that the perfect law was never written, I think, I look for example at the Constitution of the United States and I can't recall how many amendments there have been to that, but if we find in practice that some important item has been omitted, or that it might be better framed in some other way this Ordinance will be as subject to amendment as any other, so I think that we all live to fight another day on this one.

Could I just ask, before I address myself to the particular Sections of the Bill, are there any other general points that Councillors wish to bring forward at this stage? It's the last opportunity within this particular meeting to do so but I would really like to address any particular point that is points to the general principles before coming to the Clauses of the Bill.

The Honourable E. M. Goss MBE

I'm not clear on historical rights as we talked about the Poles. Could the Attorney General expand a bit more on that?

The President

Could I talk about this in relation to a commodity that I know better than fish, namely butter, simply because I got deeply involved in this some years ago, had some operation at the London end of setting up a system of this nature. Traditionally New Zealand has been Britain's major supplier of butter, followed by countries like Australia and the Republic of Ireland and Denmark. Year in and year out those countries supplied England with their needs.

There came a time when British farming became much more efficient and the British farmer was able to produce much more of his own butter and something had to give somewhere along the line, because we look after home industries first, and gradually a process of voluntary restraint was brought in and in fact all countries which had hitherto been exporting butter to Britain had to reduce their supply, but in proportion really to what they had been supplying over a period of time and in proportion to the length of time that they had been supplying.

Now it was wonderful when we got into this system but we found out that there were all sorts of countries which had been supplying very small quantities of butter to Britain that we had never realised and they had established an historic right, but also as soon as we started a system of voluntary restraint, or quotas, that is what we were doing, other countries jumped on the band wagon and said, "Ah, but, we want a share of the action". In that particular case, of course, the newcomers did not get a share of the action so we protected the rights of the historic supplier.

Translating this into fisheries terms the Japanese in the last high fishing season increased enormously the number of vessels that they had fishing down here on a sort of one year basis but other countries like Poland kept at a normal steadier level. Now, the Japanese did not develop the right to a higher quota simply because they came in for one year and therefore the proposals that we will take account of here will discount the fact that in one year Japan and so on and so forth through a vast number of vessels and they will be reduced in the total number of licences that they take up. But the Poles who have a steadier record at the lower level will get a much higher proportion of the licences that they would ask for. That is, they will be entitled to a much higher proportion.

The Honourable E. M. Goss MBE

But we're only talking about a short history of where we've been transshipping fish in Berkley Sound, in our waters. We're not talking about 20 or 30 years ago.

The President

No, absolutely not, we're just going back over a few years.

The Honourable E M Goss MBE

Whilst we've been selling something, which is sheltered waters.

The President

In effect, yes. In the event there's no mathematical formula for quotas. It is very much a question of judgement and judgement will be applied here. If there were more licences issued than the sum total of applications there would be no problem whatsoever of course. But we're not going back for donkey's years, just a short time.

The Honourable E. M. Goss MBE

No, I just wondered how the phrase "historical rights" came about. There were other people fishing in our waters before the Poles, and sometimes using our ports and buying our services, such as water.

The President

Yes, I appreciate that. We're not going back into that history. Any other general points?

Well, now I know that we have an amendment to offer to Clause 11 of the Bill as it stands. Would it be in order to move or for me to invite the Chief Executive to move that Clauses 1 - 10 in the first instance stand part of the Bill?

Clauses 1 - 10 were passed without debate or amendment.

Clause 11 was amended to read as follows:

"Where a fishing boat or any other thing has been taken, seized or detained in accordance with Section 10 the Director of Fisheries shall on demand release the boat or other thing to the master, owner, charterer or agent if no proceedings are instituted within 14 days of the arrival of the boat or thing in a port or harbour".

Clauses 12 - 21 were then passed without debate or amendment.

The Bill was then read a third time and passed.

The President

I congratulate the Honourable Members of Council on their participation in these proceedings and especially the Attorney General once again for his part both in drafting and explaining the Bill to us.

THE INCOME TAX (AMENDMENT) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, Honourable Members. This Bill provides a variety of amendments to the Income Tax Ordinance. First, it increases the amount of a house loan, the interest on which may be set off against income for tax purposes from £10,000 to £15,000. This is a more realistic figure in today's circumstances. Secondly, it allows a deduction from chargeable income from maintenance payments made under a Falkland Islands Court order. The payment would then be potentially liable to tax in the hands of the payee. It also provides to exempt allowances paid to non official F.I.D.C. Board Members from tax.

It proposes increases in the personal allowance by £100 from £2000 to £2100 and similarly increases the deduction for a wife by £50 to £1200. It also increases the deduction for a wife's earnings where a husband and wife are assessed jointly.

It also permits the appointment of agents for the collection and payment of tax. In the Income Tax Office we are at present finding difficulties in collecting tax from a rather small number of tax payers. We find difficulty obtaining payments through the Court and therefore we propose to appoint employers and bankers to be our Agents for the collection and payment of tax in very bad cases.

We have had representations from both the Development Corporation and from small farmers in the Falklands asking us to take into account the grants which are paid out by the Development Corporation for various items and this Bill allows the grants to be included in the amount taken into account when making depreciation allowances. The reference to the Sixth Schedule in Section 2(h) of the Bill is wrong, it should be the Seventh Schedule and I will make a proposal to amend it during the course of the Committee Stage of the Bill. I beg to move that the Bill be read a first time.

The Bill was then read a first time and on the Motion that it be read a second time the following Honourable Members spoke to the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members. I queried earlier in our proceedings the changes in the allowances in kind and I was told that the increases were 30% to allow for the inflation rate. I rise, basically, to complain - I don't honestly feel that I can oppose this Bill but I might do that at the end - that to keep rate with inflation when you are talking about allowances generally when inflation is down at between 4 and 5% per annum. I think this is considerably less than the current rate.

It does mean, therefore, that particularly for the single and low paid tax payers a heavier burden. I find it difficult to accept that if due to a rise in the cost of living they need extra money to keep going their tax burden should be increased proportionately rather than decreased. I would ask the Financial Secretary to give this some more careful thought. I would like also, if he would in his summing up, for him to explain what he means by allowing grants to be included in the amount taken into account when making depreciation deductions. I am not sure whether it means that if I make an investment, or purchase equipment, valued at £1000 and I have a £500 grant for that, that the depreciation allowance is on £1000 or £500 or £1500 or quite what it is on so I would like him if he would to clarify that.

Thirdly, I am not gunning for the F.I.D.C. Board but I am afraid I must oppose, unless again the Financial Secretary can give me better reasons, the exemption of what might be termed their directors fees. I do feel that if one is going to be free from tax on directors fees, be it the directors of F.I.D.C. or The Falkland Islands Company. If we free one Board's directors of tax what about Falkland Farmers Ltd? What about the Co-Op's Board of Management. I think that we might possibly be here opening up Pandora's box and as much as I would like to get my hands into Pandora's box I feel that we should perhaps keep it shut for the time being.

The Honourable J E Cheek

Your Excellency, Honourable Members. There are one or two points I would like to make. Firstly the increase from £10,000 to £15,000 for the amount of housing loan that the interest of which may be set against income tax. I think there are two ways of looking at this. I am making a point rather than objecting and I won't oppose this at the end. Although it helps people to buy houses by making money cheaper, I would question whether at the same time making money cheaper as it were doesn't in fact increase the cost of the house or what people are prepared to pay for the house. Just a thought to bear in mind.

To move on to the point that Mr Blake made I would also object to the tax free allowances to non official FIDC Board Members. I presume it is made because they are not being paid much, they are doing a service to the community and therefore it is considered that they should not pay tax on it. Again I believe we are opening Pandora's box, as someone said, because there are other people who do that. There are people who serve in the FIDF who get paid a little bit of money but it is only an allowance to show they are helping the community and should that not be tax free? There are firemen who are part-time who again get some sort of allowance - should that not be tax free? Arguably, I suppose, we get tax free allowances so should that be done away with? My own feeling is if we are going to stop it I would tend to have our tax free allowance stopped rather than give it to other people and unless the proposer has a very good reason for it I will oppose this Section.

The increases in personal tax and the allowances from £2000 to £2100 I think are extremely low, much lower than people expected. I would have liked to have seen larger allowances before tax paid - I would like to see the various tax bands expanded and possibly even the top tax rates dropped. Perhaps this is not the time to push too hard on this. I will not oppose the increases but what I would say is if there is legislation to change company tax as I believe there may well be and to drop the top rates there certainly there is no way I could see myself allowing them to go through unless there was some corresponding decrease in personal taxation.

The only other comment I have, Sir, is that the introduction of legislation which allows money to be taken from bank accounts without going through a Court of law to me seems rather draconian, whether other members will agree with me or not I do not know. With the one possible exception, the objection to the FIDC tax allowance, I support the Bill.

The Honourable Mrs Norma Edwards

Just to reiterate really what the other two councillors have said, particularly the Honourable Mr Blake, I feel that the increases in the allowances are much too small. I will support the Bill but would hope in future to see some amendment to the allowances and larger allowances granted.

The President

Would you like to reply to the points that have been made Financial Secretary?

The Honourable the Financial Secretary

Yes, Sir. The first point, the allowances. Well, I do agree that we should keep them under constant review. This is important I think as the point made by the Honourable Member for Camp, Mr Blake, he is right in the fact that we should keep them under review. I also agree with the Honourable Member for Stanley, Mr Cheek, that the rates should be kept under review. But I think we must keep the review in accordance with the context of our Budget. However, I have noted the points made by the Honourable Members and will consider looking at this further. In the meantime I feel that we must press ahead as it is getting towards the next tax year so I would ask for those points to go through.

The point raised by the Honourable Mr Blake, on the question of depreciation allowances, I will explain this by saying if you could get a vehicle for £2000 and supposing the FIDC came along and gave you £500 of that - at the present time you can only claim on the net amount £1500 and you therefore have difficulty in making provision for the replacement of that vehicle. So therefore it is proposed that we allow the deduction on the total sum, the total cost of the vehicle including the grant element. This is giving the people the maximum incentive.

In the case of the allowances which are paid by the Falkland Islands Development Corporation to their non official Board Members, this is to bring it in line with Councillors. The amounts paid are small and are intended to cover expenses incurred attending meetings. They are not actual payments made for taking part. They are not an emolument as such. It is felt that we should give the same treatment as that of elected councillors. It is after all a semi-official organisation.

I have noted the point made by the Honourable Member, Mr Cheek, regarding the housing allowance and will bear this in mind. I think that covers all the points as far as I recall, unless any other member has any more questions which I am ready to answer.

The Honourable L G Blake OBE JP

Your Excellency, I thank the Financial Secretary for his explanations which I found enlightening. However, while supporting the present depreciation allowances of 100% for investments I find it hard to accept that if the investor has only to put in £1500 into that investment and he can reclaim it in that tax year I do not feel that he should be allowed to claim the grant element also. If it is a writing-off system then I think there is possibly more argument, but where you have our current system, which I hope will continue, of 100% depreciation allowances for investment in agriculture I do not believe the grant element then should be claimable against income tax. I find that more than I as a tax payer can swallow.

The Honourable the Financial Secretary

On that point the present system is optional. You do not get 100% allowance and then a writing down allowance. You have the option of taking the 100% allowance or an annual allowance. Therefore, I think it is entirely up to the businessman to decide how he is going to organise his business. I do feel that we are not giving the maximum incentive at the present time to businesses generally. For a certain grant, of course, that is paid by the FIDC now - I cannot recall the actual name of it - to business people for capital allowances, that of course comes in as income on the other side of the books but in the case of items that we allow under depreciation schedules then I feel that the proposal made is fair and reasonable.

The President

We will come to the Committee Stage in a moment if any Member wishes to move a recent amendment it is his perfect right to do so. Just at this stage Financial Secretary do you wish to move that the Bill be read a second time?

The Bill was then read a second time and the Council went into Committee and considered the Bill Clause by Clause, as follows:

Section 1 was passed without amendment.

Section 2, paragraphs (a) and (b) were passed without amendment.

In considering Section 2(c) the Honourable J E Cheek proposed that this paragraph be deleted from the Bill. The motion was seconded by the Honourable L G Blake OBE JP who spoke as follows:

The Honourable L G Blake OBE JP

I accept the fact that the allowances are made, as the fees or emoluments are, to cover expenses but presumably one may claim legitimate expenses as a cost on the other side of the books in this instance. Therefore, if they are just to cover expenses I think that would be acceptable but rather than run the risk of making this the beginning of a long down hill slope I still oppose it.

The Honourable the Chief Executive and the Honourable D L Clifton then spoke in favour of the Section:

The Honourable the Chief Executive

Perhaps I best simply make the point, perhaps wearing my hat as Executive Vice Chairman of the Falkland Islands Development Corporation if I'm allowed to do that, but the intention behind this Section was simply to place FIDC Corporation members on all fours with Councillors as indeed the Honourable the Financial Secretary has already pointed out. It does seem to me, taking the point that the Honourable Member for Camp, Mr Tim Blake, has made that this could be extended to other non-Governmental bodies that in fact the Falkland Islands Development Corporation is really in a very different category from The Falkland Islands Company or indeed from other similar bodies to that. That was the intention behind the measure and I would have thought that it was quite possible to draw that distinction between the Falkland Islands Development Corporation and other purely commercial institutions. I acknowledge that there might be some difficulty with, for example, Falkland Islands Farmers. I acknowledge that that is something that we would have to look at in the light of the point he has raised but I would be rather sad, I think, if Corporation members of FIDC were deprived of this small advantage simply because of the possible extension of that advantage to people in other bodies.

The Honourable D L Clifton

I would like to rise to endorse the comments made by the Chief Executive. I believe that as the FIDC is a very important aspect, it is almost a limb of the Falkland Islands Government, that this small allowance should be tax deductible for Corporation members, so I support the Clause as it stands.

The President

There is clearly a division of opinion within the Council on this and I think it only fair that we should vote on the issue. I will ask the Clerk of Councils to indicate whether you wish to vote in favour of the amendment as proposed by the Honourable John Cheek and seconded by the Honourable Tim Blake.

The result of the vote was that the amendment for the deletion of Section 2, paragraph (c) was carried by 4 votes to 3. Votes were cast as follows.

In favour of the amendment:

Honourable J E Cheek
Honourable L G Blake OBE JP
Honourable R M Lee
Honourable E M Goss MBE

Against the amendment:

Honourable D L Clifton
Honourable C D Keenleyside
Honourable Mrs Norma Edwards

Clauses 2(d), 2(e) and 2(f) were passed without amendment.

In considering Clause 2(g) the following discussion ensued:

The Honourable L G Blake OBE JP

I would just ask the Financial Secretary if he could clarify one point for me with regard to the appointment of the agent. Does the agent have the choice of accepting such an appointment or not and does the person for whom he is agent have the chance of accepting or rejecting that appointment? In other words if I am appointed an agent to collect the Income Tax from the Honourable Eric Goss can I say no or could he say no, or do I have to do it if the Commissioner so decides.

The Honourable the Financial Secretary

The answer to the question is that the agent must have money belonging to the principal to do it.

Section 2, paragraph (g) was then passed.

The Honourable the Financial Secretary

In this next paragraph 2 (h) I propose an amendment but first of all I would like to clarify for Members' convenience the actual word that we are deleting here. The proposal is for the deletion of the definition of "expenditure" from paragraph 1 of the Sixth Schedule. This I will be proposing to change to the Seventh Schedule. Firstly I should read this out to Honourable Members.

"Expenditure" in the interpretation means "in relation to the cost of a capital asset means the amount spent upon the provision of that asset by the person claiming the depreciation deduction, reduced by the amount of any grant, subsidy or contribution towards that cost made by any other person or authority". I therefore beg to move that Clause (h) stands part of the Bill with the following amendment: by the substitution of the word "Seventh" for "Sixth".

On the Motion that the amendment be adopted the Honourable L G Blake sought further clarification regarding the affect of the amendment and Council adjourned for a short period to seek the advice of the Attorney General. When Council resumed the Honourable the Financial Secretary moved that Clause 2 (h) be deleted from the Bill in its entirety and this was agreed.

The Bill was then read a third time and passed.

THE OLD AGE PENSIONS (AMENDMENT) (NO 2) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, at times we have a number of persons leaving the Colony to go overseas, in particular young people to receive instruction in various countries but in particular Britain, and it is difficult for those who are not drawing any form of emoluments during the periods when they are away to continue paying the Old Age Pensions Contributions at the self-employed rate. On occasions the person is seventeen years of age, he is registered to the Old Age Pensions scheme, he has taken up employment for a period and then he is sent overseas and finds that he has to continue paying OAP contributions. This Bill is intended to give wider powers to the Board to assist persons unable to pay the contributions during the period they are out of the Colony. I beg to move that the Bill be read a first time.

The Bill was then read a first time and passed through all its stages without debate or amendment.

THE FAMILY ALLOWANCES (AMENDMENT) (NO 2) ORDINANCE 1986

The Honourable the Financial Secretary

Your Excellency, at the present time when a child leaves school his parent is unable to receive Family Allowance unless he is continuing school elsewhere. This Bill is to provide that the payment of Family Allowances continues throughout the period the person waits to take up tuition elsewhere. I beg to move that the Bill be read a first time.

The Honourable J E Cheek

Your Excellency, Honourable Members, just a very small point - it says that this allowance will be paid while the person waits to go on to higher education. I hope there is a time limit on this. I left school at the age of fourteen and I think I went on to higher education, or whatever you might call it, at the age of twenty three. Family Allowance would have been very welcome. Without being too facetious I think there should be some time limit set or perhaps the Honourable the Financial Secretary will indicate that he will set a time limit of some sort.

The Honourable the Financial Secretary

Your Excellency, on the point raised by the Honourable Member for Stanley, Mr Cheek, I can confirm that the administration would prevent the allowance continuing, it would be a matter of proof.

The Bill then passed through its remaining stages without further debate or amendment.

THE LITTER ORDINANCE 1986

The Honourable the Chief Executive

Your Excellency, at the Budget Meeting of the Legislative Council held between the 28th May and the 2nd of June this year a Resolution was passed urging the Government to introduce legislation for the abatement of the nuisance created by litter. The defacement of public places in Stanley with litter is an increasing problem which I think has been exacerbated by the marvels of modern packaging and the habit of drinking beer out of cans. The Bill which I am putting before this House is in fact based on the UK Litter Act of 1958 and it makes it an offence to leave litter in places in the open air to which the public are entitled to go and it makes a person who is convicted of an offence against the Ordinance liable to a maximum fine of £50.00. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that it be read a second time the following Honourable Member spoke to the Motion.

The Honourable D L Clifton

I feel I must speak, Sir, having moved the original motion in June of this year, to simply thank the learned Attorney General for pushing forward the legislation so fast and I look forward to its complete implementation by members of the public and also an education process in the schools which will eventually ensure that the younger elements of this community do not go about discarding sweet papers and Coca-Cola cans around the environment. Sir, I support the motion.

The Bill then passed through its remaining stages without further debate or amendment.

THE FALKLAND ISLANDS DEVELOPMENT CORPORATION (AMENDMENT) ORDINANCE 1986

The Honourable the Chief Executive

Your Excellency, as Members of this House will know, earlier in the year a joint Falkland Islands Government/ODA review team made a report on the activities of the Falkland Islands Development Corporation. One of the recommendations in the report was that the representation of non-officials on the Executive Board of the Corporation should be increased to allow for greater local participation in the decision making of the Board, and I believe that that recommendation was very much in response to a general feeling in the community that the Falkland Islands Development Corporation was not always taking as much account of local opinion as it was felt it should. So this Bill, Your Excellency, seeks to amend the FIDC Ordinance so that the Governor appoints to the Executive Board three members of the Corporation elected by its members rather than one.

The Bill also makes consequential amendments which provide for an increase to four in the quorum required for Executive Board meetings, an increase to four in the minimum number of members who can demand an extraordinary meeting and an increase to two vacancies in the number of membership vacancies allowed for meetings of the Board not to be invalid. I beg to move the first reading of the Bill.

The Bill was read a first time and passed through its remaining stages without debate or amendment.

THE CONSULAR RELATIONS ORDINANCE 1986

The Honourable the Chief Executive

Your Excellency, work on a Consular Relations Bill has been going on for some years. A Bill was put originally before Executive Council towards the end of 1981 but in January 1982 Executive Council was advised that the Bill be deferred. One reason apparently for this was that amendment was required because of the new British Nationality Act. The Attorney General has revised the Bill in consultation with the Nationality and Treaty Department of the Foreign and Commonwealth Office. The Bill which is attached follows, I am advised, a fairly standard form. It adopts certain provisions of certain Vienna Conventions which deal with matters relating to Consular Relations and Consular Officers.

Although there are no Consulates in the Falkland Islands at present there is always the possibility that as development progresses - this could well be a consequence of our latest fisheries legislation - Consulates will be established. Also as the United Kingdom as a party to the Conventions has made them binding on the Falkland Islands it is necessary for the Government to implement those provisions by sponsoring this legislation. The attached Bill was remitted to the Legislature by Executive Council at their meeting held on 31st October 1985 but because of difficulties in having it printed it has not been possible to place the Bill before the Legislature until now. I beg to move the first reading of the Bill.

The Bill was read a first time and passed through its remaining stages without debate or amendment.

MOTION FOR ADJOURNMENT

Honourable Chief Executive

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

The President

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

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, in rising to support the motion may I firstly formally welcome Admiral and Mrs Layman to our community, and Admiral Layman to our Councils. I do this formally but with pleasure.

Secondly, may I draw Councils attention to a new and very heartening fact. In 1982 we were invaded and so began our close association with the Channel Islands. In 1986 I am pleased to say that we have developed a new link, the Honourable Member of the House of Commons in Britain, Mr G Foulkes, has taken it upon himself to start now on the Channel Islands; I wish them joy in their battles and a successful outcome.

Finally, Sir, I would like to thank once again the administration and all those who worked so hard to get the Fisheries Ordinance to this Council. I believe that we are moving forward at the right and proper speed. I believe that, although I have said earlier that the revenues from fishing should not go into the Consolidated Fund, the spin-offs from the Fisheries Ordinance will greatly assist that Fund. I hope that in time we will see the development of the bunkering agency, victualling agency and, perhaps, the fisheries effect in the South Atlantic controlled by companies and their vessels registered here and I commend to those companies seeking to fish here in the years ahead the good sense of adopting such a policy. Sir, I beg to support the Motion.

The Honourable C D Keenleyside

Your Excellency, Honourable Members, in rising to support this motion I, too, wish to welcome Admiral Layman to the Legislature and I must say that his forthright contribution this morning was very welcome.

You mentioned to me recently, Sir, that Councillors could use the Council meetings to inform the public. To my mind this includes things that we don't know. For example Councillors do not know how many or who are going to receive the fishing licences; I hope we will not be the last to actually be informed.

I am also concerned that we don't know how much the new hospital is going to cost us to run. We do know that the recruitment of teachers has been a mess and will probably continue to be unless the system is improved. It sometimes seems that Government is too often a system of crisis management.

As one of my portfolios is that of finance I will make some comment in that direction. Mr Ritchie, our Fiscal Adviser, tells me it is common practice for pensioners to receive a tax allowance on reaching pensionable age. We could improve the lot of some of our senior citizens if such a move were implemented here.

The fishing revenue we are due to receive will be able to increase our reserves but unless we can use some of this money to improve the lot of the average citizen - for example possibly by tax reductions - who actually feels the benefit? Also, those who are involved in the development projects set up here may be seeing some improvement in their lot but development has had little effect on most regular wage earners.

When the move from the Brewster Hospital has taken place our Social Worker has some excellent ideas for uses of the Brewster building and I suggest that she is consulted when this comes to be needed.

Finally, I wish to pay tribute to the efforts of Councillor Norma Edwards during her too short a stay on Council. She will be missed by her fellow members on Council and I am sure by the electorate and the Director of Public Works. I wish to support the motion, Sir.

The Honourable J E Cheek

Your Excellency, Honourable Members, in rising to support the motion I, too, would like to add my welcome to Admiral Layman to this Council and to both he and his wife to the Islands. I hope their stay is a happy one.

Your Excellency, when the Secretary of State made his original announcement some time last month on Britain and our right to a 200 mile fishing limit he also indicated our right to the continental shelf and what lies in it. Today we passed legislation on fishing and I hope it is not too long before we pass legislation on the extraction of hydrocarbons.

I'll keep this very brief but I feel I must say something on education. I hope we've dealt successfully with the recruitment of teachers and by next February, or not long afterwards we will have, for the second time I think it is since the end of the Falklands war, a full complement of teachers. The first time we only had a full complement for something like three months but I'll try not to be cynical and look forward to the new teachers arriving.

Recently I was interviewed on the radio about the subject of teachers and I believe one of the letters received by the interviewer said that I had said that education was going ahead in leaps and bounds. I think that was an exaggeration and I never actually used those words. What I did say, and I still say it, is that the standard of education here, even with the shortage of teachers and the shortage of classrooms, particularly in the Senior School, even with those shortages I believe is suprisingly high; suprisingly more so because of those shortages. I would like to thank here publicly the work the teachers have been putting in over the last few years. It hasn't been easy - they've been working under fairly difficult conditions with shortages as I've mentioned, both of staff and of room, and I think they've been doing a marvelous job. I only hope they can continue it until those replacement teachers arrive; I only hope they arrive soon so that the level of work that they are having to put in will be reduced to a more normal level. Thank you, Sir.

The Honourable D L Clifton

Sir, in rising to support the motion for adjournment it goes without saying that I would like to extend a welcome to Admiral and Mrs Layman and wish them well during their Falklands' tour. I think also that this may be the last time that the Chief Executive may be - oh, it is not - around this Table, but I understand his replacement is coming on friday, or is due on friday, and I hope he finds the Falklands an attractive challenge. It is amazing as we go round this Table here that you may start off with a fairly full list at the beginning but by the time it is your turn to speak it has become shorter and shorter - I hate to think what it is going to be like by the time it gets down to the turn of Councillor Goss.

I, too, would like to wish the Honourable Mrs Norma Edwards well in her new farming venture at Fox Bay West.

Councillor Cheek drew attention to the fact that although we passed a Bill today on the fisheries conservation measures for the Falkland Islands we still have done nothing about the hydrocarbon and other mineral reserves of the Falkland Islands and, more importantly, the continental shelf. In June 1985 the predecessors of this Council passed a resolution, quite unanimously, requiring the administration to look into the legislation necessary to protect the natural resources of the Falkland Islands and the continental shelf for the benefit of all Falkland Islanders and so far nothing, I believe, has transpired on this subject. I would urge the administration to bring something to heel fairly quickly. I hadn't realised and I don't think the majority of the electorate quite realised the sense of urgency with which the fishing situation has had to be treated at the last stage and I would hate to see us fall into the same sort of situation with regard to the exploitation of the mineral and hydrocarbon resources.

I would, Sir, if I may dwell very briefly upon the visit of Senor Gimenez to attend his son's funeral at Goose Green. I know I was not particularly well thanked for attending that funeral but I did have some support within the Council and from other colleagues. However, that was a situation I took entirely upon myself and I did so for a number of reasons. I think first and foremost I was interested in the whole process and when I learnt that the international committee of the Red Cross was not sending a representative to attend that made me feel even more adamant that there should be a Falkland Islands element present and I pursued the matter along those lines. It is quite suprising having now followed through a number of aspects of military funerals and the return of military war dead to their countries of birth that the international committee of the Red Cross have not been drawn into recent areas of conflict where both countries have asked for the return of their war dead, and I mention here briefly, the French and the American connection with Indo-China. It seems to me that the Falkland Islands should be prepared in the near future if there is not a dual request from the Argentine Government and from Her Majesty's Government to take the Argentine war dead closer to home, that we the Falkland Islands Government may become involved individually. I would simply make that point and let people think about it at this particular time.

Some of my critics say that I have no standing at all to voice the Falkland Islands viewpoint. In defence of that I would simply state that I took a position quite early on in life, I fell on the side of the fence I'm fighting on now, and it hasn't simply taken a war in 1982 or a couple of days or nights in a shell hole on Victory Green to come out on the right side of the fight. These are the Falkland Islands; these are the British Falkland Islands and that is the fight I shall continue. Sir, I support the motion.

The Honourable R M Lee

Your Excellency, Honourable Members, in rising to support this motion I, too, would like to welcome Admiral Layman and his wife. It is very refreshing for we out in Camp to see so much of them and to see them taking such a great interest in the way of life and I hope they continue to enjoy their tour.

Today, to my mind, has been a very important day. We have passed probably one of the most important Bills in our history and it's a great step forward for us all. But I must agree with Councillor Keenleyside that we mustn't all get our heads in the clouds. There is more and other important business that we all have to attend to, domestic issues that we haven't really got to grips with, many things haven't happened but should have happened in my opinion. Today has been very important and has taken a lot of time but I must urge all Councillors that there is more to being a Councillor than debating the Bill on fisheries. It is a very important Bill but we still have a lot of business to do, a lot of work to do, and we must not forget the old people, the people who are out there now shearing the sheep working extremely hard to keep this Colony going, people who have made it what it is and I think we should all remember that. I have nothing further to say, Sir, except to support the motion.

The Honourable Mrs Norma Edwards

Sir, in rising to support the motion I, too, would like to welcome Admiral and Mrs Layman and we look forward to seeing as much of them as we possibly can whilst they are here.

I thank the Honourable Members for their kind words on my resignation; I'm sorry to be leaving them all so shortly after I joined Council and I hope my successor may well be another lady to keep you all in trim!

I am delighted that the fishing Bill has been passed. It was one of the main points that I made in my election speech.

Another point that I made was our public relations abroad which I think are appalling and if - it's all ifs and buts at the moment I know - but if we should have some revenue to spare from the fishing industry perhaps we could invest a little in that because I feel we are very poor at projecting ourselves in the UK and we do really need to look to this point.

Presumably I won't be visiting Stanley too often in the future - we've spent all our money on the farm now - but I hope when I come in again I can see that camp education building beginning at least. They've been in a pretty cramped situation now for a long, long time and I really do feel that we should look to getting a building under way as soon as possible. I know plans are in hand to do this but it tends to meander on and on and on.

I agree with Councillor Clifton that the mineral rights of the Islands should be sorted out now. Again it was a point I made during my election speech so I shall listen in future with great interest to Council debates and, hopefully, there will be a bill or a motion passed about that.

Finally, I would just like to thank you all for all your help and support during the past year and my apologies for creating another by-election, but I do feel that I can't really cope with my portfolio, which is PWD and the Housing Committee, from Fox Bay. It wouldn't be fair on the constituents in Stanley and I feel they must have somebody in Stanley to look after them, although Mr Hills has visited me at Fox Bay since I've been there so I've continued my PWD work from there but it is impracticable I'm afraid in future. I support the motion.

The Honourable E M Goss MBE

Your Excellency, Honourable Members, in rising to support the motion for adjournment I, too, would like to welcome Admiral Layman to our Table and both he and his wife to the Falklands, and I hope you enjoy your tour and I hope to see you in North Arm; perhaps with your good lady too. I might remind you that in March, I think the beginning of March to suit the Education Committee, we are holding our sports at North Arm and you might care to come along and give us a little bit of your seafaring support, although most of our activities take place on land at that time - we do get adrift though!

As Councillor Clifton has said, he doesn't envy me at the end of the Table and having so little left to grasp at but I can still fall back on the Chamber clock! It still needs the attention I mentioned last time and on closer examination of this clock I would like to point out that it was presented by the good old Falkland Islands Company to celebrate their 1951 Centenary. I hope that there is someone in Government who can give it that little bit of love and care I am sure it needs; not the Company so much - we can stand on our own feet - but the clock that's hanging on the wall!

I would like to say how much we are going to miss Norma. Norma was the only female on Council and we do look up to the females in our Government who lead us, the Queen and the Prime Minister, so I do hope that we fill that Stanley seat with another lady.

Really as Lewis has said there is not much more to dwell upon. I'm just very happy to have been here today to have helped the fisheries bill go through and also to mention that with the welcome of Rear-Admiral with his seafaring knowledge we have the right CBF at the right time. I've nothing further to add but I do support the motion for adjournment.

The Honourable the Financial Secretary

Your Excellency, I would also like to join in the welcome extended to Admiral and Mrs Layman. I, too, believe that he has arrived at the right time although I hope he will have a peaceful stay in the Islands.

I also join in the tribute paid to the Honourable Mrs Edwards for her efforts. I know how difficult it must be to control such a large department, or take an interest in such a large department, as the Public Works Department, when they have so many things on their plate. I think that she has played that role exceptionally well, and I entirely agree with her words that we need another lady to keep us in trim.

On the point raised by Councillor Keenleyside regarding the allowance for Old Age Relief, we do have old age relief in the Income Tax Ordinance which is extended to pensioners who are earning £3900 or less. I agree that that figure needs to be looked at and I'm pleased to say that Mr Harry Ritchie, our Financial Adviser, has already made some recommendations to me. I would like to pay public tribute to him for his continuing service to these Islands. He has given us sound advice over a long period and I trust he will continue to do so for some time. I support the motion, Sir.

The Commander British Forces

Your Excellency, I am most grateful for all those kind words about me and my family and the wonderful welcome we have received wherever we've been here in the Falklands.

During my last tour here, like many of my Service, we did not manage a run ashore and I am very pleased to have made it this time. I've already visited some parts of these beautiful Islands which my family, and my wife's family, have been connected with over a period going back one hundred years or more, and I intend to visit as many places as I possibly can. I look forward to continuing the happy and cordial relationships built up by my predecessors in this job. In saying this I realise it's going to be more difficult as we move from Stanley to Mount Pleasant but I do assure you that I and all my colleagues will continue to work at it, and we'll succeed, and we'll ensure that we follow the theme set by my predecessors of one Falkland Islands community, some of whom are farmers, some townies, and some servicemen, just as it is back home. It won't be difficult for us to apply those traditions here at all and, of course, some military will continue to live in Stanley. We'll be providing Service doctors and staff for the new joint Civil/Military hospital and that will prove of enormous benefit to all of us.

Looking to the future we've got a lot of tidying up to do here in Stanley. To help with this, as I think you know, a Royal Engineer Regiment will be coming out shortly. Their main job will be to reinstate Stanley Airport and to clear up that area generally. Even though located mainly at Mount Pleasant we'll continue to provide those services, such as fuel, until the Colony has decided on its future development programme, and we're investigating what schemes would be of mutual benefit to the civil community and the military. For example, we look forward to being able to buy locally fresh salad from the market garden complex and we'll shortly be offering for contract certain services at Mount Pleasant.

Thank you again for your very kind welcome- I can hardly find words to express how pleased and privileged I feel to be here at this fascinating moment in Falklands history. I will endeavour to carry out my responsibilities for your defence to the best of my ability and I beg leave, Sir, to encourage voting Members to support the motion.

The Honourable the Chief Executive

Your Excellency, Honourable Members, I should like to begin by thanking you, Your Excellency, for the wise and helpful way in which you presided over this historic meeting. It is now rather over a year, Your Excellency, since you and Mrs Jewkes came to the Islands and we're delighted that Mrs Jewkes has been with us watching our deliberations the whole of today. May I say how much we've come to value the sure and sensitive touch which you have brought to the despatch of Government business and the skill with which you have struck the delicate balance, inherent in your office, between the interests of the Falkland Islands Government and the interests of Her Majesty's Government. It is a skill which is particularly apposite at this moment in the Islands' affairs when the two Governments are having to work so closely together to set up and implement the offshore fisheries zone.

I should also like to express our appreciation of Mr Brownlee for his quiet competence in standing in for Peter King who, I am glad to say is now much better and now back in office. We did get in a bit of a muddle over the questions at the start but I suppose these things are designed to try Chief Executives' fortitude and flexibility!

Our thanks also go to Padre Roemmele, who is not of course here any longer, for kindly agreeing to conduct the Prayers at the start of the meeting.

Now, before I answer points made in the debates specifically may I make one or two fairly general points arising from this meeting. I don't normally speak in French, Your Excellency, in this House, much less in Spanish, but the French expression 'plus ca change, plus la meme chose' put not nearly so elegantly in English as 'the more things change, the more they stay the same' so often seems to me particularly appropriate to the affairs of the Falklands.

This meeting has seen the beginning of an entirely new era in the history of the Islands and there's been so much progress in so many other areas and yet if I look back at my very first meeting in this House, in March 1984, some 32 months ago, and I look at Honourable Members' concerns then I see that they were very similar to those reflected in speeches and questions during this present meeting. Then there were two specific questions about the recruitment of teachers - one from the Honourable Member for Stanley, Mr Cheek, on very similar lines to that which he asked earlier today and another about the Senior School extension. There were two questions about housing and one question about roads and one question about FIGAS.

Honourable Members' speeches then again reflected their concern over education. The Honourable Member for Camp, Mr Tony Blake, reflected his concern about telecommunications and there was a speech of quite enormous length by the then Honourable Member for Stanley, Mr Peck, about the shortcomings of Government in general and the Public Works Department in particular. I do sometimes wonder what I have been doing all this time, but I suppose that it is in the nature of things that Honourable Members at this meeting reflect their constituencies' worries, rather than their constituencies' satisfactions, and I regard it as all in a days work to answer as best I can for the shortcomings of Government in the various matters they raise.

Now, turning to the particular - I will of course as always disclaim any attempt to answer all the specific points that have been raised- but turning to the particular may I first of all mention the concern which the Honourable member for Stanley, Mr Keenleyside, expressed about the cost of the running of the new joint hospital. The fact is that, at this stage, we do not yet know what the cost of running the new joint hospital will be. It is a complicated exercise involving both the Ministry of Defence and ODA and not least, of course, ourselves. We hope very soon that we will have established the total cost of running the hospital; we hope also that we will have established the basis on which that cost will be divided.

Let me assure the Honourable Member for Stanley, Mr Keenleyside, that as a member of Executive Council he will be first to know when we discover what that cost is likely to be and he will be thoroughly involved in any deliberations which we have about it.

I don't think that I need add a great deal about education. I have expressed my concern and I would like to say along with the Member for Stanley, the Honourable John Cheek, how much we appreciate the sterling work which has been done by the teachers in the schools in what has been a situation of some difficulty and pressure. Our thanks and our appreciation go out to each and every one of them. This is an area which I intend to keep under my personal supervision in so far as I can. We must not, I think, let up on teacher recruitment at any stage and I hope that my successor will not this time next year, or the year after, be facing questions about the recruitment of teachers.

I would just like to touch on the question of the Argentine war dead which was raised by the Honourable Member for Stanley, Mr Clifton. I think I just want to make it clear, of course, that it is the Argentine Government who are opposed to the dead being reburied in Argentina, and that they are also opposed to the very reasonable conditions which have been set for their relatives to visit the Islands to see the graves. I simply make that point as a point of information and not by way of rebutting or disagreeing with anything that he said.

I nudged the learned Attorney General when the Honourable Member for Stanley, Mr Clifton, mentioned hydrocarbons and other mineral reserves. The Attorney General whispered to me when I asked him what had happened about that and he said "You've got my draft!" Well, I shall go back to my office much chastened by that and I shall search amongst my papers and, more seriously, I agree that it is another of those areas to which we have to give attention and we will try to do something about it over the coming months, other preoccupations permitting.

I, too, would like to add my own tribute to the Honourable Member for Stanley, Mrs Edwards, who will be resigning her seat after this meeting. I am delighted at last to see a family moving from Stanley to Camp rather than the reverse and I congratulate her and Lieutenant-Commander Edwards on the skill which they showed in persuading no less a shrewd and experienced a farmer than the Honourable Member for Camp, Mr Goss, and his committee of their potential as farmers. I am, however, very sad to see her leave this House. If I may say so, in the very short time she has been here she has shown great energy both on behalf of her constituents individually and generally. She has kept a sure and watchful eye on the Director of Public Works and she has contributed valuably in all our meetings.

Now, finally, I would simply like to say a word about myself. Reports of my early departure are I think at this stage slightly exaggerated. A Mr Brian Cummings, who is visiting the Islands shortly, is one of a very short list of candidates to succeed me, but he hasn't accepted the post yet and who knows what he may think when he's actually been down here, but I hope as many as possible of you will have the opportunity to meet him and his wife.

I may say that after that you will all have me with you for quite a long time to come because it is unlikely, I think, that he will be able to come to the Islands much before April or May of next year. On that note I would simply like to say that although I expect to be leaving then I shall, in the meantime, do everything I can on your behalf and I look forward very much to working with all of you for the remaining months that I am here, both on this new and exciting fisheries development and on all the many other things which as we have been reminded by the Honourable Member for Camp, Mr Lee, we have to do together. I beg to support the motion.

The President

The motion is that the House stands adjourned sine die but before I pronounce the final sentence I wonder if I might crave your indulgence for just a moment or two, for the best of all possible reasons, to associate myself with the very gracious remarks which have been made on the floor of this Council today on behalf of both the Commander of the British Forces in the Falkland Islands, Rear Admiral Layman, and on behalf of the departing Member for Stanley, the Honourable Mrs Norma Edwards.

I congratulate the architects of the present constitution of the Falkland Islands in their wisdom in ensuring a place at the Council Table, both this Council Table and of Executive Council, of the Commander of the British Forces. We have indeed been fortunate in the men who have occupied that position even in my short time here and I find it, Admiral, a great source of comfort and strength to have someone of your background and experience here, and we look forward to co-operating with you in the days that lie ahead as indeed we have done so in the days since your arrival.

If I might end this little part of my remarks on a not too serious a note it was suggested this morning that in certain circumstances it might be appropriate for you to play a game of bowls, perhaps beside the Battle Day monument. Should it ever become necessary for us both to demonstrate our 'sang froid', you see I can mix it in French with the best of them, I suggest that we might find it a little difficult to find a flat enough and a smooth enough patch to join in a game of bowls. But I do believe that somewhere amongst my unpacked luggage in Government House I have a small croquet set and perhaps the lawn of Government House would be an appropriate setting for such a game and, of course, all spectators would be welcome if the occasion arose.

To the Honourable Mrs Norma Edwards. Mrs Edwards was newly elected to the Council just a short time before I came to Stanley and in the months that I have been here I have appreciated enormously the contribution she has made to the Council. In Britain a term is used about Members of Parliament, I'm sorry to say, in a somewhat disparaging sense. I am certainly not going to use it in a disparaging sense this afternoon, quite the contrary. That phrase is to dismiss a Member of Parliament as "a good constituency MP", as if he were good for nothing else.

The very essence of the work of a Councillor, as of a Member of

Parliament, is of course to work for and on behalf of your constituents and that you all do, and I know that the constituents of the Town of Stanley have been particularly well served by Mrs Edwards in the time that she has spent in office. I hope that when the time comes in the not too distant future for us to hold our by-election to fill the vacancy just about to be created that we shall have a good field of runners. I don't want to go through that trauma that I went through earlier this year of having to speak severely to people through the medium of the Falkland Islands Broadcasting Service. I want to see a very good field of runners here and I hope that some of the admirable ladies who live in Stanley and contribute so well to the life of the town will put themselves forward, I nearly said for execution but I meant for election of course, on that occasion. Mrs Edwards, we understand perfectly why you should find it necessary to resign from Council and your resignation takes place from tomorrow. We wish you and your husband, Lieutenant-Commander Edwards, well in your new life but we hope, all of us, that when you have settled down and have conquered the mysteries of that new occupation in which you now find yourself that you may offer yourself for re-election, perhaps next time for the Camp Constituency, and so I am not this afternoon going to say goodbye to you as a Councillor but simply 'au revoir'. And I'm not going to say au revoir even to the Council at this juncture because I think today is a day for a bit of celebration and if any of you would wish to come to Government House at about six o'clock to toast the success of the FICZ, the Falkland Islands Interim Conservation and Management Zone, we shall be very happy to see you there, joining us in a modest toast in a suitable beverage.

The House stands adjourned.

QUESTIONS FOR WRITTEN ANSWER

NOTE: Questions 16, 18 and 19 of 1986, which all dealt with the subject of offshore fishing, were withdrawn in view of the tabling of the Fisheries Bill at this meeting.

QUESTION NUMBER 14/86 BY THE HONOURABLE C D KEENLEYSIDE

Can Government give an indication of the date when work is expected to commence on the Jersey Estate and what is the present position regarding design of the Estate?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Executive Council decided in September that the design work on the Estate should be done by the Public Works Department and this work has begun. Depending on other priorities and any changes required it is likely to take of the order of five months more to complete the design work. Once the final design has been approved by Government, on the current assumption that aid funds should be used to pay for the work, it will need to be submitted to ODA with an application for funding. However, care has been taken to consult with ODA from the beginning and this should minimise the length of time taken for this approval. Once the work has begun it is expected to take of the order of 12 months to complete.

QUESTION NUMBER 15/86 BY THE HONOURABLE R M LEE

As we may expect many tourists to be visiting Stanley this summer, has the Administration any plans to tidy up and improve the general look of Stanley?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

As the Honourable Member will be aware, a Bill for an Ordinance to make provision for the abatement of litter will be put before the House during this meeting. It is hoped that this legislation, quite apart from punishing litter louts will, particularly if supported by an anti-litter campaign, focus public attention on this issue which is so important for Stanley's reputation and appearance.

Apart from this, the Public Works Department has recently taken delivery of a street cleaning vehicle purchased second-hand from LMA. This will be far more effective than the Department's present reliance on manual street cleaning. The Jersey Estate area is to be systematically cleared. The appearance of the Brewster houses and their surroundings is steadily improving with the addition of garages and peat sheds and a number of occupiers of Brewster houses have already created gardens.

The assistance of the Royal Engineers was also very helpful earlier this year in removing military scrap. This work is continuing. Indeed as the military leave Stanley and congregate at Mount Pleasant they will be restoring and tidying up Stanley Airport and the Canache area. To help with this task an additional Royal Engineer Regiment is about to arrive in the Falklands. In tidying up they will preserve, as far as possible, the topography and protection of the environment as a high priority.

All this having been said, the developing situation in which Stanley has effectively been since mid-1982 is not conducive to giving the town a neat, tidy and clean appearance. Sadly too, some of Stanley's citizens appear from the surroundings of their houses and gardens to have little civic pride. The extent to which the Falkland Islands Government can keep Stanley tidy is severely limited by resources and ultimately the appearance of the town must depend largely on those who live there.


QUESTION NUMBER 17/86 BY THE HONOURABLE MRS NORMA EDWARDS

Would the Chief Executive consider, with the approval of Council, the appointment of a paid custodian of the Archives to ensure that documents stored therein are properly looked after?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Certainly it would be possible to consider this suggestion. I imagine that it would only be necessary for there to be a part-time appointment but perhaps the Honourable Member would like to make the case for it in more detail.

CONFIRMED THIS 1st DAY OF APRIL 1987.

A handwritten signature in black ink, appearing to be "G. J. ...", written in a cursive style.

GOVERNOR