



RECORD OF THE MEETING OF
THE LEGISLATIVE COUNCIL

held

26th April 1989

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 26TH APRIL 1989

PRESIDENT

His Excellency the Governor, Mr W H Fullerton

PRESENT MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr R Sampson)

The Honourable the Financial Secretary
(Mr J H Buckland-James)

Elected

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

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

The Honourable T S Betts
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Air Vice Marshall D O Crwys-Williams)

The Attorney General
(Mr D G Lang)

CLERK Mr P T King

PRAYERS Prayers were said by the Reverend J W G Hughes RAF

APOLOGIES were received from the Honourable C D Keenleyside and the Honourable Mrs C W Teggart

The President

Honourable Members, we have two principal items of business before us today: the Legislative Council (Privileges) Bill 1989 and a motion by the Honourable the Chief Executive on Seamount.

Before we begin I'd like to extend a warm welcome to both our new Financial Secretary, Mr John Buckland-James, and to the Chief Executive, Mr Ronnie Sampson himself, on the occasion of their first meeting of Legislative Council. It is a pleasure to have them with us. Both I know have impressed us with their enthusiasm and the interest they take in matters pertaining to the Falklands and both bring a wealth of experience which I am sure will be of great value to us all.

Honourable Members, the meeting is now open.

THE LEGISLATIVE COUNCIL (PRIVILEGES) BILL 1989

The Honourable The Chief Executive

Your Excellency, this Bill is the Legislative Council (Privileges) Bill 1989. It has been brought forward because no legislation has been enacted providing for the privileges, immunities and powers of the Legislative Council and such legislation would, in any case, be urgently required. The enactment of such legislation has been given a special imperative by the desire of Councillors publicly to debate the Seamount report and for it to be published. This Bill entitled the Legislative Council (Privileges) Bill 1989 has been drafted as in the title. I therefore beg to move the first reading of the Bill.

The Bill was then read a first and second time. At the Committee Stage the Attorney General proposed an amendment, which had been approved in Executive Council on 25th April, which substituted the following for Clause 2 of the Bill:

The Attorney General

Your Excellency, I wonder before the Council considers the Bill in detail, if I might ask that Clause 2 of the Bill be amended to read as follows:

"In this Ordinance - "a Member of the Legislative Council" includes the Governor or other person presiding at a meeting of the Legislative Council, the Commander British Forces and the Attorney General; and

"repetition" means a repetition other than in the Legislative Council or before any Committee of that Council."

The effect of course, Honourable Members, will be to define what the word "repetition" means in Clause 3

of the Bill.

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

MOTION BY THE HONOURABLE THE CHIEF EXECUTIVE

"That the Report to His Excellency the Governor into the affairs of Seamount Limited, so soon as a copy of it is received by the Clerk, be published with the authority of this Council."

The Honourable the Chief Executive

Your Excellency, It is contemplated that a copy of the Seamount inquiry report, when it is received by you, will be passed to the Clerk of the Legislative Council because an undertaking was given by your predecessor that the Report might be debated by the Council. It will be necessary for that report to be printed, which may be printing in a traditional form or other copying for Members to be able to read it. It is suggested that it is necessary to avoid delay that the necessary resolution should be passed before the Report is received so that there is no delay and the Report can be debated at the budget session of the Legislative Council. That is why this will require a resolution to be passed at this Legislative Council meeting as was the Bill that has just gone through its formal reading.

The Honourable L G Blake OBE JP

I'd just like to clarify one thing in the introduction. The Honourable the Chief Executive said that when the Report is received by the Clerk it will be copied and circulated to Council for later debate in the budget session of the Legislature. As I read the Motion, Sir, it is that the Report will be published, which means that at that point it is for public information also. Could he confirm that that is the intention?

The Honourable the Chief Executive

That is the intention. I am sorry if I accidentally mislead you, Sir.

The Honourable the Chief Executive

Your Excellency, mercifully it is a very easy subject for me to sum up. There is complete agreement on this matter. I think it is, if there were something that I had to choose to introduce for a first introduction, this matter of being involved in privilege being brought as part of the Government's new responsibility is perhaps one of the most interesting and is one that shows that democracy has reached a very mature stage here in the Falkland Islands and I think the fact that it is going to be exercised in having a full and detailed examination of the Seamount affair in every way is a useful exercise. Thank you Sir.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

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

The President

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

The Honourable A T Blake

Your Excellency, Honourable Members. I don't want to delay the meeting very long, I would just like to sincerely welcome to this House the new Chief Executive, Mr Sampson, and sincerely hope that we are going to work and run the country together in the spirit in which things have started. I would also express my delight in seeing the return to the Colony of Mr Mike Summers and his wife, and Mr Graham Gleadell. I think that the trend that we are setting, as we develop, is a very worthwhile one and I welcome them very warmly back to the Islands. Sir, that is all I have to say.

The Honourable J E Cheek

Your Excellency, Honourable Members. I'd like to second the welcomes already given by the Councillor for Camp, Mr A T Blake. I'm not sure if my memory serves me right but this is probably the first meeting since the Financial Secretary arrived and I'd also like to extend a welcome to him. I am sure that with Mr Blake it was just a slight loss of memory there and no discourtesy was meant.

The Bill, the reason why we came here this afternoon, was very short but I think it was very important and I hope it will, in the minds of those who have doubts about how we treat the Seamount affair, set their minds at rest and that we do mean business. We, if it is necessary, will dig into and discuss every point of that matter, no matter how distasteful it might be.

I know we are going to meet again in the next few weeks at the budget session, but I would like to mention one or two things regarding the main department I have an interest in which is Education. I'm doing this because I know there is considerable concern at the moment over one or two things. Firstly over whether our new Senior School will go ahead. I know I can assure people that a Senior School will go ahead. What is in doubt at the moment is a matter of timing. People may have heard that this coming financial year we're not quite as rich as some people may have thought. All I can say personally is that I will be doing all I can to ensure that any delays, if there are any, and I will try and see that there aren't any delays in the building of a new Senior School, will be kept to an absolute minimum.

The other thing that is causing concern amongst some parents is the matter of the Camp sports holiday. As far as I'm aware there is at the moment....Councillors are at the moment not considering

either abolishing or not considering abolishing the Camp sports. I know there is concern in Stanley that the Camp sports holiday severely disrupts the childrens' education. I will not comment on that at the moment, but the matter has been raised and the concern is felt by parents in Stanley, not necessarily, and certainly wasn't raised by Legislative Council Members. What the outcome of their concern will be I don't know.

Just one thing I would like to correct. I think it was in the Penguin News shortly before it closed, someone was talking about the Camp sports holiday as being a long-held tradition in the Islands. When this year's Camp sports holiday was given that was the third time in two years. I'd hardly call two years a long held tradition but I hope I set peoples minds at rest when I say at the moment no one is contemplating abolishing that holiday. At least no one in Government is contemplating abolishing that holiday. Sir, I support the Motion.

The Honourable R M Lee

Your Excellency, in rising to support the Motion, I'd just like to extend my welcome to all the newcomers. As Mr Blake said it is really gratifying to see Falkland Islanders returning to the Islands, especially those born and bred in Port Howard, I think that might be the case with two of the officials.

On the subject of the Bill, it is not for me to pre-empt the outcome of the inquiry but I think one thing that even now we can all be thankful for and that is that there's always a tiny bit of good comes out of evil and I think what we have learnt already from the Seamount Affair is to be much more cautious than we were being two years ago, and I'm optimistic that we've learnt a lesson that will carry us a long way in the future. I know it is a very expensive lesson and it is very little we can do about it at this stage, but there is always a tiny bit of good comes out of evil in my view.

I can't help but rise to the bait on the subject of the Camp sports. I'm not sure whether the Honourable Mr Cheek was trying to provoke me but there is a bit of conflict between his views and mine on this. I think sports, Camp sports, is a long-standing tradition and it does not disrupt childrens' education in my view - it is a very important part of their education to attend an event such as Camp sports in my view so I guess I am really making it public that I am at odds with Councillor Cheek on this issue and will fight to the bitter end to retain Camp sports. Sir, I support the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members. I too would like to support the words of Councillor A T Blake and Councillor Cheek in welcoming our new Chief Executive and our Financial Secretary plus the new head of FIDC and the head of the new "think tank" or whatever his job is, Graham Gleadell. I think this is good news for us all and I wholly support their kind words and I am sure for the remainder of this Council we will enjoy working together.

I have just one other thing to add, Sir. It has been a very busy summer for everybody but I hope that now the days are shortening, and hopefully the work load decreasing a little, we will see you, Sir, in Camp a little more than we have to date. People are looking forward to meeting you and I hope that they will have the chance shortly. Sir, I beg to support the Motion.

The Honourable E M Goss MBE

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment, I too welcome our new Financial Secretary at the end of the round Table, or the oval, and our new Chief Executive. I know this is their first Council session with us and I hope they don't get the idea that they will all be as short as this one, or perhaps as easy, but no doubt the story will unravel for them in May at our budget session.

When Councillor Cheek stood up and spoke about the Camp sports, or the abolition of Camp sports, I'm a bit confused, and I thought he was in support of it and at the end he said that no Legislative Council Member really was but anyway as the new Chairman of the Darwin Sports Association the parents on East Falkland and on West Falkland have my support as well as Councillor Lee's, and Councillor Lee and Councillor Goss are both members of the Education Committee so perhaps Mr Cheek won't find things too easy in that Committee.

I was expecting other important Bills to be on the Table today and I'll have to have a word with the Clerk of Councils after this session but I'll say no more on that, we'll leave that to a later date. Sir, I support the Motion.

The Honourable T S Betts

Your Excellency, Honourable Members. I too rise to support the Motion for Adjournment and welcome too the new Chief Executive, the new Financial Secretary, Mike Summers and his wife, and Graham. I look forward to the budget session where we will debate publicly the Seamount Affair and hopefully lay it to rest once and for all at a great cost it appears.

Four of we Councillors had a meeting, a public meeting that is, in the Town Hall a day or two ago and various issues of concern were raised by members of the public - not least Seamount being one of them. Education was also very much high on the agenda. I too support the Honourable Councillor for Stanley, Mr Cheek, our education system must never be subject to being delayed at catastrophes like Seamount. Education is vitally important to our children, as hopefully they will be the new leaders of our country.

There were other issues raised of course, not least questions on future subsidies. This was debated at length, and I think we, as Councillors, were made aware by the general public that attended that meeting that any form of subsidy could not be accepted in most areas although perhaps internally they are a little more palatable. One small thing but rather surprising I believe to the four Councillors that were at the meeting that night, was the

general public by and large were not able to be aware of what public expenditure had been planned last year. Nobody was able to pick up or read a copy of the Estimates. A small thing but rather an appalling thing to get wrong. Sir, I support the Motion for Adjournment.

The President

Any more people wishing to speak to the Motion? No. I think we can adjourn in a minute. Before we do so I'd just like to assure Councillor Blake it is my heartiest wish to get into Camp more. I have managed ten or twelve forays so far, each one has been most rewarding and a great pleasure but they are not as many as I would have liked and I will be working on it. Thank you very much. If there are no more speakers - the House stands adjourned thank you.

CONFIRMED THIS 10TH DAY OF JUNE 1989.

William F. Miller

GOVERNOR



RECORD OF THE MEETING OF
THE LEGISLATIVE COUNCIL

held

17th May 1989

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 17TH MAY 1989

PRESIDENT

His Honour the Acting Governor, Mr R Sampson

PRESENT MEMBERS

Ex-Officio

The Honourable the Financial Secretary
(Mr J H Buckland-James)

Elected

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

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

The Honourable T S Betts
(Elected Member for Stanley Constituency)

The Honourable Mrs Wendy Teggart
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Air Vice Marshall D O Crwys-Williams)

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(Mr D G Lang)

CLERK Mr P T King

PRAYERS Prayers were said by the Reverend Peter Mills

APOLOGIES were received from the Honourable C D Keenleyside

THE SUPPLEMENTARY APPROPRIATION-(1988-1989)(NO 3) BILL 1989

The Honourable the Financial Secretary

Your Honour, I beg to move the first reading of the Bill. This Bill seeks to allow the issue out of the Consolidated Fund an appropriation of £3,668,920 for the purposes of expenditure for the year 1988/89. In broad terms the analysis of this £3,668,920 will be for the purposes of funding, in part, the withdrawal from the Stanley Fisheries Limited exercise in the sum of £1,750,000, a further provision for sums anticipated to be incurred in the Seamount Inquiry expenses an amount of £100,000 and other sums as have been approved by the Standing Finance Committee during this financial year, in total £1,818,920: in total therefore a sum of £3,668,920.

The Bill was then read a first time. On the motion that it be read a second time the Honourable the Financial Secretary added a further statement and Honourable Members also spoke to the motion.

The Honourable the Financial Secretary

Your Honour, I beg to move that the Bill be read a second time. This Bill proposes, in accordance with Section 69 of the Constitution, to make it lawful for the Financial Secretary to withdraw additional sums from the Consolidated Fund as follows:

£1,750,000 for the further supplementary expenditure in connection with the withdrawal of Stanley Fisheries Ltd;

£100,000 for the further supplementary expenditure in connection with the Seamount Inquiry; and

£1,818,920 to cover supplementary expenditure approved by the Standing Finance Committee for the service of the 1988-1989 financial year, but not covered by the two previous Supplementary Appropriation (1988-1989) Ordinances. The Standing Finance Committee approved the supplementary expenditure at their previous meetings:

	£
On the 19.10.88	50,000
On the 13.12.88	216,580
On the 25.01.89	184,150
On the 08.03.89	420,700
On the 26.04.89	947,490

	£1,818,920
	=====

The Honourable J.E. Cheek

Your Honour, Honourable Members, just a brief comment. I'm sure the public are expecting something to be said. I am satisfied at the moment that the monies required for us to withdraw from Stanley Fisheries Limited are perfectly acceptable.

One thing I must say is that both Councillors and the public in general look forward to the day when we will receive a balance sheet of how much the whole Stanley Fisheries exercise has cost us. I think that figure is probably becoming now somewhere between £25m and £30m. More importantly, how much the Falkland Islands Government will actually receive either in cash or in hardware assets at the end of the day. I look forward to that.

The other thing, I think, is worth saying is that as we move into the Budget Session in a few weeks time, I think we will all be saying, those of us who are on Council at the moment, that hopefully next year there will be no Supplementary Appropriations such as there have been this year. I only hope those who are elected next year ensure that there is no such appropriation and that we can go through the whole year with the Budget as envisaged. Thank you, Sir.

The Honourable T.S. Betts

Your Honour, Honourable Members, I too would like to comment on the aspect of Stanley Fisheries and perhaps repeat a little bit of what the Honourable Member for Stanley has already said. I as a member of this Council find no problem in supporting the decision to wind-up a beast such as Stanley Fisheries. I know that it was put together when the Joint Ventures were put together, at the time for what was felt to be in the best interests of putting operating businesses together in the best interests of the Islands and the people that live within them. I think perhaps with hind sight more of us would disagree with that decision now than are for it.

Be that as it may, I am conscious of the fact that being a Councillor and representing, unfortunately, just people in Stanley because the Constitution tells me I shouldn't represent others, and that after Seamount the £2m already approved in this House to spend on Seamount, and a possible further £8m making £10m on Stanley Fisheries itself, here today we're passing £1.7m. It's likely to cost perhaps a little bit more, perhaps £3m but if you consider the monies lost to the Treasury over two years, £9m in one and £16m probably in another, it brings you close to the figure that the Honourable Member for Stanley talks of and that is £25m. I'm sure that the Treasury and my colleagues in Standing Finance Committee would have liked to have been making the decisions on what and where we would have been spending that amount of monies. I support the motion.

The Honourable R.M. Lee

Your Honour, Honourable Members, I rise to agree with most things which have been said, but I'm not quite as pessimistic as some about the monies that have been spent on Stanley Fisheries. We have some assets which no doubt their worth will be calculated and we will hear about those so the money we're talking about, £25m, is not all completely lost and we also gained a wealth of experience. I still believe it's a very expensive lesson we've learned but we had to learn it at some time and maybe in ten year's time we'll look back and say: "Well, it was all worth it".

I agree with the Honourable John Cheek that next year we ought to

be aiming at getting the Budget right. We started off with £28m and now it's about £40m, but it's been a very interesting year with many demands on the extra cash we've earned and no doubt whoever the next Council are will be put under just as much pressure as we've been to spend that little bit extra. I wish to support the motion.

The Honourable A. T. Blake

Your Honour, I rise to support the Bill and I think if we can, just for the process of this particular Bill divorce ourselves from Seamount and just look at the SFL element in itself. If we hadn't tried to dissolve SFL, we would have been losing £8m/9m a year anyway. We knew jolly well when we made the decision to do away with Stanley Fisheries Limited that it was going to cost us money. In this particular financial year and probably for a certain amount of next financial year we will be using some of the extra income we have earned by closing it down, to solve the problem. I think if one bears this in mind, the £1.7m and whatever we appropriate to this business for the next financial year, it doesn't look quite so serious. If we hadn't dissolved Stanley Fisheries we would have been short of that money for ever and a day. Not that I want to get into the arguments about how Stanley Fisheries came into being or what have you, or what happened to it in the intervening period is irrelevant.

The fact of the matter is we knew jolly well when we wanted to close down Stanley Fisheries that it was going to cost us money and in actual fact this money is back to back with income we are getting by closing it down. I wish to support the motion, Sir.

The Bill was then read a second time.

The President

I declare the Council to be in Committee.

The Attorney General

Your Honour, may I, before the Council proceeds to consider Clause 2, ask Council's tolerance and agreement to amending the title of the Bill so as to delete the words in brackets "(No. 3)" in Clause 1. While it is in fact the third Supplementary Appropriation Bill in relation to the financial year, it is of course, the first Supplementary Appropriation Bill during this calendar year in relation to that financial year so the "(No. 3)" is inappropriate.

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

THE SUPPLEMENTARY APPROPRIATION (AMENDMENT) BILL 1989

The Honourable E.M. Goss MBE

Your Honour, in standing to introduce this Bill to undo the unsavoury amendment to the Agricultural Grants Scheme made in this House on the 12th December 1988, which was received in the Camp with dismay and horror; it staggered most of my constituents to learn that the Falkland Islands legislative body could be so divided on such important home affairs.

Legislation on internal matters that divide and discriminate is not good news and this was another wedge between Camp and Stanley. I am now addressing, not only these Chambers, but for the listeners out there, that this Bill was created by their elected Government or part of it. I have been given wide support to move that all efforts are made to repeal the Section 6 amendment to the Supplementary Appropriation Ordinance (No. 2) 1988. Support from the Falkland Islands Sheep Owners' Association, the new and infant Farmers' Association, from individuals in the Camp and also from folk in Stanley, and feelings on this particular amendment run very high. I was not present at the March, 21st Farmers' Open Day but I understand a vociferous debate took place that evening in the Town Hall Refreshment Room. To me the reaction of the farming community as reported indicates the strong support we have to have that amendment undone. The Farmers' Open Day highlighted the strong reaction to discriminate against the large farms. This support was welcomed by our workers who have been reduced to second class citizens in their own country.

I do hope Stanley Councillors have seen the error of their ways and will support that Section 6 of the Supplementary Appropriation (Amendment) Ordinance (No. 2) 1988 is repealed.

Now before anyone stands to support me or speak against my Bill, I ask them first to consider why they were elected and who do they speak for. I feel I am here to speak fairly for the interests of all Falkland Islanders and for all those who make up our community. Whether the subject be farming, fishing, tax, education, medical care, to do this fairly I must set aside my own gripes, grudges or personal interests just as was mentioned in our prayers opening this Session. I ask them to stop and think and when they speak they do it plainly acting in the interests of all in general. I know at this late stage of the year it is too late to win anything from it, but the principle that is niggling the people in the Camp is the one at stake today, and I ask that be considered in the interests of all. Sir, I beg to move the first reading of the Bill.

The Bill was then read a first time. On the motion that it be read a second time Honourable Members spoke as follows:

The Honourable J.E. Cheek

Your Honour, Honourable Members, I would prefer not to have to stand up and object to this Bill but I feel I have no other course but to do so. I think that was made probably more plain by the proposer than anyone else when he said that we were elected to represent the people of the Islands, and it's

precisely for that reason that I cannot support the Bill.

I am saddened that it is said that those of us, principally myself, who proposed the original Bill which disallowed other than Falkland Islanders from receiving such grants, who own farms, who say that we were splitting the farming community in Camp and Stanley. That is not so. I would object and have objected in this Council to fishing companies who are not owned within the Islands, receiving such a grant, and as long as I am a Councillor I will object to anyone, no matter what business they are in, receiving grants unless they belong to the Islands and I think in doing so, I am doing what I was elected to do.

I quoted, originally, Shackleton when I brought up the first Bill which someone is now trying to repeal. Shackleton said that in a five year period 1970 to 1974, one company, the Falkland Islands Company, distributed 96% of its profits after tax, and another nine companies, and he doesn't differentiate I must admit between locally owned and absentee owned, but he does say including most of the larger companies and almost all of those were absentee owned, distributed 59%. Things may have changed since then of course, and in fact they have changed with most of those other nine companies because most of them are now subdivided and they are owned by local companies and they rightly so can now receive grants. I tried to find out what the Falkland Islands Company are doing in the way of profits now. For some reason they haven't declared any of their company accounts since 1980.

Why the Falkland Islands Government have not taken them to task for so not doing I don't know, but by going through the Falkland Islands Government Office in London I have managed to receive their accounts for the last five years. Their profits from 1982 were just under £1m, to about £1.333,000 almost every year thereafter including 1987, and dividends in most years between, let's be generous, are down almost as low as a third of a million up to just under half a million, apart from 1987 when they didn't declare any dividends...they had a nice handsome profit but they put that into reserves.

Most years over the last seven years I have been going to the United Nations and saying: "no, we are not treated as a colony any more, Britain didn't recover the Islands for its own financial benefit", and I believed that. If grants are paid like this to absentee landlords in farming, owners of fishing companies, if they are not Falkland Island owned, that makes a liar of me. And I believe we will be seen as some people still believe that we are still one of the nasty old colonies and so that people in Britain can make a fair bit of money out of us.

One other interesting point is that if absentee owned companies are eligible for grants I suspect that that means that Falkland Island companies, people that I represent, or the farming community represents, more truthfully, will receive a cut in grants of around a third. Maybe that's what they want. I don't think its right personally. So those are my main reasons, one of principle that it is wrong for us representing the people of the Islands to give money away to outsiders. I could go on and say some fairly nasty things and I have been fairly outspoken. I've put the nub of what I feel is the most important part of this argument. Sir, I cannot support this motion.

The Honourable R.M. Lee

Your Honour, Honourable Members, I rise to support this motion but I would prefer that it wasn't here. I don't think we are doing ourselves any favours at all by standing here today debating this principle. I think there is a better time and place later in the year to do this, but I do support the Bill because I supported the principle of subsidies being paid to large companies when it was debated a few months ago and I don't intend to change my course on that, but I must say that I would rather this whole debate didn't take place at this particular time because I don't really think we are going to achieve our aims; and our aims should be for the better development of agriculture. We should lay aside all other conflicts and get on with the job of developing the land we are so lucky to own.

My view is that if the majority of the agricultural industry feel that all land should be locally owned then we should do something about it, we should compulsory purchase it or do something but this is not the way to achieve that aim if that is the aim of the majority of people in agriculture. The aim at this time must be, having seen some of the figures produced on the Falkland Island Company's trading, they have a large reserve of £4m or so, the aim must be to try and attract that money back into the Islands and I think by offering grants, lets not forget that we are not giving this money away, if you qualify for a £50,000 grant you have to match that, at least pound for pound. If the costings are done properly to the last penny, you match it by much more than by pound for pound.

So the whole aim of this scheme is to attract investment into the land and if we debar people like the Falkland Island Company from taking advantage of the scheme, they are unlikely to take the reserve which is probably invested in stocks and shares and invest it in the Falklands. No businessman would do that and he is going to lose money. If we can make it attractive enough, I believe that they will do that for the good of agriculture. As for debarring all overseas companies from taking advantage of grants, I do not believe the time is right to do that either, I believe it is a little bit like biting the hand that feeds us. I know we want to eventually run our own affairs and be financially independent of everyone but this is not the time, just because we are coming into some money this is not the time to kick everyone out and do it ourselves. We still depend a lot on British companies and we depend a lot on the British public and if we start standing up at the UN and condemning the fact that we are a colony, I do not think that will do us any favours at all. So I rise to support the Bill with the proviso that personally I wish it had not been tabled in the first place.

The Honourable T.S. Betts

Your Honour, Honourable Members, I rise to oppose the motion. I was very interested in the last speaker, at times I was not quite clear whether he was on the side of the proposer or on the side of opposing it. May I also have on record in this House that I fully applaud Councillor Cheek in what he had to say on opposing the motion. He made a great deal of sense. I think it is the principle we must deal with whether we want to or not and I cannot support, in principle, offering Islanders' money to people

who have, in my opinion, no long term commitment to this place with their own capital and are dearly looking forward to increasing or improving the ways in which they can increase the amount that they put away from here.

The Honourable Member from Camp says that the grants really are an issue or should be for improving the pasture of the land, improving the industry. I ask in this House today is it right for we who represent people in these Islands today, to offer taxpayers' money to people who operate a business to improve their pasture and their industry to improve the profits which they can stick away in a Bank in London.

The proposer has spoken about workers in a particular area of the industry becoming second-class citizens. I think those workers could claim to have been second-class citizens for near 100 years and, quite frankly, I do not see their lot being improved. I say that from first hand knowledge, I spent several years as Chairman of the General Employers' Union, and year after year after year my biggest problem was trying to improve the living and working conditions of people who worked and lived in the agricultural environment and every year the major stumbling block to improving those living, pay and working conditions were the people that I am opposed to putting grants into pockets to today.

When you look at hard facts like cash and a piece of paper that can be presented to you and if you care to nose around and have friends perhaps in the UK because you cannot find the information here in the Falklands, I can put two important aspects together. Since the war an absentee landowner has never made less than half a million pounds profit on ordinary activities after, I repeat, after taxation and increasingly on fewer and fewer islanders' backs. The labour force being something in the region of 213 in 1982, down to 190 in 1987 and still decreasing. With the labour force decreasing profits after taxation are rapidly increasing.

A grant as far as I can make out is something which you provide to somebody to assist them in operating what is seen to be a sensible, viable thing if they are short of capital. Now I do not see the problem in offering grants to members of the agricultural community who are short of capital and need it to improve their pasture, to find a labour force to take off the wool and there are three members around this Table today who are in that business, who are more than happy to know that they are getting grants to enable them to improve their business. I cannot support and will not support giving grants to people who are absentee. I oppose the motion.

The Honourable L.G. Blake OBE JP

Your Honour, Honourable Members, I seconded this motion and I therefore support it and I seconded the motion and support it for two reasons. Two principles which I believe these Islands support. One is that we need outside capital investment and the other is that we need investment in agriculture. The Honourable Member for Stanley, Councillor Cheek, has very carefully told us what the Falkland Island Company made, or what their profit levels are, and these are being actually supported

by Councillor Betts, but I think most of those profits were probably made, because I have experience of the profitability of a farming company, were made not in the agricultural industry but outside, possibly in competition with Honourable Members.

However, if one accepts that we need investment in agriculture and this surely was the reason behind the Agricultural Grants Scheme, then we have to support the amendment. A very good reason for supporting that amendment is the desire in Camp and I think in this House generally, to see a balanced community, a balanced rural community. There are, in my estimate, a maximum of 40 employed jobs outside the Falkland Islands Company in Camp. There are in excess of 40 people in Camp who wish to continue to be employed and not to either become a member of the housing list or a pensioner just.

It would be perfectly feasible for the Falkland Islands Company to cast off its agricultural enterprises without any major loss in profit, but one disadvantage to them I would believe is the sight in their balance sheet of the value of land which carries a bigger message to people overseas than it does in the Falklands. So they are quite happy to continue to support what is basically a loss making-section of their enterprises here, and I say this in all seriousness in that I have seen our own accounts, and I do not believe we were very much worse at the job of running a large farm than anybody else, and as a result of the economics of agriculture, we now have, as I say, probably 40 possible jobs outside the Falkland Islands Company and if you cut Pebble Island off the list, then you can knock 5 of those off.

There are, I'm not sure of the Port Howard numbers, perhaps 24 jobs available in West Falkland which would leave us 16 perhaps between Salvador and the North Camp, but I believe that it is necessary to develop agriculture and I believe that it is necessary to develop agriculture through the Islands and therefore that is my main reason for supporting this Bill. And I also believe, and in fact I know, that I have the support of the majority of the constituents in Camp and I would think if we could get the actual prejudice against the name, Falkland Islands Company, and much has been made to actually fog the issue, to show the profits of the Falkland Island Company and to foster that prejudice. If we could get away from actual prejudice I believe that we would have the majority in the Islands on the side of this Bill. Sir, I beg to support this motion.

The Honourable Mrs. C.W. Teggart

Your Honour, Honourable Members, I must rise also to object to this Bill. I am like the other Honourable Member who said that they found it rather unsavoury to be here once again debating the whole issue. It worries me slightly that perhaps in a few months time we might be here objecting to the amendment to the amendment to the amendment because just how long can this sort of thing go on.

My reasons for objecting are mainly because I am here to represent my constituents. Since our last discussion on the subject on the 12th December, I have talked quite long and quite hard with numbers of them and very, very few actually wanted to see absentee landlords profiting by gaining grants. The

Honourable Member for Camp, Mr. Lee, said that it wasn't as if we were giving them money but I found that rather hard to follow because in fact if, he quoted a figure of £50,000, indeed, if we are giving them a grant of £50,000 for every pound they put up then indeed we are giving them money and I believe the absentee landlords are in the better position to put up that sort of sum to improve their land than the smaller farmers. I did also say in this House on the 12th December that I would like to see the money involved being used to help smaller farmers who are making a practical and dedicated commitment to these islands. I have heard nothing in the intervening months to change that opinion and therefore I must object to this Bill.

The Honourable A.T. Blake

Your Honour, Honourable Members, I think it somewhat unfortunate that the first time this Bill was presented we didn't have a full Council to discuss it. I also think it rather unfortunate that we haven't got a full Council to discuss the amendment. I rather feel that the decisions of the first time may well have been somewhat different to what it was and I may also feel rather the same about this particular decision. The Honourable proposer talked about a wedge being formed between Councillors and I'm afraid by reintroducing the matter it is going to widen the gap. I don't think it is going to close the gap at all.

We are just in a tit for tat situation which I think is deplorable. We have had up until this stage in this particular Government, a very unified Council on most matters and I've seen Camp Councillors come out very strongly in favour of things to do with Stanley and vice versa. I've even seen this Council getting on exceedingly well with the Foreign and Commonwealth Office, a thing which has been somewhat alien to other Governments and particularly perhaps even to the earlier stages of this one and I welcome such associations. This Bill whether we like it or not is splitting Council right down the middle. We are just going into a Budget Session and we are going to go into a Budget Session with a divided Council. I can't think of anything worse. I would ask who this particular amendment is in the interests of. Is it in the interests of the Islands at this particular stage, bringing it at this particular stage, is it in the interests of the Islands? I have a tendency to think not.

I'm aware that perhaps all eyes are on me, certainly there were suggestions that the vote may well have changed had I been at the last meeting and I'm quite aware of this probably making theatrical use of the situation, but we are in danger of having a divided Council and the danger of a divided Council is that somebody else can rule it and that is the thing which worries me more than anything else. There are a number of things said over the Table which I do not wish to comment on, but I can see no benefit to those farms who are being denied use of this money by the amendment. I'm not talking about just the Falkland Island Company; it would not be fair to disassociate the other companies and there are two. So at this stage of the year we are dividing Council on a matter of principle, we are not actually getting any benefit to those people at all because there is no way in the time limits within this year that those people are going to be able to draw down funds on that money at all.

So I find myself in a very difficult situation and basically I have to make a decision one way or another. Having taken into consideration what I consider to be a very stable period of Government, I am not prepared to vote in the manner which will destroy it. I would not be voting if I voted against the Bill against the right of those people to have access to the money at this stage. I would be voting for what I consider to be best for the Islands and that is a unified and coherent Council and I am afraid that as the Honourable Member does not feel obliged to withdraw the motion at this stage, I shall have to vote in the manner which I think is best for the Islands and that will be against the Bill. Thank you Sir.

The President then asked the Honourable E M Goss MBE if he wished to withdraw the Bill

The Honourable E.M. Goss

Your Honour, Honourable Members, I have no wish to withdraw this Bill. If this Council was divided as the last speaker thinks it is today, it was divided on the 12th December on this subject and the amendment introduced that day to this Bill we debate today, was the wedge which was put in and it was, if you remember, because of the interest it aroused, the most controversial Bill that has ever been debated in this Council this year. Not a lot of money involved in it but a big, big principle and I am not going to withdraw the Bill. If we are having a vote and we go down, we go down in history. If our Constitution allows such things when we are never all here at meetings or we cannot present the Bill when we want to present it, then it needs looking at. I first moved to have this Bill brought onto this Table in January. It took some weeks to set in motion, eventually it was all tidied up in February and I asked for the earliest opportunity. At the last Legislative Council was the first opportunity it could have been on the Order Paper; a week ago it was not. I know the horse has bolted, its too late for us now to enjoy the privileges of these grants this year, and it will come up again, but the whole subject as far as the Camp constituency is concerned had to be aired, whether it was a good thing or a bad thing, it had to be aired and aired it has been. Sir, I wish the Bill to continue in its debate if that's the usual thing that happens now.

The Clerk

If we can confirm the voting...from the speeches made I have a record in favour of the Bill: the Honourable E M Goss MBE, the Honourable L G Blake OBE JP and the Honourable R M Lee; and against the Bill: the Honourable J E Cheek, the Honourable T S Betts, the Honourable Mrs C W Teggart and the Honourable A T Blake. Therefore the Bill must be lost.

There was no disagreement to the statement made by the Clerk.

MOTION FOR ADJOURNMENT

The Honourable the Financial Secretary

Your Honour, 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 A T Blake

Your Honour, I just wish to say a few words. With particular respect to the last Bill. A disappointment though it must be to the Honourable Mr. Goss because I know he has put a lot of work into it, the matter is far from dead. The matter will continue to be discussed and it will be discussed in a more appropriate place and so, Your Honour.....(background noise)..... the Honourable Members are obviously trying to make it very difficult for me at this particular stage. I have tried to be as fair as I possibly can and as I have said the matter will be discussed further, the matter is far from dead, if they want me to continue voting in the same way I suggest they just continue doing what they want to do. I have not done it without their interests at heart. That is all I have to say, Sir.

The President

Do any more people wish to speak to the Motion? No? That being the case the House stands adjourned sine die.

CONFIRMED THIS 10TH DAY OF JUNE 1989

William Fuller

GOVERNOR.



RECORD OF THE MEETING OF
THE LEGISLATIVE COUNCIL

held

12th and 16th June 1989

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON 12 & 16 JUNE 1989

PRESIDENT

His Excellency the Governor, Mr W H Fullerton

PRESENT MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr R Sampson)

The Honourable the Financial Secretary
(Mr J H Buckland-James)

Elected

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

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

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

The Honourable J E Cheek (16 June only)
(Elected member for Stanley Constituency)

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

The Honourable T S Betts
(Elected Member for Stanley Constituency)

The Honourable Mrs C W Teggart
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Air Vice Marshall D O Crwys-Williams)

The Attorney General
(Mr D G Lang)

CLERK Mr P T King (12 June)

ACTING CLERK Mr S P M Goss (16 June)

PRAYERS Prayers were said by the the Reverend Peter Mills

APOLOGIES were received from the Honourable C D Keenleyside

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Honourable Members

There are always people when one is about to set off abroad, usually those who have not been to the place in question, who are ready to tell you of its disadvantages. There were therefore, unsurprisingly, some who said on hearing that I was coming to these Islands, that there would be nothing much to do. This did not depress me unduly; I doubted it, but even if true, I would enjoy Island life and thought that I could then catch up on the books I had been meaning to read, sort out the photographs I had not sorted out and catch up on 101 other things in the spare time to be so freely available. It will not surprise you to hear that the books remain unread and the photographs unsorted. My first 8 months have been indeed a busy, stimulating and challenging period. Never has it been dull. In this address I will hope to give some impression of the wide extent of Government activity in the Islands.

There has been quite a turn around in the participants of the Budget Session. This is the first for me, for the Commander British Forces, the Chief Executive and the Financial Secretary. Sadly it will also be the last session for Air Vice Marshal Crwys-Williams as we shall have to say goodbye to him and Mrs Crwys-Williams in August. It is not of course a new experience for the Honourable Members, the Attorney General and the Clerk of Councils. I hope that the old hands will tolerate any lack of experience in the Budget Session in the new.

Before I review the various aspects of the work of Government, I should like to pay tribute to all who have to do with it. Firstly to the Elected Councillors, all busy people with their own careers and business affairs to manage, who generously undertake the ever more complex, difficult, time consuming and always unpaid work of Public Service; to the Chief Executive who must draw together and administer the work of the Government as a whole, to the Attorney General who has to provide the legal framework for it all and the Financial Secretary, always a key figure, who at this particular debate comes of course very much into his own. The load borne by all of them is a heavy one. I also wish to include of course those at all levels of the administration itself, Heads of Department and their staffs, who have to carry forward the work - and there is a great deal of it - of Government often under difficult circumstances and with limited resources. The Government machine cannot satisfy all the people all the time - there are too many constraints on it - but it works and usually works well.

This being the Budget Session I propose to lead off with a review of the work of the Treasury. The Department functions under pressure from the growing activity within the Islands' economy. Staffing levels have been increased and computerisation after its initial settling in will help. Recruitment continues to be difficult. The policy of trying to fill vacancies from the local labour pool will continue.

The income tax section has seen the implementation of limited PAYE, or "payment on account of tax system" in 1988. Most employers reacted positively and it is thanks to their cooperation that the system was introduced so smoothly. The PAYE system does not eliminate the requirement for individual assessments; the Tax Office are now engaged in assessing companies and individuals on

income accrued during 1988. As an indicator of our economic growth, the total tax paid in 1979 amounted to £336,990; in 1989/90 estimated tax amounts to £2,150,000.

The Government Central Store acquired a new supplies officer in August. The store's accounting systems are being computerised and investigations carried out to introduce a central purchasing system. Potential savings to be achieved from this are considerable and the development of the system is being undertaken urgently.

On the financial side, revenue received during the 1987/88 financial year was £32.7m compared to revenue in 1988/89 of £40.2m. An increase of £7.5m. Operating costs continue to rise.

Expenditure for 1987/88 including Fund Transfers amounted to £15.5m. In 1988/89 expenditure will amount to £20.76m. Care will have to be taken to avoid over commitment of resources in the provision of services, and value for money in public expenditure is something we will pursue with vigour.

Where development expenditure is concerned, the provision of an improved social and physical infrastructure continues to attract a major element of our resources. The expenditure on development for 1988/89 will amount to almost £10.6m. Major projects included in this figure are the new Telecommunications system at £2.6m; £2.25m for housing and £1.25m for the construction of the swimming pool. This compared with the 1984/85 development expenditure of £400,000 provides another graphic indicator of the substantial growth of the economy.

Peat Marwick McLintock have indicated that the costs of winding up Stanley Fisheries will be considerable. An amount of £8m has been set aside for this which means that unfortunately any sum going to the reserves this year will be less than normally desirable though, depending on decisions Councillors will now be taking, it may be possible to put up to £3m aside for that purpose. I hope that with prudent management we need not, the SFL withdrawal notwithstanding, unduly delay the start of any major project now before us.

As Honourable Members will know we now expect Mr Boyd's report on Seamount in July and to publish and debate it in August.

Honourable Members I should like to turn to the Fishery Department which is now so much the predominant earner of our income. We are estimating income from this source for the budget in question at £29m. 1989 has been a good year in terms of catch, especially for Loligo. The Government have determinedly followed a course of prudent management and conservation within the FICZ and continue to take the valuable advice on this provided by the RRAG in London. This policy seems well appreciated by the fishing industry. A useful degree of self restraint was obtained by the Fishery Department from fleets operating in the North where the level of Illex required some attention in the early part of the year, and it is with conservation in mind that the Department has brought forward the closure of the first season Loligo fishery by 20 days with effect from midnight on 9 June. They regret the need for this but it is better to risk being over cautious than the reverse.

The Department are currently studying ways in which the allocation of licences may be further rationalised. It will remain the concern of Government to adopt a fair and well regulated system; it is always difficult when the number of applicants outnumber the available licences by about 4 to 1.

The establishment of the Fisheries Department in permanent offices on FIPASS last May has enabled it to consolidate and expand during the past year.

The Department has developed and refined its computer capabilities for the handling of scientific data and the processing of licence applications and vessel movement reports. The new computer network system is functioning well, and, with additional staff, has increased the speed and efficiency of data processing, which is important in the continuous assessment of the fish stocks.

A significant development in the Department's role has been the establishment of a 24 hour radio watch during the high season, providing more effective monitoring of vessel movements in Berkeley Sound and a quicker response to any medical and other emergencies involving fishing vessels within the zone. A number of navigation lights and beacons have been installed to provide improved facilities for vessels using Berkeley Sound, Port William and Port Stanley.

As a result of the lessons learnt from policing the zone in the first two years of its operation the Department has adopted more effective tactics for the detection and deterrence of illegal fishing activity. Two arrests were made this year for illegal fishing and successful prosecutions brought against the vessels concerned. Greater attention has also been given to the enforcement of the Regulations concerning the all important maintenance of catch records by licensed fishing vessels.

The two patrol vessels and the Dornier aircraft have maintained a high level of serviceability, despite often having to operate in adverse conditions.

The research fishing capability of the Falklands Right was used extensively during the second season of 1988, when the requirement for active patrolling was reduced; this has proved of considerable benefit to the Department's scientific programme. The Department has participated in and cooperated with a number of research projects which are adding to the growing body of scientific knowledge of the fishery.

In March the Department published a report on the first two year's operation of the FICZ, which was well received. It is intended that this should be followed by subsequent annual reports.

I should like in conclusion to pay tribute to the most valuable work done by Alastair Cameron who took over as Director of Fisheries earlier in the year, and in the context of licence allocations particularly, to mention also the important contribution made by Mr Lewis Clifton in London.

CUSTOMS AND EXCISE

This has inevitably been a busy year for our Customs Officer and Harbour Master, Mr Halliday, and his staff who have coped well

with ever more activity in the Port - in the last year 1589 vessels have entered and cleared - and also at MPA. Work continues to collect outstanding harbour dues, always a difficult task.

Honourable Members,

The other important mainstay of the Island's economy is of course agriculture. Here too the year has been a good one in terms of production and wool prices. It is the Government's view that this most important sector, so much in its way the essence of the Falklands, should be maintained and encouraged. Subdivision in which the Department plays a major role in ownership transfer and allocation of stock, stores and equipment has gone on apace and is working well. The only large property currently awaiting division is Port San Carlos which has already been bought by the Government. Proposals for a Government farm will follow Race Point section has been reserved for Government use.

I should like to express my admiration for the tenacity, hard work and spirit of those setting out on new farming ventures of their own. It is a hard life but a rewarding one. I wish them all well.

Farmers continue to get invaluable support from Owen Summers and Ian Dickson and their staffs at ARC. Research into such things as the better production of grass and wool goes ahead. The Department has been particularly active in the Artificial Insemination Breeding Scheme. 53 farms out of a possible 86 took part; 365 ewes were inseminated.

FIDC

The FIDC is nearly 5 years old. I know that it has at times been somewhat controversial; it has had its successes and its failures as most organisations of development and change do. But it is I am sure a most important and fundamental element in the Island's structure. Agricultural grants in one form or another, administered wholly by FIDC, have been a pillar of agricultural development; the assistance FIDC has provided to small businesses and other ventures, such as the admirable Hydroponic Garden, and the training it has provided in various fields have all been, and are, essential ingredients in our economic development. An important FIDC offshoot, Tourism, has come on apace with the provision of comfortable facilities in the Islands and original yet workable holiday packages ably managed by Mr Graham Bound and his team. I have met many tourists of different nationalities. All seemed delighted with their holidays here. The visitors are a window on the world for us and present an opportunity for the reality of the Islands and their lifestyle to become widely known overseas. I am particularly pleased at the growth of the tourism market among those who live here. The numbers of those who enjoy Camp and wildlife and fishing are steadily increasing. The Services at MPA have proved to be good customers and we hope to see many more personnel from there enjoying what the Islands have to offer.

The present time for FIDC is one for consolidation and taking stock; improvements are being made in project management and financial control. Now that the ODA involvement is greatly reduced there will be even closer interest and involvement by FIG. FIG and FIDC will over the next year be jointly working through

the detailed implications of Prynne and devising a development plan for approval by Executive Council. FIDC will have a critical role in implementing much of this plan. I am confident that under the new General Manager Mr Mike Summers, who is soon to be joined by two Assistant General Managers, we shall have that combination on inventive and imaginative thinking and careful management which FIDC needs.

EDUCATION

Honourable Members,

I should like now to turn to education. Mrs Phyllis Rendell took over as Chief Education Officer in June last year and her enthusiasm for the subject has since made itself felt.

One of the first visits my wife and I made after our arrival here was to the Junior and Senior Schools and we were most impressed with the keen and lively atmosphere we found there and the obvious professionalism of Dr Burgess, Mrs Smith and their staffs. Education is a key factor in the life of the country here as elsewhere and the future of the Islands must depend on the way in which we bring up the children of today here and now. A sign of intent of the Government and the Islanders is of course the decision to build a new senior school and to build it not on minimal lines but to attach real importance to it and incorporate facilities for the community as a whole as well as for the school. I know that we are all looking forward to getting the work started and seeing this complex in our midst. An offshoot of this, the swimming pool, is going up even now and I think everyone is encouraged by the speed of its building.

In the Infant/Junior School numbers have steadily increased leading to the creation of a third infant class in 1988.

Shortage of staff and overcrowding were problems for the school in the 1988 school year. To overcome the immediate problems of having to house a class and special needs teaching in portakabins, the Department made plans for an extension to the school. Sadly the building has been delayed. We are trying to rectify this. In spite of restricted space the Infant/Junior School continues to provide a good standard of education with a varied curriculum and many extra activities. A remedial or special needs teacher is now in post.

Senior School. The opening of the Craft Design, Technology and Commerce block in 1988 has improved facilities considerably. The science laboratories have been successfully fitted out by the Public Works Department, doing much to encourage and motivate staff and pupils. GCSE and GCE 'O' Level results reflect the hard work and commitment of staff and pupils. Seven young people will be going to the United Kingdom for advanced studies this year. At present there are seven students at Peter Symonds Sixth Form College in Winchester in either the first or second year of their courses. Other school leavers have taken up apprenticeships or work in local offices and many attend day-release classes. The staff and pupils here continue to work in inadequate buildings restricting current curriculum development particularly for less able pupils.

Camp Education. Mr Fogerty was appointed Camp Education Supervisor in mid 1988 and leads an able team of teachers

dedicated to distance learning. Travelling teachers have been successfully recruited from New Zealand over the last 18 months; unfortunately recruitment from the United Kingdom has become less easy. Subdivision has increased the demand for travellers. Two metre radio lessons have expanded greatly with a development in link-up programmes. Radio conditions have been difficult for both pupils, parents and teachers at times, but it is hoped with the kind cooperation of the British Forces that coverage will improve with the installation of a two metre repeater at Mount Alice. The appointment of a computer/video teacher, Miss Robertson, was made this year with the aim of utilising technology in distance education in the Falklands.

Stanley School Hostel. Mr Gilding left the post of Head of Hostel in May 1988. The post was redesigned giving the head of the Senior School overall responsibility while Mrs McGill was appointed Deputy Head of Hostel. During the last year up to 56 children were cared for at any one time in the hostel. All the staff including houseparents, cooks and cleaners work to make the hostel a well-run, caring environment for Camp children. As the Falkland Islands Government has opted to centralise secondary education in Stanley, flexibility and an understanding of Camp life are vital for all those involved with the children.

POST AND TELECOMMUNICATIONS

Mr Stephenson took over as Superintendent in August last year. The postal services continue well under his care. The few complaints I have heard appear to have been the result of delays in the UK postal system rather than here. The Department have asked the Ministry of Defence whether with the introduction of the KC 1 aircraft we might have an air postal service. This would be most welcome.

PHILATELY

Revenue from Philatelic sales continues at a low ebb in line with world decline. Three commemorative sets were issued during the year, Geese, Lloyds of London and Whales. The new definitive "Cape Horners" brought out in late February is proving popular. The rapid expansion in computerisation of the Philatelic Bureau reveals that a larger computer will soon be needed. To boost sales and bring Falkland Islands stamps more into the limelight it is proposed that the Philatelic Bureau, which Mrs Phyllis Stewart continues ably to manage, should take a stand at "Stamp World 1990" to be held in Alexandra Palace, London, in May of that year.

TELECOMMUNICATIONS

A difficult year. Numerous potential subscribers could not be connected as there were no lines available. More longer term subscribers lost their phones as faults developed in old lines which could not be repaired. The Department hope that all will bear with them over the next few months until the new system being installed by Cable and Wireless is in operation. This is on schedule. We hope that Stanley should have the new system working by the end of October 1989 and that the whole country will be served by the end of March 1990.

One sad result of all this modernisation will be the fading out of the four and two metre bands which will no longer have the central

place in Camp communications, though the latter band will still remain in use. I wish to pay tribute to the sterling work of Mrs Eileen Vidal over so many years at the very centre of the system. She will certainly have her place in Falklands' history and I hope I can assure members that she will not cease to exist when the system changes as rashly alleged on the radio some months ago.

BROADCASTING

Sound radio broadcasting continued at much the same level as the previous year with the joint BFBS/FIBS service, the latter of course very capably run by Mr Patrick Watts, abetted by his team of helpers. The splitting of sport and general programmes on the medium wave and FM frequencies is an innovation which is proving popular. Also new is the introduction of TV to Stanley and a few areas of Camp which can also receive it. This too is proving very popular and I am grateful to the SSSC.

CIVIL AVIATION

The Civil Aviation Department ably overseen by Mr Gerald Cheek came into being as a separate department on 1 July 1988. FIGAS is now of course also a separate department. Stanley Airport together with 33 licensed air strips around the Islands forms the major part of the responsibilities of the Director. The resealing and remarking of Stanley Airport runway and apron was completed in April this year and much of the remaining outstanding refurbishment is being implemented; the furniture for the terminal building has been received. When the radio equipment arrives and is installed, the DCA and staff will move back into the control tower and office in the terminal building.

CAMP AIRSTRIPS

Most of the current financial year's allocation of funds for Camp airstrip improvements is being spent on new fire appliances for the scheduled service airfields and for the garages to house them. Material for airstrip markers has been bought and a quantity of plastic netting, an experiment for the stabilisation of those airstrips which become difficult or unusable in bad weather, obtained. If this proves successful, usage of airfields will increase, aircraft pay loads will be improved, wear on aircraft under-carriage will be reduced and safety will be enhanced. In addition to air crew and engineers' licences issued by the Department during the period, a new airfield licence in line with advice received from the UK Civil Aviation Authorities is to be issued to all airfield licensees to bring airfields into line with requirements for the Dependent Territories set by the UK Department of Transport. One of these conditions, and the one that affects Camp airfields the most, is the need to have two people manning the fire appliances during aircraft movements.

FIGAS

A mention of FIGAS under the direction of Mr Peter Milner. I should like to say that I have been most impressed by the skills of the FIGAS pilots and by the operation of the airline as a whole in my time here. The flying done by our pilots is a very real kind of flying indeed requiring a special sort of judgement and flair, with which fortunately for all of us they seem to be well endowed. We have sadly had to say goodbye recently to Mr Ian

McPhee and Mr Mike Goodwin but have been happy to welcome back Mr Andy Alsop as Chief Pilot. We would be hard put to do without the services of FIGAS in these Islands. During the year FIGAS attained its 40th birthday.

The airline began weekend flying on 19 November 1988 and as a result Stanley Airport was operational for 7 days a week until the 14 May this year when as a result of pilot shortage FIGAS had to revert to Monday to Friday flying. The new Islander aircraft Bravo Mike arrived in May to replace the stalwart Bravo Foxtrot which will be sold. In the 12 month period from May 1988 to the end of April 1989 Stanley airport handled 1784 aircraft movements.

After their last visit to the Islands earlier this year the CAA team from the UK gave FIGAS their approval for new operating standards and made special mention of the high level of maintenance and the sound condition of our aircraft.

FIGAS has been able to tighten its belt in finance and control. New tickets introduced late last year have meant better auditing procedures which provided a tighter grip on outstanding revenue. The opening of monthly accounts with major companies and better follow-up procedures have improved FIGAS accounting.

THE FALKLAND ISLANDS GOVERNMENT OFFICE IN LONDON

FIGO business is still conducted from the same small office in London with the same number of staff as it was six years ago. The changed financial climate in the Islands coupled with their rising international profile have greatly increased the work falling on FIGO and already hard pressed staff have borne an even greater burden. The new premises, which Councillors have agreed should be called Falkland House, will start coming into use at the beginning of August when the move from Tufton Street will begin. The formal opening of Falkland House is planned for November. It will then be possible for additional staff to be employed as necessary; all this will ensure a better image for the Islands and more tolerable working conditions for those who staff the office.

A Parliamentary contact programme recommended by Councillors in 1987 has operated efficiently and successfully with the help of Broad Street Associates. This programme culminated in FIGO's first exhibition attendance at both the 1988 Labour and Conservative Party Conferences. The FIGO officers who manned these exhibitions were much encouraged by the attendance of Councillors Terry Betts and Tony Blake. One for each of the Conferences respectively. It has been agreed that an elected representative should attend future Conferences.

FIGO coordinated its first Parliamentary Group visit of 5 MPs here in February. This provided the guests with an appreciation of the Islands and Islander aspirations and concerns. New parliamentary friendships appear to have resulted from it and we must hope to establish more. Two Parliamentary Group Visits are planned for the coming year. Councillors who travel the international political scene are a welcome addition to FIGO's small complement from time to time as indeed are FIG officials on overseas business.

On the public relations side, FIGO is active in providing up to date information to journalists, columnists, television crews and

producers, both of UK national and of international backgrounds. Honourable Members have agreed that the current programme, whereby selected journalists are invited to the Islands on familiarisation trips, should continue. The Islands must not become complacent about the media generally. There is a great deal to be done to correct misconceptions and untruths through well placed, balanced and objective media promotion.

Day to day, FIGO assists most if not all Government departments on a wide range of issues.

I have already mentioned Mr Lewis Clifton's work in connection with fishing licences. I am sure you will all agree that the Islands are very well represented in London by Lewis and his staff.

PWD

This is a department, ably led by Mr Charles Carter, which has a task more resembling the legendary repainting of the Forth Bridge than most. Not only does it have to deal with new projects but also to attend to the constant requirements of daily maintenance and upkeep of the fabric and furniture of our environment including the supply of water and electricity. Fortunately the labour force has been more stable this year though there are still vacancies for skilled craftsmen. Managerial and technical staff levels have fallen which has limited the work of the Department. The number of apprentices has however been raised to 12 in a work force of about 130. PWD continues its commitment to training.

Among the achievements of the year for which PWD were either directly or indirectly responsible have been the opening of the water treatment plant, the resurfacing of Ross Road East and the start of Ross Road West, the swimming pool, the Estancia track, which during this year has gone ahead, like the swimming pool, notably fast, the new spur road to FIPASS, the construction of the new tip road, the upgrading of the Eliza Cove Road, a second laboratory for the senior school, the provision of services to single unit housing, the conversion to single accommodation of the former Brewster Hospital in Jeremy Moore Avenue and also further progress on the Jersey Estate. We were happy to welcome The Bailiff of Jersey Sir Peter Crill and his wife and Senator and Mrs Jeune formally to open the Estate in April. I know they felt Jersey's contribution to the Islands had been well spent.

We have more houses to build and we have a town plan to further. The legislation needed for the latter is in preparation. It has been agreed that FIG should obtain advice both in the field of housing in all its aspects, including funding, and for town planning, and we look forward to having the appropriate personnel in place as soon as possible. The public will of course be fully consulted about the town plan. It will no doubt not be possible to please everyone but we shall try and please as many as we can.

In the PWD context and that of Stanley generally I should like to put in a plea for the Stanley Clean-Up Campaign. The last sweep removed over 20 PWD lorry loads of rubbish, from paper bags to rear axles, from the foreshore and beach areas of Moody Brook to the Beaver Hangar. There is more to do. Further sweeps are in plan. The help and support of the public at large is welcome.

POLICE

Manning continues to be a problem, although the worrying situation which existed at Christmas has passed. There are vacancies in some supervisory/specialist posts. Only 65% of the constables' vacancies are taken and only 40% of the serving constables have more than 12 months service. It is hoped that improvements in pay will help retention.

There is encouraging progress towards higher professional standards. In the last 12 months 2 very experienced officers have transferred from English constabularies, and 2 local officers have attended English police training establishments on specialists courses. The 1989 probationer course was set at a higher level than ever before, and 5 out of 6 recruits passed out of training with very satisfactory results.

During 1988, the police force dealt with 330 separate cases in which a total of 380 offences were disclosed. Despite the manpower problem, the detection rate for verified crime was 64%, a figure of which UK forces would be proud. There has, I am sorry to say, been a marked increase in crimes of violence and 2 officers have required hospital treatment during the last 12 months for injuries sustained while making difficult arrests. There have also been significant increases in burglaries and traffic accidents during the period under review.

FIRE BRIGADE

It has, sadly, been a busy year for the Brigade. Fire has once again taken its toll on several occasions and this year has cost the lives of 3 people, 2 of them members of the Brigade. Any precautions we can take in our houses and elsewhere against fire must only be to the good. Government is only too conscious of the work needing to be done in its own premises in this field. The Brigade is ready to offer advice and assistance on fire prevention at all times. A reasonable expenditure on equipment at the home and work place, and time spent learning how to use it, may prevent tragedy later.

Fitting tribute has already been paid elsewhere to Mr Gerard Johnson and Mr Robert Finlayson and I should like once more to record my admiration for the Fire Brigade and the devotion to duty of Mr Marvin Clarke and his team.

FIDF

It has been an active year for Major Brian Summers and the FIDF. Routine drills have continued. A number of successful exercises have taken place. I was delighted to be able to present the trophy for the march and shoot exercise (Penguin Hop) on 3 June to FIDF against all comers. I am happy to see that Rookery Range is in commission after sterling efforts by Major Summers and others. Traditional Falklands skills at marksmanship are obviously very much alive. The force turn out on our various ceremonial occasions has always been notably smart.

MEDICAL SERVICES

The Medical Department are fortunate in having such a well run and efficient hospital in Stanley as the King Edward VII Memorial Hospital and also to have such good medical connections with RAF

Wroughton so that Islanders who need treatment in the UK can get it much more quickly and effectively than might otherwise be the case. I have already commented on the vital services provided by the hospital to the sick and injured from the fishing fleet. We have a succession of admirably competent surgeons, anaesthetists and medical staff from the RAMC to complement our own able medical staff. We are sorry to see the departure of the Matron Miss Wendy Fitzgerald who has done her job with the just right mixture of efficiency and sympathy. We welcome Miss Mandy Harrod, who has already shown the qualities we expect in a Chief Nursing Officer, as her successor. I should like to thank Dr McIlroy too for standing in for a considerable time as Acting Chief Medical Officer, an exacting job. The new agreement for joint manning of the hospital between the MOD and FIG has been reached on an amicable basis. Long may this partnership continue.

An Environmental Health Officer has been recruited and a Health Visitor will be employed. This with the computerisation of Medical Records will allow our Health Service, at present mainly curative, to develop an increasingly preventive role. Talking of records I should add that the number of patients seen in a year was 5226. There were 788 inpatients, and 7191 total bed days of which 1359 were foreign nationals.

Honourable Members,

I have mentioned legislation in preparation in more than one field. The production of legislation is of course only one aspect of the work of the Justice Department. The most significant event since the last Budget Session in the work of this department which includes the Courts, the Court Office, the Attorney General's Chambers and the Registrar General's Registry, has been the establishment last winter of a solicitors' practice, wholly independent of Government. This was an initiative of the Falkland Islands Development Corporation supported and welcomed by the Attorney General and his staff. For the first time legal advice which can be seen to be independent of Government has been available locally to the Islanders. 'Seen' because as members will know, since 1982 legal advice had been given to members of the public by the Attorney General and his staff, independently of Government, and its interests. It is clear from the amount of work being done by C & P H Chalmers & Co that there is a considerable local demand for legal services although these are early days and it is not yet certain whether private legal practice here is viable without financial support. In relation to the Courts it is appropriate for me to pay tribute to the hard work and unstinting service of our justices of the peace, particularly during six or seven months last year when the post of Senior Magistrate was vacant and in the absence of the Chief Justice, they undertook the whole responsibility for dealing with matters coming before the Courts. As Honourable Members will be aware, in December I supplemented the ranks of the justices by appointing a number of new ones. JPs do unpaid and valuable work for the benefit of the community outside the courts as well as within them.

The major success in the Government Printers Office, ably run by Mr Tony Pettersson, during the year was to bring the Gazette up to date for the first time. Bills were printed with sufficient speed to avoid the need to present any under a certificate of urgency at the December session of the Legislative Council. New lithographic equipment has recently been delivered and it is hoped that it will

be brought into use shortly after the Head Printer's return from leave in August. In Select Committee Honourable Members will be asked to consider proposals for the acquisition of colour lithography equipment which would enable the service offered by the Government Printer to Government and to the general public to be further improved.

Honourable Members,

I will draw to a close but before I do so I would like to express my gratitude to the Commander British Forces, his staff and all those who serve in the forces in these Islands or assist them from the UK. They ensure the continued existence of the society and way of life we choose to have in the Falklands. They perform countless extra tasks which add to the quality of our lives, from the Air Sea Rescue Service I have mentioned, to voluntary work such as the repair of jetties by the Royal Engineers, and participation in the Stanley Clean-Up by the Infantry Company and the raising of funds for charity. It is good to have them around; their contribution is great and much appreciated. And last but by no means least we must not forget the invaluable service provided by the RAF Tristar operation between here and Brize Norton which it is all too easy to take for granted.

I believe Honourable Members that the Islands are in good shape. Much has been achieved. There is much more to do. It is up to all of us to try and get the future right, to get that blend of advantage from the new while preserving all the Islanders wish to preserve of the traditional. We have great opportunities before us. It is hard not to be impatient at times over various development plans. But better to take a little more time if it means a wiser decision. May I finally leave you with a quote on Government by Edmund Burke; 'Government is a contrivance of human wisdom to provide for human wants. Man has a right that those wants should be provided for by this wisdom'. A sobering thought!

Honourable Members,

I wish you well in your forthcoming deliberations. Thank you.

MOTION OF THANKS TO HIS EXCELLENCY OF HIS ADDRESS TO COUNCIL

The Honourable A T Blake

Your Excellency Honourable Members, in rising to support the Motion I would like to make a few observations on your speech Sir. I, like yourself, would like to welcome the new participants to this Table, as I would also like to welcome the various new heads of departments which have joined us over the past twelve months and, of course, I would also like to wish well in their careers or their retirement those people who have retired from this Table and have retired from their various departments within the Government.

I would also like to record my thanks to Alastair Cameron in what I think is probably a most difficult task in running the Fisheries Department. If we look at Alastair's association with the Falkland Islands Government he has, in a very short period of time, held a number of posts and I think the change from post to post in itself would have been difficult but to take on a new and developing department must have been very much more difficult and I think the fact that we appear to have a very successful year is an indication of the efficiency with which the department has been run and of course we must also thank the various other members of that department in helping Alastair to make a successful team in that area. It is interesting to note of course that the Fisheries Department is the largest department in terms of income but of course it is also the largest department in terms of expenditure and we must always keep an eye on whether or not the money that is being spent is well justified, but to date I am sure that most Members would agree that the money has been well spent and the image and control that we have attained of our fishery has been welcomed pretty well throughout the world.

With reference to the Customs Department I think it probably most unfortunate that there is perhaps a debt problem in this area but I think that perhaps Government has not been as supporting of this Department as it may well have been. I understand that there is action that we can now take to give Mr Halliday the support he should have had in the past to try to rectify the situation. It has been a most difficult period because I understand that there has always been a slight problem with staffing in this Department and when this does happen we have an obligation to support a Department in every way possible we can, so we hope that this situation with the help that is required from us does rectify itself.

With reference to the FIDC, the Development Corporation, I think we should have always expected that there would be failures within this Department in the activities that they undertake. The main reason being that the Falkland Islands Development Corporation or any development corporation is expected to take on high risk areas that the normal everyday man would not touch, and the fact that they have in actual fact produced some very satisfactory results is very much in their favour. The degree of some of the failures is perhaps a little distressing, but the fact that there were failures is to be expected in the long run. I have noticed a very pleasing change of approach and attitude within the FIDC in recent months and if it is an indication of localisation, and I would rather use this word than the word that seems to be creeping into our language these days of Falklandisation, but the localisation of this Department seems to have produced very good results.

The same can be said for the Education Department. The approach and attitude of the people in this Department has increased remarkably and I think that if we want to continue the process of localisation it is this Department that we have to support to the utmost because if we want to produce good, well educated young Falkland Islanders to take over key positions within the Government it is only by educating them that we are going to do it so every support must be given to this Department. The results that they are achieving in the overseas examinations are excellent and I do believe that in comparison with other educational systems are well above average. We want a few more of them and a higher standard. The only way we can do that is to support this Department to its full.

I would refer to Eileen, not as Eileen herself, but as an institution, and I think perhaps when somebody said that Eileen was going to cease to exist they meant that the institution Eileen was going to cease to exist! And in actual fact it is an institution because not only do we use it for passing messages to and from our business concerns or to our friends and relations, but it is an area that we listen to and we become informed about things that are going on in the Islands just by the mere fact that people talk about them and Eileen is always a great source of information. With the coming of the telephone system a lot of this information is not going to be available, particularly to those people in Camp, although I believe the listeners to 4.5 in Stanley is quite a substantial number of people and so we have to look to the future in this area to make sure we have a better dissemination of information to people in isolated areas and of course not only does it mean the implementation of the Penguin News, or the Penguin News coming into print again as soon as possible, but it does mean I think that an awful lot of reliability is going to come from Camp, particularly from the broadcasting area, and with this department I have been distressed for a number of years at the state of that broadcasting studio and I believe we have assessments coming before us about upgrading that building. If we are going to expect them to give us the extra information that we are going to need we have to give them better facilities to work in and conditions to work under and we also have to give them better equipment to do so. So those two areas are very, very closely linked together with the Penguin News.

Civil Aviation and FIGAS has, of course, had its problems, but I think that probably with the advice that we are receiving from overseas and with upgraded management we are going to control them. I do, however, believe that there is a need to speed up the distribution and training of people to use the emergency equipment and otherwise we could find ourselves in a very tricky situation, and I think that must be very closely looked at. It is always sad to say goodbye to young Falkland Islanders and we have also had to do that of course to Mike Goodwin and Ian McPhee but I would like to point out that I think that young enterprising people are going to move about a bit and I think it unreasonable of us to expect young enterprising efficient people to stay in the Islands until their dying days flying Islander aircraft. I think there is a need for these people to become more experienced and so that when and if they return to us they are better people, so I'm not saying goodbye to these two gentlemen I think we are saying "au revoir" and hopefully when they come back they will be better

trained. I would also like to welcome Andy Alsop back. He has always been a very popular and efficient pilot and I know he is going to help us greatly and I think we also should mention Paul Robertson who is a young pilot with not a great number of hours up yet but who has shown tremendous skill flying under what I consider very arduous and difficult conditions and it is a credit to him that he has handled the situation so well.

The London Office was mentioned and the work of Lewis Clifton and the staff in that office. In recent visits to that office and I know that I have perhaps been there at peak times of work, I consider that office to be greatly overworked and the conditions are somewhat cramped, particularly if one is trying to talk to a number of companies or people at the same time so I hope that the new offices are going to help those conditions but I think we also ought to look at the staffing levels in there to try and ease the workload particularly on Lewis. I know we have loyal and dedicated people who work for us until they drop but I don't think we should allow them to get to the situation where they are nearly dropping.

The Public Works Department always receives a lot of criticism both from Camp and Stanley. I still believe in my own mind that it is understaffed for what it is trying to do so therefore certain members of staff are overworked and I believe that under these sort of circumstances there is a danger that control is sometimes lost in certain areas which causes large wastages. I think we have to make sure that if we are going to save wastages and money we have to make sure that we have enough people there to control the expenditure and control the way in which that money is spent. I am glad to see that we have an increase in the number of apprentices but I would urge Honourable Members when we are considering salary scales for apprentices that the old system of paying apprentices low rates of pay for fairly hard and arduous work, and sometimes rather dirty work, that those sort of days are over and with the present pay scales and availability of jobs within the Islands, if we want to train young people to go into key positions in the Public Works Department, then we have to pay them appropriately.

The Fire Brigade has had a sad year in many respects and I would like to record my condolences to the families of Gerard Johnson and Robert Finlayson but I do believe in my own mind that it has been a good year for them in the way that they have developed, particularly in the range of services they are now able to apply and it is only under very good leadership that this has been achieved and so therefore I wish the Department well and hope that they can continue to develop in the way that they have been doing so.

The Falkland Islands Defence Force, as most people know Councillors are associated with departments and I think perhaps at this time I should point out that although we are associated or we are purported to carry portfolios we don't in actual fact have executive power within those departments, so in other words we don't issue orders and directives, but this department has always given me the greatest of pleasure of all the departments I have had anything to do with, mainly because it has always been efficiently run and they produce results and I don't think there isn't anybody here in the Islands who doesn't have the greatest admiration for the skill and determination they have shown in not

only the latest march and shoot competition but in previous ones. In this respect I think a lot of people underestimate how much in actual fact we pay towards our defence. Not only do we support and have continued to increase support for the Falkland Islands Defence Force over the past few years but we have foregone quite a large amount of tax probably amounting to somewhere in the order of half a million from contractors which are associated with MOD contracts, we are also intending to spend in one way or another somewhere in the order of £400,000 I believe for extending the facilities at MPA for the soldiers and in this way we in actual fact pay more per head of population for our defence than the British tax payer pays for the defence of the British Isles and the Falklands combined.

You made reference, Sir, to the Legal Department, and I believe over the years there has been quite considerable concern about the way this Department has expanded when we consider what it was like pre-war stages. But people must realise that we are catching up with the outside world at a very, very fast rate and we are dealing with outside companies and outside businesses who know all the legal tricks in the books, and they start to play them in the Falkland Islands and we find that we haven't in actual fact got the legislation to combat those particular tricks. Not only that, a lot of the locals are learning these tricks, and so therefore we have to protect the Government, we have to protect the taxpayers money, and this takes a lot of hard legal work. It is extensive work, our Attorney General is always absolutely flat out, I am actually amazed at the amount of work that comes from that Department. It is absolutely fantastic and as we have to read it, I think I had to read one the other day that was 171 pages long, which takes me long enough, but I always realise that he has to write it which can be no mean task. The other amazing thing about the Attorney General is that whenever one wishes to see him he always seems to have time. I have never been told that I am absolutely busy and I can't see you so I must thank him, one for his very hard work and one for the fact that he always has time to speak to Councillors.

You made reference, Sir, to the Commander British Forces Falkland Islands and I rather would refer to them collectively. I have always been amazed at the way in which they have joined the team, particularly in Executive Council, and seem very very quick to become one of the team, quite often imparting useful information at their very first meetings, but they always give us, I believe, that little look from the outside which helps us quite often because it is very easy to become very localised in one's opinions, not realising that we can be creating quite a different impression elsewhere, and I am very grateful for the way in which those bits of advice come to us. They always have played a very very full part in the ministrations of that particular body.

Sir, I wish to support the Motion.

The Honourable R M Lee

I would just like to touch on a number of things that you referred to in your speech. This is the budget session that we are all gathered together for and it is going to be a lively debate no doubt. I think the most serious debate is going to be when we come to talk about development expenditure. We can prune the

running costs a little bit but the most lively debate is going to be about development and what the priorities are. I look forward very much to that and I hope that when we do sit down and talk about development that we will see the Falklands as one and that we won't look at Stanley and then look at the Camp. We will see the Falklands as one community.

To touch on some of the things in your speech in the same order, fishing you mentioned first. There is still a great demand for the licences that we are issuing, a four to one ratio. I think we have a long way to go yet in the formulating of the policy of handing out licences, there is still an awful lot of work to be done there and there is great room for improvement. On the down side there is Seamount that we still have to debate the report on that affair. I have no doubt that there will be an awful lot said and it won't be a very happy occasion, but it has to be debated and I look forward to doing that before the new Council is elected. I think we are all in it together and I think that we have to debate it and the truth must be told.

To follow on some of things that I am responsible for - Agriculture, I was very pleased to hear that you still feel that the agricultural industry is still a major part of the Falklands. I believe very strongly that it is and it is a part of our culture as well as part of our business and we should do everything to uphold that way of life and type of business. I am very pleased that we are now seriously considering purchasing a farm for Government use to demonstrate some of the things that ARC have been doing over the years. I think that is a move in the right direction. I class the Falkland Mill and Fox Bay Village as part of agriculture, and they have their problems but I think that things are looking better in that area than they did a year ago and I think we are ironing out many of the problems and the prospect for the Mill and the Village are much better than they were a year ago and I am pleased about that.

Tourism - we held a seminar on tourism very recently and the conclusions were from that that it is a growing industry, it has a long way to go yet before it is paying its way but the figures proving that local people are spending more time taking holidays were very encouraging, and also it is continually being said that every satisfied tourist is an unpaid ambassador for the Falklands I don't think we should lose sight of that, it is a most useful way of spreading the word about the Falklands.

I will just touch briefly on FIDC, like so many departments they have their problems but just to sum it up I feel that FIDC is now in very safe hands and we are moving in the right direction.

Education - referring back to the budget and the money that we will almost certainly spend on the new senior school, that will probably be the most hotly debated subject at the time of the budget debate. One thing I do think that the idea of a new school is a good one and I support it, but we really mustn't lose sight of the fact that basic education is what we desperately need in the Falklands and I am a little bit concerned that even now after all the millions that we are spending and the millions that we are going to spend, there are still some children leaving school that can barely read and write. I find that very disturbing and I would hope that the new investment in the new school and all the things we are going to do will certainly counter that problem, but

we mustn't lose sight of the fact that basic reading and writing is what we must learn first and foremost.

On the subject of Telecoms, I agree that Eileen shouldn't be exterminated or whatever the term is, I am sure that was only a figure of speech, but I agree with the Honourable Tony Blake that there will be a need to provide a service through the Broadcasting Studio to replace the news service that the present R/T service provides. I hope it was just a figure of speech when you said that the 2-metre system will be phased out. I have gone to great lengths to get assurances from the Attorney General when we were drafting the new Telecoms Bill that the 2-metre system will remain and will not be tampered with in any way, shape or form.

FIGAS and Civil Aviation - I think they have had a good year and I am very pleased with the co-operation and the way FIGAS have worked extremely hard to help us all in our travels and business, but I do feel that we are still putting pilots and aircraft under too much pressure. I think the ultimate must be a roads system with better airstrips and safer airstrips. Most Councillors spend a lot of time flying and we fly in some really bad weather and I must admit that I have had a few flights lately that have been extremely scary and I think we are just putting pilots under too much pressure to get us there in poor weather.

PWD - I agree they are probably overworked but I think that there is a danger that they are trying to take on too much. We are developing and we have a very wide range of things that we are doing and I just wonder sometimes if PWD are not too big-hearted and trying to take on everything. There must come a time when they say sorry we can't do that, you will have to get someone else.

The Fire Brigade as Tony has said had a very sad year, and I offer my sympathy. I think we were all stunned at the news at the tragedy of a few weeks ago; some of us find it difficult even now to talk about it. It was a great tragedy. I also agree that it is a very professional service with some excellent people in it and again it is a voluntary thing and we are very lucky to have people who are prepared to lay down their life if necessary for us.

FIDF - I agree entirely that the Force is a Force that we should all be proud of. They are in my view a crack Force to be reckoned with, and not just an ordinary Force. They are very professional in this field, probably the most professional in the world, simply because they have local knowledge and they take their task very seriously.

As for the forces in general, I would agree entirely that they are doing us proud, they are making a tremendous effort to intermingle with us and help us with our daily tasks as well as the defence of the Falklands and it is very interesting to go there and see Mount Pleasant in action and see some of the many different skills that are required just to keep the place going on our behalf. It is very gratifying. We certainly do contribute towards our defence in monetary terms, there is no doubt about that. I am not quite sure where the gentleman got his figures from last night on Calling the Falklands but they are absolutely wrong. I agree entirely that we are paying as much as we can afford and no doubt in the future if we can afford more we will pay more towards it.

We are certainly not trying to shirk the issue.

The President

On the 2-metre I think I referred to the 4 and 2-metre and said that the latter would remain. It is my understanding that it will. I think I can reassure Councillor Lee on that point.

The Honourable L G Blake OBE JP

I would like to join with you in welcoming those new members around this Table who are with us for our first budget session and wish those who are not with us today good fortune. It is 25 years since I sat first at the budget table. I have seen quite a lot of changes, at that stage we had four elected members, two nominated members and six ex-officio voting members. The changes in democracy in these Islands over that period have been really quite fantastic and we shouldn't forget that we are now the Government, the elected representatives, and if it goes wrong it is our fault. We can no longer look upon ourselves as the elected opposition to the officials.

I would like also, Sir, to join you in thanks to the servicemen and women who provide our main and central defence. Theirs is a fairly tough role to hold, a heavy six day a week workload away from their families. I know that it is not the most popular posting but we are grateful for their efforts and we do wish them well in all circumstances, and it is therefore disappointing to hear the Chairman of the Defence Committee, Mr Michael Mates, suggesting that we might contribute more towards our defence. I believe that our contributions are far better aimed at enhancing the conditions of these service men and women. We can actually achieve something by improving their conditions whereas if they had to wait for the Ministry of Defence to get around to do it those conditions would be improved very much more slowly and therefore any contributions I think we can make to improving those conditions are valid and worthwhile.

With regard to a proportion of our budget, it is something I have always opposed, I know there is a school of thought in the Islands who would like to see some proportion of our revenue directed directly to the Ministry of Defence for our defence as they have done in Jersey and the Isle of Mann. Both those areas have regretted that agreement ever since they made it because it is now a percentage of their budget regardless of whether they are in profit or loss, but I would mention to the Honourable Member of the House of Commons, the Secretary of the Defence Committee, that I will look far more favourably should I be in this House at that stage, and I don't think I am going to last another 25 years. But when I can and all the other residents in these Islands can step out if they are town dwellers out of their house on to a pavement and walk on to a good road, when the rural communities can get into their motor vehicles and drive along a good road, when our conditions closely match those which the British tax payer expects, then when we have provided those conditions, then we can start pairing off our revenues to provide more for direct contribution to the British defence budget. It is a figure that would be totally lost in their petty cash till, whereas if we can pass that money into MPA for their improvement it isn't lost, it

is of use.

I will as always talk on fisheries. There is, I hope it was perhaps unintentional, but the memorandum submitted with the budget tends to give the impression that the Treasury might feel that the fisheries are a temporary thing. I have no such hesitation, our fishery is here, and providing we protect it properly from over fishing and over exploitation, legally and illegally, then I believe it is here to stay. The department is functioning, I believe, extremely efficiently and I think that it is recognised world-wide the management is as good as any, and probably better than any. But the one area I feel that we still have to get right is the actual basic policy with regard to the issue of licences. We had a very useful session in March this year, I think it was March, when we began to think of our policy and I hope that we can make more progress during the next week in this, but I do believe that we have got to have a policy which stands up here, which stands up overseas, and which is not going to be effected or vastly effected by the changes in Government. We may make a policy in this Council which could quite easily be totally overturned in the next. I think that we have got to find a formula which we can stick by but which does not remove from the elected representatives the ability to modify, but we cannot afford to be seen as we are at present to be changing our policy annually. It is bad for the business, it is bad for the industry, and I think it is bad for the Islands.

I would like to turn now, Sir, to education briefly. I think this is probably the first year when I have spoken in Council on education, I always look upon it as a very technical subject and I like to leave it to the technicians, but it is I think the aspects of education and not the technical part of it that I find of interest. I believe that we do and should continue to provide the best possible resources for the staff and buildings, but that is only a very small part of the equation. We also as parents have to provide the best resources and those are the pupils, and if we make no effort as parents to encourage and direct that resource, our children, and if we make no effort when they leave school to see that they make use of the chances they have had, then all the expenditure that we make as a Government is of little use. We might just as well not that expenditure, and so I say yet again that we can only do so much in providing the basic resources of teachers and buildings, it is the parents and the pupils who will actually make use of those resources.

One person who I believe is also due particular thanks from this House is our Clerk. Earlier this year he sent me, and I expect most of us, an incomplete copy of the minutes that he had inherited of the Session of 1982, so that it could be brought up to date, and it is only under his effort and guidance that we now come to this Council with a complete set of minutes of the last meeting. It isn't very many years ago when we had the minutes of the meeting of two years previously to lay on the Table but under his guidance and his efforts they are now on the Table for each meeting and I do thank him for his efforts in this direction and in all the organisation and work he puts in to getting us in and out and seeing that the meetings that we attend that probably hassle him more than ever appear so easy for us.

Being a farmer I have to talk a little about farming. I am of two minds, Sir, about the prospect of a Government farm situated at

Port San Carlos. I don't have anything against Port San Carlos. My hesitation is that to situate a Government establishment at another location provides us with all the problems of maintenance, staffing, housing, equipment, etc which become Government's responsibility. I wonder whether we are actually putting it down in the right place. We have two establishments, one in Stanley, one in Fox Bay at the moment, and I wonder whether having another Government establishment which will provide the problems which we have had with particularly Fox Bay, is sensible thinking.

I would like also, Sir, to join in your contribute to the Lands and Agricultural Officer. The one thing I would like to add to what you said in your Address, Sir, that FIDC handled the transfer of land. Well they theoretically handle transfers of land but it is only through the effort and tact and care which the Lands and Agricultural Officer puts into that transfer that it has been as successful as it is. If Britain should ever need a new ambassador for the United Nations and we could actually spare that man, I think he would be ideal for the job because if you can get on with a group of squabbling farmers and make them all sit down together and agree, then international relations are chicken feed! I do actually wish to record particularly my thanks to the Lands and Agricultural Officer for his work in that land transfer and also in all the other ways and all the support he is given in FIDC by the Agricultural Economist, Rupert Haydock, and ARC, but he, I think really does a fantastic job.

Whilst on agriculture, you mentioned, Sir, the new departure in artificial insemination. I would like to record my thanks particularly at this time, to the Command Secretary and the Ministry of Defence. That insemination programme would not have taken place, or it might have been partially successful, without their efforts. One week before the first lot of ewes were due for insemination most of the equipment was at Brize Norton. Those sheep had already been programmed for the following Tuesday and thanks to the efforts of the Command Secretary and the Ministry of Defence that programme went ahead, but had that equipment taken another two weeks then it would have reduced the actual output of the programme by a measured degree and so I would like to record my thanks there.

With the refurbishment of Stanley Airport I now look forward to seeing the Dornier aircraft based in Stanley and having taken that step I hope that in the not too distant future we will see it being run by our Civil Aviation Department and staffed and maintained in that way. I believe this is an area where we can make major savings and it is something I hope that we will pursue with the greatest of effort.

And finally, Sir, I would like to join Honourable Members in thanking publicly Mrs Eileen Vidal who has been our mainstay in communications for nine or ten years, who in fact was in her post at that most difficult period seven years ago and didn't leave it. She was always there and always in contact and her work, I believe, has been over and above that of normal duty. Her work for the community who live outside Stanley, we have been blessed for many years with good operators, but she has surpassed the lot and so I would record my thanks.

Sir, I beg to support the Motion.

The President

Thank you Councillor Blake and I very much hope that you will last at least another 25 years!

The Honourable E M Goss MBE

Just a few comments on your Address to Council this morning. It might be of some assurance to let you know that in failing to pursue your hobbies that you are not alone. I should think most of the people around this Table are with you on that one. It is a pity that there is only three quarters of our Council here today and I do hope John Cheek is well on the way to mending and will be with us in the next day or so.

You mentioned this is the first and last budget session for the Commander British Forces. He too is not alone as this may well be the last one for some, most, or all Honourable Elected Members as this Council's life comes to an end in the austral spring.

Income tax by the PAYE system introduced was well received by all and hopefully we can hold personal income tax at the present level for some years to come. I was heartened to hear the figure of revenue received but let us not overspend.

We all look forward to the new telecommunications coming into operation. I was very pleased to hear that Mrs Eileen Vidal will not be put out to grass or forgotten about.

FIGAS - the weekend flying was very helpful over the summer months moving sheep shearers and tourists about. The new approval and more details to flight plan with passenger movements is most helpful and useful.

PWD - I wonder if the cost of painting the Forth Bridge has kept pace with the cost of PWD today as compared to, say, 1985. On mention of the Town Plan, it is much criticised for allowing unsightly buildings to be erected. It is still going on today and I hope we can put that one right in the near future. Regarding the Stanley clean-up, a campaign which you recently led, this points to a general lack of civic pride being a subject mentioned in this Chamber a number of times over the years. Stanley habits extend into the Camp along the roads and tracks where litter is thrown in gay abandon from vehicles and I hope we can keep that under control or change our ways.

The Falkland Island Defence Force - winning the Penguin Hop was a credit to the whole Force. I do hope more young men will join up and I given them every encouragement to do so. We Councillors will keep up inputs of cash for materials etc, bearing in mind, of course, how expensive military equipment is.

The British Forces deserve a mention and I give them my thanks for all the manual work and muscle power the resident infantry company, the 1st Battalion Gordon Highlanders, give to farmers. Often very dirty and unpleasant work. These lads come to Camp treating it as R&R and work just as hard as the rest of our men and it is much appreciated.

All credit must be given to the men we seem to forget about - the Royal Navy - who we see less of, and their life at times must be very unpleasant on the high seas in our stormy winter conditions.

In the past Stanley residents would open houses to give tea or lunch to sailors on the few chances that they can get ashore and I would like to see a return to more people doing this if visits are convenient on weekends or at holidays. I believe in the past it might have been organised by the Red Cross.

Opening the Budget Session on Saturday has proved a great success judging by the attendance we have here this morning.

My responsibility for Post and Telegraphs - it was good to hear it is working well and it took up very little of your Speech.

And lastly, going back on to military matters, I must thank the military Padre for all the work he has done for the community in the short time he has been in the Falklands at this time when he is holding in Camp memorial services at many different locations and standing in in Stanley. I give him my thanks and I would now like to just thank you for your Address which mainly dealt with, as most budget sessions Addresses are, in looking over your shoulder. In the next few days we will be around this Table looking very deeply into the future.

Sir, I support the Motion.

The Honourable T S Betts

Your Excellency, Honourable Members, in rising to respond to your Address may I welcome your good self, the Commander British Forces, Chief Executive and Financial Secretary. This budget session promises to be a long and difficult one but I can assure the community that we will try to achieve a well balanced budget that will serve the constituents interests and aspirations in the short to medium term.

You mention that revenue received had increased from £32.7 million to £40.2 in this last financial year, that is an increase of some 22%. That is pretty exciting. But you also mentioned that expenditure had risen from £15.5 to £20.76, some 34%. That is alarming and frightening.

You mentioned that the cost of the Stanley Fisheries wind-up may cost as much as £8 million. That is a very sobering fact but I believe we, as Councillors, made the right decision to wind up Stanley Fisheries. I look forward to the findings of Mr Boyd and the debate on it in the near future.

Looking at the various departments within FIG which you did, I would like to respond in the following manner.

In Fisheries, this department has managed and controlled the FIC2 extremely well and we can all be proud of it. There has been a great improvement in the operations and offices at FIPASS. The Fisheries Department should, and must, receive our fullest support in the interests of conservation and our most important industry. With regards to Customs and Excise, this Department still has a great problem in receiving regular payments for customs and

harbour dues. I do believe that this time last year there was something in the region of half a million to £600,000 in unpaid bills. I don't believe that that position is much better this time this year. We must find a way in which bills are paid on a much more regular basis. I believe that people within the Department are doing their very best to get the bills out on a more regular basis.

In agriculture, this is without doubt a very important part of our economy and will always remain so. I am pleased to hear that the wool prices have improved and I applaud those who plunge into running their own farms. It is a courageous and demanding task which we in FIG must support.

FIDC is nearing the end of its ODA funding stage and I think we can look forward to a future of clear and positive activities in the interests of economic diversification under the management of our Islander, Mike Summers.

Education - we in Council generally agree that education is a most, if not the most, important issue for us to get right. I have great faith in the Chief Education Officer, the heads of the Junior and Senior schools, along with their staffs, to work and aim in those interests. We in Council are well aware of the problems staff encounter and we are trying our very best to overcome some of these, such as the overcrowding situation in the Junior School. We must press on with the plans for the new Senior School but I do wish we had kept a lower profile in the possible costs.

In Posts and Telecommunications, Mr Stephenson has done a fine job and is well supported by a good staff. Sometimes they work without any central heating, perhaps we could try and do something about that. I would also like to offer my congratulations to Mrs Perry and the girls in the Telephone Exchange who do an admirable job with antiquated equipment.

One of my colleagues mentioned earlier about broadcasting and the need to improve facilities and conditions within the Studio. I fully endorse that. Patrick and his team put in many hours to put together programmes for the enjoyment of us all, along with the support of BFBS, but it is high time now that we do something about the condition of the building and most importantly, the equipment within it.

On FIGAS, there isn't any question at all that the members of FIGAS do a sterling job, both the air and ground crews, but I too share my concern along with a colleague that I think on occasions we push them to the limit, the limit of safety. I often hear that aircraft taking off with a fair old breeze blowing and wonder are we pushing it too far. I ask that we take extreme caution so that we don't end up with another disaster.

On the FIGO Office in London, I have nothing but admiration for Lewis, Suki and the rest and I look forward to their move into their new offices in Falkland House in November. It should, I believe, help to take a fair amount of pressure off them. Lewis, I think, works far too hard, along and ably supported by Suki and with we must endeavour to take a little bit of that pressure off them.

PWD has worked well and I think what has happened to improve PWD's contribution has in fact been the importation of St Helenian labour. Some members of the community didn't like it, but I think it has proved a worthy decision. The one thing that concerns me about the Department is that I am always being told by various members of the public how frustrating it is for them that once Executive Council has allocated them a piece of land, that it takes six, seven even eight months, to get somebody to go down from the Department and make a valuation of the land or the properties, or the extensions of properties. If PWD can't do it, we had better find somebody who can because we can't expect people to wait this length of time.

On the Fire Brigade I, like most everyone else, was devastated by the loss of Gerry and Robert, both third cousins of mine, but I can assure Marvie that we in Council and in Government, are fully behind him and I know that we are in good hands with the Fire Brigade and fire fighting.

The Legal Department - you mentioned the efforts of the Legal Department and I must offer my thanks to the Attorney General and his staff and I think the AG has rightly earned the affectionate nickname of 'Slogger Lang' and I thank him for his efforts, particularly on the Employment Protection Bill, something at long last which will take care of the interests of the female worker in this society. It is one Bill that I really look forward to being legislated before at least my term of office expires.

On the clean-up Stanley, we have been making efforts to clean-up Stanley, but personally I think most of those efforts will be in vain until we lay new concrete in John Street, Fitzroy Road and Davis Street, because until that is done we will still be driving through the pot-holes and people walking through the mud.

Commander British Forces, I would like to thank you and all personnel who defend us, defend admirably our right to self determination under the Government of our choosing.

Sir, I would like to close by saying 'Don't Cry For Us Argentina'.

The Honourable Mrs C W Teggart

Your Excellency, Honourable Members, I would like first of all to add my welcome to that of the other Councillors to those of us or those of you who are new around this Table, for the Budget Session, I can assure you it is going to be a long, hard week. I know that some of my fellow Councillors were concerned this morning because I was a couple of minutes late, and I would just like to take this opportunity of assuring them that I do intend to be around for the next week or so. It is what you call family planning.

It is also pleasing this morning to see so many members of the public in attendance and perhaps there is something to be said for working weekends, I don't believe I have ever seen so many people here before.

It is also pleasing, Sir, to see, after your first eight months in

the Falklands how your appreciation for the Islands is developing and that is very encouraging to all the residents to have a Governor here who is obviously developing a love of the Falklands.

I don't intend to speak about all the departments you have mentioned in your Address, other Members have done it far better, far more ably than I could, but I would just like to touch briefly upon one or two that I am concerned about. I don't like to be the one to - everyone seems to have been so very complimentary about everybody this morning - be the one who turns around and busts the bubble, if you like, but there are one or two things that I am concerned about.

First of all education. I heartily applaud the efforts of Mrs Rendell, I don't believe that we could wish for a better Chief Education Officer than Mrs Rendell, and I believe that her deep love for the Falklands will express itself through our education system and through our children. I was very concerned, however, during the last school term to hear complaints about one or two of the teachers who apparently referred to local pupils as "Bennies", that is rather an unfortunate nickname, but in one case I believe one child was told that he should know better because he was an expatriate and not a Bennie. I find such ignorance on the part of the teacher concerned completely unacceptable. I like other parents eagerly await the extension to the Infant/Junior School and the proposed new Senior School and I sincerely hope that both projects will go ahead as planned but it would be foolish to embark on new projects if we are unsure about having funds to complete them, as that in the long run will be far more expensive for us, and I certainly hope that education is not something that we are going to have to cut down on this week.

Tourism worries me a great deal. I feel that we are spending a great deal of money in trying to attract people who would probably not come to the Islands anyway. I believe that the people who would wish to come to the Falklands are a very specialised group of people and I believe that they will come anyway and I feel it very hard to agree to the amount of money that is being spent to promote tourism here.

My areas of special interest are the Police and Fire Departments. It is pleasing to note the success rate of the Police in detecting crime in the last year. I believe that they have done very well. I would like to see a little bit more time perhaps spent on crime prevention and I particularly applaud the programmes that have been instituted in the schools in the last year or so to teach our children more about road safety and I hope that it is something that they are not going to forget as soon as they leave the school playground.

The Fire Department has had a busy and difficult year and I would also like to record my condolences to the bereaved families and also to express my admiration for the other members of the Department who continue to perform a difficult and dangerous job.

The Justice Department - I also applaud the amount of work also done by the Attorney General, Mr David Lang. The amount of work he gets through, I am sure, must be hard for other Government Departments to attempt to emulate. He did some months ago express interest to me in remaining in the Islands on an FIG contract and I don't know whether in fact the Administration have taken good

steps to keep him or not, but I sincerely hope that they have because good men are hard to come by and I think that the amount of work that he does for the Falklands is very much appreciated by all the Members of this Council.

FIBS, as the previous Member said, does need a lot done to it to perform an efficient service. The staff there do a difficult job with the equipment that they have available. I keep expecting one day to find that it has all packed up and that FIBS just doesn't come on the air, but I hope that we can do something in this Budget Session to refurbish the Studios and to provide some much needed new equipment. It is a place that all the important visitors to the Islands see, and I believe that as such it should be refurbished and done up because that is one of the impressions people are going to take away with them when they leave here.

The Public Works Department I know have a difficult job. I also am very concerned with the lack of encouragement really for people to build their own houses as it takes so long, firstly to get allocated a plot of land, then to get building permission and in a lot of cases you are talking eight months to a year and I feel that that is not encouraging for people who are waiting to build their own home. There are a lot of people who are wanting to do just that and I feel that we should take steps to ensure that they are able to do so with the minimum of trouble. I believe that Executive Council did some months ago indicate that they would like to have plots of land made available where perhaps you could go along to the office, indicate the plot of land that you would like to buy and go and buy it, and I would hope that certainly that will come into being before very long.

Also on the subject of PWD, I know that from time to time they fill in the holes in the roads. My one regret is that they don't fill them in with something more substantial that would last the first heavy rain shower that we have as the grit that seems to be placed in the holes and then graded in washes out in the first heavy rain and makes more of a mess than we had to start with.

I am also very pleased to add my welcome to Mr Mike Summers at FIDC. I believe that this is definitely a move for the better. I believe that it will do a great deal to enhance the street credibility, if you like, of FIDC, to actually have a local in the driving seat, and I am sure that he will be very helpful to everyone who has cause to go and see him.

Sir, I would like to support the Motion.

The President

Thank you very much. I am very glad that you are able to be with us at this Session and congratulate you on your timing!

The Honourable the Financial Secretary

In rising to support the Motion, Sir, as one of the new boys of the class of '89 as it were, I would like to thank you all very, very much for the welcome that we have had since we have been in the Islands, but I do stand in some trepidation fully aware really that I am trying to replace a national institution in FIG

procedures. Among the tributes that were paid to Harold at this stage last year one of the Members commented that it was going to be a very hard act to follow. Well that is only partly true. Certainly it is true that the respect of the community and the fellow officers that had been generated by Harold over the years was virtually impossible for any successor to equal, but he made it relatively easy for me in the very professional manner in which he had approached the handover and allowed the flexibility for the newcomer to develop his own style and also in the legacy of the department to which he bequeathed me, a department which under the most cramped and often difficult circumstances my colleagues generate an atmosphere of team work and enthusiasm that is an absolute pleasure to be part of.

Now having worked in different parts of the world I am fully qualified member of the dreaded 'when I' tribe so when I take up a new post I endeavour to assess the priorities to construct my game plan for the priority of the contract. This time it is relatively simple in that everything works very well but they are subject to severe pressures. The major pressure, of course, is exerted by the lack of numbers of staff against an increasing volume of work. Now in order to alleviate the situation, as you mentioned Sir, we have started to computerise our accounting systems. The transition from a manual system to a computerised system can be quite traumatic but with the usual Falkland Islands ingenuity and fortitude the changeover is going to work and will be successful.

In my second major priority, this is going to be geared towards attracting local youngsters into the fascinating world of public finance. The Treasury can provide a career in public finance which would be extremely interesting and challenging for any youngster even though the road to qualification may be hard the rewards in terms of job satisfaction and community involvement are very well worth the effort. I beg leave to reconsider those remarks before the end of the week Sir! But if I can attract one or more local youngsters into undertaking a qualification in public finance and return the Treasury to an expat free zone then I should be well satisfied.

The points that Members have risen during the response to your Address, Sir, they have been taken note of and we will be discussing them in more detail during the course of the next few days.

Before I close, Sir, I would like to join with Honourable Members in the tributes to the Commander of British Forces, particularly having referred to the Air Marshall at one Executive Council meeting as an elequent horse trader, from one equine purveyor to, another Sir, it was meant as a remark of professional respect. I assure you that whilst we would be delighted to see you return I hope it will not be as Michael Mates's representative as an assessor on FIG defence costs. May I, Sir, join with other Members in wishing you and your charming lady all happiness and success for the future.

The Honourable the Chief Executive

May I take this opportunity to acknowledge on behalf of the officers of the Government and of the FIDC whose work has been commended today and their appreciation of their recognition will

be quite profound. Where Honourable Members have suggested that there should be encouragement given to certain aspects of Government you can be certain that I shall be doing something about that in due course. I believe that we now have in place the genesis of a team or corporate management approach to many of the challenges of Government. I am supported in this with the new appointment of a Chief Development Economist, Graham Gleadell, and of course the first Government Information Officer, Niki Summers. We will now have a situation where more people will have responsibility and that means there will be more people who are accountable. A new emphasis upon the establishment and good administration of the Falkland Islands has to take into account a number of key points. I believe that where possible we must remove Government from commercial risk. As Your Excellency has already indicated we must also ensure that Government is securing the best possible value for money and underlining all those things and perhaps more important than anything else, we must maintain a total integrity of Government so that the people not only desire the right, but are confident that they have the right and appropriate administration.

The Commander British Forces

In rising to support the Motion, may I thank you most sincerely for the extremely kind remarks concerning the military presence which Your Excellency made in the opening Address, and also indeed that the Honourable Members have made in their subsequent responses.

Now I know that the House is always eager to press on with the main business of this Session and that is the Budget, and I will, with your permission Sir, review the military contribution to the life of these Islands when we come to debate the Motion for the Adjournment.

However, it would be wrong of me to pass on without I think, making really three main points. The first is to mention the great disappointment I felt when I heard the remarks of the Chairman of the House of Commons Defence Committee on the radio last evening when he said that the Falkland Islanders should now start contributing to their own defence. And I should simply like to affirm as I did at a previous session of this House my own recognition and gratitude to the Falkland Islands Government for the contribution to defence which is indeed made and which in just my short time here on the Islands amounts to recognising in law that there will be foregone all income taxes on payments made by the Ministry of Defence to all our contractors and civilian manpower, recognising in law that excise duty will be waived on spirits and cigarettes for Her Majesty's Forces, recognising in law that there will be waiving of medical and pension contributions and harbour dues, the contribution of the Falkland Islands Defence Force, our subsidised travel on Falkland Islands Government Air Service, and the advantageous rates which we enjoy at the tourist lodges, the proposed purchase by the Falkland Islands Government of Onion Range for Ministry of Defence use, and last but not least the proposed specific and significant contribution to defence already in today's Appropriation Bill. I feel, Your Excellency, that the Honourable Member of Parliament concerned, was not fully briefed.

My second point is to say what a great privilege and pleasure it has been for me and especially for my family to live and work in these Islands over the last ten months. To experience the quite renowned friendship of the many Falkland Islanders and to share in their famous tradition of hospitality.

And lastly also to just mention that it has been a great honour and a great experience for me as a military man to take part in the debate with the Government through Executive and Legislative Councils and I hope that I don't sound patronising when I say that I have come, indeed, to admire and respect and much enjoy the quality of debate and informed comment that Honourable Members contribute to the exercise of democracy in these Islands and I would also like to pay a sincere tribute as has been done previously by Honourable Members to the sheer hard work and effort put in by officials, and indeed by the Councillors themselves, to the business of Government in the Falklands. It is indeed of a very high standard indeed and quite sincerely I believe it often goes unrecognised by the wider public.

CONFIRMATION OF MINUTES

The Minutes of the Meetings of Legislative Council held on 12 December 1988, 26 April 1989, and 17 May 1989 were confirmed without amendment.

PAPERS LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE

<u>ORDERS</u>	<u>FILE</u>
No 9/88 Fishing Licences (Applications and Fees) (Amendment) Regulations Order 1988	FIS/29/6
No 1/89 The Banking Ordinance 1987 (Commencement) Order 1989	LEG/10/28
No 2/89 Maintenance Orders (Reciprocal Enforcement) Regulation Order 1989	LEG/10/34
No 3/89 The Road Traffic Ordinance Designation of Roads (Various) Order 1989	POL/10/5
No 4/89 The Misuse of Drugs (Commencement) Order 1989	MED/10/4
No 5/89 The Misuse of Drugs (Designation) Order 1989	MED/10/4
No 6/89 The Misuse of Drugs Regulations Order 1989	MED/10/4
No 7/89 The Camp Medicine Chests Order 1989	MED/10/4
No 8/89 The Fishing Licences (Applications and Fees) Regulations Order 1989	FIS/29/16B
No 9/89 The Mare Harbour (Declaration and Definition) Order 1989	CUS/44/1
No 10/89 The Road Traffic (Amendment) (No 2) Ordinance 1988 (Commencement) Order 1989	POL/10/5
No 11/89 The Elections (Boundaries of Constituencies) Regulations 1989	LEGCO/10/1
No 12/89 The Electoral Forms Regulations 1989	LEGCO/10/1

PROCLAMATIONS

No 1/89 Prohibition of Export of Wrecks or parts thereof	LEG/10/45
No 2/89 Sitting of Legislative Council - 10 June 1989	LEGCO/35/1

Report and Accounts of the Falkland Islands Development Corporation for the year ended 31 December 1988.

Falkland Islands Government: Audited Accounts for the year ended 30 June 1988.

Management Report for the year ended 30 June 1988.

Old Age Pensions Equalisation Fund
Accounts for the year ended 30 June 1988.

Currency Fund Accounts for the year ended
30 June 1988.

The Honourable L G Blake OBE JP

Your Excellency, under the Falkland Islands Development Corporation Ordinance at this point there should be a debate on the report and accounts of the Falkland Islands Development Corporation and this was a session which we insisted on and does not seem to be provided for under the current Order Paper.

The President

If you would accept to have it put on the Order Paper for the resumption of the House next week it would probably give more time to consider it too, if that would be acceptable to you/

The Honourable L G Blake OBE JP

Thank you Sir.

QUESTIONS FOR ORAL ANSWER

QUESTION NUMBER 1/89 BY THE HONOURABLE E M GOSS MBE

Can the Administration tell Council how much revenue FIDC enterprises have generated to the Falklands economy to date and how much has it cost our Government to do this?

The Honourable the Chief Executive

Your Excellency, in short no because there has been no record ever attempted to identify the revenue aspects. What I can tell you is that since it was set up in 1984 they have been involved in the creation of over 150 diverse business operations, 43 projects and businesses, 44 enterprise grant generated businesses and 65 farms have received investment grants. They have also been involved in providing training for 23 individuals under the general training scheme, 4 apprentices and running training courses for hoteliers, knitters and in general management of a further 450 people and I can provide appendixes of the details of those to the Honourable Member in due course. The figures that I do have on funding are really quite interesting in terms of how much this Government has paid towards them, and if I can give you a full answer rather than that specific answer it might be helpful. The ODA since 1984, until the end of 1988, provided £7,485,788. The Falkland Islands Government has provided £304,441. Almost half of that is dedicated to the Falkland Mill. FIDC have generated income from their own investments and return on loans and profits to the extent of £1,059,871 and their current assets are valued at £4,828,623.

The Honourable E M Goss MBE

I thank the Chief Executive for his reply and I am sure that it would be most useful and most informative to the General Public.

QUESTION NUMBER 2/89 BY THE HONOURABLE E M GOSS MBE

Who actually owns MV Indiana?

The Honourable the Chief Executive

Your Excellency, the Indiana 1 is owned by Quay Shipping Services of Nassau, Bahamas, where the vessel is registered. It operates, as I am sure you are aware, an irregular service depending upon commercial opportunities in the South Atlantic.

The Honourable E M Goss MBE

I thank the Chief Executive for his reply. I am sorry I forgot the one behind Indiana and I note that it is an outside company.

QUESTION NUMBER 3/89 BY THE HONOURABLE E M GOSS MBE

What has the MV Southern Star cost our Government to date?

The Honourable the Chief Executive

Your Excellency, again in short nothing. The Southern Star is of course funded through Starfish Limited, the Company owning the Southern Star and it is a joint venture company funded by Joint Venture payments, but I think perhaps you would be interested to know that its capital cost was £304,551 and its current operating loss is about £6,500 per month.

The Honourable E M Goss MBE

I thank the Chief Executive for his reply. I find it interesting that it is owned by Starfish Limited, or perhaps I knew that, but the General Public would not have, or some might not have, so we have a share in that and we now know what the vessel cost and what it is costing to run per month. Thank you.

The Honourable A T Blake

Your Excellency, could the Chief Executive indicate whether or not we have had any offers for the sale of this vessel to date?

The Honourable the Chief Executive

Your Excellency, we have not been overwhelmed by people phoning up to buy the vessel but it is not a simple matter. It is currently being marketed. It may well be that she will have to be moved to another port for her to achieve a sale.

ORDERS OF THE DAY - BILLS

THE APPROPRIATION (1989-1990) BILL

The Honourable the Financial Secretary

Your Excellency, Honourable Members, the Appropriation Bill (1989-1990) Bill 1989. This will be my first budget to be presented before you. It is your third budget in a programme of evolution from the shadows of a grant-aided economy to the sunshine of self-sufficiency. The last two years have been more of a revolution in the pace of change and now might well be the best time to pause, draw breath, and consolidate our financial position, and it is upon this theme that this budget paper is placed before you today.

Contrary to popular belief, Financial Secretaries do try to be nice guys. They do try to construct a budget that will please the elected members and their constituents and this was my prime objective at the commencement of the compilation of this budget. As the work proceeded, however, it became evident that the consequences of Stanley Fisheries withdrawal were going to severely limit any flexibility which would otherwise have been available to produce financial goodies for general distribution. The ramifications of the return of the joint venture companies to the private sector will result in Government having to provide funds for the costs estimated to be incurred. His Excellency the Governor did mention the figure of £8 million in his speech this morning and this I will refer to again later, so the results of this evidence indicated that the 1989 budget would have to be formed on a very conservative basis aiming to build a solid foundation upon which to develop the future financial strategies.

The draft estimates have been provided to give Honourable Members the opportunity of examination of the suggested levels of activity by the departmental heads. Following the pattern set last year the format of the budget is that the first part deals with the operating revenue and expenditure and the second part deals with capital or development expenditure and revenue.

As a lead in to the details of the 1989-90 estimates, I will briefly review the financial year 1988-89. Greater detail of course is included in the budgetary policy paper which has been circulated to Honourable Members.

The operating revenue was originally forecast at £34.5 million. The revised estimates of revenue indicate that some £40.5 million will be received. This is an increase of £6 million of which £4.3 million was produced by the fishing licences. The operating expenditure was originally forecast at £17.5 million but the revised estimates of expenditure indicate that £22.8 million will be expended. This increase of £5.3 million of which the major element in the over expenditure was £3 million being transferred to the Fisheries Development Fund. Also an overspend was seen in our capital expenditure. The net overspend amounted to some £3.1 million of which a loan to Stanley Fisheries accounted for £2 million of this. The net effect on the Government's fiscus will be an increase in reserves to £22.7 million as at the 30 June 1989 and that becomes the starting point for the 1989-90 estimates.

The operating revenue for 1989-90 is estimated at £38.2 million Operating expenditure at £25.5 million, thereby providing a

surplus of some £12.7 million to fund capital expenditure, that is net of capital income of some £9.7 million.

The surplus which is left will be approximately £3 million and I have included in my memorandum to Honourable Members suggestions regarding the utilisation of this surplus.

The capital programme which is included as attachment 4 of your papers has increased from the £8.5 million approved in March to incorporate the urgent needs of the new fuel depot. Other major capital projects which will no doubt spark invigorating debate during the course of the next week will be the new Senior School and the camp tracks, neither of which are budgeted for in the capital programme at this moment.

The capital programme for 1989-90 mainly consists of the continuation of projects commenced in previous years. Major elements within the forecast £11 million expenditure are the continuation of the facility of providing loans for the purchase of farms, this amounting to some £880,000, the funding of mortgages for house loans of £400,000, further improvements to Stanley roads of £650,000, and the Ross Road rehabilitation is funded at £670,000. The completion of the Jersey Estate and other housing projects will require some £920,000. Further improvements to the electricity supply system of £1.2 million will also take place. These are just some of the larger items in what is a very substantial and a very ambitious capital programme. It is imperative that not only financial resources are considered when deliberations on the capital programme take place. Members this morning mentioned the debate which is likely to be taking place here in the course of the next week and I must stress this point at this early stage that in planning for many of these capital projects it is easy to forget the physical resources required and the lead-in time necessary to achieve commencement of any of these major projects. These factors, together with the 8,000 mile supply line, if not accurately assessed, can only result in very unpleasant crises of expectation arising between officials, Members and the public.

One final point on the capital programme is that during the coming financial year your administration will be endeavouring to produce for your consideration a development plan which will suggest priorities for a cohesive policy of infrastructure development throughout the Islands.

Turning now to operating expenditure in more detail. The estimated operating expenditure for 1989-90 is some £25.5 million, which includes a revised provision for SFL withdrawal of £6.5 million, which is included under the Secretariat heading and not an increase in the Secretariat costs as might have been suggested by this morning's bulletin. Normal operating costs are therefore £19 million. Compared to the approved estimates of 1988-89 of £17.5 million this represents an increase of some 8.5%. Incorporated in this increased expenditure are average wage increases both for hourly paid staff and pensionable staff of over 20%. These increases follow the policy being installed by Members to eliminate the difference between expatriate salaries and those salaries received by staff on local conditions. The new salary scales are shown on the second page of the draft estimates which Members have. Requests from departments for additional staff have been closely scrutinised and contracts for overseas personnel are

undergoing a stringent reappraisal to ensure a consistency of conditions of service for all Government employees. The teachers of course will be discussed at Select Committee.

An additional one-off item of expenditure included in this years estimates is a provision for the buy-out of outstanding leave. This proposal was one of the recommendations of the Hamshaw Report on Civil Servants Conditions of Service, and if fully implemented it will cost £146,000 but it is anticipated to eliminate the staffing problems caused by the old Colonial style leave conditions.

Whilst at the start of my introduction I stated that there were limited opportunities for distributing financial goodies. It is proposed however that certain benefits are increased. Provision is made within the estimates to increase non-contributory old age pensions for married couples from £51 to £57 per week, and for single persons from £37 to £41 per week. Contributory old age pensions will be increased by £7 for married couples to £66 and by £4 for single persons to £43. The costs of the contributory old age pensions is made from the Old Age Pensions Equalisation Fund. Whilst the full actuarial review from the Government actuaries department has not as yet been received, the proposed increases are therefore an interim measure.

Under the social welfare head provision is made for increasing child allowances from £30 to £33 per month, and the single parent allowance from £25 to £28 per month.

Proposals in the Bill are included to increase the amounts payable into the Funds for contributory pensions in the amounts of £8.50 to £9.50 for the self employed, £5.10 to £5.70 for employers and £3.40 to £3.80 for employees. These calculations have been made taking into account the £65,000 proposed as a Government subsidy for this year into the Old Age Pensions Equalisation Fund.

Now turning to the revenue to be collected. 70% of our estimated revenue is derived from the issue of fishing licences. In total this income is estimated at some £27 million for 1989-90. The Director of Fisheries is of the opinion that we are now at our peak in the income to be derived from this source.

The other major sources of revenue are taxation, both personal and company tax, which will provide some £2.1 million and an estimated income from funds invested of £2.6 million. Customs and harbour dues will be estimated to provide £1.3 million for the year. With these large figures being bandied about the question is bound to be asked why should other charges be made such as rents, rates, customs duty and such like. The answer is two fold - in the case of rents and customs duty it is to direct Government policy and in the case of rates it is a specific charge for services in a particular area.

Now I come to the unpleasant part of any budget presentation. This is in announcing the increases in charges to be levied. First may I deal with customs duty. It is proposed to increase the duty on tobaccos and tobacco products by some 25%. Cigars will be increased to £37.90 per kilo, that is an additional 7p on a packet of 10 cigars. Cigarettes will be increased to £27.40 per kilo, an increase of 8p on a packet of cigarettes. Tobacco to be increased to £24.91 per kilo, an extra 25p on a packet of

cigarettes. I can feel Councillor Blake's eyes on me at this particular point! You have a kindred spirit Sir, I can assure you. These increases are recommended to follow international recognition of the inherit health dangers as a result of smoking tobacco.

It is not proposed to amend the rate of duty on beer or on wines but it is proposed that a 10% increase be levied on spirits. This proposal will result in an additional 58p duty on a litre bottle of spirits, or 43p on the three-quarter litre bottle.

The proposal to increase rents is to encourage the purchase of houses. PWD, as we have heard this morning, have considerable difficulty in carrying out even minimum maintenance on Government housing stock. Therefore the larger number of houses that can pass into private ownership the easier the situation becomes. It is proposed therefore to increase rents by 15% with effect from 1 July 1989. This increase is bound to be difficult for certain sections of the community and in order to cushion the hardship effect a rent rebate scheme will be developed and formulated for Executive Council consideration at the earliest possible time.

No adjustments of personal or company tax are proposed at this stage. A review of our taxation system will take place early in the financial year and any amendments will be recommended in time for amending legislation to become effective in January 1990.

At the Executive Council meeting on the 25 April Executive Council charged me with the responsibility of effecting savings from departmental submissions of some £2.5 million. Consultations were undertaken with the various Heads of Departments and with their assistance and co-operation we achieved savings in excess of £3.8 million and it is felt that these savings, whilst large, are not at the expense of decimating services which are going to be provided during the next year. For their heart-searching co-operation during that exercise I am extremely grateful.

That, Sir, concludes my presentation. I beg to move that the Bill be read a first time.

The Bill was then read a first time and on the second reading the following Honourable Members spoke:

The Honourable A T Blake

Your Excellency, in rising to support the Motion I should like to make a few observations for public consumption. I have already, of course, met many times with the Honourable the Financial Secretary and have already come to respect his eye for detail on what he calls irregularities, a word that has been bandied about. However, I have the greatest admiration for the way in which he has prepared this Bill and, sitting as I have in this particular seat on the Financial Secretary's right hand, I have been in the position of actually being able to read slightly ahead of him. In the past our Honourable the Financial Secretary always used to do it in shorthand which was probably only decipherable to himself, thus keeping the budget secret right until the very last second! Sir I don't wish to make very much comment on the proposals, I am sure we are going to spend a lot of time discussing them and

debating them but I would congratulate him on his first budget and I will support the Motion.

The Honourable R M Lee

Sir, in rising to support the Motion I just have two comments to make really, one on the subject of smoking. It is joked about I know but I feel that it is a serious addiction which people have and I will support the extra taxation on tobacco as I firmly believe that people should be encouraged not to smoke.

On the proposal to increase rents I would agree with that, but I think we should show a firm commitment to the people who are in Government houses that we do intend to sell and we should inform those people which houses are for sale so that they can make up their minds when to move or when to buy. We don't want to create a lot of confusion and have people disgruntled living in houses with a very high rent.

Sir, I wish to support the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, in thanking the Financial Secretary for his presentation there are one or two items which I should like to raise. In his memorandum he mentions a Government subsidy to the Old Age Pensions Fund. This is not something which I would look upon with great favour and we will discuss later, but in fact the thing that I would like him to clarify perhaps at the end of this debate is the comment that the £6 increase and the increases in old age pensions payments are an interim measure waiting for the actuary's report. I would not want him to raise false hopes within the pensioners community if it was not his intention to perhaps revise the level of pensions at a future date. I would guess that his hint is not that he will be revising the level of pensions at a future date but perhaps as a result of the actuary's report which always says that we are not putting enough into our fund despite the size of it that he will be wanting to increase the level of contributions, but perhaps he could clarify that in the wind-up.

I have, of course, to protest at his vindictive attitude towards the smoker and the drinker! I notice we have got water on the table today which is a bit sad, but I can see no justification for Governments, under any circumstances, setting themselves up as the moral arbiter of what one shall do and what one shan't and therefore one taxes the bits that you don't like people doing and you don't tax the bits you do like them doing. We have later in the Bill also which hasn't actually been mentioned an increase in child allowance. Does this mean that we want people to breed more, and will next year he be taxing parents or reduce their allowance to stop them breeding quite so fast. I do think that this sort of attitude of Government that they are the moral arbiters for the community and therefore we tax the things you don't like. Why does one tax spirits and not beer? You have lager louts, in fact I have never heard of a "gin lout" so why do we have this Government intervention?

But to go to a much more serious topic, I am concerned, I realise that Government is in the business of making ends meet and our investment in housing is very considerable, but I am concerned at the increased house rents. I am very pleased to hear that at an early opportunity, it is suggested, Government is to put forward a rent rebate scheme, and I would suggest therefore that if it is in the near future that such a scheme is going to be put into action that until then the house rent increases should be held until that scheme is brought into being otherwise we are going to have periods of difficulty for some of our occupants. It is all very well to talk about moving in and out of houses, but when you are in a house you have got to stick there otherwise it is a portakabin or a mobile home or nowhere, so you cannot actually move in and out of houses and I do feel that it is necessary to actually bring this rebate scheme in to being if we are going to increase house rents and I think they should be brought into being at the same time, particularly because we have a number of people whose level of income is not high, and I don't want to subsidise high incomes, but I do not want to penalise those on low incomes and those in the sheltered accommodation and so I would ask him to consider and I will press him further when we get into Select Committee to consider delaying house rent increases until we actually have a rebate scheme in being.

And finally, I am interested to note that the level of house rates has been included within the budget. I was under the impression that this was normally set by Standing Finance Committee, not by the Select Committee, however I may have got it wrong. Other than those comments I beg to support the Motion.

The Honourable E M Goss MBE

Your Excellency, Honourable Members, I thank the Financial Secretary for his introduction of the budget measures. As far as increasing Government house rents I can go along with that, but I do hope that it will not apply to the sheltered accommodation for the elderly residents and no doubt when we go into Select Committee I will be talking more on that point.

Customs duty - I have always had a lot to say on increases in customs duty in the past. I do think we have got our priorities wrong.

I will accept increases on tobacco and cigarettes and offensive things like that, but I do not consider the increase on cigars to be justified, being an old cigar smoker I am told they are the most pleasant aroma one could release into any room and the least offensive and the least hazardous to health, so I think we should rearrange our duties on tobaccos and cigarettes and encourage more people to smoke cigars, bigger and better cigars.

Now nought on beers and wines will only create a society of beer swillers and winos, and winos are a problem all over the world so I hope when we get into Select Committee we can review this lot and perhaps rearrange, still get the same revenue, still fill the purse in the same manner, but perhaps have a little bit less on the spirit of life.

No adjustment to personal and company income tax is very pleasing to hear, it might happen after review in January 1990, but I can assure the general public that I will resist any increases in that direction.

I support the Motion, Sir.

The Honourable T S Betts

Your Excellency, Honourable Members, in rising to support the Bill and speak on it, all I can say is that the spend, spend party is over and that the Financial Secretary is absolutely right to present to us a budget that is putting the brakes on it all. The proposed budget really does highlight the cost to us all of the wind-up of Stanley Fisheries, not least the pensioner who can't look forward to much more than £6 here and £4 there.

The proposed increases in rates and rents, I personally am in favour of that providing it encourages Government to sell its properties to many of those sitting tenants and relieves us of the maintenance costs in maintaining those properties.

I think it is probably inappropriate to discuss the budget too much at this stage Your Excellency, and I will make further and lengthy comments when we return from Select Committee.

The Honourable Mrs C W Teggart

Your Excellency, Honourable Members, I would like to congratulate the Honourable the Financial Secretary on his presentation of the budget for the following year. Last year was actually my first budget session and I remember saying after the week that I thought I had distinguished myself by being against every proposal that the Financial Secretary at the time had made, and I feel that this year is going to be no exception. It always amazes me that when we are taking money from people we do it from 1st July, when we are giving it out in the form of increases in pensions and childrens allowances we do it from 1st January which sounds to me that the Government has the advantage of six months and they are getting more money in than they are actually giving out, I suppose it evens out in the long run but nevertheless.

I am not a smoker, at the moment I am not a drinker, but I must say that I really feel that for the amount of revenue that we get there would be a lot to be said for making Stanley a duty-free port and perhaps that would lead us to more alchoholism and more people with the evil habit of smoking but personally I think people will do it anyway, and I feel that you don't necessarily want to price little luxuries, if you can call them that, out of their pockets.

I am very much against the propopsed increase of 15% on Government house rents. I have a number of reasons for being opposed to it. The first one and the main one is that I know that Government are proposing selling off a number of their properties. At the moment we give housing loans up to 90% of the value of the property. I feel very strongly that to increase the house rents at this stage

by as much as 15% will deter or prevent a lot of ordinary working people from being able to save the deposit that they need to put down on buying their house. I know a lot of people who live in Government houses who would like to buy them but it is saving that initial five or six thousand pounds which is going to prevent them from doing so and I feel that if we are reaching the stage when we are expecting an ordinary labourer to be spending 25-30% of his wages on his rent, well the cost of living is high in the Falklands anyway, I don't think he will be able to get that initial money without getting himself into great financial difficulties.

Another one of my reasons for feeling as I do about the house rents is some Government properties are really sub-standard, they have had no maintenance done on them at all for years. I am thinking at the moment in particular actually of the Coseley building where at the moment we charge £73 a month to those young men who live in what I can only call squalour. I know it includes their electricity and their heating costs, but I know of one particular room in there where everytime it rains the carpet floats on the floor because the building leaks so much and I think to add 15% on to their house rentals, or their room rentals as the case might be, is really adding insult to injury. I feel very strongly that any member of this Council who hasn't had the opportunity to visit the Coseley building and have a look around should do so at the first opportunity because it is an education.

I, like other Honourable Members, am pleased that there will be no tax increases this year either on company tax or personal tax, and I am sure that we are going to have a long, hard week squabbling over this Bill.

Thank you.

The Honourable the Financial Secretary

Thank you Your Excellency, if I can try and summarise and possibly give some degree of satisfaction to the points that the Members have raised. I think that the common theme with everybody seems to be about the sale of Government houses and this exercise is certainly commencing. In actual fact the consultant who Executive Council agreed to bring down to undertake this exercise is in actual fact arriving before the end of June, so this is something which is being treated with some considerable urgency.

If I may clarify the point raised by Councillor Tim Blake regarding the actuarial review, yes, the first thing to do is receive the actuarial review and we will see what we can do about it and work from there. I am not saying at this stage whether it is going to be an individual increase on pension payments or an increase into the funds. I would prefer to see the actual review first if I may, Sir, and we can consider it at that stage.

The other point that you raised, Sir, was the question of the rates being agreed upon at SFC, this will of course happen and any increases will not be imposed until it is actually approved by SFC as you quite rightly say.

In respect of duties, I take the point on those, Sir, and no doubt

we will hammer this one through during the course of the week.

Councillor Teggart, again acting as a butt to the truly financial interests and displaying a delightful social conscience, we will certainly be looking at the question of rents and I can assure you and I am sure that Councillors have the same feeling that we will be trying to cushion and certainly to mitigate any hardship effects that will be brought in by any of these rent increases.

I think that is all I have to say, Sir.

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

The Honourable the Financial Secretary

Your Excellency, I beg to lay on the Table a Certificate of Urgency in respect of this Bill, the Appropriation Bill 1989 and the Appropriation (Agricultural Improvement Grants) Bill 1989. This was issued on the 8th day of June 1989.

THE APPROPRIATION AGRICULTURAL IMPROVEMENT GRANTS BILL 1989

The Honourable the Financial Secretary

Your Excellency, this is a Bill for an Ordinance to appropriate £500,000 for the expenditure on agricultural improvement grants during the year ending the 30th June 1990. I beg to move that the Bill be read a first time.

The Bill was then read a first time and on the second reading the following Honourable Members spoke:

The Honourable A T Blake

Your Excellency, Honourable Members, in rising to talk to this Bill I don't want to instigate a long and arduous debate at this level because in actual fact, although this scheme has been before us on a number of occasions, two occasions, we haven't as a collective group had very much time to discuss it and look at the long term effects of this on the economy of the Islands. We must when we are considering this Bill look to the future of the Islands and what we want of our economy and how we want it enhanced. Do we want outside investment? If we want outside investment are we prepared to financially assist and support that investment to the betterment of the economy of these Islands? We must consider whether or not we want this issue to result in the probable fall of this Government or whether we want it to cause grave constitutional problems for the future running of this economy and this Colony. We have to ask ourselves whether or not we are going to emulate a financial system which I believe was probably developed in Argentina with the obvious financial consequences to that country; I personally do not wish to follow that trail, and are we going to continue to try and do the

impossible of getting something for nothing? These are just a few questions that we have to discuss and sort out amongst ourselves in deciding whether or not this Bill will be successful in this Council. No doubt other Members have got various points of equal importance they would wish to discuss. So I would just ask Honourable Councillors to consider the future of the Falkland Islands in great depth when they are discussing this Bill and hope that we can resolve the problems that it has brought us in a democratic and dignified way.

I wish to support the Motion.

The Honourable L G Blake, OBE JP

Your Excellency, in rising to support the Motion for the second reading I would like to reiterate the comments made by the Honourable Member for Camp. All our aims have been, and we have called for investment from outside, we are seeking investment by the bank, by construction firms, etc, and we do not wish to limit that field of investment in any direction. I am sure the Financial Secretary would support me in that, and therefore before we get locked in battle let us consider this Bill with all its ramifications, not just in the narrow context of an individual company's performance, but in the context of the economy of these Islands and let us go forward together.

The Honourable E M Goss, MBE

Your Excellency, Honourable Members, I rise to give this Bill all my support as you would expect and I really don't feel at this stage, or any stage in the future, that we will be locked in battle on this Bill for any length of time if any battle at all. I am sure if good sense and justice is going to prevail in our Government it will give this Bill every encouragement through its channels.

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

The President

The Council is now adjourned.

The President

On our return from the Select Committee 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

Thank you Sir. Your Excellency, Honourable Members, I beg to report on the proceedings of the Select Committee. The Select Committee has met at considerable length during the last week and has reviewed the draft estimates in considerable detail. A number of changes have been made to the original proposals placed before the House last Saturday.

If I may deal with capital expenditure first Sir. Select Committee have approved additional expenditure for 1989-90 of £1 million on the capital programme. The extra funds are provided for the commencement of the new senior school project, and secondly the start of the programme of the camp tracks network. A provision of £1.5 million is made for each of these schemes. This amount to be spent within the financial year 1989-90.

Alternative methods of financing the new fuel depot are being investigated and therefore the original provision has been removed from the programme.

On the operating accounts Sir, whilst the overall revenue figure remains approximately the same Select Committee have made changes to the proposed charges. Significantly the changes are: harbour dues will be increased by 10% from 1 January 1990; rates will be increased by 10% from 1 July 1989, this has been approved by Standing Finance Committee; the rents will be increased by 15% with effect from 1 October 1989, but this subject to a rent rebate scheme being prepared and approved; the charge for the sale of water to ships not subject to income tax be increased to £5 per ton; the customs duty on tobacco products be increased by 33 1/3%, but the duty on spirits, wines and beers to remain unchanged; the rental for private post boxes to be increased from £1.50 to £10 per annum with effect from 1 January 1990; dog licences also to be increased from £5 to £10 per annum with effect from 1 January 1990; boarding school fees to be increased by 10% from the commencement of the third term 1989, that will be in September, the increases there to be for the first child from £60 to £66 per term, for the second child from £40 to £44 per term, subsequent children of course remain free of charge. The Medical Department's revenue includes provision for the increase of around approximately 50% in the charges to non-entitled patients. It was agreed that the current electricity tariff of 13p per unit should remain in force for the time being, the tariff and tariff structure to be reviewed when the relevant statistical information becomes available. The charges for broadcast announcements over FIBS to be increased from 4p to 10p per word with the minimum charge being increased from £1 to £2; the charge for a recorded message increased from £2 to £5 per minute, the revised charges all to come into effect from 1 July 1989.

Under operating expenditure the Legislature has been amended to contain a provision for councillors allowances, the details of which will be published Sir, but in overall terms the provision is

increased from just under £17,000 to £53,000. The revised allowances to become effective from the commencement of the new Council. These rates of course will need to be ratified by Executive Council before details can be given.

The full and detailed list of amendments on operating expenditure will be available, Sir, and circulated to Members as soon as possible, but in summary if I can give the effect of the changes, these will give estimated figures of on operating revenue of £38.2 million, and on operating expenditure of £25.5 million, which as you will recall are approximately the same figures as we were dealing with at the initial stage of the budget. This will provide an operating surplus of £12.7 million; added to this is capital income of £1.3 million which will mean the sum of £14 million is available to finance a capital programme amounting in total, as amended, to £12.3 million.

Those, Sir, are the deliberations and results of the Select Committee.

During the Committee Stage Clause 1 of the Bill was adopted without amendment and the Schedule was adopted with the following amendments:

100 Aviation - substitute £787,000 for £785,000;
200 Medical - substitute £1,452,680 for £1,436,680;
250 Education & Training - substitute £1,382,790 for £1,401,090;
300 Customs & Harbour - substitute £505,230 for £605,230;
320 Fisheries - substitute £5,725,400 for £5,825,400;
350 Public Works - substitute £4,488,220 for £4,462,220;
390 Fox Bay Village - substitute £97,920 for £72,920;
450 Justice - substitute £188,710 for £190,120;
500 Military - substitute £111,040 for £99,040;
550 Police, Fire & Rescue - substitute £470,820 for £465,520;
600 Secretariat, Treasury & Central Store - substitute £8,030,970 for £7,933,220;
650 Pensions & Gratuities - substitute £320,400 for £278,400;
800 Legislature - substitute £143,750 for £87,480;
850 Falkland Islands Government Office - substitute £188,360 for £229,360;
860 Agricultural Research Centre - no change;

Total Operating Expenditure - substitute £25,513,810 for £25,492,200;

951 Development Expenditure to be met from local funds - substitute £11,757,020 for £10,467,530;

Total Expenditure from Consolidated Fund - substitute £37,270,830 for £35,959,730.

Clause 2 was then adopted with the following amendments:

substitute £37,270,830 for £35,959,730.

The Bill was then read a third time and passed.

The President

I now invite the Honourable the Financial Secretary to report on the proceedings of the Select Committee on the Appropriation Bill Agricultural Grants Improvements 1989.

The Honourable Financial Secretary

The Select Committee again considered in great depth the Appropriation Agricultural Improvement Grants Bill 1989 and there are no amendments to the sum proposed.

The Council then went into Committee and the following debate took place:

The Attorney General

Your Excellency, in relation to Clause 2(2) I wonder if Honourable Members would grant the indulgence of altering the figures which appear £500,000 in 2(2) into five hundred thousand pounds in words so as to be consonant with the sum expressed in the preceding sub-section, they should both be in the same form, a very minor point.

The Honourable the Financial Secretary

I beg to move, Sir, that Clause 1 stands part of the Bill but that consideration of Clause 2 will be left until after the Schedule has been considered.

The Honourable J E Cheek

Your Excellency, at this point I would like to introduce an amendment which in effect would be Clause 3. I leave it to you how you wish me to proceed.

The Attorney General

I think Your Excellency that the Honourable Member could move Clause 3 now conveniently because otherwise Clause 2 and the Schedule might have been approved and it would be easier for Honourable Members to consider Clause 3 at the same time.

The Honourable J E Cheek

Your Excellency, the amendment I propose is as follows, I would in fact move that the Bill be amended by the insertion immediately after Section 2 thereof of the following new Section 3:

- "3. No monies may be expended on grants for which provision is made by this Ordinance except in favour of persons who are ordinarily resident in the Falkland Islands or companies,

the majority of the shares carrying voting rights are beneficiary owned by persons ordinary resident in the Falkland Islands."

I have a copy of that here, Sir, if you so wish. If I have a Seconder I would like to speak to the amendment.

The Honourable T S Betts

Sir, I beg to Second the Motion.

The Honourable J E Cheek

If I may speak to the Motion Sir, this is not the first time this has come up and I am sure it is no surprise to anyone here. It is certainly unfortunate that it has to come up. This is a matter, Sir, of principle and I won't repeat too much what has been said in the past, but just to clarify one or two things that have been said. It is not against investment by non-Falkland Island companies in the Islands; it is not against large farms, I can see that there is a need for some both as a means of employing those who don't want to own now and I think probably even more importantly as a training ground for those who may well take over their own farms in the future; and it is also not, I believe, a split between Stanley and the Camp. There are those who are trying to say it is as a means of not going along with the principle of the amendment. I have never been in any doubt about how the people in Stanley felt, in fact apart from officials I have only ever had one person in Stanley who said to me that he was against what I have done in the last few months. I was less certain about how people felt in the Camp, after the original amendment last November I heard one or two who were in favour, my other source of information - the 2-metre band - at that time people seemed reluctant to say how they viewed the matter on the air, what their reluctance was to make it known how they felt I don't know and I wouldn't guess publicly. But following the amendment in May it became much clearer to me how people felt in Camp. If anyone had cared to switch on a 2-metre set after that day's debate here the amount of discussion on the 2-metres overwhelmingly in favour of what had been done left me in no doubt and I think if he will forgive me for saying so, what the Member for Camp, the Honourable Member Mr Tony Blake, has said following that debate again overwhelmingly those people who have mentioned the subject to him were in favour of the amendment.

Just two other points. Those who say that the amendment is discriminately, I would make two points. Firstly, probably one of the arbiters against discrimination, the EEC, and they are almost fanatically against discrimination, they through a STABEX system have agreed to continue using their money for this grant that they don't consider it discriminatory as far as they are concerned.

The other point I would like to make and if I may quote, and it isn't in the context of the agricultural grant, if I may quote the Joint Review of the Falkland Islands Development Corporation. The ODA's comments are in grants for other purposes say, quote "It is essentially contradictory to establish Government financed funds for firms which are predominantly foreign owned." Now those are two outside bodies who totally agree, I believe, with what we are

doing here. I can only say that I believe it is totally wrong, as I have said before, for Falkland Islands tax payers to provide grants for non-Falkland Island companies. I only hope that this amendment goes through, if it doesn't I will do as, I don't like saying it but the opposition did last time, wait until we have a full House or at least we have more people in August, when I believe our next sitting will be, Sir I propose this amendment.

The Honourable E M Goss, MBE

Your Excellency, Honourable Members, and general public, I really couldn't stand up quick enough to speak against this amendment. I object to it, I would like to remind everybody that the larger companies, or the established companies, who cannot with this amendment share in the scheme, who employ a lot of people do pay tax in the Falklands. Half of any profits that they make come into tax. The small farms that the Agricultural Grant Improvement Scheme is established for are for many years on the bread-line and cannot make enough money to pay tax, so I think that is a point worth considering. If we are going to toss about slaps on the back and fan mail I should have brought my bag along to support my case. I don't think that is the way to do it. If we really want to get the public feeling on the matter than perhaps we can have a Gallup poll with Marplan or somebody, and then we would know where we stand, but I feel sure that if the present Members of this Council offer themselves up for election for the new Council in October the feeling of the public will reflect in who gets into the seats. It is only one small issue but I am sure the pointer will come in that direction. Now if I offer myself up for election and I am not at this Table then you know I was wrong and the public have had their say. It is a principle at stake here, and it is a principle I feel being a member of the democratic Government representing democratic people must defend, so I object to the amendment.

The Honourable R M Lee

Sir, I would like to object to the amendment as I have done consistently in the past. People talk of a principle, I am still unclear after all these weeks of debate what principle we are fighting for. Are we trying to get rid of overseas-owned sheep farms I ask myself and nobody seems to want to come clear on that. If the principle of this amendment is to do that then I think we should come clean and talk to the Falkland Islands Company about it and this is no way to try to chase them out of the country, so that is one good reason why I am not in favour. Councillor Cheek said that this amendment doesn't create a split in the community between Camp and Stanley but I would ask him how can you ignore all the people that work on Company owned farms and not even bother to take their views into consideration and still claim that you are not splitting the community. The agricultural community tends to stick together and I think in spite all the claims that there is a split out there, the majority of the people are in favour of overseas companies receiving this grant and by introducing this particular amendment all I can say is that we are bound to split the communities between Camp and Stanley, we are almost splitting the Councillors, well that is fair-dos, but to introduce an amendment that is going to save a very few pounds in real terms, we are spending £12 million on capital this year, this

Bill will probably give overseas companies a slice of half a million so their portion of it will be very tiny indeed.

To refer to FIC as being a foreign-owned company I think is a little bit extreme also. I think we are being the fanatical ones when we start referring to companies that have been here and operated for over a hundred years as foreign. I think they are very much a part of the Falklands and should not be referred to as such, but I won't go over all the arguments that I have made in the past but I strongly oppose the amendment.

The Honourable T S Betts

Your Excellency, Honourable Members, I rise to support the amendment and all I am going to say in actual fact is to answer the previous speaker in one aspect and that is, it is obvious there is a split in Council on this matter, but I don't believe it is obvious that there is a split in the community, and I will deal with something that he finds he can't deal with and that is the principle. I was elected to this House to represent a section of Stanley, the constitution doesn't allow me to represent anyone else, and I will not allow public funds to be spent to the benefit of absentee landowners.

That is all I have to say.

The Honourable Mrs C W Teggart

Your Excellency, Honourable Members, I also rise to support this amendment. Once again, as I said last time, I find it unsavoury to be standing here talking about it so many months after it originally started. I am not going to repeat any of my arguments either, just to say that I believe a principle is at stake here and that I believe that certainly the majority of my constituents are also against us providing grants for absentee-owned farms.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, my reason for opposing this amendment is that I believe that we need a healthy agriculture and to achieve that agriculture will need assistance. I am not going to actually sort of count my pigeons, I have never believed I was a carrier pigeon to Parliament, or Council, and I am not now. However, as the current Chairman of the Farmers Association I have to oppose this amendment under instruction. We have tried to find a formula which meets all views. It has been suggested that we could tie the investment of the foreign owned companies by conditions, alternative rates, specific schemes, etc. Unfortunately we have not been able to achieve what was hoped. I therefore still have to oppose the amendment.

The Honourable J E Cheek

I have the right to reply, Sir. Just one or two things largely in reply to what has been said, firstly the word foreign was not of my choosing, it was the word used in a similar context as I say in the report on the Falkland Islands Development Corporation and I

am sure they mean foreign in that case non-Falkland Island. I seem to remember someone referring to it as a Falkland Islands company, it is not a Falkland Islands company, it is not even after 130 years still yet registered as a company in the Islands, let alone owned by Islanders.

The other thing that I think should be mentioned is that this matter of principle and it is as the Honourable Member for Stanley, Mr Betts, has said, a matter of principle of Falkland Islands tax going to non Falkland Islanders. It is not just a matter of the Agricultural Grants scheme, lets be perfectly plain about that. It applies to I believe, and should, the principle applies to any grants to non Falkland Island companies, whether they be foreign fishing companies, in the future possibly foreign oil companies, the principle must remain the same I believe.

Those two points, Sir, are the only ones that I wish to reply to. Thankyou.

After the vote was taken the result was three in favour, three against, and one abstention, so the Motion was lost.

In favour of the amendment

Hon J E Cheek
Hon T S Betts
Hon Mrs C W Teggart

Against the amendment

Hon E M Goss MBE
Hon L G Blake OBE JP
Hon R M Lee

Abstention

Hon A T Blake

Council then returned to the Motion that Clause 1 should stand part of the Bill and the Motion was passed. The Schedule was then passed with the following amendment:

The Honourable the Financial Secretary

The Schedule to the Bill, Sir, is that the expenditure to be met from local funds, accounts code 951 984 Agricultural Grants in the sum of £500,000.

The schedule was then adopted, Clause 2 was passed with no amendments, and the Bill was read a third time and passed.

MOTIONS

Motion by the Honourable the Financial Secretary

The Customs (Amendment of Import) Duties Resolution

This is in respect of the Customs Ordinance, the purpose of the Motion being to increase the customs duty in respect of tobacco products. It was agreed by Select Committee, Sir, and the proposal is that the duty on tobacco products firstly cigars be £40.43 per kilo, on cigarettes £29.23 per kilo, and tobacco £26.57 per kilo. These figures, Sir, represent the following increases: on a packet of 10 cigars the increase will be 9p; on a packet of 20 cigarettes the increase will be 11p; and in respect of a 50g pouch of tobacco the increase will be 33p.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, I am still gasping! The reason is not that I am smoking, in fact the reason is I swallowed my cigar when these swingeing increases were passed through the Select Committee. I just hope that the new Council will be able to continue their pleasures, I feel that I shall have to deny myself one or two of mine.

The Honourable T S Betts

Your Excellency, Honourable Members, I rise obviously just to support the Motion and I do believe that I was probably the first one to initiate it in Select Committee, much to the displeasure of Councillor Blake here, but I believe that if people want to commit suicide on a daily basis then sobeit, but they can pay for it.

The Honourable J E Cheek

Your Excellency, Honourable Members, I too rise to support the Motion, I am not sure what happens if we sit here quietly, whether the Motion is not carried because everyone abstains, in fact I am not quite sure yet if the last Bill went through as no-one voted for it, but be that as it may. I think probably there are none so fanatical as the reformed and as a reformed smoker I feel that I must support this Motion, even more so when one hears from the Medical Department that a very high number of patients who are attending the hospital are attending because of tobacco related problems. I think we have to take this further, this is only I hope the first step, I would hope that the next Legislative Council will make further swingeing increases, and also that as part of putting people off smoking that the Education Department introduces an education programme in how harmful smoking can be.

Sir, I support the Motion.

The Motion was then carried.

Motion by the Honourable the Chief Executive:

That the Legislative Council notes the Annual Report and Accounts for 1988 of The Falkland Islands Development Corporation.

Your Excellency, I move that the Legislative Council notes the Annual Report and Accounts of 1988 of the Falkland Islands Development Corporation.

The Honourable L G Blake OBE JP

Your Excellency, firstly may I congratulate the Development Corporation on achieving for the first time the actual presence on the Table of the Report and also may I thank the Chief Executive for making available the debate. I would also like to congratulate the Development Corporation for its thorough and careful review of its programme. They have gone through a period of major change but I believe that they have continued to serve the purpose for which we at that stage brought into being in assisting the development and the investment and diversification of the Colony.

Sir, I beg to support the Motion.

The Honourable R M Lee

Sir, I wish to support the Motion also and just say that I feel that although the present day work of FIDC is probably not as highly publicised or as exciting as it was a few years ago because there are less new schemes being initiated. I think the work that is going on today is probably more valuable than the dreaming up of many of the schemes that have been already brought into being. It is one thing to think of an idea, it is another thing to see it through and make it work and I feel very confident that the present team in FIDC are doing a good job along the right lines. They are consolidating what has already been started and I wish to congratulate them on what they are doing.

I wish to support the Motion.

The Honourable A T Blake

Your Excellency, Honourable Members, I would second the comments made by both the previous speakers in respect of the performance in the past and the performance that is going on now of the Development Corporation. It has unfortunately gone through an era of, I suppose one could call it troubled times, and I firmly believe that we are if not out of the woods, heading well and truly to it. I would just like to draw Members' attention to the land reform maps towards the centre of report. It is interesting to note that the ownership by absentee landlords has considerably reduced and this is in line with a policy which was set many years ago and I think in terms of success this is perhaps one of their greatest achievements. I would however like to bring to FIDC's attention that they have used a rather unfortunate colour to do this. They have used the colour light blue and the rest of the map is white, so we have the situation where the Falkland Islands is shown in varying percentages of blue and white. I will be very

happy, Sir, when that map is totally blue.

The Honourable J E Cheek

Your Excellency, Honourable Members, I too would like to congratulate FIDC on finally after five years getting the accounts to this meeting for the first time. It was also very, very interesting to read the Report. In fact I didn't think I was going to have time to read it before I spoke here but my enforced absence last Saturday gave me something to do whilst I was lying in bed and as I say I found it very interesting reading.

The comments by my colleague on my left regarding the colouring, I too made a note here that their choice of colour was hardly appropriate. I am not sure that I would like to see it all blue, but certainly I would like to see the whole of it indicating that it is locally owned. The Honourable Member for Camp, Mr Blake, didn't actually give the percentages but pre-1980 local ownership was only 24%, ie overseas ownership was 76%, and that was very, very hard to defend when we first started going to the UN in 1982. In fact it was indefensible but the fact that figure has now dropped to 27% of overseas ownership is very, very good. It is only unfortunate and I hope Members will allow me to make this comment, that I believe what we have done today may well reduce the speed at which that figure itself will reduce.

The only other comment I have on the accounts is that I wish the accounts, and I am sure they do, reflect what accounts are supposed to reflect. The only thing is, I don't understand it, and I suspect that few around this Table do, what I would like to see the accounts reflect, or possibly something in addition to the official accounts, that would actually indicate how much is being spent on this, how much is being spent on that, not individual schemes but for example whether it is on new businesses in Stanley etc, etc. How much is being spent and how successful that spending has been. That would be very, very useful if FIDC could do something along those lines next time I think it would be worthwhile.

The Report itself is too long to comment on here and I think already changes are taking place in FIDC which reflect the recommendations made in this report and in that context I think we probably already welcomed Mike Summers as the boss-man there, I can't remember his official title. I am sure he is going to do a good job and look forward to working with him in the few remaining months that we have here in office and I wish him every success in the future.

Sir, I support the Motion.

The Honourable E M Goss

Your Excellency, Honourable Members, we have a lot to do so I wasn't really going to rise to speak to the Motion but if I remain seated in any other Motion take it that I am in favour of the Bill or the Motion, but I was prompted to rise because two of my colleagues on the far left there have definitely got the blues. But we have got blue in our flag so I wouldn't worry too much about that, perhaps we can change the tone of the blue but it is a

point they made. I welcome and applaud the FIDC for all the work they do and in a Bill we discussed earlier on this morning I notice FIDC helped form the Agricultural Advisory Committee and they spoke in favour of what we were doing. I wouldn't worry too much about proportions of overseas landlords or landowners providing they have the British passport the same as we have, so I consider we are here and we are British so I wouldn't think that was anything to be unduly worried about, but maybe we can just deepen the colour of blue as my two colleagues on the left suggested.

I support the Motion.

The Motion was then carried.

ORDERS OF THE DAY - BILLS

THE OLD AGE PENSIONS (AMENDMENT) BILL 1989

The Honourable the Financial Secretary

Your Excellency, if I may stand as the mover of the Bill, this Bill is an Ordinance to amend the Old Age Pensions Ordinance of 1952. This prepares for weekly contributions to be increased to the rate of £3.80 per week for employed male persons between the ages of 17 and 64 years of age; for every employer of such persons to pay an increased weekly contribution at the rate of £5.70 per week; and for every self-employed male person to pay a weekly contribution at the rate of £9.50 per week.

Also included in the Bill is to increase the rate by which a female contributor can earn up to a maximum now of £3,200 per annum and also with an additional sum of £800 per annum for every child of school age maintained by her.

So the result of these increases will have a beneficial effect in the amount of pensions being paid out, and this will be as shown in the Schedule. A married man will receive £66 per week; an unmarried man, widower, or man whose married but effectively a single person will receive £43 per week, and an unmarried female contributor will also receive £43 per week. The funding of these benefits will come from the Old Age Pensions Equalisation Fund.

I move the Bill Sir.

The Bill was then read a first time, and on the second reading the following Members spoke to the Motion:

The Honourable J E Cheek

Your Excellency, Honourable Members, in rising to support this Bill, of course one could hardly do otherwise with increased pensions, whether it is enough is a different matter.

My only other comments that I would make is not really in connection with this Bill as such, it is only that I wasn't here when we were debating the Bill the other day, I object and always have objected to the topping up of the pensions scheme from central funds. I still object to that but more specifically I would like to comment in a way and ask one or two questions. In Section 2(a) of the original Bill which is Section 3 here it says "every employed male person and every employed female contributor other than the widow of a contributor, etc, shall pay" and it later goes on saying that female contributors only pay if they are earning over a certain amount. Unless I am totally mistaken, that is a radical change from what has happened in the past. In fact it is what I have been asking for because in the past a married woman who is working has not had to pay, since her marriage she no longer paid. I have always objected, I believe that was wrong and if I understand this right, my objections have been taken note of and now all females, married or otherwise, as long as they are within the financial limitations mentioned now have to pay, that is how I read it.

The other point is in Section 4 of this Bill, which is in fact 6B(a) of the original as I read it, it says that "notwithstanding all other provisions a female contributor shall be entitled to an unmarried pension at the rate set out in the Schedule". If that is so then does it read as I read it that the wife now receives a pension at the rate of £43 a week in addition to the married? I find this rather strange but that is how I read it. It is how I wish in fact things would go because I don't believe just a married man should receive a married pension, to me that is sexual discrimination, I wonder if the Attorney General could clarify these points?

Attorney General

Your Excellency, Honourable Members, I am sorry to disillusion the Honourable Member for Stanley, Mr Cheek. What the Bill does is simply alter the financial amounts. I thought it might be more convenient for Honourable Members instead of saying for whatever it was, in Section 6(2) of the principal Ordinance read a new amount so that what has happened is that the whole provision has been repeated with the new amounts in it. There is no change in the law except as to the amounts of money and there is a difference between an employed female person and a female contributor in the Ordinance and I certainly haven't introduced anything which would change the law in the drafting of this Bill except the amounts because it copies word for word what is there except for the financial amounts I am sorry to say, although I have undertaken to the Honourable Member in the past that at a convenient time we will need to look at, and my friend the Honourable the Financial Secretary and I will be looking at, the possibility of amending the law to eradicate the discrimination of which he has talked.

The Honourable L G Blake OBE JP

Your Excellency, I am a bit thick too, if the Attorney General could possibly clarify something for me. I was under the impression that an unmarried female or a widow was pensionable on reaching the age of 60 not 64. I may have got it wrong but if I haven't got it wrong well it seems a little odd to me that having reached pensionable age she is required to continue paying Old Age Pension contributions for another four years.

Attorney General

If I may refer to the text of the original Ordinance, Sir, and defer consideration of this Bill so that I can get the text of the original Ordinance I would be delighted to answer the point, I would need to get the 1952 Gazettes to do that if you will excuse me for a moment.

The Honourable T S Betts

Your Excellency, Honourable Members, I rise with pleasure to support the Bill and I think I ought to apologise to the beneficiaries of it, the fact that the increase is so small, but I

hope that we can look after their interests in other areas. For instance, rents, rates and electricity charges.

The Honourable A T Blake

Your Excellency, in rising to support the Bill I also feel that we probably haven't gone far enough. I would like to have gone further had we had enough money to top up the fund to that extent. We have got rather a bad habit here of comparing our standard of living and way of life with Britain and I think sometimes that is damaging. I would like to think that there would be areas in which we could lead Britain rather than follow and I think that if we can make the life of the people who have formed the country into what it is today better than we would be well advised to do, Sir. I support the Motion.

The Honourable R M Lee

Your Excellency, Honourable Members, I also rise to support the principle of this Bill. Like my colleague Mr Blake, we never seem to be paying enough, but I do feel that we are. We had long discussions in Select Committee about the repercussions of all the increases in rates and housing and so on. I think something we do all agree upon is that there is a constant need to be watching the bills that the elder folk have to pay, I think we are all very conscious that they deserve to benefit from the increased revenue that we are all receiving and I support the principle and agree with the Honourable Tony Blake that we should always be reviewing it and increasing it.

Attorney General

Your Excellency, I wonder if the House would give me a little indulgence on this. I have asked for the amended text to be brought and if the House would defer further consideration of this Bill until later in today's proceedings then I will have the amended text up to date, that is up to today, in front of me and we could then in the meantime proceed to consider other Bills so that I can answer fully the Member's point. The problem is that the 1952 Gazettes, and I have obtained a copy of the 1952 Gazettes from the next door room, are not amended fully up to date there and the Old Age Pensions Ordinance has been amended a very considerable number of times and I should have to get the complete text of the Ordinance as amended up to date from my Chambers to be able to answer the Honourable Member's questions.

The Honourable J E Cheek

Your Excellency, Honourable Members, I would like to have a short adjournment here for this to be done because I believe it may well impinge on the Employment Protection Bill which is coming up later on, if in fact the date when pensions are due are at the age of 64 in both cases.

The Council then adjourned and upon resumption proceeded as follows:

Attorney General

Your Excellency, Honourable Members, I am obliged to Honourable Members for their indulgence while I researched the point they have raised. I was correct in telling them that the Bill does not change the law except as to financial amounts. Now may I explain that Honourable Members may find it helpful to refer to the Schedule which would be the altered Schedule and this would be inserted in the Ordinance by Clause 5 and they will then see the persons who would be entitled to an old age pension: a married man, and that is a married man who has been a contributor; an unmarried man or widower or man whose marriage has been dissolved by decree of a competent court, or a man separated or living apart from his wife who cannot prove that he is contributing to her support; a widow of a pensioner during widowhood; and an unmarried female contributor, or a married female contributor not living with or being maintained by her husband. Now those are the persons who are entitled to an old age pension. It is not what is included that you should bear in mind but what is not included, and what is not included is a married female contributor living with her husband, she is not in her own right under the present law entitled to an old age pension.

I am much obliged I might say to the assistance of Harold Rowlands who was here during the periods when a number of changes were made to the Old Age Pensions Ordinance and the point which the Honourable John Cheek has fastened upon is what I would describe as perhaps an unsatisfactory provision, and that is a matter for Members to consider, that there is no provision made for a married woman to receive a pension in her own right and that the age for pensions does not make special provisions in relation to female pensioners by relation to their age.

Now if Honourable Members were to wish pensions to be payable to female contributors at 60 and if they were to wish married women to be entitled to contribute and receive a pension in their own right then we should need to have a look, I think, at the old age pension funds, we would need the report of the Government Actuary on such matters and we would have to look at the contribution levels which have been made. But one must understand that the situation under the law at the moment is that married females have not been required, if employed, to contribute. Normally a female would contribute if she becomes a widow not having reached pensionable age, and her husband not having reached pensionable age, she in fact takes over her husband's pension record and can contribute until retirement age and then aggregate the two contributions together I understand, the effect of it, and draw an old age pension when she reaches the retirement age.

Now Honourable Members may think that the law is unsatisfactory as far as that is concerned, that is a matter for them, what I am saying is that this Bill does not make any substantive change in the law except as to financial amounts. If Honourable Members want to review the provisions of the Old Age Pensions Ordinance to eradicate what may be perceived as inequalities then I am not unsympathetic to that. It will require a considerable amount of work and it will require considerable amendments to the Old Age Pensions Ordinance. As I have said a review has been initiated, it hasn't got very far, by the Honourable the Financial Secretary

and I expect in due course that proposals might be brought forward to Executive Council. But I assure Honourable Members that the explanation I gave initially that only financial contributions and entitlements were being altered by this Bill was absolutely correct.

The President

I imagine that Honourable Members will be happy to hear that we will be looking at these things. Would anybody else like to make any further comments in the light of what we have heard.

The Honourable J E Cheek

Your Excellency, I am disappointed that it hasn't corrected what I believe are wrongs in the Bill. I am not unhappy that it was briefly touched on that the age for pensions is the same for male and female, in fact I am happy that it is, I don't believe that there should be any difference, but it worries me that for example if I may just briefly, a married man pays the same as a single man, and at the end of the day for himself and his wife, having paid in the same amount, is not quite twice the pension that the single man would receive and both contributing the same amount. I think that is wrong. The other thing is, I believe I am right in saying that for example if a couple are divorced when the woman is 51, she then I believe cannot get a pension, and not only can she not get a pension, but she is then over the age when she can join the pension scheme. She may have been working all her life and I think she should have had the opportunity to contribute to the pension scheme and to receive a pension at the end of it. I welcome the assurance that in fact this will be looked into and I hope sooner rather than later these anomalies will be corrected.

The Bill was then read a second time and passed through its remaining stages without further debate.

THE NON-CONTRIBUTORY OLD AGE PENSIONS (AMENDMENT) BILL 1989

The Honourable the Financial Secretary

Your Excellency, this Bill stands to increase the sums payable under the Non-Contributory Old Age Pensions Ordinance of 1961. It provides within the Schedule to increase to £57 the pension payable to a married man and to £41 that of an unmarried person, a man or woman separated or living apart from his or her husband or wife also to be paid at the rate of £41.

The Bill then went through all its remaining stages without debate and was duly passed.

FAMILY ALLOWANCES (AMENDMENT) BILL 1989

The Honourable the Financial Secretary

Your Excellency, this Bill, the Family Allowances (Amendment) Bill 1989, is to increase the sums payable under the Family Allowances Ordinance 1960. In respect of each child of a family an allowance be paid at the rate of £33 per month and to repeal Section 3(3) and by the substitution thereof of the following:

"That the Superintendent of the Social Welfare Fund shall pay each month to a man or woman referred to in paragraphs (b) and (c) of Section 5(1) to whom he is paying an allowance or allowances an allowance of £28 in addition to the allowance or allowances being paid under sub-section (2)."

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

The Honourable J E Cheek

Your Excellency, Honourable Members, I rise to support the Bill. I only wish that we could afford more than this. Just one comment to make on the second part of it which is in fact the single family allowance, that is the £28. I have had it brought to my attention that there are in fact a number of people receiving this although not married and I suppose in a way should be receiving this, are in fact a couple living together as man and wife and because they are not officially married they are still receiving this. I don't believe that should be so and should be checked out. How it can be overcome I don't know.

One other point, the Attorney General might like to change the figures "33" in the first case to the words thirty three if he wishes to remain consistent throughout.

Thank you Sir.

Attorney General

Sir, can I explain in relation to that, that I have followed the style of the section which is being replaced so I am consistently following the inconsistency of the existing Ordinance!

The President

Well, as long as we are consistent in our inconsistencies then that is fine!

The Bill was then read a second time and passed though its remaining stages without further debate.

EMPLOYMENT PROTECTION BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill, the Employment Protection Bill 1989, seeks to confer rights upon employees which are fair and reasonable and which have statutorily formed part of the rights of employees in Great Britain for many years. In this respect it will, if enacted, represent a major departure from the common law. The Bill is long and complex, even though it is very much shorter than the comparable legislation in Great Britain.

If I can just quickly deal with the objects and reasons. The objects of the Bill are to require written particulars of terms of employment to be given; to require itemised pay statements to be given to employees; to provide for guaranteed earnings for employees whose remuneration would otherwise be reduced because their employer fails to provide work for them to do; to provide payment for employees who are suspended from work on medical grounds; to provide a statutory right to take time off work for some purpose, in some cases paid time off; to provide for maternity pay, maternity absences and a right to return to work for pregnant female employees; to provide that an employee, subject to certain exceptions, may not be unfairly dismissed and to provide rights to employees who are unfairly dismissed; to provide for payments to employees who are dismissed because of redundancy; and finally to make provision incidental to and consequential upon the foregoing matters.

The Bill was then read a first time. On the second reading of the Bill the following Honourable Members spoke:

The Honourable A T Blake

Your Excellency, in rising to support the Bill there are a number of observations I would like to make. It has taken very nearly eight years to bring this Ordinance before Council. I first moved the Motion at the first meeting that I attended of the Legislature and that was in 1981. I am somewhat distressed that it has taken so long to reach us. However, I think probably in the confusion after the war there were a number of matters which preoccupied the minds of our legal advisers, and I am most grateful to the present Attorney General for bringing the Bill before us in fairly rapid time once the matter was pointed out to him. I rather feel that perhaps, with the slow presentation, and the way it has come to the House that perhaps more unscrupulous employers have probably already taken action to avoid parts of this Bill, and I hope that we are able in some way or another to counter those actions. I don't wish to go on in any great length Sir, just that I am delighted that this Bill has finally been presented to Council.

The Honourable T S Betts

Your Excellency, Honourable Members, I stand up absolutely delighted that this Bill is on the Table. I am sure that most of you are well aware that I was actively involved in trade unionism and most of that work was looking after the interests of the employee, not necessarily wage awards but other protection. In

1985 I spent some time with the TUC at Congress House and there were various aspects that I covered, health and safety at work, redundancy payments and maternity payments. It was clear that it needed to be addressed here. Ladies this is your day, the maternity pay and rights to return to work are here at last.

I would like to say that I am very displeased with the present Committee of the Trade Union's non-activity. Their contribution to this Bill has been absolutely nil. Therefore I would ask for you and fellow Councillors to bear with me while I invite the learned Attorney General to walk us, and talk us through, some aspects of the Bill. I am sure that there are many people out there who will be listening to the radio with interest at some point on this debate and perhaps I could raise some questions which the Attorney General would answer. They may be basic but I think the general public need to be aware of them and that is perhaps you could enlighten us on how long perhaps the female needs to be in the employ of someone before they would receive any redundancy payment?

Attorney General

The answer to that is two years Sir.

The Honourable T S Betts

Could I also ask the Attorney General how long someone needs to be in the employ before receiving redundancy benefits?

Attorney General

Again two years.

The Honourable T S Betts

I thank the Attorney General, and also could he indicate what the maximum benefits in payment in kind would be to a female in maternity benefits and to an employee in the matter of redundancy payments?

Attorney General

If the Honourable Member would postpone that question until the Committee stage I shall then have the opportunity of accurately working that out.

The Honourable T S Betts

Thank you Sir.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, I rise to support this Bill

and I found it very interesting in going through it. Even more interesting the introduction, because the Order Paper says the Employment Protection Bill 1989, the heading of the Bill says 1988 and the Chief Executive I think introduced it as 1898, but I am not quite sure that it was, we have had a series of dates, but anyway it is the Employment Protection Bill which we actually are passing today and really I am being pedantic with regard to dates. The other thing I feel a bit pedantic about is that I find it difficult to understand how a pregnant mother can return to work after maternity leave. There is a bit of a mixture of words there, however, I think perhaps that is being a bit fussy!

I did in fact rise to speak to this Motion for one particular reason, and that is with regard to section 96 of the Bill which deals with people who are not qualified for redundancy payments other than being disqualified through insufficient employment and I find it extremely hard to accept that if on the day before my 64th birthday if I'm male or if I come back from maternity leave and am still pregnant on my last day of my 59th year I can claim redundancy payment. On my birthday if I have still worked for just as long or had my baby and come back to work again I can't. Now I do not feel that this is reasonable unless there is supplementary provision made by the employer so that the employee has some pensionable right rather than just redundancy payment, otherwise he could quite easily, on reaching the age of 64, lose his job, his redundancy pay, and all he's got is his old age pension, theoretically, and I would ask that thought be given and perhaps at a later meeting of a future Council not too far in the future there could be a form of protection which would allow a person of pensionable age being made redundant to either have a pension or his redundancy pay, and I do not mean just the statutory Government pension but a private pension.

Sir, I beg to support the Bill.

The Honourable R M Lee

Your Excellency, Honourable Members, I would rise also to support the Bill. I think it is an excellent Bill and protects people that are employed extremely well. There are a couple of points that I think need to be made at this time. The Falklands is unique in that we don't have unemployment and although I think there should be a Bill such as this, there is to my knowledge, no one has in the past complained of hardship through redundancy or any other problems with employers. I know we have minor disputes but they are nearly all settled in-house, and I think we should bear in mind that we have no unemployment. If we go over the top with some of the redundancy payments it could have a counter effect on the person who is being employed because if someone employs a large number of people he is going to be reading this and before he even takes someone on it may be too risky to take that extra person on in case he is saddled with redundancy payments. So we should bear in mind that there is no unemployment in the Falklands and we don't want to bring in legislation that may be counter productive for the person seeking a job.

I also understand that there may be a move afoot to bring this Bill forward, have it retrospective, but I wouldn't support that idea. I think the idea in a democracy if you change the law you publicise the proposed changes, you give people the chance to

comply with them, put their house in order, and then it becomes law. I am not interested in making laws that are tricking people into paying sums of money that they were unaware of, and so I would not support that suggestion. Apart from that I support the Motion.

The Honourable J E Cheek

I rise for a number of reasons. Firstly to support wholeheartedly the Bill; secondly to congratulate the Honourable Member from Camp Mr Tony Blake for finally achieving what he set out to do, and I well remember it eight years ago at also my first Legislative Council meeting. I am rather disappointed, as was the Honourable Member from Stanley, that the Union have had no input whatsoever into this Bill. I only hope that we and the Attorney General more than anyone has satisfied what they would probably want. If we haven't don't blame us. They can only blame themselves for not letting us know what it might have been what we have omitted or have done wrongly or whatever.

I am very pleased to see that maternity grants have come in. Certainly the company that I used to work for introduced them in the Islands something like five years ago, but as far as I am aware although they did that, no-one else saw fit to follow their very good example and I am very pleased that we have managed to pass it today. I was worried in fact that someone was going to lose out. How much a Councillor actually gets in maternity leave I don't know but I am perfectly happy that Wendy should claim it!

This is a massive Bill, I have been flicking through it, something like 77 pages, 116 clauses, 6 schedules, and 10 pages alone just of explanation, and that is an explanation for the experts because I don't understand a lot of it. The only comment I suppose that I have that I am a little bit unhappy about is the one that the Honourable Member for Camp Mr Tim Blake said was that at the age of 60 and 65 you suddenly lose benefits. I am not too worried about that but what I am worried about is the years 60 and 65, I suspect that they are tied entirely to the pensionable age in the United Kingdom and what used to be the pensionable age in the Falklands but in both cases, male and female, in the Falklands it is now 64 as we learnt earlier on. I don't propose at this stage that we change things, it would probably give the Attorney General a heart attack if I did, but I think it is something that could be well looked at and corrections made sometime in the future.

The only other thing that I do mention is someone was worried about the levels of redundancy that might well be paid and how onerous they might be on the employer. I don't believe that is so, the maximum that could possibly be paid is 20 weeks salary, ie about whatever that is say four months pay, and that would have to be after 20 years that that employee was working for the employer. I don't think that is too onerous at all and if you are taking someone additional on and you may have to make them redundant, almost certainly it will be last in, first out so the amount of redundancy for those that you first make redundant will almost certainly be very small. In fact it worried me when I first saw it that the redundancy in some cases might not be high enough.

And lastly, Sir, if I could support what has been said before, I would be very happy if you could see fit that it is legally

possible for you to make the time when this actually takes effect, when this Bill takes effect, as far back as possible, I can't remember when it was actually published in the Gazette but something like November last year. I think some time as close to that as possible, or even possibly the 1st January because I am convinced as are some of my fellow Councillors, that some people on reading this Bill promptly did that which would minimise their outlay as it were, and I believe it is wrong that by Council, by Government, allowing a lot of time to study such a thing, at the same time we are hurting those employees who have been so treated.

Sir, I support the Bill.

The Honourable Mrs C W Teggart

Your Excellency, Honourable Members, I like other Members of this Council very much welcome this Bill. I think it is a very worthwhile document. I think it has been a long time in coming, I understand eight years now, I didn't know that before today but I know it is some months since I first saw it printed and it has certainly been some achievement I think to plough through it all and to actually understand it all.

The point that Councillor Cheek made about maternity leave, I would just like to point out that I haven't in fact worked for my employer for two years so I am not entitled to any maternity leave but I have found in the past that FIG have been very good about it. Certainly in 1986 when I had to go to Scotland to have a baby and worked in the Broadcasting Studio they kept my job open for me and although I was on pay it was accumulated holiday pay, and overseas leave and that sort of thing, but certainly they were very understanding about my need to go and did keep my job open for me, but it is nice to know that we actually do have a document now that we can refer to for this sort of thing.

Of the Honourable Member for Camp, Mr Blake, I was particularly worried out of the whole Bill I found section that worried me in particular, and that was in the section on redundancy pay. I did actually ask the Attorney General this morning for some clarification on the matter. I thought perhaps that when you reached the age of 60 or 65 as the case might be then you stopped accumulating redundancy pay and was dismayed to discover that rather than that you just stopped being able to benefit from it at all. I find it very hard to accept that someone could perhaps work on a farm for 20, 30, 40 years, or for a firm, and suddenly the farm or the firm is sold and that person is out on his ear and he has got no redress to any form of legislation and I certainly hope that some legislation will be introduced which will cover this. But, Sir, in general, I support the Bill.

Attorney General

I wonder if I might respond to these points of principle which the Honourable Members have raised. Of course I expect them to raise points of detail in the Committee stage and I will attempt to answer every point which is raised in the Committee stage satisfactorily.

Your Excellency, taking the point of pensions first, and the

employee of 60 if she is a woman or 65 if he is a man, it would be up to Honourable Members if they wish to do so to introduce legislation which would provide for compulsory occupational pensions. Now that would provide for the employee who has worked many years for an employer to receive, in addition to any Government pension he might have by reason of contributions he has made to the Old Age Pensions Fund, to receive in addition to that pension benefits under an employers pension scheme. Now of course some employers in these Islands already operate an occupational pensions scheme and legislation would simply render it compulsory to provide a pension scheme providing as a minimum the benefits laid down in that legislation. That is something which Honourable Members might consider for future legislation and I respectfully suggest to Honourable Members that that is the best way to provide for the future of retiring employees because, quite frankly, a payment of 20 weeks wages will hardly provide for the security in their old age of retiring employees who have given many years service. That I say is a matter for Honourable Members to consider as perhaps a topic for future legislation.

As far as the retrospectivity of the legislation is concerned, there are certain matters which would have to be taken into account. If I can mention one of the difficulties so that the House is aware of what difficulties may be occasioned by retrospective legislation and if this legislation were to be made retrospective. The Crown has recently bought Port San Carlos by negotiation, friendly negotiation, with the previous owners. The price was fixed before this Bill was published and the effect of making this Bill retrospective would be, because the Bill would cast obligations for redundancy payments on the previous owners of Port San Carlos, the effect of doing that would be to impose retrospectively a financial obligation upon them. Well they may already have distributed the proceeds of sale from the farm and now be in the process of winding up the company.

Now there are very real difficulties of retrospective legislation of this kind. It is not that legislation could not be retrospective, it can be retrospective under the constitution, but it does occasion difficulties for people which they have not taken into account. If, with similar legislation, Honourable Members are minded to make it retrospective, then the device which is being used in the United Kingdom can I think acceptably be used and that is at the time that the Bill is published it is announced that if it is enacted by the legislature it would be at the intention of Government to make the operation of the legislation retrospective. Otherwise I think that there might be difficulties.

Obviously one can look at possibilities of making parts of this legislation retrospective and as far as I am concerned this will be a matter for Executive Council to consider in due course, but it will be a matter which requires very, very careful consideration in detail as to what the effects of it might be because one would not, I suggest, and Honourable Members would not wish to be unfair, neither unfair to employers nor to employees, and both must be taken into account.

As far as trade union interest is concerned a previous Bill was prepared by my predecessor and circulated to the trade union and the trade union came back on that occasion with certain recommendations, and proposals and queries. Now I won't go in

detail into those, but I can assure Honourable Members that I considered all those points in the drafting of this legislation and every single one of them has been catered for and I think catered for having regard to the representations then made, and they were made with the assistance of the Trade Unions Congress in the United Kingdom, and have been satisfactorily I think been taken care of in this legislation.

Honourable Members, as I say, I will be prepared to attempt to answer all points of detail you may wish to raise during the third reading.

The Bill was then read a second time and the Council went into Committee and further discussion took place:

Attorney General

Your Excellency, before Honourable Members embark upon consideration of Part 1 of the Bill would they consent to amend the date of the Ordinance in Clause 1(1) to 1989, and may I explain that the Bill comes before the House in this form because it was published in 1988 and the correct convention has therefore been followed in bringing it as a 1988 bill before the House, but it will need to be amended of course to a 1989 ordinance.

Can I then refer to page 269, or against Clause 3(1), a marginal note has been omitted there which should read "excluded service", that should go on the right-hand side in the margin, and in Clause 11 in the second line the word "deduction" should be amended to the plural to read "deductions".

Clauses 1-9 as amended were then adopted as amended.

Attorney General

Your Excellency, I have just noticed that there are some further minor errors which I ought to bring to the House's attention and ask their tolerance in amending. There is a mis-spelling of eleventh in Clause 40, sub-section 2, there is an 'e' omitted; in Clause 63, the reference to Section 5 should be a reference to Section 52; in Clause 74 the figures there should read "12,500", instead of "12.500"; in Section 93 in the penultimate line the words and the commas surrounding them "if he has not earlier done so" should be deleted. In Clause 108 the reference should be to Section 4 and not to Section 4(a); and in paragraph 6, sub-paragraph (iii) of Schedule 5, the word "Computing" should begin with a lower case initial letter instead of with a capital letter.

Schedules 1-6 were adopted as amended and the Bill was read a third time and passed.

EDUCATION BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill repeals the Education Ordinance of 1967 whilst making new provision as to Education in the Falkland Islands and in relation to the education of persons ordinarily resident in the Falkland Islands. It addresses administration, children of compulsory education age, private education, Government schools, provisions applicable to all schools and to tuition by teachers, and to further education and library.

I beg to move the first reading of the Bill.

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

The Honourable J E Cheek

Your Excellency, Honourable Members, I am very pleased that this Bill has finally arrived here. I whole-heartedly support it. It has taken not quite as long as the last one but I think it has been several years in the making. In fact those of us who have read the first Bill and this Bill will probably find very, very little in common. I hope and believe that it is what we require. I won't go into any detail but it certainly broadens the involvement of those who could be involved more directly in education, specifically in the Board of Education. At the moment the equivalent I suppose would be the Education Committee which is largely made up of Councillors. I think that has almost certainly been wrong and the involvement of others, teachers and parents, is very welcome.

In Sections 22 and then in 28 it provides legislation to ensure that parents have the responsibility to make sure their children go to school. I think ultimately its not legislation that will make sure that children go to school; it is the belief of parents that education is worthwhile, that education is essential. In a way, as I say, legislation itself will not do it. We must foster the belief that education is vitally important to the future of the Islands.

Hopefully the only contentious, and I don't believe it is all that contentious, section in here is Section 66(6) which details corporal punishment. I have spoken to as many people as I can on this trying to get a view. It was discussed at both PTAs, the Senior School is not called a PTA it is the Friends of Stanley Senior School or something like that, it was discussed in both forums and in both cases I believe the vast majority of people believe that some form of compulsory punishment should be retained, or shall I rephrase that, the ability for corporal punishment to be legally used should be retained. I hope that normally corporal punishment is not needed, and I am perfectly aware in those cases where the Headmaster or the Deputy Headmaster are not prepared to use it. They are not compulsory, they are not made to use it as it were, so I think it is worth retaining it. It will I believe involve us in some problems. There is an organisation called STOP which is trying to stop compulsory

punishment and I am sure that they will hear of this and we will get letters from them again in the future as we have done in the past. There are those who complain in fact that corporal punishment is sexist as it can only apply to boys but that I am sure there is a very good reason for this and in fact it would be illegal if we try to impose this on girls, not that they are any better I don't think than boys. The only thing I would say is that in 66(5) there is provision, or rather it is compulsory, that a book or register is made which lists all compulsory punishment. I would suggest Sir that in regulations it be made a regulation that that book or books, because I suspect that there will be at least three of them, must be inspected by the Chief Education Officer at least once a year, possibly once every six months.

Apart from those comments I support the Bill.

The Honourable R M Lee

Your Excellency, Honourable Members, I too rise to support this Bill and to agree whole-heartedly with the Honourable Mr Cheek that the way forward for better attendances at school is not to legislate against people that don't go to school but to encourage people to want to go to school. I hope that we shall never have to use this legislation against any parent who doesn't see that their child comes to school.

I also welcome the involvement of a new Committee or an Education Board that takes in more than officials and elected Councillors. I think the more people that are involved in suggesting how to administer the school the better.

And on the third subject of corporal punishment I agree with the Honourable John Cheek that this should remain. I have a simple philosophy on this. I think that if you look at nature, if an adult has to reprimand its young it uses or inflicts a small amount of pain and I don't think we should lose sight of this; they seem to control their young quite well and I think it is still a very useful means of teaching children right from wrong, Sir, I wish to support the Bill.

The Honourable A T Blake

Your Excellency, Honourable Members, I wish to support the Bill and I also am delighted to see the formation of a Board and welcome the wider distribution of people who attend that Board. I think it can only be of benefit to education in the Islands if we broaden the amount of people who influence it.

I do hope that the learned Attorney General will be able to assure me that the english in Section 5(2) is correct but he will no doubt be able to tell us about that.

In the matter of corporal punishment I do believe that discipline is a thing which helps people to survive and I do think that as the world has become a somewhat tougher place to live that discipline in one form or another is of benefit, a disciplined mind in particular. We do cater very well for a disciplined mind and sometimes there should discipline of actions when they are inconsiderate to the well being and happiness of people at large,

and so I see no harm in a limited amount of corporal punishment being applied in such cases.

Sir, I wish to support the Bill.

The Honourable T S Betts

Your Excellency, Honourable Members, I too rise to support the Bill and make one or two comments on some observations that I have made. It seems to me that in the proposed new composite of the Board that there isn't actually a chalk-faced member, allocation made for that, I just query that and wonder if perhaps it is not sensible to have that particular person as a member of the board.

In other parts of the Bill, Section 25(3)(a) I am wondering if it is being implied there that all children between the ages of 11 and 15 in fact will be required to come to school in Stanley. And under Section 26(2)(a) and (b) I think it is quite likely that what is being proposed there won't actually happen in practise.

I beg to support the Bill Sir.

The Bill was then read a second time and at the Committee stage the following amendment was made:

Attorney General

Your Excellency may I at this stage and before Honourable Members consider the Bill in detail go to Clause 4(3), the second line the comma after "powers" should be deleted. In relation to Clause 5(2) the English I think is correct, the Latin isn't, acceptable dog-Latin has been used, if you want the classical Latin it would be *virtute officii*, by virtue of this office, and what I have said is *ex officio*, out of these offices, which is what people understand but I doubt if they would understand *virtute officii*.

In Clause 13 there is a horrible spelling, or typographical error, it should be "a reasonably incidental" and not "reasonable incidental".

In Clause 25 (2) there should be a comma after "director" in line one and in Clause 25(4) penultimate line I didn't intend that the director should be able to serve on the parent an order requiring the parent to be enrolled as a pupil, it should of course read "child".

In Clause 33(3) there should be inserted before "radio" in the next line to the last line "television," because you will see that Clause 33(2) refers to television and consistently Clause 33(3) should also do so.

If those corrections may be made I should be obliged to Honourable Members.

The Motion was then read that parts 1-7 should stand part of the Bill and the Attorney General then answered a query which had arisen.

Attorney General

In answer to a query Sir, which was raised if I may mention this as to whether children of secondary school age in Camp will be compelled to attend secondary school in Stanley, the answer is that they will not be compelled but that they must of course be efficiently educated and it will be up to the parents to devise an acceptable method of efficient education of those children if they do not attend secondary school in Stanley, but they will not be compelled to send their children to secondary school in Stanley.

Council then resumed and the Bill was read a third time and passed.

CRIMES BILL 1989

The Honourable the Chief Executive

Your Excellency, Honourable Members, this Bill is a Bill to make further and better legal provision in relation to crimes. Since 22 May 1900 all English statutes made by that day before that date of general application not inconsistent with specific legislation of the Falkland Islands have applied to the Falkland Islands insofar as is consistent with local circumstances. A large number of English statutes made since 22 May 1900 have been adopted as law of the Falkland Islands either in whole or part. Some of these statutes create criminal offences. Where an English statute of general application made before 22 May 1900 or adopted by the Enactments Ordinance of 1954, or any other ordinance has been repealed, replaced or amended, the repealing or replacing ordinance applies to the Falkland Islands instead of the enactment originally adopted.

This situation can not be regarded as wholly satisfactory. In some cases English statutes which were in force in early 1900 have since that date been repealed, replaced, amended or substituted several times. It can be difficult indeed to discover exactly what statutory crimes in the Falkland Islands are. On top of that some of the pre-1900 statutes which are still in force are not really suitable to the circumstances of the Falkland Islands in the present day. The Crimes Bill 1989 brings the law of the Falkland Islands up to date so far as crimes are concerned. To simplify the task of finding out what acts and omissions are crimes in the Falkland Islands and to make provision for such new offences as seem necessary.

I beg to move the first reading of the Bill.

The Bill was then read a first time and on the second reading the following Honourable Members spoke:

The Honourable J E Cheek

Your Excellency, Honourable Members, I don't profess to understand much about this at all. In fact looking at some of the English laws that have come into effect I see we start in the year 1351

and just briefly looking down the list it reminds me too much of my history classes at school. When I was at school I used to loath history. I learnt to enjoy it much more after leaving school.

Just one specific point I would like to raise which is Clause 35(1), I have had many complaints over the past year or two, this one discusses obstruction of a highway. I have had many complaints over the last two years about two things: one, those people who leave old vehicles, unlicensed vehicles, etc, etc, on either the road itself or on what I would call the pavement or sidewalk, and nothing seems to be done about it. I would ask does this now give the Police power to have them removed or deal with those people who do it. The other thing is those people who, and this probably only could happen in the Falklands, those people who having peat delivered to their peatshed do not as most people do then proceed to throw it in as we would say, to remove it from the pavement and the road, but leave it there for days, weeks or in some cases months, or where they have removed most of the peat they leave the residue, the peat mould, so that you end up with a quagmire of peat dust sludge. I wonder if at the end of any comments we might have if the Attorney General could answer that question and any others that may come up.

Sir, I support the Bill.

The Honourable L G Blake OBE JP

Your Excellency, one minor query please for the Attorney General. I think it was at our last session we passed a Bill regarding the privileges of the Legislature. If he could just confirm that the Disorderly Houses Act 1751 25G02c(36) we are protected from that.

The Honourable E M Goss

Your Excellency, Honourable Members, I would like to ask the Attorney General to give us a clear pointer on 35(1) which is Highways, "A person commits an offence who without lawful authority or excuse willfully obstructs through passage along a highway." I wonder if a farmer lighting a Camp fire, and he is deliberately lighting a camp fire to burn his Camp. Later on the dense smoke drifts across the road and obstructs the flow of traffic, could that be considered willfully obstructing free passage.

Still on Highways 36(1)(c) "by lighting a fire" and then it goes on to causing explosives and so on within 50 feet from the highway of the carriageway of any highway damages that highway. Now it might be a secondary event that damages the highway but if you have got a tar sealed highway there is no reason to not expect a great lump of burning bush to land on the carriageway and create little pot holes or something, I would just like the Attorney General to clear that one for me.

The Honourable A T Blake

Your Excellency, Honourable Members, I in general wish to support the Motion. I do notice in it an article on cross bows and I

think probably at the instigation of the absent Member, the Honourable Charles Keenleyside from Stanley, and I am sure he would welcome that into the Bill, although I don't think in actual fact goes anywhere near as far as he intended that it should, and he may well make comment when he returns, but I am sure he would welcome the amount that is there.

As the Honourable John Cheek pointed out it is very complicated and I have read it through a number of times and I have had lengthy explanations from the learned Attorney General and I am still totally confused, all that I can hope is that if I should be in a situation where I cause a misdemeanour perhaps the Police will be equally as confused and I might well get away with it.

I beg to support the Motion Sir.

Attorney General

Your Excellency and Honourable Members may I deal with the points as I have recorded them in the order in which they have arisen.

Clause 35 sub-clause (1) and (2) Obstructing Free Passage Along a Highway - for an offence to be committed under that clause the obstruction of the highway would have to be such as to substantially impede free passage. In certain circumstances a person who abandoned a vehicle on the highway, or indeed parked a vehicle on the highway so as to obstruct the passage of others could be guilty of an offence under that clause if enacted. It doesn't seek directly, however, to deal with the question of abandoned vehicles and Honourable Members have during the last few days drawn to my attention that there is somewhat of a problem, particularly in Stanley, in that vehicles have been abandoned at the side of a road or on a road which are unsightly and which have not been taken as the persons who own them should have done to the dump and they are a source of danger and hazard and could amount to some degree of obstruction but not a complete obstruction of a highway. All I can say in relation to that is that I think that separate legislation may be required and I will undertake to Honourable Members to consider that point and if considered appropriate to introduce to Executive Council for their consideration suitable legislation on that point and points related to it.

As far as peat being deposited on the highway is concerned, my answer would be very similar. The clause does not directly deal with that or seek to deal with that sort of circumstance although it is obvious that if the peat substantially prevented anybody passing along the highway that an offence would have been committed on it. I entirely agree with the opinion which the Honourable Member, Honourable Cheek, had that such behaviour is one of a kind which ought to be dealt with by the law and I undertake to give consideration at a suitable opportunity to that point.

The Honourable Eric Goss raised the question of fires in Camp. Under the Grass Fires Ordinance 1955 the owner of any land in Camp who wishes to burn any vegetation is obliged to give notice to all occupiers or owners of land within half a mile of the fire. Besides that there is no statutory control of the burning of fires in Camp and the mere fact that smoke might drift across a Camp

track would not itself constitute in my opinion an obstruction of a highway and indeed the status of Camp tracks is not that of highways in any case for technical reasons which I will not go into at this stage. If it is desired that persons should be prevented from lighting fires in Camp where the smoke might be blown across a Camp track then legislation could be introduced but I am not aware of it being the sort of problem where legislation would ordinarily be introduced on that subject, but if the Honourable Member can point to any degree of problem on it then I would consider introducing satisfactory legislation to deal with the point to Executive Council for their consideration.

The legislation as to crossbows is not as stringent as it might be. It does follow legislation which has been introduced elsewhere and if it is desired that there should be some sort of licencing system or more stringent provisions in relation to the possession of crossbows then of course equally as I have said before if Honourable Members hold that view I will consider the drafting of appropriate legislation and its submission to Executive Council for consideration.

The Bill was then read a second time and the Council went into Committee and parts 1-3 of the Bill were passed.

Attorney General

In answer to the Honourable Member's question, the Honourable Tim Blake's question in relation to disorderly houses, I wasn't aware that any Member of the House in the House was indulging in prostititional behaviour of the like, kind, or of gambling and I dare say that if a Member of the House were to do that that the privilege of the House would not extend so far as that to protect them.

The Bill then passed through its remaining stages.

MEDIA TRUST BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill is an Ordinance to establish a trust to be responsible for the editorial policy, financial control and publishing of a newspaper and editorial policy of the Falkland Islands Broadcasting Station and for connected purposes. It provides for the trust to be as independent as possible from the Administration and from the politics so that the newspaper and FIBS are not regarded as tools of Government nor of elected members.

I beg to move the first reading of the Bill.

The Bill was then read a first time and on the second reading the following Honourable Members spoke:

The Honourable T S Betts

Your Excellency, Honourable Members, I have concern with regard to the bill in section 5(d)(1) which says that "nothing is included in the programmes which offends against good taste or decency or is likely to incite to crime or lead to disorder or to be offensive to public feeling". I think it could be extremely difficult for a broadcaster to decide, particularly in the field of reporting court cases and inquests as to what might offend or be considered good taste given that very few people agree as to what offends and what doesn't. Announcing that a protest march on Government House is taking place which would be more than acceptable by the BBC or elsewhere might well be considered here if this proportion of the Bill is retained to be offensive.

In Section 5(1)(d)(iii) states that "proper proportions of the recorded and other matter including the programmes are of Falkland Islands origin". I still feel that this imposes unnecessary restrictions on the local broadcaster as it may not always be possible to ensure that a proportion of the programmes have originated here.

Those are just a few concerns Sir.

The Honourable J E Cheek

Your Excellency, Honourable Members, I think this is an extremely important Bill. At the moment I believe FIBS which is rather an unfortunate acronym, does provide an impartial and within the limitations of finance, staff, etc, etc, a fairly full coverage of what goes on within the Islands. This Bill widens the possibilities to include newspapers and I think not only should such newspapers, if they have to be funded by the tax payer and broadcast stations likewise funded, have to be seen not to be under any form of control from the Government or indeed of elected councillors and I think this does that as well as possible at the moment. There are probably faults in this Bill. I would be very surprised at any Bill that we have passed here today has not got one or two minor faults, such is human nature. I am not worried

about the clauses which have been mentioned by the Honourable Member for Stanley, Mr Betts. Admittedly it is very difficult to decide what offends against good taste, what offends me is probably totally different to what offends him or anyone else. The other comments, I think the one that suggests that a proper proportion of the recorded and other matters must include programmes of Falkland Islands origin, that is fair enough. We don't want FIBS just for example to rebroadcast the BBC, unless there was something like this in it they could well do it. We do want a certain amount of local material in, whether it is someone playing country and western of their choice, or a darts match being reported on or news, but I do think there has to be a certain amount of local.

As to the impartiality, again probably you can never be totally impartial, but at least you endeavour to not lean too heavily on one side or the other.

The only thing that I haven't come across and I have probably just missed it and skipped reading it is that nowhere there do I see a requirement for the broadcast station for example to at a time of elections and this is probably more pertinent at the moment than it normally is, at times of elections that those standing for election should have a certain amount of air time, as it were. I believe the BBC for example in the UK have to give equal times or at least proportional times to the various parties and if there isn't something in here, I stand to be corrected, then I believe that there should be something which allows candidates a certain amount of air time.

Sir, I support the Bill.

The Honourable R M Lee

Your Excellency, Honourable Members, I rise to support this Bill also. My interpretation of 5(b)(iii) is that during a days broadcasting there should be a reasonable percentage of Falklands origin in the programme. I think some people are suggesting that each and every programme should have a local input. I don't think that is what the Bill is intending, so I find that easy to accept.

I look forward to this Bill being implemented and the new committee or trust set up because I think that now is the time in our history that a newspaper and more regular news broadcasts are very much needed. We are just about to implement the new telephone system and we are taking away the R/T and the need for regular newspapers and broadcasts is very much needed. I think that both the newspaper and broadcasting people will have to fill a gap that will be sadly missed by many people so I look forward very much to the implementation of this Bill and the setting up of the Media Trust.

Attorney General

Your Excellency, if I could address very briefly some points which are being made and particularly in relation to Clause 5 sub-clause (1). Paragraph (d) of Clause 5(1) does contain the important words and they are a preface to all that follows "to ensure as far as possible". Now one contemplated in drafting that that there

would be occasions when the desirable was not attainable for reasons beyond the control of those running the broadcasting station so that is the first safeguard. The second point which arises on point (i)"that nothing is included in the programmes which offends against good taste or decency or is likely to incite to crime or lead to disorder or to be offensive to public feeling", that provision of course is not intended in any way to impose any sort of Mrs Grundyism on the radio station but it is intended to exort that material which is likely to be offensive to the population generally, in other words offensive to right people, thinking people, in the Falkland Islands and that doesn't mean views which people don't agree with should be offensive but behaviour which would be offensive should not be the subject of broadcasts over the radio station. That is all it means. As to the reporting of court proceedings and the like, there are other pieces of legislation which relate to that and there are restrictions on the reporting of court proceedings, and I think rightly so. Certain cases do involve very unpleasant evidence and while the public is entitled to be present in open court to hear the evidence being given there is no reason why the more gruesome evidence should be permitted to be retailed over the public broadcasting service. That might well be regarded as offensive and it is a matter of sensible opinion, sensibly applied and it will be for the Media Trust on behalf of the public to come to a view on that, bearing in mind as I have said that the provision is not intended to impose a sort of Mrs Grundyism on anybody.

Honourable Members are correct in saying that paragraph (iii) "the proper proportions of the recorded and other matter included in the programmes" that is in the plural "are of Falkland Islands origin". It means that taking the programmes of FIBS as a whole there is proper proportions of programmes of local origin or content of local origin and I wouldn't say however that that should be limited to the broadcasts of one day or one week, but taking the programmes of FIBS as a whole that they should contain a proper proportion and I am not, and I don't think it would be possible, to define what a proper proportion might be but the exortation to the Media Trust is to ensure that what is regarded as a proper proportion, and they must have regard to local feeling on this, should be included.

Now one Honourable Member and I forget which and I think it was probably the Honourable John Cheek said that there was no specific provision in the Bill for access to the radio station at election time. Of course it wasn't intended to exclude that, and I wonder if I might deal with that Your Excellency at the Committee stage by suggesting what might be regarded as an appropriate (vi) to Clause 5(1)(d) which will be aimed to cater for that situation.

The Bill was then read a second time and Council went into Committee.

Attorney General

Your Excellency, I wonder if I can suggest to Honourable Members for their consideration that there should be added to Clause 5(1)(d) a new sub-paragraph reading:

(vi) that a sufficient amount of broadcasting time be afforded

impartially between candidates at times of Legislative Council and other elections;

I think it might be added to elected bodies in the Falkland Islands because there is no intention that it should be given at times of General Elections or elections at all in the United Kingdom of course and I hope that that might meet the Honourable John Cheek's point which I agree is a valid one.

The Honourable A T Blake

Your Excellency, can I have an assurance that this would not be considered advertising and be charged at the new rate per minute.

Attorney General

I am not responsible for the operation of the radio station but I myself would not regard it as advertising but if it worries the Honourable Member we could put in that it would be free of charge.

The Honourable R M Lee

Would the term elections not leave us wide open to the elections of any committee, should we not define elections to Council.

Attorney General

Could we not have "elections to public bodies in the Falkland Islands". What I have in mind is that at some stage in the future you might for example have a community council or town council in Stanley or a community council in Camp where for the candidates' views to be known and to seek support for a particular view it might be most convenient to use the radio station to get the views across, so if Honourable Members would agree I would put in "to public bodies in the Falkland Islands", so that the sub-paragraph would now read:

- (vi) that a sufficient amount of broadcasting time be afforded free of charge impartially between candidates at times of Legislative Council and other elections to public bodies in the Falkland Islands;

I think that would probably cover the Honourable John Cheek's point.

The Bill then went through its remaining stages and was passed.

LAND (AMENDMENT) BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill is that the Land Ordinance is overdue for thorough going revision but this cannot yet be wholly achieved. In the meantime a number of amendments appear to be urgently necessary and the attached Bill has been prepared for

that purpose.

I beg to move the first reading of the Bill.

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

The Honourable L G Blake, OBE JP

Your Excellency, Honourable Members, though I welcome this Bill I would like to beseech, if that is the correct word, the authorities to actually get round to amending the Lands Ordinance. In 1972 we were asked for amendments that we considered should be included and there are sections of that Ordinance which are totally inappropriate today. Sections with regard to the branding of cattle and horses which would be considered illegal, sections dealing with dipping where we are all without the law, and numerous other sections, and though as I say I welcome this Bill I do hope that perhaps the next Legislature will see a full new Lands Ordinance.

Sir, I beg to support the Motion.

Attorney General

Your Excellency, Honourable Members, there has been prepared but it is not yet ready for Members a complete replacement of the Land Ordinance as far as the land provisions are concerned and "you ain't seen nothing yet" because if you have seen a long bill today you will see a yet longer and I can only assure Honourable Members that every attention will be given to the subject as soon as possible. I was of course fully aware of the need to replace the existing Lands Ordinance.

The Bill was then read a second time and the Council went into Committee.

Attorney General

Your Excellency, I wonder if in relation to Clause 2, sub-clause 4, which adds a new sub-section (2) to Section 28A of the present Ordinance, third line after the words "respective owners" there might be inserted "or their respective predecessors in title". In other words if there had been an agreement between previous owners of the land that could be taken into account as well as agreements between the present owners of the land.

The Bill then passed through its remaining stages and was passed.

LAND (SUBDIVISION FOR NON-RESIDENTS) (AMENDMENT) BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill deals with the examination of the Land

(Subdivision for Non-Residents) Ordinance 1985 and that has revealed that a person who is a non-resident could avoid the need to obtain a licence under its provisions to acquire land by purchasing or acquiring in the name of a company. It also appears that a number of Falkland Islanders who for every other purpose are regarded as being resident would as the Ordinance stands be non-resident for its purposes and require a licence under its terms if they wanted to obtain a piece of land under 500 acres in Camp. The attached Bill seeks to remedy these defects. In short to amend the Ordinance in relation to the definition of "non-resident".

I beg to move the first reading of the Bill.

The Bill then passed through all its remaining stages and was passed.

INTERPRETATION AND GENERAL CLAUSES (AMENDMENT) BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill seeks to effect several dozen amendments to the Interpretation and General Clauses Ordinance. The great majority of these are consequential on other changes in the laws or circumstances of the Falkland Islands including most importantly the Constitution.

I beg to move the first reading of this Bill.

The Bill then passed through all its remaining stages and was passed.

ROAD TRAFFIC (AMENDMENT) BILL 1989

The Honourable the Chief Executive

Your Excellency, the purposes of this Bill are to repeal certain provisions of the Road Traffic Ordinance which have been replaced by other provisions and to make provision for school crossing patrols.

I beg to move the first reading of the Bill.

The Bill was then read a first time and on the Motion for the second reading of the Bill the following Honourable Member spoke:

The Honourable R M Lee

Your Excellency, Honourable Members, I just rise to support this Bill whole-heartedly and to say how ironic it is that at the present time without this amendment apparently the very worthy lollipop ladies could actually be arrested for obstructing the traffic.

I support the Bill.

The Bill was then read a second time and Council went into Committee.

Attorney General

Your Excellency, I wonder whether in the Schedule to the Bill that paragraph B at the beginning, that is the Road Traffic Ordinance as amended and then it says "B by the insertion therein immediately thereafter Section K" it should be "immediately after Section K". Sorry about that slip but if Honourable Members would permit that correction.

The Bill then went through its remaining stages and was passed.

PETROLEUM PRODUCTS (AMENDMENT) BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill is to replace Section 2 of the Petroleum Products Ordinance so as to allow lubricants to be sold etc without licence. To replace Section 4(1) of that Ordinance by a new sub-section reflecting more accurately the intent of the Ordinance and to amend Section 7 for a similar reason.

I beg to move the first reading of the Bill.

The Bill was then read a first time and on the Motion for the second reading of the Bill the following Honourable Members spoke:

The Honourable E M Goss

Your Excellency, Honourable Members, in actual fact I would like to stand up and object to this Bill because it gives an absolute monopoly on the fuel imports and I don't consider the absolute monopoly or control on anything at all is conducive to competitive prices. I know there is a Schedule, a pricing arrangement, for Stanley Services to make these prices and I must make the public aware that 45% of Stanley Services is the Falkland Island Government, but what I would like to ask if the arrangement or the formula for reaching those prices is public, is published and made public so that people understand the formula and they know they are getting a fair deal.

I know if certain sectors or businesses are prevented from bringing in fuel for their own use it could in some sectors lead to higher prices of consumer goods and that is not a welcome thought, but if we pass this Bill and make it law that nobody can import fuels what about the fuel stocks already on hand imported before this legislation comes into force. My farm alone has a large tank of fuel. Do I run it into the sea, can I use it, can I sell it to my people who work on the farm, Government people who come to my farm, the Cable and Wireless contractors who require fuel. This fuel that I have was imported outside of this legislation that we have got on the Table at the moment and

according to that if it wasn't bought off Stanley Services I wouldn't be able to sell it to anybody, so I would like a clarification on that point but record my objection to the Bill as is.

Attorney General

Your Excellency, the first point I should make is that this Government two years ago entered into an agreement with the promoters of Stanley Services who include two outside companies that an exclusive import licence for fuel oils would be granted and that was after the last amendment to the Petroleum Products Ordinance had been enacted and where it was thought that the last amendment to the Petroleum Products Ordinance had provided for an exclusive licence to be granted. Now there was a drafting error in it and it didn't achieve its intention but the fact is that this Government is contractually committed by an agreement to provide for an exclusive licence. That is the first point.

The second point is this: the Bill will not prevent the use by the person who has imported it of any fuel imported before the amending Bill is enacted. As to the sale of any fuel which is held by any person, this Bill does not change the law and if it were illegal today it will be just as illegal tomorrow, if it is not illegal today it won't be illegal tomorrow, but basically the existing provision is that all oil which is sold and because there are sales in Camp and disposals in Camp and that is permitted provided that it has been acquired through the exclusive import of Stanley Services. Now this is a result of contractual arrangements which were approved by the Government two years ago.

The Honourable the Chief Executive

Your Excellency, on a further point of clarification the Honourable Member suggested that the Falkland Islands Government owned 45% of Stanley Services Limited. Stanley Services Limited currently has a 45% ownership by Stanley Fisheries Limited, it may happen that in due course the 49% of Stanley Fisheries ownership may fall into the ownership of the Falkland Islands Government. That hasn't yet happened, but it could be the case but not necessarily so.

I think it is also worth pointing out that when the contract was agreed it followed a tender and I have a feeling that whoever had won the tender would have expected Falkland Islands Government to have carried out the conditions of the contract as fully whoever they would have been.

The Honourable J E Cheek

Your Excellency, at the moment there have been no votes for the Bill I suggest to clarify it Sir we have a vote on it.

Honourable Members then voted on the Bill and it was passed. The Bill then proceeded through its remaining stages and was passed.

CRIMINAL JUSTICE BILL 1989

The Honourable the Chief Executive

Your Excellency, this considerable Bill, the Criminal Justice Bill 1989, seeks to consolidate with amendments and additions the law of the Falkland Islands related to the powers of the Court to sentence offenders, the rehabilitation of offenders, bail, detention by the Police, questioning and treatment of persons by the Police, the Police's powers of entry, search and seizure, and the Police's power of arrest. The Bill consists of 136 Sections and 8 Schedules. One of the reasons for the Bill is that the law of the Falkland Islands on the subject matter of the Bill is in some respects not altogether certain nor capable of ascertainment without a great deal of research and in any event is not readily available. The Bill is very largely based upon the Provision of the Powers of Criminal Courts Act 1973, The Rehabilitation of Offenders Act 1974, The Bail Act of 1976, The Criminal Justice Act of 1982 and The Police and Criminal Evidence Act of 1984 and The Criminal Justice Act of 1988.

I beg to move the first reading of the Bill.

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

The Honourable A T Blake

Your Excellency, I rise to support the Bill and it is 171 pages long as a I remember when we first looked at it and oddly enough I have read it on a number of occasions. I found it very difficult. I am quite able to read a book in a weekend liberally spiced with sex and violence, these I find rather heavy going, and I thought I had found most bits and pieces that I either didn't like or couldn't understand but I do notice in Clause 93 there has been a slippage in the printer and I am just not quite sure whether that slippage has any way changed the meanings of Clauses 5, 6, 7 and 8, I am just not familiar enough with it to know whether there is anything missing.

Attorney General

Yes, I am aware that there was unfortunately a slippage in the printer and some copies are less clear than others and I will read out from my copy what Clauses 5, 6, 7 and 8 should read so that it is clear.

5 reads: " Where a person is arrested outside Stanley the period of 24 hours mentioned in sub-section 1 above and in sub-sections 6, 7 and 8 below is extended by such period of time as is reasonably occupied in bringing him to Stanley."

6 reads: "Subject to sub-section 7 below a person who has been arrested and who at the expiry of 24 hours after his arrest is still in Police detention and has not been charged shall be released at that time either on bail or without bail."

7 reads: "Sub-section 6 above does not apply to a person who is

detained for more than 24 hours after the relevant time has been authorised or is otherwise permitted in accordance with Section 94 or 95 below."

8 reads: "A person released under sub-section 6 above shall not be re-arrested without a warrant for the offence for which he was originally arrested unless new evidence justifying a further arrest has come to light since his release."

I am sorry that some Honourable Members copies may have got a little bit mangled in the printing but that's what it was intended to look like.

The Honourable J E Cheek

Your Excellency, Honourable Members, I rise to support this Bill, long and very involved but it brings something to the law that I have been asking for for some time. Quite a few of our laws are, in the case of fines, way, way out of date. There are still some I think where a fine of £1 is still on the books. I suggested five or six years ago that we have a flat rate system as it were and I am very pleased to see under Section 4 that this is now so. Scales going from Level 1 where the amount of fine is £50 up to those of us who have been extremely naughty where we come to Level 12 and it is quarter of a million. I don't know whether there is an equivalent jail sentence for those, I shudder to think what it would be for a Level 12 fine. But it makes eminent sense that in the future we will be able to as inflation hits us, if it does, presumably it will, as it does we will be able to amend Section 4 and at a sweep of the pen cover hopefully in the future all laws and provide reasonable fines for all of those. It will be interesting to know if we can be told when all those laws that are not at the moment covered by the standard scale of fines, when they will be so covered.

I support the Bill.

The Honourable R M Lee

Your Excellency, Honourable Members, I rise to support the Bill also and to agree with the Honourable Cheek's comments on the scale of the fines. The other point I would like to make is Clause 29 the community service order. I think this is an excellent idea and I hope that this will be imposed rather than a monetary fine upon certain cases. Not every criminal sets out with the intent of breaking the law and many criminals no doubt would like to make it up to the community by having a fine like this imposed upon him or her and I think it is an excellent idea and I commend that.

The Bill was then read a second time and proceeded through its remaining stages and was passed.

FALKLAND ISLANDS INTERIM PORT AND STORAGE SYSTEM BILL 1989

The Honourable the Chief Executive

Your Excellency, this Bill is for an Ordinance to provide for the operation and management of the Falklands Interim Port and Storage System, to make provision for the levying of rates in respect of its use by vessels.

I beg to move the first reading of the Bill.

The Bill then proceeded through all its remaining stages and was passed.

MOTION FOR ADJOURNMENT

The President

Honourable Members before I call on the Chief Executive to propose the adjournment I just have a few brief closing remarks.

This has been a hard week, especially for those of you who have all been closeted in Select Committee pouring over figures and grilling departmental heads. I am sure the Government machine will work much better for your scrutiny.

We have covered a lot of ground with many issues discussed and aired and I think we now have much more useful and indeed essential legislation in place. First of course the budget itself and the other important bills placed before the House.

There is a matter I would just like to touch on which was raised on the opening day of the session, namely the statement by Mr Mates, Chairman of the Defence Committee in the UK, suggesting that the FIG should make a contribution to the UK cost of defending these Islands. I have asked Mr Clifton in the Falkland Islands Government Office to write to Mr Mates and to say that the Islands are of course indeed grateful for the support and defence provided by the United Kingdom but that it would be wrong to say that the Islanders are not already contributing. Mr Clifton will point out that this coming financial year as the Air Marshal has already indicated or reminded us, FIG will be contributing about £1 million in foregone taxation and in swimming pool costs alone. There is also the cost of the FIDF which is about £100,000 this year. All in all these sums come to about £500 per head of our population. I have also asked Mr Clifton to say that although we have a good income here now we have a very great deal to spend on in basic infrastructure and that we have to try and build up our reserves as well so that we can be sure of remaining economically independent.

I mentioned in my Address at the beginning that the Commander of the British Forces, Air Marshal David Cryws-Williams, and his wife Suzie will be leaving in August. Not only will this be his first and last budget session, but it will also be his last Legislative Council. I would like to take this opportunity to thank him on behalf of all of us for his always well thought out, positive, informed, and informative contributions to our debates in Legislative and in Executive Council and for his obvious enthusiasm and liking for the Islands generally. This is an enthusiasm he has passed on to those who serve under him and his encouragement to them to see more of the Islands while they are here. I know he has taken great pains himself to get about as much as possible and to see and learn as much of Island ways as any of his predecessors have done. In his role here he has always been ably aided and supported by his wife Suzie and many of the Islands will remember with much gratitude the warm hospitality she has provided in their home. We shall miss them when they leave and wish them all the best in London. I understand that the Commander is going to be the supremo over RAF personal appointments, obviously a man to watch and one whom all RAF people will be very keen to get next to.

Honourable Members, you will obviously be anxious to know when the Legislative Council is likely to be dissolved for the purposes of the General Election which must be held during this coming Spring. The latest date I could dissolve the Council is the fourth anniversary of its first meeting after the last General Election, that is to say 8 October 1989. I hope not to leave it as late as that. Subject to our being able to consider and debate the Seamount Report in mid-August, and I have had in mind 11 August for a meeting of the Legislative Council for that purpose, I intend to dissolve Legislative Council on 1 September and direct polling day be Wednesday 11 October, with the new Legislative Council meeting during the following week. I cannot conveniently dissolve Legislative Council before 1 September because the new Electoral Registers do not come into force until that date. Of course something may happen to cause the dates for the dissolution of this Council and for the General Election to be changed but I thought it might be helpful to Members to know what my present intentions are.

Finally, I wish Councillors Eric Goss and Tim Blake and the Honourable Attorney General and their families a most happy and enjoyable leave and we look forward to seeing them back duly refreshed in due course.

Thank you all for your diligence and hard work over the week.

The Honourable the Chief Executive

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

The following Honourable Members then spoke to the Motion:

The Honourable A T Blake

Your Excellency, it is normal for us to speak in order, usually starting at this end of the table, it would be foolish of me not to. I sense that something is not going quite awry and I do not wish to speak at this time but I reserve the right to speak later.

The Honourable J E Cheek

Your Excellency, Honourable Members, I will keep it fairly short. I wasn't here on Saturday as you are all aware so there are many things that I would have liked to have mentioned then that I haven't had the opportunity to do. But there is only one or two of the more important things that I feel that I can touch on now.

Probably one of the most important is to say thank you to the outgoing CBF for all that he has done. In fact I would like to thank all of the men and women under his command over the last year. We probably can't, I know we can't really show our appreciation for what is being done for us but believe me it is totally appreciated what every man and woman does in Mount Pleasant and the various other places scattered around the Islands. But as for you yourself Sir, I said it before that the variety of CBF's we have had has been amazing. I can't see that

it can continue, there must be some repetition eventually, but all being different and all somehow fitting in. In some ways you fitted in in this Council, both here in Legislative Council and Executive Council, you somehow have got your finger on the pulse. I quite often look up and see that slightly cynical smile as I realise you appreciate much more than we really realise how much is going on. Not a very nice start to your first meeting if I remember rightly, your first meeting in Executive Council, with our first discussion of Seamount. Hopefully it improved after that. Anyhow thank you again very much and I hope that you and your wife enjoy your next posting in London.

A correction if I may make one Sir, in case there was some misunderstanding this morning when the Honourable the Financial Secretary mentioned that Councillors allowances was going from £17,000 to £53,000 a year. I heard some very sharp indrawn breaths from behind me. I can only say that that is split between all of us, unfortunately we don't get that. In fact not only do we not get it but we made sure when we voted that money that none of us here today under the present Government will receive it. It is coming into force after the next election, so we voted that for those who follow, rather than for ourselves.

One other aside, someone said this morning I can't remember what subject it was, that we had the same British passports as the British have, it might be worthwhile pointing out that come 1992, those from Britain will not in fact have British passports, they will have EEC passports. I am not sure if it is true but I suspect that we in the Falklands at that stage will probably be the only people who will actually have British passports. Worth bearing in mind.

Just briefly as I wasn't here on Saturday, one thing on the budget, I have mentioned it before, it worries me not what we are spending on capital projects, what worries me and we must I believe, and those who follow us must, is keep a very, very close eye on recurrent costs. It is recurrent costs that will cripple us if we have financial problems, not generally capital costs. So I would commend those who follow us to keep a very, very close eye on recurrent costs.

And lastly Sir, sadly for me, we do not have a party system here, we do not have a system of governments and opposition, but I think we have reached a stage now where we are no longer, if you like to put it that way, a controlling party. We have reached a minority government situation and as such I believe we can no longer continue. After the Bill this morning which for the third time was debated in not many months I think what we have to do now is go to the country as soon as possible, if it can't be until after 1 September, so be it, it is unfortunate, but I believe that it would be wrong for me and I know others feel the same way, to continue as a Councillor. We must go to the country and find out what they really think about this subject, so regretfully Sir I will be tendering my resignation in the next day or two.

I support the Motion.

The Honourable L G Blake OBE JP

Your Excellency, Honourable Members, in rising to support the

Motion as I do not intend to participate in the next election and therefore this is possibly my last chance to speak I hope I may crave your indulgence Sir.

It is usual at election time or at the end of the life of a Council for the public to think well thank the Lord for that because the next lot won't be as bad as this lot. I have always felt that was perhaps a harsh criticism. I now begin to doubt it. I would ask them, may beseech them, that when they get the chance to choose again they choose with the utmost care. If they believe that Councillors are carrier pigeons then I think they are deluding themselves, but they must find a Council which will seek the progress and safety, the care and the safeguard of the Constitution we have so recently won and therefore not only do I hope that they will choose carefully but that those that have the love of these Islands particularly at heart and can possibly find time and have the interest that they will allow themselves to be taken forward possibly for election but at least join the selection process. There is nothing worse, I believe than an election by default and I am sorry that over the past four years this has been my only right to a seat in this Council. But I say again that they should look for members who will safeguard that Constitution and their democratic rights and safeguard the future of these Islands.

Thank you Sir.

The Honourable R M Lee

Your Excellency, Honourable Members, I rise to support this Motion in what is becoming a very highly charged atmosphere. But I would like to begin as I would normally begin a session like this by adding my good wishes to the Commander and his wife for all the excellent work they have done for each and every one of us in the Islands and also to say a big thank you to all the Forces people for what they continually do for us every day.

I would like just to touch briefly on the budget, mainly to say how impressed I have been with the new Financial Secretary. He had a very hard act to follow, he steered us through a very stormy week's work and I think he really has a good grasp of not only the figures but the feeling of the people in the Islands and this is very encouraging. I am really impressed and I would like to publicly thank him for his efforts.

It was a hard week's work on the budget but it was a worthwhile week's work from my point of view, we managed to balance the books just and also beyond my wildest dreams there is no real reason to delay the building of the new Senior School and we actually have one and a half million pounds set aside for road building and a ferry head and this will probably be my last chance to speak in this House but I feel delighted that despite what may go on over the next few days I am delighted that this is now happening and I feel that the past three and a half years have been worthwhile.

There are many things I could say but no doubt the imminent resignation of one or two Councillors or maybe three, the whole atmosphere here is charged with the expectation of that and there is little point in me carrying on but one thing I would urge people if we have an election soon I would urge them, as

Councillor Blake has, to choose carefully the people they wish to represent them and never lose sight of the fact that we have a slogan in Falkland Tourism which says "Come to the Falklands Where Nature is Still in Charge" let's not have "the Falklands, a place where money is still in charge".

I wish to support the Motion.

The Honourable E M Goss

Your Excellency, Honourable Members, I would like to support the Motion for the Adjournment and I have a few comments to make.

I echo Councillor Cheek's and Councillor Lee's thanks and appreciation they have expressed for the CBF, his family and the Forces. I would like to wish them publicly well in the future and hope to see them one day late in August.

Now to go on to matters for the next Council or Government to think about. Town planning warrants a few words. If we are going to make the town of Stanley into a beautiful town, one to be proud of, strict attention should be given to the building plans. We must not create industrial estates within the bounds of Stanley and I would like to see improved roads by making use of waste ground. We could widen carriageways to eight or nine metres instead of the cramped little six metre jobs we are putting in, even the new ones going in are still only six metres. There are more larger vehicles in the Falklands than there ever were. We now have four-ton trucks, land-trains, dirty great coaches and buses that can hardly swing around corners and streets that were designed in the days of the horse and cart and I would like to see where at all possible we can make use of this waste ground. Waste ground and the re-lining perhaps of telephone or light poles or whatever they are that carry those cables over the streets would make room for pavements and more important than anything at all is off-road parking. We need off-road parking in this town, particularly where we have got congested streets. Some suggestions I would like to put in the air for the improvement of roads would be the making of the Davis Street East junction to Hebe Street into a full solid Y-junction instead of the hairpin bend we have at present. It has been there since the new concrete road was laid on Hebe Street but it is very unsatisfactory and in winter time it is frightfully dangerous. Traffic moving west on Crozier Place, I have asked before that consideration be given to the purchase of a traffic mirror that could go on the end of the building where traffic coming west along that road can actually see up Philomel Hill. That would make life a bit easier, and Fitzroy Road East into Snake Hill could do with widening out and nowadays we have the earth moving equipment here to break away or blast away the rock that has prevented that road being more than a one traffic sausage.

I would like to go on to more development plans. I would like to launch under the heading of education an idea. I would like to talk about the lack of scope we have to extend the Infant Junior School. It is a pressing problem. The cramped conditions of that school does not allow the teachers to perform as they should or the children perhaps to learn as they should. It is most desirable we extend the building but there are so many limitations and I would like to say we look at two possibilities both within

our reach. One we close part of Villiers Street and extend the school east. This creates a cul-de-sac of the existing road to serve access from Ross Road to the properties east and west of that road. A footpath on the left hand side connecting John Street to Ross Road must be put in on the eastern end because we would extend the school from where it is out that way and we could also have there a cycle path alongside the footpath separated by the pipe barrier we see in other places. Under option number two after the opening of the new senior school complex the old Stanley Senior School known as the black prison when I attended it some years ago could be exchanged with the Falkland Islands Defence Force for their hall/headquarters/club and billiard rooms. Now the Infant Junior School would have plenty of space to extend west with safe access to the gymnasium past the Police Station all on FI Government land. The possibilities of this site being brought into line are boundless. Now the old Senior School would give the FIDF plenty of space for all activities. They would have a solid parade ground, adequate toilets, suitable buildings to fit all their needs. The only immediate loss that comes to my mind would be that of their indoor 25 yard small bore range but I am sure there must be other places or other ways or some way around the 25 yard range. Now having made those suggestions I leave it with you all to think on them. There might be some possibility of room to manoeuvre to solve that problem with space in the Infant School.

Looking back to one of the Bills we discussed today. Going down the road to do some business, final arrangements for my departure tomorrow I was thinking about the monopoly on fuel. We have got three monopolies in operation in the Falklands now, telecommunications, banking and fuel. I do hope that in giving the franchise on fuel we have not slammed the door on our own faces. Supposing I find oil in my back yard, set up a refinery plant, etc, etc, and then find that my hands are tied or perhaps it means that Stanley Services reap the profits of my lucky find. I do hope that if we are setting up a monopoly on imports and sale of fuels we bear in mind oil prospecting and the possible finding of fuel here.

It might well be my last public Legislative Council session. It is my third budget and I take this opportunity to thank all those who supported me, who voted for me, and set me up to be here and I do hope that I have served them well. My thanks go to the calm efficient way the two chiefs at the far end of the Table have served us this week and the way they have worked is to be admired and congratulated. Their first session here but obviously not their first session in their careers so they have been well trained for the job they done and I think they done it very well.

Another Bill we looked at today was the Media Trust Bill. We passed that so that we can now set up a newspaper and I do hope that the Penguin News can get back on the road very quickly. The welcome gap fillers must have a mention, the new Government News Sheet or Newsletter or whatever it is called, and the one I spotted yesterday produced by The Desire the Right Party, I think it is called the Islander, was a very useful gap filler too, but I do hope now that we have the Government Information Officer her work programme can produce a lot more vital information from Government departments, Government progress, up to date matters which she has out into the public so that either it comes out in newspaper form or a telephone call to Patrick in the Broadcasting, but keep the public informed.

Sir, I support the Motion.

The Honourable T S Betts

Your Excellency, Honourable Members, I rise too to support the Motion for Adjournment and would like to make a few comments on the final outcome of the budget itself. The usual reaction will be in clubs and pubs and other places to moan about the increases on cigarettes and letter box rentals and rents and rates. In actual fact I was the only Councillor in Select Committee that opposed the increase in rates. Be that as it may when people will and do invariably complain about fishing and its money doing nothing for the Islands and its community and I can assure you that is rubbish and hopefully I can give you a few examples. We in this next year will be able to see the completion of the Estancia track, telecommunications, Jersey Estate, and a swimming pool that we have been waiting for for almost a hundred years I think since it originally started, at least the concept of it. We should also see the laying of roads in John Street and Fitzroy Road and King Street. At least the DPW promises us that and I hope he sticks to his promise. We will also see assistance to Camp tracks, roads, whatever you want to call them, extension of the Junior School, improvement in Camp airstrips, allow commencement on the new school, contribution to defence, and hopefully a new apartment block, badly needed at least for the single community who are looking for accommodation. So it is very wrong for people to say that they are getting nothing out of fisheries money, underlined of course by the fact that there has been a healthy wage award of 20% and in anybody's standards that is very healthy.

Sir, I would like to say thank you to the Commander of British Forces, to all the men and women that serve here in the Islands and defend us.

I would also like to say thank you to what is almost a new administration, the Chief Executive, the Financial Secretary and old 'Slogger' over there. They are a good team and we are in very good hands I believe.

It is probably unusual for one Councillor to acknowledge the efforts of another, but I would like to take this opportunity and thank the Honourable Tim Blake for all his efforts in Council I think stemming back some 25 years and for those people who intend to enter into local politics could look to the Honourable Mr Blake as a good marker.

Sir, we passed a lot of Bills today and I was very excited, almost elated at the Employment Protection Bill which took the Honourable Attorney General 210 working hours. But I can assure the people out there who will receive the benefit of it, well worth it.

I hope too Sir with the increase in rents that it will speed up the process of the selling of Government properties.

I was also surprised to learn this week that in fact we have an official Falklands flag, I don't know if many people are aware of that but apparently we do. It is a blue ensign with a Falklands crest on it.

Sir, we now come for me personally this is rather a sad bit and that is the passing of the bill for an appropriation of half a million pounds which will, oddly some of it, will funnel its way into the pocket of absentee landowners. Quite a few members of the public have approached me and said on every occasion that I have voted against that that I was right to make that decision and should we ever fail then I should consider resigning. I am afraid today I have failed and Sir, along with Councillor Cheek, I too will be offering my resignation.

The Honourable Mrs C W Teggart

Your Excellency, Honourable Members, it has been a long, hard week as I am sure we are all aware. I would like to commend the Financial Secretary for the budget that he prepared for us. The amount of work that he did on the papers beforehand actually gave us very little lea way to do any pruning or make much in the way of additions. I would like to assure the general public that we have argued to the best of our ability over many of the duty increases and that sort of thing, the things they are going to be paying more on. In particular as far as rents are concerned it seems to be my particular bit that I seem to always get involved in. I am delighted that although the increase in rents will go forward at 15% that it has been put off until 1 October when there will be a rebate scheme in action and I also understand that by that time we will have the report from Mr Phelps on the sale of Government housing so people will actually know whether they will be able to buy their house and be able to take steps to do so before they are actually paying more rent.

Of the Bills we have passed today I actually didn't vote on the one regarding the fuels, the fuel bill because although at this stage I believe there is nothing that can be done about it I do regret the decision that was made by Government two years ago to have a contract which did give a monopoly on the importation of fuels to one particular Company. I feel that this is a mistake, it is the sort of thing that I very much would like to get away from but as I understand that the decision was in fact made a couple of years ago at this stage there wasn't anything I could do about it Sir, but I did in fact abstain from voting on that. Other matters arising from this week. I am really pleased that the new school will be able to go ahead. I think that that is a step in the right direction. Unfortunately it did mean some other people who were perhaps hoping to get money are not going to be able to do so but I feel the education of our children is of primary importance and to have held that back would have been a mistake.

I would like to wish all the Members of Council around this Table well, in particular the CBF and his family who are leaving the Falklands soon and as we are all saying it will be our last chance to speak in public. I would certainly like to thank all the Members who have helped me in my first term of office. I don't know if I will be standing for re-election, I have to wait and see in current events, but I think that whoever does has a hard task in front of them. It isn't easy. I think from the budget that we have gone through this year, next year is not going to be any easier and I hope whoever is sitting around the budget table at this time next year isn't cursing us too much for some of the

things we might have committed them to in the last week or so.

As far as the Agricultural Bill is concerned, I along with the other Stanley Councillors have spoken out against overseas landlords being beneficiaries of the grant schemes. I feel that we have done ourselves no credit in arguing amongst ourselves over this since last November and I certainly feel that the decision made today in this Council just takes us further along the path towards minority Government because certainly I think if it were to go to a referendum of any sort I think the majority of people certainly in my Constituency would be in favour of keeping the money here in the Islands for the small farmers. It is a reasonably, in the sort of sums of money that we talk about spending these days, £500,000 is not a lot of money. I believe that it would be best divided up amongst the small farmers who are here in the Islands, so because of that it is with some regret that I also will be resigning, Sir.

I beg to support the motion.

The Honourable A T Blake

Your Excellency, I have a few comments to make on the last weeks activities and things in general. I, due to the absence of the Honourable Councillor Keenleyside, was asked to serve on the Building Committee of Stanley just the other day and I was very disturbed when I chaired that meeting by the previous meeting of that Committee had been in February. I think in the state of development we are in at the moment with people wanting to build houses and Council in general wanting to get houses built to ease the housing situation, that such a situation is really unacceptable and I should hope that this Committee can be encouraged to meet at least on a monthly basis, if not more often should the need arise. I would think that the smaller agendas that would result from this would not take up perhaps quite as much time as the rather lengthy one we had to deal with. The Building Committee does need legislative back-up. It basically hasn't got any teeth at all, its recommendations are very, very hard to force people to comply with and I hope that there is urgent consideration being given to legislation that will help this Committee to be more effective.

I would like to commend the contractors that we have working for us at the moment. In sense, probably through good leadership, that some of the contracts are progressing very well. I am particularly pleased with the progress made in the swimming pool and the work that is going on to renew various sections of road around town. The attitude of the people working, and I have been passing them most days, seems to be cheerful as though they are in actual fact really achieving something and I really think that they are and I would thank them very much.

There is a group of men who work around the clock in the Islands who very, very rarely ever get mentioned. I was very fortunate a few weeks ago to visit MPA and visit the weather men, meteorologists, whatever we like to call them, who for one reason or another at times come in for scorn or are accused of gross ignorance of local conditions but I think that most people would agree with me that in recent years the standard of service we have been getting from the weather office, the forecasting we have been

getting, the chill factor forecasts that the farmers have been getting, have all been very worthwhile and I must admit that I do now listen to the weather forecast and sometimes make managerial changes to my programme as a result of what they are telling us and I am afraid this didn't used to exist. A few years ago one made the managerial decisions when you turned to in the morning when you saw what the weather was like. So I would thank them for their work which goes on for twenty four hours a day, although I must admit that I was staggered by the amount of sophisticated weather equipment that they now have compared with the meagre resources that I experienced on the weather station I served on for two years in the Pacific.

During the last few days and perhaps particularly today, we have seen our Constitution working in a rather good way. Some people may realise that it is Executive Council that initially puts the Bill to the Legislature and the Constitution was designed so that the five Members who were not on the Executive Council could always change and out vote those who were on it. I am very pleased to say that this in actual fact did happen this year with reference to duty on alcoholic beverages. I am quite happy to have been defeated on such a subject.

I would like to thank very much the excellent way in which the Chief Executive chaired the Select Committee meeting. I am sure that without his careful control of us during this particular period, his rather dry sense of humour and ability to make the most obvious conclusions wrong has helped to keep our spirits up and keep things going although I think we must all admit that the juggler of the week must rest with the Attorney General, in one period of advice to us, I won't go into that particular joke here but it certainly brightened me up tremendously. I also have of course the greatest respect for the way in which the Financial Secretary has dealt with his first budget. I always used to see in my social evenings that usually involved going past the Secretariat the lights burning into the late hours of the night and I can assure people that that situation hasn't changed with the change of Financial Secretary. It is a long hard week for them, probably much harder than it is for us.

I must refer to one piece of Ordinance that we spoke about. I think that I may have inferred that people were using the presence of an incoming Bill for unscrupulous activities and I know that there was no connection really between the example that the Attorney General used in Port San Carlos, I just would like to assure the past owners of Port San Carlos that they certainly were not the perpetrators of my comment.

On the matter of Stanley rates I have been concerned for some time, in fact certainly longer than the life of this Government, that the people who own empty sections of land in Stanley are being subsidised by those people who have pieces of land with houses on. The services do have to go past every empty section of land in Stanley. There are water pipes, there are sewerage pipes for connection and there are power connections and if you live next door to one of those sections you are in actual fact paying for the servicing of that section of services which go past an empty section and I would put it to both Members and the general public that if these people were levied rates, if we wanted the same amount of money you would all be paying a lot less, and probably anything up to about 25 or 30% less, that is only a

guess, a conservative guess, or we would have perhaps if we rated at the same level an awful lot more money to do a bit more of the tidying up and improvement in the facilities that are required, so I will just leave that one with people to think about and probably can make recommendations to the next Council at this session next year.

I would like also to extend my thanks to the Air Vice Marshal and his wife and children who I know have come to like the Islands very much and I think we have all come to like them also very much. They have certainly given my wife and I very great pleasure in the two stays that they have had with us.

I am not sure whether this will be my last speech in the House or not. I am not quite sure what situation we stand at at this particular time. On the premise that it probably is I would like to thank all the constituents who supported me throughout the time and I would put it to those constituents that unless you keep your Councillor active it is very easy to do nothing in this job and the greatest of pleasures come from serving the people. In all the vast amount of decisions we have had to make in varying degrees I can think of one which gave me immense pleasure was when I had the tot rate doubled for the pall bearers at funerals and I think it amounted to something like about £1.50 increase to those gentlemen so it isn't only the big things that sometimes give Councillors pleasure.

I would ask when people are thinking of who they would like to stand for Council that they make jolly sure that they ask them to have a good look at our Constitution. I think that there is something perhaps slightly wrong with it and I would sincerely hope that something can be done with the Constitution which can be used to enhance Council rather than to destroy it.

Finally Sir I would like to apologise to you and to all Islanders because I have been unable to avoid a situation that I could see coming for some time. I would like to thank all of the Councillors because during this difficult period I have had the confidence of every one of them and I have also been advised by yourself and other officials and with all this confidence and advice I have failed and I apologise.

The Honourable the Financial Secretary

Your Excellency, Honourable Members, I rise to support the Motion and in so doing I would like to thank you very much for the very kind words that you have mentioned and I would also like to draw, and I am sure you would wish to thank my deputy for the tremendous work that he did in acting as Secretary to the Select Committee and for bringing everything together so well.

It has been alot of hard work as Members have said this week but it has been a pleasure and a privilege working with you and I hope that I will be working with you again next year when you return and the new Council takes up its positions.

One regret that I have today that has gone through is that the Attorney General missed a golden opportunity to double the country's revenue when he agreed that election broadcasts should go uncharged, but nonetheless I am sure that we can live without

that.

I would like to join you and Councillors and add my good wishes to the Commander British Forces and wish him and his family all the very best for the future.

Thank you Sir, I support the Motion.

The Honourable the Chief Executive

Your Excellency, the appreciation of the role that has been played by the Commander British Forces has been very well rehearsed by all the Honourable Members and I am delighted that it is the one unanimous issue on which we are agreed today and I would like to add my own appreciation and consideration and hope there will be an occasion between now and your departure, which is still quite a long time away, to say goodbye.

The hard work of all concerned in the budget really staggered me. I doubt if there are many governments that have such a detailed grasp of the finances of their countries or that can produce members who are in a position to think so flexibly and creatively. I was also extraordinarily impressed by the efforts of the Financial Secretary and his deputy. I am familiar as all officers of Government are with the phrase "if the Members will it the officers will find the means" and I think your officers did everything they could to find the means for you and will be proud to do so again.

The week wasn't one that I had actually expected to enjoy but in fact I did and I am most grateful to all concerned for assisting me through what was in fact a learning vertical rather than a curve. Nevertheless I can't help but be saddened that for whatever reason that this Government may be dissolved prematurely. I am saddened that such a situation has arisen that has caused so much obvious distress, emotion, pressure and is bringing about such results. What we as officers of the Government must now do is to respond to the developing situation and it is a situation, it is not a problem and it is certainly not a crisis. We will have to react to the factors and they will be dealt with calmly and will be set in motion as is appropriate. It is also sad that proper recognition and tribute can't be fully paid to the outgoing Members who, had the programme of Government been continued as we had expected, could have expected a more fullsome farewell and I do hope there will be some opportunity whatever happens to do that, so it is with considerable respect, gratitude and yet sadness that I support the Motion.

Thank you Sir.

The Commander British Forces

Your Excellency, Honourable Councillors, I rise to support the Motion in what as is mentioned is likely to be my last Legislative Council because I leave here in a couple of months time after what has been really one of the most interesting, enjoyable and rewarding tours of my entire time in the Royal Air Force, and it has been not only a unique experience for me as an airman to command men and women of the other three services, but of course

to participate in civil Government here.

I would like to thank you very much indeed for your kind comments about myself and my family and perhaps more importantly about the members of the Forces who serve here.

Now despite the present turn of events I think it would be remiss of me if I didn't just touch on one or two aspects of military life as it touches the civil community here.

The first duty of any government is to defend its citizens and I mentioned in some detail last Saturday the fine contribution which this Government makes to discharging that responsibility. For my part I regard the formal state of military vigilance kept by the British Forces here to be entirely necessary to deter any potential aggressor. For my soldiers, sailors and airmen to be truly effective in carrying out their duty of defending these Islands it is essential that they train and they prepare realistically. We have in my time here increased routine exercising and mounted in particular several in-theatre exercises of a much larger nature than hitherto and that all means that my men continually patrol your skies, your land, your waters and beyond and I therefore am most grateful for the continued co-operation and forbearance of landowners and townsfolk alike.

Your Excellency, I think we all draw some comfort from the transfer of democratic government in Argentina recently after so many years of military rule but I am not persuaded and nor I believe are Her Majesty's Government that we can yet lower our guard or reduce our ability to counter any aggression whether that aggression be sanctioned by Government or not.

I must mention one or two particular points of military/civil co-operation which I think work so very well indeed. First of all the valuable and the close co-operation which we have at the military with the operational side of the Fisheries Department. Their responsibility is to patrol and protect the Falkland Islands Conservation Zone, ours which are quite separate are to patrol and protect the Falkland Islands Protection Zone, but certainly now it has developed into a much more coherent and effective operation which owes much to the co-operation of the civilians concerned.

I must also applaud the considerable time and effort devoted by your own volunteers of the FIDF. The public very largely see them out on ceremonial duties, we see them on a professional side when they take part in our exercises whether pre-planned or not pre-planned and there is no doubt that in my time here I have seen their expertise increase considerably and culminating them, really taking on all colours from my command, in the march and shoot competition Penguin Hop and beating us. They make with their specialist skills and particularly their local knowledge an enormous contribution to our efficiency in defending these Islands.

On less war like matters to mention the King Edward Memorial Hospital which is possibly the most obvious example of military/civil relations to most people and a very important facility which benefits not just the Islanders and the military but also the growing number of tourists and of course the fishermen. Given this growing and preponderantly civilian use of the hospital I think it was quite right that the arrangements for

running it and the cost of it should be reviewed. What I would like to say is that although the cost to the MOD is much reduced I can assure Your Excellency and Honourable Members we are as committed to this joint venture as ever in providing a skilled military staff to allow it to continue and meet the needs of the community.

It is also important that I mention the business of the lack of direct contact brought about by us now being at Mount Pleasant with the people especially in Stanley and also of course to some extent in the Camp. Like my predecessor I am most keen that servicemen and servicewomen should get an opportunity to meet the Islanders wherever they can. My Staff Officer responsible for local liaison has continued to work, like his predecessor, in dealing with any problems which do arise between our two communities and because of the importance of his job we have asked, and MOD have agreed, that future incumbents will come here for one year and if they are married hopefully bring their families, and furthermore because of its importance on this subject I have appointed the OC of the Stanley Administrative Detachment to be the Deputy Community Relations Officer as a secondary duty but a no less important one from his administrative duties up there. In addition I have actually encouraged personnel when I know they can be spared to get out for short leave breaks in the Islands. The recent agreement that all military travel on FIGAS should be at the same rate as it is for the Islanders is most welcome and I thank you for that and I am hopeful that as a result the MOD may agree to my proposal that each serviceman for each three months that he does here gets a free travel warrant for a return flight on FIGAS. And another way that the two communities can meet is by turning up at the open day at Mount Pleasant during Farmers Week on 2 July.

In reviewing civil/military relations I must also mention how well my headquarters staff, Sir, and your officials get on in resolving mutual problems. In particular I would like to mention the excellent liaison between our Police Forces, the great help we have received from the Education Department, and in PWD matters. I would like to thank especially, and very loud and clear, Your Excellency and the Honourable Members for the most welcome provision to pay for the cost of the construction of a swimming pool at Mount Pleasant. No gift could be more tangible evidence of the Falkland Islands appreciation of the work done by the military in these Islands and I and all the servicemen and women are very grateful indeed for this most magnanimous gift from which over the years tens of thousands of servicemen will benefit.

I have been keen for my troops when military operations have allowed to help in civil and military community projects which might otherwise not have been implemented. Now I am conscious that there has been less formal involvement perhaps than in previous times. This perhaps indicates to some extent the ability of the Government and the Islanders to do more for themselves than previously as well as the many new projects which we ourselves have started. There has however been considerable involvement particularly on the medical evacuations, the search and rescue, well over 50 in my tour of which over half have been for civil patients, whether at sea or on land, we have had nine of these just during the last month and they often include the use of the Royal Navy and Hercules aircraft as well as the helicopters.

The EOD detachment which do, I think, extremely valuable work, and on this point I would like to thank you very much indeed for the offer of a new site in the centre of Stanley where I am sure the EOD office should be, and perhaps I could mention that for the same reasons the Civil Community Relations Officer two of the Royal Engineers personnel have been authorised to come for a year and again if married to bring their families.

On perhaps a rather more light hearted note I have been delighted that CSE shows have been able to give performances here in Stanley, visiting regimental bands to give performances here in Stanley and if they can in the Camp too. I think they are well received.

I must of course mention the introduction of television which by the way it was handled taught me a great deal about local politics. Perhaps I could on a serious note there just mention that I hope the introduction of television does not endanger the future quality of the radio programmes enjoyed here. I believe that it is your broadcasting station which could do most to pull the community together, something that perhaps the telephone and limited and recorded television service cannot do at a time when many factors of modern life are going to conspire here to loosen the bonds of society.

Finally I must mention something of Mount Pleasant complex itself. I know Sir, that just as you, Mount Pleasant airport has a dual role although its civilian role has yet to flourish. The recent arrival of a Boeing 707 to change a ships crew certainly involved us in some problems of security and logistics and took up quite a lot of our time. I feel very much that in the future we must look to the Falkland Islands Government and civil community to provide more of the administrative and logistic support than hitherto. We have as a result of that introduced an operators guide to the use of Mount Pleasant and to be sure that everyone knows where they are we have commissioned the Royal Engineers to manufacture a sign proclaiming Mount Pleasant as your international airport.

Your Excellency, as I mentioned in my Christmas broadcast, before I came here all my predecessors told me that I would have one of the best years of my life. As you also know, and indeed you claim the same for yourself, I believe that I have the best job in the Islands. Not only do I have a command which is more varied in its component parts than anybody else of my rank but I see daily the extraordinary professionalism of those who serve me. We have here, and we must not forget South Georgia, a tri-service force which maintains ships and troops, Royal Engineers, fighters, tanker aircraft, helicopter, and missiles, at minutes readiness, each hour of every day and every day of the year. They do this work 8,000 miles from their homes, their nearest diversion for an aircraft is a thousand miles away. They operate in and have to cope with some of the most fickle weather in the world. They maintain the highest form of state of readiness of any British Forces anywhere. They do all this, and do it very well, and they have to do it whilst changing their workforce three times a year. Quite simply I do not think that any other nations forces could do this so efficiently and so effectively, nor so uncomplainingly. I am proud to command such men and women, both military and civilian. The other great joy of this job is that I am allowed to have so much to do with Island affairs, both formally and socially. I and my wife and my children have grown to love the

Falklands very much. The Islands are indeed beautiful to our eyes and the people have the kind of steadfastness, independence and extraordinary resourcefulness which I recognise and admire in my own people. There is here also a great generosity of spirit and a tradition of hospitality and friendliness which is unsurpassed. Much will inevitably change here but I am confident that those qualities will not.

Your Excellency, Honourable Councillors, I am sure that you will welcome my successor, Major General Paul Stevenson of the Royal Marines, and Mrs Stevenson who I know are very much looking forward to coming here in August. I will leave my command and your Islands with reluctance but with many happy memories. As a family we thank all Falkland Islanders for their great kindnesses. We are most grateful.

Sir, I beg leave to support the Motion.

The President

Honourable Councillors John Cheek, Terry Betts and Mrs Wendy Teggart, I shall of course with reluctance have to accept your resignations if you insist on that course of action. Honourable Members, I cannot sensibly hold a by-election in the time available and indeed to do so would as the Honourable the Attorney General will no doubt confirm, involve using 1986 Electoral Rolls and therefore effectively disenfranchise many people in Stanley. Equally there can realistically be no general election before the date I have named. This will regrettably mean that there will be no opportunity for a LegCo debate on Seamount until after the next general election, though Mr Boyd's report will be published on current expectation as expected in mid-July.

Honourable Members I should like to thank you all for all you have done by serving in the LegCo, the hard work this involves has been once again amply demonstrated at this session and the care and thought given to subjects under discussion has been detailed and thorough as always.

Honourable Members under the Constitution we have effectively now after this, no Legislative Council until after the next General Election. So Honourable Members I now adjourn the House.

Thank you.

LEGISLATIVE COUNCIL

QUESTIONS FOR WRITTEN ANSWER SUBMITTED BETWEEN 9 JANUARY AND
23 MARCH 1989

Question by The Honourable T S Betts:

I have been approached recently by staff within the Posts and Telecommunications Department, in particular the Broadcasting Studio, asking me what is to be their future with regard to further employment now that the new telecommunications contract has been awarded to Cable and Wireless plc, and that system being installed and running by the end of the year. Will they be made redundant or offered alternative employment? What about passage rights, accumulated and other leave entitlements, and other usual employment benefits?

Reply by The Honourable The Chief Executive:

A great deal of thought has already been given to the future of those staff in the Posts & Telecommunications Department affected by the installation of the new telecommunications system and I am grateful to the Honourable Member for Stanley, Mr T S Betts, for the opportunity to say so publicly.

The total of staff involved is 14. First of all, every effort will be made to find them jobs in other Government departments and Cable & Wireless have also expressed interest, in principle, in employing former staff of the Department.

Where alternative employment in FIG is not possible or where employees move to Cable & Wireless appropriate pensions or gratuity payments will be made to both established and unestablished employees as well as pay in lieu of accumulated leave and compensation for the proportion of passage benefits foregone where this is appropriate.

I understand that discussions with all the employees concerned have already begun.

This reply covers the broad outlines. I have asked the Establishments Secretary to write to you more fully.

(9th January 1989.)

Question by The Honourable T S Betts:

Could the Chief Executive advise what it is costing per day the owners, SFL/FIG to maintain the Mt. Kent moored at the Camber, taking into account crew, fuel, insurance, loan repayments?

Reply by The Honourable The Chief Executive:

I regret I cannot answer this question as Seamount Limited, which owns the Mount Kent, is a private limited company.

(23 February 1989.)

Question for Written Answer by The Honourable J E Cheek:

With regard to the recent announcement from the Justice Department regarding "a number of complaints received regarding noise and general disorderly behaviour in licensed premises after normal licensing hours," and, following that, a revision of the policy regarding the granting of Special and Occasional licences; would the Chief Executive please say how many such complaints have been received in each year for the past five years?

Reply by The Honourable The Chief Executive:

I am advised that since the Honourable Member's Question in the form it is put relates to a matter for which I am not responsible to the Legislative Council, strictly his Question is inadmissible. I am of course not responsible to the Legislative Council for the action of the Courts, or of the Judiciary. The announcement to which he refers was one made by the Senior Magistrate.

I propose only to answer in respect of the Executive's actions, and knowledge, so far as they are relevant to the subject matter of the question.

The Police Force has, indeed, received over the last five years a number of complaints relating to noise and disorderly behaviour in licensed premises after normal licensing hours. Equally complaints have been received in relation to noise and disorderly behaviour by people leaving licensed premises after normal licensing hours and, for that matter, premises occasionally licensed, for example the Town Hall. These have from time to time been brought to the attention of the Senior Magistrate of the day.

Until recently, the complaints were not frequent but in recent months the number of complaints has grown and for that reason detailed records have been kept since about the beginning of 1989. From that time to date five complaints have been received by the Police.

I am informed by the Police that previously it was the practice for applications for special licences and occasional licences to be made by letter or even by telephone. The effect of the Senior Magistrate's announcement to which the Honourable Member refers is that these applications now have to be made in open court. Only one application has been made since 1 March, the date on which the announcement came into effect. That application was granted.

(7 March 1989.)

Question by The Honourable C D Keenleyside:

Can the Chief Executive confirm that the reinstatement of Ross Road East will include the section in front of Stanley Cemetery which was previously tar-sealed?

Reply by The Honourable The Chief Executive:

The section of land in front of the Stanley Cemetery is not part of the reinstatement contract. It was hoped that this section could be fully reinstated as part of the Ross Road East/West project but this proved impossible given the finance available. Colas, who are reinstating the Stanley Airport Road have, however, agreed to provide a 4 metre wide sealed road of similar finish to the Stanley Airport Road by way of an extension to the contracted section within the finance available for the project as a whole. It is further intended that, providing funds are available at the completion of the contract, to construct a raised footpath to this section of road, improve the east end drainage and provide a concrete section at the eastern entrance to the cemetery.

(21 March 1989.)

Question for Written Answer by The Honourable J E Cheek:

Will the Chief Executive say whether, with the recent introduction of additional airfreight capability into MPA, MOD will allow an air parcel system to be reintroduced to and from the Islands using their freight aircraft?

Reply by The Honourable The Chief Executive:

The possible reintroduction of an air parcel service has been discussed with the authorities at MPA. They are sympathetic to the request but have advised that it will be necessary to run the scheduled Tristar KC1 service for a number of weeks, before it can be ascertained that sufficient spare capacity exists, to permit reintroduction of the air parcel service.

(23 March 1989.)

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CONFIRMED THIS 6TH DAY OF DECEMBER 1989.

Will Faller

GOVERNOR

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RECORD OF THE MEETING OF
THE LEGISLATIVE COUNCIL

held

16th October 1989.

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON MONDAY 16TH OCTOBER 1989

PRESIDENT

His Excellency the Governor, Mr W H Fullerton

PRESENT: MEMBERS:

Ex-Officio

The Honourable the Chief Executive
(Mr Ronald Sampson)

The Honourable the Financial Secretary
(Mr John Henry Buckland-James)

Elected

The Honourable Ronald Eric Binnie
(Elected Member for Camp Constituency)

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

The Honourable Kevin Seaton Kilmartin
(Elected Member for Camp Constituency)

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

The Honourable Terence John Peck MBE CPM
(Elected Member for Stanley Constituency)

The Honourable Gerard Michael Robson
(Elected Member for Stanley Constituency)

The Honourable Harold Theodore Rowlands CBE
(Elected Member for Stanley Constituency)

The Honourable Gavin Phillip Short
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Major General Paul Timothy Stevenson OBE RM)

Attorney General
(Mr David Geoffrey Lang QC)

CLERK Mr Peter Thomas King

PRAYERS Reverend Nicholas Runde

OPENING OF COUNCIL BY HIS EXCELLENCY THE GOVERNOR

Honourable Members, I should like to welcome you all to this first Legislative Council since the General Election on the 11th of October. I should like to congratulate all of you on having been elected, or in the cases of Mrs Edwards and Mr Peck elected again, and in the cases of Mr Rowlands and Mr Luxton returned in an elected capacity: I know we shall benefit from the experience of those who have already served as Councillors. I am sure you will find the work ahead of us all fascinating, worthwhile, complex and often frustrating. If there is one thing I have learned in Government it is in how many cases it seems that there must be an obvious answer, or that the solution to a problem is straight-forward and should be capable of application almost immediately, but then on examination things turn out to be not nearly so simple. And of course behind it all there is what can be afforded and how.

You will all have the benefit, which previous Councillors and indeed Government Departments have not had, of a new telephone system with facilities for fax. This should make it remarkably much easier for papers for consideration to be sent to all Councillors and for views to be canvassed on issues at any time.

There are, as ever, numerous problems with which we shall all have to grapple in the future such as housing, town planning, the development of the fishing industry and communications of all sorts in Camp, to mention but a few. But today we have before us only the important matters of the oaths or affirmations of allegiance which must be carried out before you can conduct business and the election of the Executive Council members.

The Procedure for the affirmation or swearing will be that the Attorney General will go to each of you in turn in the order in which you are sitting and ask you to stand and sign the oath or affirmation. All other members will please remain standing while each individual Councillor swears or affirms. After this has been done we shall undertake the election of Executive Councillors. Under the constitution elected Councillors must elect three of their number to the Executive Council at the first meeting of the Legislative Council after the election. In the absence of a Standing Order providing for elections to Executive Council I propose to follow the procedure which has been used in the past which is that you will each be given a ballot paper with all your names on it; if you agree I will appoint the Financial Secretary and the Attorney General as tellers and ask the Clerk in due course to collect the first of the three ballot papers and hand out the others. Thank you very much we will now proceed with that.

Oaths were then administered in the following order:

Ronald Eric Binnie

Norma Edwards

Kevin Seaton Kilmartin

William Robert Luxton

Terence John Peck

Gerard Michael Robson

Harold Theodore Rowlands

Gavin Philip Short

ELECTION OF MEMBERS TO EXECUTIVE COUNCIL

The election by elected Members of three of their number to Executive Council then took place by secret ballot. The President then announced the names of those elected, namely:

The Honourable T J Peck MBE CPM Stanley Representative

The Honourable W R Luxton Camp Representative

The Honourable Mrs Norma Edwards Camp Representative

SWEARING IN OF ELECTED EXECUTIVE COUNCIL MEMBERS

Executive Council Oaths were administered in the following order:

Honourable T J Peck MBE CPM

Honourable W R Luxton

Honourable Mrs Norma Edwards

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

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

The President

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

The Honourable R E Binnie

Sir, in rising to support this motion, I would just like to say a few words. I would like to take this opportunity to congratulate the electorate of our Islands for the marvellous turn-out last week. By doing so they have demonstrated to all the Islands' critics how strong their feelings are. Sir, I would respectfully request you to inform the Secretary of State of the

feelings of the people of the Falkland Islands as towards any possible involvement of Argentina in Falklands affairs. I and my fellow Councillors have been elected to this Council with a very strong mandate. The Electorate of these Islands do not want, under any circumstances, any part of any agreement which may allow Argentina access to, or participation in, Falkland Islands affairs.

I look forward to working with my fellow Councillors and, having already spent several hours together, I believe this Council will be very strong and united. Sir, I beg to support the motion.

Honourable Mrs Norma Edwards

Sir, in rising to support the motion may I just reiterate what Mr Binnie has said and that we have no objection at all to Britain and Argentina renewing relations and repairing fences, but we really feel strongly that we have to be careful that we don't go down the slippery slope of the seventies again, and we have to make sure that there is no involvement by Argentina either in our waters around the Islands or certainly in the Islands themselves. But apart from that we wish them well with their talks.

May I take this opportunity just to say publicly that I was delighted with the turn-out, particularly of the Camp constituents, during the election. We had a 93% turn-out, I think, which was excellent, and a personal thank you to the people who voted for me.

No doubt there are going to be lots of problems in the years ahead and we are all fresh and raring to go and think we are going to move mountains. I don't expect we will but we will have a go anyway. One of the big things I think we are going to find is that we haven't the money we thought we had available to do all the things that we will want to do, so a fair warning to the people of the Falklands that maybe not everything that they hoped would happen in four years is going to happen. However we will do our best I'm sure to satisfy the main wishes of the people. Thank you, Sir.

The Honourable K S Kilmartin

Sir, I support the motion.

The Honourable W R Luxton

I support the motion. Sir, I would like to join with Councillor Binnie and Councillor Edwards in asking you to formally advise the Secretary of State that this Council and the electorate are totally opposed to any involvement of Argentina in our affairs. I think we have a very clear mandate on that and the rest of the world have seen quite clearly the way the Falkland Islanders feel. Thank you, Sir.

The Honourable T J Peck MBE CPM

Your Excellency, Honourable Members, today will mark a most

important date in the history of the Falkland Islands. I take a great pride in being one of the eight elected to stand here today to represent the people of the Falkland Islands. To receive such support and the confidence of so many makes me feel very humble. I thank one and all for the privilege of being their Councillor. I will ensure that they are fully consulted and kept informed of their Councils actions. I foresee the following few months as being very critical to our future. A very careful appraisal of our country's economy must be our first priority. Decisions will be made; they will not be applauded by some but they will be made nevertheless because it will be in the people's and country's best interests.

We the new Falklands Islands Government must make our voice heard. We must have a 200 mile limit around our Islands. We must be recognised to have the right to self-determination. Argentina could and should recognise our country and the rights of its people and they would then receive the respect of the International World. By continuing to be the big bully boy there can be no respect. Their implied threats and aggressive statements further convince us in the Falklands that there can never be links of any sort with Argentina. I implore the British Government to continue its defensive policy in the Falklands. If the lifting of the Protection Zone forms any part of the UK-Argentine Agreement please ensure that we are provided with an adequate defence of our country to prevent Argentine incursions into our Fisheries and Conservation Zone, and to prevent any form of harrassment to our Fishing Industry. I would like to support the Motion, Sir.

The Honourable G M Robson

Sir, I feel it would be presumptuous of me to talk at any length at this session. I would however just like to add my support to the previous speakers' comments with regard to the recent talks. I too support the motion.

The Honourable H T Rowlands CBE

Your Excellency, it gives me enormous pleasure to sit at the other end of the Table where I can keep an eye on the Financial Secretary! And also to serve the people of the Falkland Islands and this I intend to do. I had some reluctance in coming forward as a candidate but now I am rather enjoying our meetings, like we had this morning, and I look forward to many more.

Since having left the Falkland Islands Civil Service in January last, and up 'till now, I have noticed an absence of information. I don't think that the public gets enough information, whether it is because our Councillors previously did not broadcast it enough, but I feel there is an absence and I would suggest one thing that we should look at immediately in helping to get a little more information over. We could start off by having a short broadcast each evening, not half an hour of broadcast, but just a few minutes of broadcast of the happenings of the day. This I think will keep us all better informed, and I have a number of other ideas which I shall be putting forward to the Administration in due course.

It is with concern that I view the talks which are now taking place in Madrid between Her Majesty's Government and the Argentine Government, and trust that this Council will be informed of the details of those talks at the earliest possible opportunity. I hope and trust that we shall be able to reassure our constituents that we are not embarking on a slippery slope. I beg to support the motion.

The Honourable G P Short

Sir, I wish to support the motion.

The Honourable the Financial Secretary

I rise to support the motion, Sir, and in so doing on behalf of my department I would congratulate all the members. I am delighted to feel that I will have a beady eye on me and all my activities and it is extremely encouraging to note that the electorate have honoured Harold for his previous services to the Islands and brought him back in this capacity so that his experience and talent is not wasted in the Islands. I beg to support the motion, Sir, and in so doing I would hope that the members are successful and enjoy their period of office and that the ambitions that they have set for themselves are fruitfully realised. I support the motion.

The President

I hope there won't be too many duels between old and new Financial Secretaries on this floor!

The Honourable the Chief Executive

Your Excellency, Honourable Members, I would like to associate all the Government Departments and the staff of the Government with your good wishes and welcome to the new Legislative Council. There is no doubt that they face a most challenging and exciting set of opportunities in the years that lie ahead. I would also like it to be clear that the Government Departments of the Falkland Islands are very keen in every way to support the efforts of Government within the resources that are available to them.

This Legislative Council will see the opening of the swimming pool, the commissioning, the building and the first terms of the new school, the first real progress on new Camp routes; they will see housing, they will be able to play a part in the diversification of economy that the Islands need, and given the right lead they should also be able to oversee the greatest degree of Falklandisation that the Islands have known. By 'Falklandisation' I mean the appointing of capable, trained, professionally qualified Falkland folk in professional posts and in executive posts. Not that the Falkland Islands are doing terribly badly in that respect already. Where else in the world would you find a population of 2,000 that produces 8 Legislative Councillors, not to mention the 8 that have just started a long holiday, but seven Department Heads, many many more filling key

posts including a Representative in London, in Government in associated organisations, 80 farmers, at least 80 farmers; there are people in trading, communications, mariners, pilots, engineers, the fishing industry, tourism, horticulture, broadcasting, writing, illustrators, people providing a pool of skilled and professional services and also providing a defence force. From that tiny population that really is a remarkable achievement, and there can be few countries in the world that carry fewer social passengers. This is a country very much to be proud of. It is a country in which Civil Servants are proud to serve the Government, and those Civil Servants are either Falkland-born or those who have chosen to make the Falkland Islands their home.

One of the ugliest words you can come across I believe is 'expat'. Its not much better to say 'expatriate', because that too has a double meaning: it can be absent from your native land, which is its more reasonable sense, but it can also imply someone who is exiled or who has been expelled. I am not aware, Your Excellency, of any in that latter bracket who are currently serving in Government, and those of us who belong to the former category regard the Falkland Islands whilst we are here very much as our home, and the majority of those who are serving here in the Falkland Islands serve happily under the direction of the Falkland Islands people.

I wonder if I might read to you the prayer that Mrs Thatcher said on entering Number 10, Downing Street, after her election victory, it's perhaps apt for us all: 'God grant me the serenity to accept the things I cannot change, the courage to change the things I can and the wisdom to know the difference.' I support the motion Sir.

Commander British Forces

Your Excellency, Honourable Members. First of all can I say how delighted I am to be here as the Commander British Forces though in the Falkland Islands the first Royal Marine to be the Commander down here since 1982 when Major General Moore of course commanded the Land Force. There is as you well know a long history between the Royal Marines and the Falkland Islands, dating back to Saunders Island in 1766, about a hundred years after we were formed, and that went on through the move into Stanley and then of course for some thirty years of Naval Parties 8901 until they were unceremoniously rejected in 1982 by the invading Forces. I am very happy to be back here now Commanding the British Forces in these Islands, although someone did note shortly before I came that there had been a degree of rank creep since 1982 when the old Naval Party 8901 departed.

It is of course a considerable privilege to be here to take part in the Government of these Islands and is something which I shall value greatly and look forward to with immense pleasure. It is something which is quite unusual for a military man to be involved in and as I say it is a great privilege to be so involved.

Could I just, in the light of the comments which have been made expressing considerable and absolutely understandable concern about the future talks, reiterate the roles of the British Forces

here in the Falkland Islands, and that is of course to deter external aggression to these Islands, the South Sandwich Islands and South Georgia, and we are here to guarantee the inalienable right of the Islanders to self-determination. We are totally committed to that, and by we I mean the crews of the submarines, surface ships, the army forces and those who fly the aeroplanes, and all those who support them, serving in either Mount Pleasant or in one of our outstations. We are totally committed to your defence.

I might if I may just mention one or two of my aims during my all too short tenure of office here in the Falkland Islands, and there are a number of military ones which must take place over the next 12 months, with which I will not bore you or discuss in open forum, but we are constantly seeking to be more efficient in our use of the facilities which we have available to us in pursuit of our role.

Allied to that I am particularly keen to try and support the Falkland Islands Defence Force to the greatest possible extent. I believe that in that force we have a considerable potential of skilful and worthy members. We could do with considerably more of them to make up the numbers to the establishment. I believe that the Falkland Islands Defence Force deserves the support of the Islanders and of the Military and to that end I shall certainly be seeking support to increase the facilities in the Drill Hall which they have here so that the excellent weapons and equipment, which is most up to date, can be used to the best effect in the Winter months when the weather is less clement than it is at the moment. We shall be seeking to assist them in their long-term costings and in their long-term plans, and to further the military assistance which is provided to them from my infantry elements. As I say I have discussed this with the Commanding Officer and I very much look forward to do all that we can to help that worthy force in the future.

I am also particularly keen during my time here to support the R&R, Rest and Recuperation, efforts of all those out at Mount Pleasant. Its my directive to all the Commanding Officers that all those men who serve under them should during their time in the Falkland Islands get off base and spend their R&R doing something worthwhile in the Islands, either by visiting one of the homesteads and the settlements in Camp or by visiting the R&R centre or by going to Shag Cove for adventurous training. And there are many others ways in which they can spend their time and that has my fullest support and very positive direction at Mount Pleasant. There are problems I'm afraid with doing that. We have if we are going to get through everyone to get 120 people out on R&R each week, that is most difficult with the helicopter hours restricted and the difficulty of getting around the Islands. We do our best. And that all leads towards my particular desire to develop Civil/Military relationships in the Islands, and particularly pleased actually at Mount Pleasant to see how the Tourism Board has managed to open an office, hopefully developing the channels through which the members of Mount Pleasant can get off into Camp and there have been considerable, or there are to be, further developments in the Falkland Islands Development Corporation Shopping Complex up there on the base.

On the television side, BFBS/SSVC are looking forward to the

development of television channels further to the west, and in that line the Channel 4 TV in England copyright restrictions have been lifted and so hopefully there will be less blackouts for copyright reasons on television broadcasts here in Stanley. There are a number of other developments which must go on, but I won't take up any more of your time today.

I might also touch if I may upon my own tours around Camp. I've done my best to get out and I've visited some ten settlements and farms in the two months since I have arrived here. My Wife and I have received the greatest welcome for which I am most grateful and we shall do more to get out to try and visit people in Camp and get to know the Islanders. We shall be holding the Open Day, which I think was held for the first time last year, in 1990 although I regret that I cannot guarantee the size of the auction this year, I think everything has gone already. We shall also take every step that we can in the subject of Civil/Military Relationships to try to work on the access to the mountain tops, but I regret that in a year we are not going to solve those problems, but it is a bone of concern I am sure, to those who are the landowners around all the mountain-tops, and it certainly is to us, and we shall do our best to try and develop more permanent ways of reaching the tops other than churning up the ground. It has to be the case at the moment with our Cross-Country Vehicles, but it's something high on my list and if I had more helicopter hours and more money I'd be able to do it more quickly.

I also would like to touch very briefly on the co-operation which takes place between the Military and the Fishing Authorities in Stanley, which I think is to be greatly commended. We see a great deal of each other, we work very closely in hand, and of course that will continue for the future.

I'm also very grateful for the very considerable contributions which are made by the Falkland Islands Government towards the establishment of the British Forces here in the Islands. I won't dwell on them all today because they were outlined in great detail when my predecessor at the last Legislative Council expressed his very sincere thanks for what is done by the Islanders towards the British Forces. That is on record, and I would wish to absolutely support the comments which were made by Air Vice Marshall Cryws-Williams. We are aware of what you do and we much appreciate it. Your Excellency, Gentlemen, I am delighted and excited to be here in the Falkland Islands, I much relish the challenge of the time ahead and, Sir, I beg leave to support the Motion.

The President

Honourable Members, thank you for your remarks. I too was very heartened by the very high turn-out in the election. I made it about 87% across the board; I wonder how many countries in Europe or elsewhere could boast of that. I note the comments made by Councillors on the question of the Madrid Talks and the views of Islanders on the question of any sort of relationship with Argentina and will see that the Secretary of State is aware of these views. I think I may assure you that he and HMG on the whole are indeed well aware of them and take them very seriously, but I will of course pass them on again today as you request.

The House now stands adjourned according to the Motion. Thank
you all very much.

Confirmed this 6th day of December 1989.

Will Fuller

Governor.

RECORD OF THE MEETING OF
THE LEGISLATIVE COUNCIL
HELD: 6TH DECEMBER 1989

MEMORANDUM

Ref: AF/1/6

9 January 1990

To: The Clerk of Councils

From: Attorney General

Legislative Council Minutes: Meeting of 6 December 1989

1. As recently mentioned orally, there is an error on Page 24 of the Minutes of the Meeting of Legislative Council on 6 December 1989 in the report of my speech on the Seamount Report. The closing words of the third complete sentence on that page read "...that there would be evidence of fraud." The Minutes should read instead, in that place "...that there would be no evidence of fraud."
2. You have told me that you will ensure that a suitable correction goes out to Legislative Councillors.
3. You might also like to note, for amendment of the Minutes in due course, that "breeches" in the first sentence of the second paragraph on Page 23 should read "breaches".

D G Lang
D G Lang QC
Attorney General

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY ON WEDNESDAY 6TH DECEMBER 1989

PRESIDENT

His Excellency the Governor, Mr W H Fullerton CMG

PRESENT: MEMBERS:

Ex-Officio

The Honourable the Chief Executive
(Mr Ronald Sampson)

The Honourable the Financial Secretary
(Mr John Henry Buckland-James)

Elected

The Honourable Ronald Eric Binnie
(Elected Member for Camp Constituency)

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

The Honourable Kevin Seaton Kilmartin
(Elected Member for Camp Constituency)

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

The Honourable Terence John Peck MBE CPM
(Elected Member for Stanley Constituency)

The Honourable Gerard Michael Robson
(Elected Member for Stanley Constituency)

The Honourable Harold Theodore Rowlands CBE
(Elected Member for Stanley Constituency)

The Honourable Gavin Phillip Short
(Elected Member for Stanley Constituency)

PERSONS ENTITLED TO ATTEND

The Commander British Forces
(Major General Paul Timothy Stevenson OBE RM)

Attorney General
(Mr David Geoffrey Lang QC)

CLERK Mr Peter Thomas King

PRAYERS Reverend Canon J G M W Murphy LVO MA

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CONFIRMATION OF OFFICIAL RECORDS

The Records of the Meetings of Legislative Council held 10-16 June 1989, and 16 October 1989, were confirmed without amendment.

OPENING REMARKS BY THE PRESIDENT

Honourable Members, this is the first real working session of the new Legislative Council, the last one, as you will recall, having been primarily given over to the election of Executive Council Members and the swearing in of all Members. As you will see we have 21 Papers to be laid on the Table, 19 questions for Oral Answer and a Motion on the Seamount Report; in the latter context I should say that the report by Mr Boyd was laid before the House of Commons on the 4 December and will be available in the United Kingdom soon, if not already. After the Motion on the Seamount Report we come to a number of Bills. Honourable Members, we have plenty now to occupy us and I will no longer deter you from consideration of the business in hand. Thank you.

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

Orders made during 1989 since the Budget Session of Legislative Council:

ORDERS	FILE
No 13/89 Banking Regulations Order 1989	LEG/10/28
No 14/89 Co-operative Society Rules (Amendment) Order 1989	LEG/10/58
No 15/89 Post Office (Private Letter Boxes) (Amendment) Rules Order 1989	PT/10/2
No 16/89 Dogs (Rules) (Amendment) Order 1989	AGR/10/4
No 17/89 Mount Pleasant & Mare Harbour (Designation and Speed Limits) Order 1989	POL/10/5
No 18/89 Stanley - Darwin Road (Designation and Speed Limits) Order 1989	POL/10/5
No 19/89 The Stanley (Various Roads) One-Way Street Order 1989	POL/10/5
No 20/89 Employment Protection Ordinance (Commencement) Order 1989	LEG/10/71
No 21/89 Criminal Justice Ordinance (Commencement) Order 1989	LEG/10/74
No 22/89 Postage Rates Order 1989	PT/10/2
No 23/89 Immigration (Forms) (Amendment) Order 1989	IMM/10/1
No 24/89 Crimes Ordinance (Commencement) Order 1989	LEG/10/72
No 25/89 Education Ordinance (Commencement) Order 1989	LEG/10/75
No 26/89 Fishing Licence (Applications & Fees) (No 2) Regulations Order 1989	FIS/29/16

No 27/89	The Litter Ordinance (Fines Increase) Order 1989	LEG/10/61
No 28/89	The Fisheries Licences (Applications & Fees) (Amendment) Regulations Order 1989	FIS/29/16
No 29/89	Harbour Regulations (Amendment) Order 1989	CUS/10/3
No 30/89	Rehabilitation of Offenders (Exceptions) Order 1989	LEG/10/74
No 31/89	Fisheries Penalties (Amendment) Order	FIS/29/16D

PROCLAMATIONS

No 3/89	Dissolution of Legislative Council and Fixing of a date for the General Election - 11 October 1989	LEGCO/35/1
No 4/89	Sitting of Legislative Council - 16 December 1989	LEGCO/35/1

REPORTS

The Report of Mr Stewart Boyd QC into the affairs of Seamount Ltd.

Certificate of Urgency, in respect of the Supplementary Appropriation (1988-1989) Bill, the Supplementary Appropriation (1989-1990) Bill, and the Currency Laws (Rectification) Bill.

QUESTIONS FOR ORAL ANSWER

QUESTION NUMBER 4/89 BY THE HONOURABLE MRS NORMA EDWARDS

Can farmers and the contract shearers be assured that during the shearing season tourists will not be given preference to the movement of shearers from farm to farm, on FIGAS flights?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, the importance of ensuring that shearers move from farm to farm as required is realised, and priority will, whenever possible, be given over all other bookings. Last minute changes and very late requests, however, can't always be guaranteed as these can alter the whole pattern of the flight and severely disrupt the flight schedule. To this effect I ask that as much notice as possible be given regarding sheep shearers movements to ensure their travel.

THE HONOURABLE MRS NORMA EDWARDS

Would it be possible to inform FIGAS that sometimes it isn't possible to give three or four days notice of the movement of shearers because we are dependent on the weather, etc and the name of the game really, as far as we are concerned, is getting the sheep in, shorn and out as quickly as possible and I feel there are priorities given to people who fly by FIGAS such as Medical cases, Government Officials, School teachers, I believe, and we should add shearers to this, prior to tourists. Thank you.

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I think it's really rather covered in my reply in that we have given priority wherever possible above all other bookings, and we have had incidents recently of tourists complaining and certainly the movement of Government Officials has no priority at all, frankly, above passengers going about their business, and I don't think FIGAS are actually looking for three or four days notice, I think if they can be given 24 hours notice. The situation has of course improved in recent days, with the reinforcement of the number of Pilots we have available, but FIGAS are very anxious to provide the service to farmers that is required for the sheep shearers.

QUESTION NUMBER 5/89 BY THE HONOURABLE NORMA EDWARDS

Are there any future plans to upgrade the Mount Pleasant Airport road to ensure safer transit along it, for instance, tarmacking, central white line markings and more safety barriers?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, there are currently no plans to upgrade the MPA Road. The Public Works Department maintains both the sealed and unsealed sections of the road, from Stanley to Green Pen and Ministry of Department maintains the section from Green Pen to MPA. The original MOD design of the MPA Road was for a low cost construction which of course results in a high cost maintenance road. However the cost to reverse this to a Bitumatic wearing course with line markings, safety barriers would cost an enormous amount of money and it's unlikely that we could find such funds within the next few years.

THE PRESIDENT

I think there are plans to erect a notice warning travellers at either end of the road of the danger of the road to emphasise this fact. It's not as good as having a brand new modern road but it at least something to warn people and I think the PSA are kindly arranging to produce those notices.

QUESTION NUMBER 6/89 BY THE HONOURABLE NORMA EDWARDS

Is Government considering the purchase of a mobile stone crusher to ensure that the future construction of Camp all-weather tracks by the Public Works Department does not involve moving crushed stone long distances to get to the site of work?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I am sorry to disappoint the Honourable Lady Member for West Falkland but no, we don't. The purchase of a mobile crusher plant suitable for the production of crushed rock for road construction has not been considered by Public Works Department due to the expense involved with such a purchase. It is estimated that such a plant would cost £600,000.

I should also draw to Honourable Members' attention that the term 'mobile' is relative; sections of this plant would weigh in excess of 40 tonnes, so it is transportable but it isn't the sort of thing that you could be moving one stage at a time, and I am afraid it really isn't feasible.

THE HONOURABLE R E BINNIE

Is it envisaged that the future construction of Camp Tracks will use crushed metal?

THE HONOURABLE THE CHIEF EXECUTIVE

I understand that will be the case.

QUESTION NUMBER 7/89 BY THE HONOURABLE W R LUXTON

Your Excellency, my question was on the subject of staffing levels or staffing FIGAS with local pilots or locally available pilots. My question has been overtaken by events with the satisfactory conclusion which has been arrived at, and I'd like to withdraw the question.

QUESTION NUMBER 8/89 BY THE HONOURABLE G P SHORT

Does Government have any firm policy covering the use of Government transport?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, in replying to the Honourable Member's question I have assumed that he is referring to the private use of Government vehicles by Government employees.

Government's basic policy on this issue is that Government vehicles may not be used for private use unless the terms of service of an officer provides for this. The only officer whose contract so provides is the Chief Executive.

In practice, though, many officers do use Government vehicles for what may be termed private use. Some officers are required to be on call, sometimes 24 hours a day. They therefore require transport. Some Medical staff, Fire Department personnel and various Public Works Department staff fall into this category. In other cases officers may be permitted by their Heads of Department to take their vehicles home at night because the Department has inadequate garaging facilities or for other particular circumstances.

Drivers of Government vehicles are not normally allowed to carry passengers apart from FIG employees. To do so would invalidate the Government's insurance cover unless the driver's Head of Department had authorised such carriage.

Consideration is currently being given to the introduction of log books for some vehicles as provided for in Stores Regulations.

The recently established Allowances Committee is to be asked to look into the private use of Government vehicles and to advise whether charges should be made in certain circumstances.

QUESTION NUMBER 9/89 BY THE HONOURABLE G P SHORT

What action is being taken to alleviate the backlog of patients awaiting dental appointments?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, action is being taken on three fronts to alleviate the present backlog of dental patients.

The Crown Agents have been asked to recruit a locum dentist for the duration of the next high fishing season, i.e. from the end of February to May 1990. This will meet the high demand for emergency dental treatment from the fishing fleet. It will also help to shorten the waiting list as it is unlikely that the fishermen will keep one dentist fully occupied.

Secondly, consideration is being given to making more effective use of the Dental Officer's time by, for example, flying patients into Stanley rather than have him make visits to certain settlements where he may only be able to see one or two people in a whole day.

Thirdly, the possibility of employing a second full-time Dental Officer is receiving consideration. Various factors need to be stressed including the ongoing demand from foreign fishermen, and the growth of the Falkland population as well as the more practical considerations such as the availability of housing and FIG's future budgetary concerns.

There is in addition, a fourth option, and that is continuing consultation with Mount Pleasant considering the occasional use of the Military Dentist, as and when available, and that very much depends on market demand.

QUESTION NUMBER 10/89 BY THE HONOURABLE G P SHORT

When is it planned to begin the renewal of the Stanley sewerage system?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, there is no plan in hand to renew the Stanley Sewage System, although sections are replaced as required when either a malfunction occurs or other construction work makes it convenient to improve existing pipe work.

There are however allocated funds commencing in the 1990/91 budget proposals for the extension of sewer outfalls.

THE HONOURABLE T J PECK MBE CPM

Was there not a survey carried out several years ago into a sewage treatment plant in Stanley and if so has that ever been followed up?

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I am afraid I have no knowledge on which to answer the gallant and honourable Member but I will make it my business to find out and give him a written reply as soon as I can.

QUESTION NUMBER 11/89 BY THE HONOURABLE G M ROBSON

Will the Financial Secretary say how much Falkland Islands Tourism has cost to date and what financial return has been received for the investment?

ANSWER BY THE HONOURABLE THE FINANCIAL SECRETARY

Your Excellency, in answering the Honourable Member's question the information provided is that since the inception of Falkland Islands Tourism in May 1986 up to the period ending the 30 June 1989 an amount of £2,144,000 was expended. The financial return for that same period amounts to £369,000. An analysis of the expenditure shows that operating costs accounted for £838,703, marketing costs were £271,000, investments in various projects were £317,000, giving a total of £1,427,000, and the capital investment in Tourist Lodges amounted to £716,617, the total figure arrived at is £2,144,000.

QUESTION NUMBER 12/89 BY THE HONOURABLE G M ROBSON

Will the Chief Executive explain the criteria used for the recent allocation of fishing licences?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, the criteria used for the allocation of fishing licences are those set out in the Fisheries Policy paper which was considered by Executive Council on the 15 August 1989.

The main guidelines given in the policy can be summarised as:

- ensuring conservation of the resources;
- continuing the established pattern of licensing;
- the development of Falkland Islands participation;
- the achievement of Voluntary Restraint agreements which are essential for the conservation of the Illex stock.

The licence allocation for the first season 1990 has achieved all of those objectives but in varying degrees of success. Falkland Islands participation has increased in all areas, although particularly in the Loligo fishery where the number of licences

awarded to Falkland Islands' companies has increased from 11% in '89 to 21% for '90.

The state of the Illex resource still gives great cause for concern. The escapement in the last two years are significantly below the target escapement of 40%. The voluntary restraint agreements have succeeded in obtaining a projected escapement for 1990 which is substantially higher than the escapements recorded in '88 or '89, although it is still very much lower than is desirable.

THE HONOURABLE R E BINNIE

Can the Chief Executive say whether all the licences have been accepted by the Fishing Companies?

THE HONOURABLE THE CHIEF EXECUTIVE

As at this morning I understand that all the licences have been accepted with the exception of some Taiwanese involvement, and there appears to have been a recent meeting in Taiwan that may have influenced their decisions, which they say are largely driven by their desire for conservation and I think therefore that there could be a reduction of perhaps, some ten Taiwanese licences which is excellent as far as voluntary restraint and conservation is concerned but it could probably mean a loss of something over a million pounds to the licence fund.

THE HONOURABLE T J PECK MBE CPM

Can the Chief Executive say if that is Illex licences?

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, the matter concerning the Taiwanese is Illex, but regarding the take up of the licences, my information is that there's been no take up of Loligo licences.

QUESTION NUMBER 13/89 BY THE HONOURABLE G M ROBSON

As the formal declaration of a 12 mile territorial limit is to be made on the 1st January 1990 will regulations regarding fishing in this area be made to take account of this change?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, the Fishing (General) Regulations 1987 are shortly to be amended so as to permit licensed fishing vessels to fish in the new limits, of course this will not permit fishing in any area specifically closed to fishing, within the territorial sea outside the three nautical miles from the baseline of the territorial sea.

QUESTION NUMBER 14/89 BY THE HONOURABLE R E BINNIE

Will the Financial Secretary tell Council how much monies are owed to the Falkland Islands Government at the present time by fishing companies involved in fishing within Falklands waters?

ANSWER BY THE HONOURABLE THE FINANCIAL SECRETARY

Your Excellency, in answer to the Honourable Member's question the total owed to the Government by fishing companies as at 5 o'clock last evening was £32,462. Of this sum, £3,684 is owed by a company operating Reefer ships, £19,700 is owed by vessels who are not on the licensing list for this year, and some £9,000 is in respect of vessels who have been allocated licences and the sum outstanding for those vessels will be collected prior to the actual issue of the licences to the particular vessels.

QUESTION NUMBER 15/89 BY THE HONOURABLE R E BINNIE

Will the Chief Executive inform Council how many of the Stanley Fisheries joint venture companies are now in liquidation and how many remain to be dissolved?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, currently twelve joint venture companies or companies in association with the joint ventures have been placed into liquidation. There are in addition some thirteen companies that have not commenced liquidation proceedings, now that doesn't mean to say that nothing has been done about those companies. One of them is the Housing Corporation which can't be wound up until all the joint ventures that are involved in housing have reached some conclusion. Two of them require only that some paper action be taken to wind them up, this is Port Services and Harbour Development, and these are not considered a priority. Sullivan Shipping has in almost every sense been liquidated, the business has been sold and is now being operated, but the actual liquidation of the old company has still to take place and that is in hand. Starfish is a further company which can't be liquidated until the Southern Star has been disposed of and Seamount is a further company on which there are a number of issues to be cleared but the company is insolvent, it's not trading and it isn't a source of any expenditure to Stanley Fisheries Limited. The remaining companies are all in a advanced stage of negotiation leading towards their liquidation.

THE HONOURABLE R E BINNIE

Sir, can the Chief Executive say how much money will be required in the next Financial year for the liquidation of these companies?

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I don't believe we have actually made any provision for the next Financial year for the liquidation of the

companies. Its our fond belief and plan that the matter should have been disposed of by the end of this Financial year.

QUESTION NUMBER 16/89 BY THE HONOURABLE R E BINNIE

Your Excellency, can the Chief Executive say what the plan for the construction of the Camp tracks network is, and when it is expected that the tracks being constructed by the Public Works Department to Green Patch and Teal Inlet will be completed?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, the Internal Transport Committee has not yet finalised the total network of Camp roads to be constructed but in general terms the routes expected to be constructed are:

Group 1	Mount Pleasant	-	Goose Green
	Darwin	-	San Carlos
	Port Howard	-	Chartres
	Chartres	-	Hill Cove/Roy Cove

Group 2	Fox Bay	-	Port Stephens
	Fox Bay	-	Chartres
	San Carlos	-	Douglas Station
	Douglas Station	-	Teal Inlet
	Goose Green	-	North Arm

Group 1 roads will be constructed as the initial task followed by the second group.

Irrespective of the above work the Public Works Department will continue with its access track work towards Green Patch and the Lower Malo Bridge.

Subject to favourable weather and terrain it is hoped that an access will be constructed to Green Patch, Brookfield and Port Louis by November 1990 and then to the Lower Malo Bridge by November 1991. Although it is intended to complete the section for Lower Malo to Teal Inlet a decision on how this is to be achieved, that is to say either by Public Works Department or a contractor, will need to be made nearer the time. With the increased length of roads and track needing to be maintained at that time it may be necessary for the Public Works Department to concentrate on the maintenance task and leave the new construction work to a contractor.

QUESTION NUMBER 17/89 BY THE HONOURABLE T J PECK MBE CPM

Your Excellency, Honourable Members, will the Chief Executive state whether we have any contingency plan to deal with oil spillage and oil pollution within Falkland Islands territorial waters?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, we certainly do. The question of pollution

control in the Falkland Islands is particularly pertinent, as any oil spills deposited on our shores would upset the delicate balance of the environment which, as you and Honourable Members are aware, now commands a high profile in world media.

At the present time the Government can call upon Stanley Services, and although they have little experience of dealing with emergencies of this kind they do have a contingency plan for accidents ashore. They possess only a limited quantity of detergents and spraying equipment. We would also hope to utilise the services of the 'Typhoon' and 'Saronic Bay' though these vessels are privately owned by Laskaridis Shipping and are equipped nevertheless to deal with any spills which may occur as a result of their bunkering activities.

Stanley Services do have one backpack sprayer and 600 litre detergent stock.

The British Forces at Mare Harbour carry a large stock of dedicated equipment. This may be deployed on the 'Oil Mariner' or by helicopter to the required location and should be accessible in a relatively short space of time, subject of course to the Military being available at that time to do it. But we are assured by their Pollution Control Officer that they would co-operate as fully as possible. The Military equipment consists of pumps, detergents, spray booms and is housed in 4 x 20' containers ready for immediate use as and when required.

In the event of the previously mentioned services being required it is hoped that they would be able to deploy and be working on site within a short period of time. This of course is dependent upon the location of the emergency and it could well be 30 minutes for this area to several hours or more should services be required say around New Island.

An emergency plan has been drawn up by Government to co-ordinate any such pollution hazard.

THE HONOURABLE T J PECK MBE CPM

Would the Honourable the Chief Executive agree that, as the Falkland Islands Government own 45% of Stanley Services should we not ensure that Stanley Services don't just have a limited supply of detergents, but they should have a realistic supply and as the Honourable Member will be aware Councillors are awaiting a report on the tug 'Typhoon' to make absolutely certain that that vessel is capable of carrying out the task which you have stated she will be able to undertake?

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I take note of the points made by the gallant and Honourable Member for Stanley and will bring the matter to the attention of the Stanley Services Board, who I am sure will give it sympathetic consideration, and I can only reiterate the point that was made, that the matter of inspecting the 'Typhoon' to see just what she carries and her level of capability is in hand.

QUESTION NUMBER 18/89 BY THE HONOURABLE T J PECK MBE CPM

Will the Chief Executive explain who decided that 100 new houses should be built in the proposed area to the East of Stanley and will the cost of the proposed development be fully recovered and not fall to the taxpayer?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, the decision in principle to build 100 houses at East Stanley was made by Executive Council when considering the first report by Mr Phelps, the Housing Consultant, in March 1989.

In August 1989, Executive Council considered Mr Phelps' second report and confirmed the earlier decision to build 100 houses and also to make available an adequate supply of serviced single plots for development by individuals or local builders.

The object of the East Stanley Development is, 'to increase the availability of reasonably priced housing in Stanley'. At this stage, the cost of the development cannot be assessed accurately, but the Housing Consultant has made a preliminary estimate of £6 million for the construction of 100 serviced housing units. This figure excludes the servicing costs for the additional private sites.

It would be in line with current policy for as many of the houses as possible subsequently to be sold by Government. The return to Government on the initial expenditure would be dependent upon

- a) the valuation of the individual houses compared with their construction and servicing costs;
- b) the level of cash discount on valuation offered to purchasers (currently 10% up to £40,000, 15% on the next £10,000 and 20% above that figure); and
- c) the level of interest rate subsidy that Government may wish to place on mortgage loans.

For houses retained in government ownership, we really can't speak in terms of the cost being 'fully recovered'. In this case, Government can only seek to ensure that, through its policy of rent increases, the level of rent begins to represent more closely an adequate return on the properties' capital value.

Recently we have had approaches from private developers who have come to Government and there is the potential for private funds to build the target number of houses with Government's investment being restricted to the provision of services and this will be the subject of a detailed report that will come to Government for consideration in due course, Sir.

QUESTION NUMBER 19/89 BY THE HONOURABLE T J PECK MBE CPM

Will the Chief Executive state whether there are any plans to build an Old Peoples' Home and if so how soon can we expect them to be initiated?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, although the requirement for an Old Peoples' Home is acknowledged a policy decision to include funds in the Capital Expenditure Budget has not yet been taken by Executive Council. If it is the wish of elected Councillors funds could be included in the 1990/91 Budget.

THE HONOURABLE T J PECK MBE CPM

Could the Honourable the Chief Executive state whether any area has been identified as a site for an Old Peoples' Home to be built?

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, some consideration has been given to it. Options have included the construction of a completely new building or the conversion of Admiralty Cottages. No definitive decisions have been taken, but the recently appointed Planning Officer has been tasked with identifying a suitable site in consultation with appropriate departments. Admiralty Cottage site will probably not now be available because of a policy decision to site the new Senior School in the area of the Football Field. The Triangle has been looked at; that is not favoured as a site. The Secondary School, Old Peoples Home co-location may not go well together, but the matter is under consideration and will be progressed, Sir.

QUESTION NUMBER 20/89 BY THE HONOURABLE K S KILMARTIN

Your Excellency, will the Chief Executive please report on progress of the new Senior School project?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, a New Senior School Committee chaired by Mr John Cheek and comprising Mrs Chater, Mr Watts, the Director of Public Works, the Headmaster of the Senior School and the Director of Education, was appointed by Executive Council in October 1988. Its remit included advising on the design, layout and location of the new school. The Hon K S Kilmartin has taken over the chairmanship of this committee since the General Election.

It should be emphasised that although the committee is involved the Director of Public Works is vested with the overall responsibility for the successful implementation of the project, gaining advice from the Committee.

To date the Committee has held ten minuted meetings, and firstly recommended the appointment of the firm of Norman and Dawbarn as architects for the project. Their appointment was ratified by Executive Council in January 1989.

Executive Council approved their choice of the football pitch site, including Admiralty Cottage, with extension to the west.

Outline planning permission has been sought for the site and approval has been given.

The Committee has continued through the year to advise the architects of educational requirements, liaising with the teaching staff.

By August 1989 a final design scheme was prepared, and approved by Executive Council. The design shows details of room use and available facilities.

The architects plan to complete the detailed drawings for approval by early December, and expect to tender in 1990 as planned.

Successful contractors would expect to mobilise materials in the period May/June 1990. The consultants have been asked by FIG to examine South America as being suitable for the supply of some materials, etc.

The Committee has emphasised to the architects that it is desirable to have the school ready for occupation at the beginning of the school year in 1992. Unfortunately, it has only this week been made clear that this target cannot be achieved but that during the 1992 academic year is still feasible providing delays are kept to a minimum.

THE HONOURABLE W R LUXTON

Would the Chief Executive please explain in more detail what the delays are and would he also confirm that there are no actual plans to delay the construction beyond unforeseen circumstances?

THE HONOURABLE THE CHIEF EXECUTIVE

Sir, this particular delay concerns the lack of resources in the Islands to accept responsibility to check every item that is being brought in. The initial proposal was that the contractors should identify certain components and that the Director of Public Works should provide an audit and checking system of all the materials that come in. He simply hasn't got the resources to deal with that particular task and the architects have suggested that they will need some little time to make alternative arrangements and to set up a small cadre of people to carry out the task for him. That is the only delay.

QUESTION NUMBER 21/89 BY THE HONOURABLE K S KILMARTIN

What plans are being made for the official opening of the Swimming Pool, and also to thank all those who contributed to the pool?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, provisional plans are underway to hold an official opening of the Swimming Pool on Sunday, 4 February 1990. David Wilkie MBE, the Olympic Swimming Medallist, has been

invited to open the Pool. He will be accompanied by his wife, and will offer some coaching and instructional sessions. A programme is being prepared by the Director of Education.

Wilkie has won numerous awards, including being World Champion, World Record Holder in 1973 and 1975, and Olympic Champion in 1976.

Trustees of the Falklands Appeal Trust, Vice Admiral Sir Patrick Bayley and Major General Mills, have been extended invitations to the opening by the Falkland Islands Government in recognition of the magnificent donation of half a million pounds being given to the project.

Your Excellency has written to the Trustees of the Falkland Appeal Trust, thanking them on behalf of the people of the Falklands for their outstanding donation towards the cost of the Pool.

The Swimming Pool Fund, which formally opened in the Islands in 1964, contributed a sum in the region of £10,000. The aspirations of Islanders to have an indoor heated pool actually span this century. A foundation stone was laid as long ago as 1933! Finally their desires have been achieved - the original stone has been placed outside the new Pool, and a plaque to mark the official opening and to take cognizance of the funding provided by the Appeal and the People of the Falkland Islands is being prepared.

THE HONOURABLE MRS NORMA EDWARDS

Could the Chief Executive tell us what happened to the original Swimming Pool Fund which was set up many many years before I was born? It must still have some money in it?

THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I regret I have no knowledge of such a fund, but I will make enquiries and make sure that the Honourable Lady Member for West Falkland is advised.

THE HONOURABLE MRS NORMA EDWARDS

Thank you.

QUESTION NUMBER 22/89 BY THE HONOURABLE K S KILMARTIN

Your Excellency, will the Chief Executive explain how many established posts there are within the Falkland Islands Government, and what percentage of the senior posts are filled by persons on overseas contracts? What success is the training scheme for Islanders having in reducing the number of overseas contract personnel?

ANSWER BY THE HONOURABLE THE CHIEF EXECUTIVE

Your Excellency, I think I have an answer that should please the Honourable and learned Member for East Falkland.

There are 337 established posts in Government.

40% of Senior Posts (Grade G4 and above) are filled by contract staff.

The posts, previously filled by contract officers, and which are now held by Islanders who have benefited from various training programmes total ten. In addition to that fifteen senior posts which have been created over recent years have been filled locally.

It is the stated policy to appoint Falkland Islanders to Government posts wherever possible. All posts are trawled in the Islands before consideration and advertising in Britain or elsewhere is acted.

MOTIONS

Motion by the Honourable T J Peck MBE CPM for the amendment of the Standing Rules and Orders of the Legislative Council by updating the rules relating to the composition and operation of Standing Finance Committee, and the creation and operation of a General Purposes Committee. The text of the Motion Tabled is as follows:

Be it resolved :-

(1) That the Standing Rules and Orders of the Legislative Council be amended by deleting Standing Orders 41 and 42 and by replacing them with the following Standing Order -

"Standing Finance Committee 41.(1) There shall be a Standing Finance Committee consisting of the Financial Secretary and all elected members of the Legislative Council.

(2) The Financial Secretary shall be the Chairman of the Committee.

(3) The Chairman and four other members shall constitute a quorum of the Committee. No business, save adjournment of the Committee shall be transacted if a quorum be not present.

(4) The Chairman shall not vote on any matter before the Committee save that, if there would otherwise be an equality of votes on any matter he shall have, and shall exercise, a casting vote.

(5) The functions of the Committee are to consider -

(a) any request for the provision of funds additional to those already appropriated by Ordinance;

(b) any financial reports submitted by the Financial Secretary;

(c) any other financial matters referred to it by the Governor for consideration.

(6) The Committee shall meet when determined by the Chairman, but shall ordinarily meet at a convenient time following every Executive Council meeting: provided that the Chairman shall convene a meeting within seven days of receipt in writing of a request so to do, signed by three elected members of Legislative

Council.

(7) The person appointed by the Financial Secretary shall be the Secretary of the Committee and minutes of all meetings of the Committee and of the business transacted by it shall be kept by him and a copy thereof shall be sent to all members of the Committee. The minutes of any meeting shall be approved and confirmed, subject to any amendments then made, at the next succeeding meeting of the Committee.

(8) It shall not be necessary for the Committee to report to the Legislative Council unless any elected member of the Council, by not less than 14 days written notice prior to a meeting of the Council to the Clerk calls for a report. In any such case a report of the Committee's meetings and transactions shall be laid upon the table in the Legislative Council at its next succeeding meeting and shall be received without debate unless a motion, duly proposed and seconded by an elected member calls for the report to be debated."

(2) That the Standing Rules and Orders of the Legislative Council shall be further amended by the insertion therein of the following Standing Order 42 -

"General Purposes Committee 42. (1) There shall be a standing Committee to be known as the General Purposes Committee consisting of the Chief Executive and all elected members of the Legislative Council.

(2) The Chief Executive shall be the Chairman of the Committee.

(3) The Financial Secretary, the Attorney General and the Government Secretary shall be entitled to attend at and speak at any meeting of the Committee but, if a matter is put to the vote, they shall not vote.

(4) The Chairman and four other members shall constitute a quorum. No business, save adjournment of the Committee, shall be transacted if a quorum be not present.

(5) The Chairman shall not vote on any matter before the Committee save that, if there is an equality of votes on any matter he shall have, and shall exercise, a casting vote.

(6) The functions of the Committee are -

(a) to consider any matter of policy upon which it is necessary or convenient to obtain the views of elected members as a whole;

(b) to provide a convenient forum for discussion of matters of government business between senior officers of government and elected members;

(c) to express a view on any matter referred to it by the Governor,

but the Committee shall have no executive or determinative functions in derogation of the authority of the Executive Council.

(7) The Committee shall meet when determined by the Chairman, but shall ordinarily meet at a convenient time following every Executive Council meeting: provided that the Chairman shall convene a meeting within seven days of receipt of a request in writing so to do signed by three elected members of the Legislative Council.

(8) A person appointed by the Chief Executive shall be the Secretary of the Committee and minutes of all meetings of the Committee and of the business transacted by it shall be kept by him and a copy thereof shall be sent to all members of the Committee. The minutes of any meeting shall be approved and confirmed, subject to any amendments then made, at the next succeeding meeting of the Committee.

(9) It shall not be necessary for the Committee to report to the Legislative Council unless any elected member of the Council, by not less than 14 days written notice prior to a meeting of the Council to the Clerk calls for a report. In any such case a report of the Committee's meetings and transactions shall be laid upon the table in the Legislative Council at its next succeeding meeting and shall be received without debate unless a motion duly proposed and seconded by an elected member calls for the report to be debated."

The Honourable T J Peck MBE CPM

Your Excellency, Honourable Members, in moving this Motion for the Standing Finance Committee under the Standing Rules and Orders of the Legislative Council, on the Section 41 'Standing Finance Committee', I would ask that this should remain as the motion states, there are no amendments or changes that I can see in this particular one, Section 41 sub-sections 1-8. Under the Section 42, 'General Purposes Committee', I would ask that this be deferred until the next sitting of the Legislative Council, which will allow time for discussions to be held on this particular section, Sir.

The Honourable R E Binnie

Your Excellency, Sir, I would just like to second the Motion as stated.

The President

Thank you. Do any Honourable Members wish to speak to the Motion?

The Honourable H T Rowlands CBE

Your Excellency, I would like to support this Motion strongly. I feel that it is long overdue that we have had the Standing Finance Committee dealing with solely finance. I also think it important that the Financial Secretary should chair it; it has my full support.

The President

Thank you. Any other Honourable Members wishing to speak to that Motion? I think not, so the Motion is carried, thank you.

MOTION BY THE HONOURABLE THE CHIEF EXECUTIVE

BE IT RESOLVED that the House notes the contents of the Report by Mr Stewart Boyd QC into the affairs of Seamount Limited.

The Honourable the Chief Executive

Your Excellency, I move that the House note the contents of the Report by Mr Stewart Boyd QC into the affairs of Seamount Limited.

The Honourable the Financial Secretary

Your Excellency, I rise to Second the Motion but I would, Sir, wish to reserve the opportunity to speak on this matter after elected Members have had the opportunity to express their views.

The President

Thank you, do any Honourable Members wish to speak to the Motion?

The Honourable Mrs Norma Edwards

Your Excellency, Honourable Members I've read Mr Boyd's Report with interest, of course, as everybody has, and I think he has produced what he was asked to do, which was a factual report of how the Seamount fiasco came about. I think we could 'chew the cud' for evermore to no advantage, because as I understand it the only thing that you could accuse people of from this Report is mis-management of company books, and to do that would cost so much money to bring the case to Court that I feel it would be throwing good money after bad. I understand it might cost as much as a quarter of a million pounds to do just that and considering the money which has already been lost as a result of Seamount, I would feel that we just should read Mr Boyd's Report,

learn from it, and hope to God that it never happens again, and we make sure that it doesn't. Thank you, Sir.

The President

Any other Members wish to speak?

The Honourable T J Peck MBE CPM

Your Excellency, Honourable Members I too have read with a great deal of interest the Report by Mr Stewart Boyd QC, but he still leaves me very very concerned because there are many many areas where he has opened the door for us to peer in and see what had been going on. The Honourable Member for Camp, Mrs Edwards, mentioned mis-management; that's certainly the understatement of the year. But what concerned me was the fact that all this started away back in 1986, between the Foreign and Commonwealth Office and the Overseas Development Administration in setting up the fishing zone. This was all done very secretly, without Councillors being fully aware, so far as I know. If they were aware, then they should have taken steps, because they knew that the area that they were going into was an area in the commercial field where not one of them had any experience whatsoever, and they should have foreseen this and they should have acted on it by taking the best advice possible, but they didn't.

Next followed that with the FIDC and the lack of control and accountability in that Department, the mind just boggles, and I still find it very difficult to accept that all these people were making the same mistakes day after day, month after month. The suspicion of even setting up with the MacKenzie brothers, nobody had gone into the background, they were looked upon as good, law-abiding people and over the 'law-abiding' I'd put a big question mark! It's no good being shy about it; this Seamount saga has cost these Islands millions. What should we do about it? I know that under Company Law, and I'm sure the Attorney General would explain this, that there are areas where people in the management of fishing companies and Seamount were breaking the law with regard to Company Law. It would cost money to set up an enquiry into this. Criminal Law again, or Criminal Offences, I should say, if one looks at the Report, it mentions where they have at least 78 different banking accounts, that itself is a big question mark, and the Report names those who were able to operate the bank without any recourse to their Boards or otherwise. It's understood that Seamount itself has enriched itself, I haven't been able to substantiate this like a lot of the Report, but I believe that they have been able to buy themselves a further six trawlers.

I could go on and on about this, but the thing is are we in a position to make these people accountable for mis-management, the breaking of the Company Law, or not? It will cost money, and it has already cost us millions. I can not justify us spending more money on making these people account. I understand there is no means of bringing a person back to the Falkland Islands to stand trial and company law itself only imposes a maximum, I understand, of a two hundred pounds fine, so I don't see how we can justify spending, possibly, three quarters of a million pounds on setting up an enquiry or further investigation into Seamount. I may be wrong but I would like to say that those people in the management, and those that have been involved with

Seamount, the likes of Mr Cummings, Armstrong, Wolsey, I do not blame anybody that was appointed to the Executive Board locally, they were being used by very professional people, for that reason I do not hold them responsible for anything that took place. This said, Sir, I could probably go on and on but at the end of the day we are back to the position where I can not honestly say that we can justify spending more money in further enquiries on this issue. Thank you, Sir.

The President

Are there any other speakers?

The Honourable R E Binnie

Your Excellency, I shall not waste too much time. I'd like to agree with Councillor Peck in what he has said. I feel very angry every time this question is brought up and I don't wish to waste any more of our good money. The persons involved as far as I see had no qualifications or experience in such affairs, therefore the larger portion of the blame must lay with those who employed them and in this case, the British Government paid three and a half of the four salaries of the four persons involved. The sorry part of it is that it's FIG money that is paying the bills or has paid the bills, not the British Government. That's all I have to say, Sir.

The President

Thank you.

The Honourable H T Rowlands CBE

Your Excellency, I would like to support the other Members in what they've said about Seamount but I have one statement, which I have been asked to make today, which I have received yesterday, out of the blue from Mr Brian Cummings. And I shall read this because I believe that even though I do not agree with the points which he is making I feel that all Members should be entitled to hear it, and the public in general.

Statement on the Seamount Report by Mr Brian Cummings:

'It is a matter of concern to me that I can not be present in Legislative Council to contribute to the debate on the Seamount Report. I would have liked the opportunity. I would like to apologise in public, to Councillors and to the people of the Falkland Islands for my part in the Seamount Affair. It is a matter of the utmost regret that action and inaction by me may have contributed to the loss of substantial funds, through the collapse of the Seamount Joint Venture Company. That Seamount failed is in itself an indictment of my stewardship.

Mr Boyd conducted the enquiry as he saw fit, in accordance with topics for consideration given to him by His Excellency the Governor. It is a great pity that a public enquiry was not held, as this would have allowed for an open scrutiny of the most significant financial event in the Islands' recent history. As the former Chairman of Stanley Fisheries I find it puzzling as to the reasons why oral evidence was not taken from all persons who had legal responsibilities relevant to the subject of the

enquiry. I also find it strange, that not one principal Joint Venture partner gave evidence. I know for certain that some of that evidence was material. That Mr Boyd dismisses so lightly the recruitment problems faced in the Falkland Islands, and the pressures under which Public Servants work is a matter of profound regret to me. My performance was judged solely as a full-time Executive Chairman of a company, when the reality was totally different. A harmonious management team working to a single purpose was paramount, it was not there at the critical time, and major crisis was inevitable'.

That ends the statement from Mr Cummings. I have read the Report by Mr Boyd and it's obvious from there that there was complete incompetence, sheer neglect and all were out of their depth in managing the business. I support the other Members who have spoken before me.

The Honourable G P Short

Your Excellency, Honourable Members, I don't intend to take long over this. I fully support the views of my Honourable colleagues that have spoken, especially about the gross incompetency of the people who we let loose on this. The only area where I find myself in disagreement with my Honourable colleagues is that I see Mr Boyd's Report as a beginning and not an end. The only query I have other than that is if these people have broken a law of our Islands, I feel they should be brought to justice, as surely the Law can not be waived for one set of people and not the other. Thank you, Your Excellency.

The President

Any more speakers? Then I think the Financial Secretary wishes to speak.

The Honourable the Financial Secretary

Yes, Sir, I would just like to say very briefly that in some ways the Boyd Report did disappoint me, in as much as they didn't really pin-point the problem satisfactorily as far as I was concerned. I think the whole crux of Seamount was spawned from the Board meeting, the FIDC Board meeting of the 2 January and the incompetence there in not appointing adequate financial control. This theme has been developed by Members and their feelings have been made extremely strongly, and I will not repeat what they have already said. Suffice to say, Sir, that the opinions which have been expressed here today as a censure on the people who were involved in the selection process of the people who were supposed to be managing this enterprise and their lack of consideration and incompetence in selecting the right people. The Members' opinions must prevail as being the adequate censure for those people involved, but to throw any more money, good money, after bad in this exercise, would, I would say, be somewhat fruitless.

The President

Is it appropriate for you to add anything there, Attorney General?

The Attorney General

Yes, Sir, I would just like to deal with a number of matters, so that they are dealt with publicly as to the question of prosecution and other actions. Councillors I think are aware of my views but perhaps the public ought to have the benefit of knowing the reasons and what the situation is. Before I go to deal with that, I should point out that the Honourable Mr Peck has mentioned that Foreign and Commonwealth Office and the British Government set up, or this is what I understood, Stanley Fisheries Limited. Indeed they set up the Falkland Islands Interim Conservation and Management Zone, and as a matter of fact, they took no part in the setting up of Stanley Fisheries and no part in the management of Stanley Fisheries. I mention that purely as a matter of fact, the facts of the establishment of Stanley Fisheries are set out, of course, in the Seamount Report and accurately set out by Mr Boyd.

Sir, it is absolutely correct that there have been manifest and wide spread breaches of the provisions of the Companies' Act 1948, in relation to the keeping of accounts and financial records by those concerned, not only in relation to Seamount, but also, as Mr Boyd makes clear, in relation to subsidiaries of Stanley Fisheries Limited generally. There is no excuse whatsoever for that. The result of course has been a lack of financial information to the Directors of the company which the Companies' Act intended should be available for the proper management of a company. The Honourable Member referred to the fine being two hundred pounds. That is correct, and it is also an offence which carries a maximum prison sentence of six months. I regard those responsible as being the Executive Directors of Stanley Fisheries, that is to say, not the other members of the Board who were non-Executive Directors. In saying that I am of course reflecting and in full agreement with the conclusions of Mr Boyd on that point. The Executive Directors, those who were Executive Directors at that time and must bear the responsibility, are not in the Falkland Islands. They could not be brought back against their will for trial here of those offences, because those offences are not extraditable offences. Honourable Members are absolutely correct, in pointing out that the cost, even were that not so, of mounting a prosecution would be very considerable indeed, a figure of a quarter of a million pounds is not, perhaps, an exaggeration.

The public may wonder why it would cost so much money, and I think I ought to explain why this is so. The reason is, that to bring a prosecution of that kind, one would necessarily have to look at the accounts and the accounting records of all the companies, who were part of Stanley Fisheries group, and one would have to employ accountants to provide expert evidence of what expenditure and commitments had been duly and properly recorded and what had not. That would be a massive exercise, and would involve a team of accountants with a very considerable expenditure.

One might perhaps expect that the prosecution would be lengthy, its not a fraud trial, but the sort of evidence which would have to be given would occupy many days of expert witnesses and cross examination and the rest of it, because of the nature of the matters which would be alleged. Quite apart from the question of accounts, one has looked at the question of fraud, whether

anybody, to put it bluntly may have lined his own pocket. There is no evidence of that, whatsoever. Mr Boyd draws attention to the fact that he has placed a watchful eye on that, and he comes to the conclusion (on the evidence available to him) that there is no evidence of fraud, that is not to say, that one can say certainly that there was no fraud but I believe personally and firmly that there was not. If it sought to establish very definitely that there was no fraud, then the sort of investigation which would have to be carried out, even if it could be, would be extremely time consuming and expensive and would require a great deal of man power and effort and at the end of the day one might come up with the answer I expect, and I firmly expect that there would be evidence of fraud. Gross and incompetent management, or grossly incompetent management do not amount to a criminal offence, Members have rightly drawn attention to the fact that there is an abundance of evidence in the Boyd Report of grossly incompetent management. I have also considered the question of any possibility of civil proceedings, Your Excellency. Now one has to bear in mind there what the object of those proceedings would be. The object of those proceedings could only be to be able to recover a substantial part of the large loss which has been incurred. It is by no means certain in Law that such an action could successfully be brought, I don't say that it couldn't be, but there would be a prospect that any such action might not succeed. What one could be absolutely certain about is that the cost of bringing an action of that kind would be enormous, both in terms of money and in terms of time and diversion of effort. It is not a road on which I would advise any person to embark. Your Excellency, having said that, I hope that I have clearly expressed for the benefit of the public, the considerations which were reflected by Councillors in what they have said, and so that the public understands why Councillors are of that view and why I share that view.

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The Honourable the Chief Executive

Your Excellency, I rise to bury Seamount and not to raise it, and in saying burying Seamount, I don't mean just to put it out of sight and forget it. I think burying something is the only decent thing to do with matter that is offensive and distasteful, but having buried Seamount it's not necessarily forgotten, and the tombstone to Seamount is undoubtedly the Seamount Report and that will be in our minds for a very long time. I would like to assure Your Excellency and the Honourable Members that the officers who are in place now are acutely aware of what went wrong and I am grateful to the Honourable Lady Member from West Falkland for drawing our attention to the fact that we should learn lessons from this exercise, it's an expensive way to learn, but those lessons have been learnt. Your officers are conscious of the mistakes that were made, the Falkland Islands Development Corporation has been restaffed in all those critical points, and it is our intention to be able to move on and put the worst of this behind us, but the spectre of Seamount will live on. I move the Motion, Sir.

The President

I think we can declare the Motion passed.

THE COASTGUARD BILL

The Honourable the Chief Executive

Your Excellency, this Bill is to enable persons locally to exercise the powers of coast guards as in the United Kingdom, particularly in relation to shipping incidents including wrecks. I beg to move the first reading of the Bill.

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

THE PUBLIC FUNDS BILL 1989

The Honourable the Financial Secretary

Your Excellency, this Bill seeks to abolish the Fisheries Development Fund and to establish an insurance fund so as to provide for certain liabilities of the Government in respect of which it will, in future, act as its own insurer with consequent savings of the profit, commission and management fees which have hitherto been included in the insurance premiums. I beg to move the first reading of the Bill.

The Honourable H T Rowlands CBE

Your Excellency, I do not object to the objects of the Bill, that is to abolish the Fisheries Development Fund and establish a new insurance fund. I welcome both those moves, but I do consider that it needs further consideration on the actual control of the fund itself, and I feel that we should go into a Select Committee sometime between now and February and that the Bill remains at the second reading until we have time to meet with the Attorney General and the Financial Secretary on the control of the funds in the insurance fund.

The Honourable W R Luxton

Your Excellency, I would just like to support Councillor Rowlands in his suggestion that the Bill requires further consideration in Select Committee.

The Honourable the Financial Secretary

Your Excellency, I would be quite happy to go along with the suggestion of the Honourable Member.

The President

So the Bill will be referred to a Committee and remain at this stage. We move to the next Bill, thank you.

The Attorney General

Sir, I have to point out that if it has been referred to a Select

Committee it will be necessary for the House to appoint a Select Committee. If it is adjourned for the sake of consideration by Councillors generally then that it not necessary.

The President

We can come to that later. We can go on now.

THE DRUG TRAFFICKING OFFENCES BILL

The Honourable the Chief Executive

Your Excellency, this Bill would make entirely new provision for the courts to make confiscation orders against persons convicted of drug trafficking offences, and for enforcement of those orders. It is quite a long and detailed Bill. It includes creating a number of new offences making disclosure likely to prejudice a drug trafficking investigation and assisting a drug trafficker to retain the proceeds of drug trafficking. Consequential and supplementary provisions will also be made if the Bill is enacted. It is in keeping with action being prompted by the British Government to make no hiding place available for drug traffickers throughout the world. I move the first reading of the Bill.

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

THE SUPPLEMENTARY APPROPRIATION (1988-1989)(NO 4) BILL 1989

The Honourable the Financial Secretary

Your Excellency, I beg to move the first reading of the Bill. In explanation it is to enable the Financial Secretary to appropriate and authorise the withdrawal from the Consolidated Fund additional sums totalling £446,830 for the service of the financial year ended on the 30 June 1989. These items have all been approved by the Standing Finance Committee during the financial year so named.

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

THE SUPPLEMENTARY APPROPRIATION (1989-1990) BILL 1989

The Honourable the Financial Secretary

Your Excellency, this Bill seeks to enable the Financial Secretary to appropriate and authorise the withdrawal from the Consolidated Fund of additional sums totalling £3,887,620 for the service of the financial year ending on the 30 June 1990. These items, Sir, have been approved by Standing Finance Committee to date this financial year. I beg to move the first reading of the Bill.

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

THE CURRENCY LAWS (RECTIFICATION) BILL 1989

The Honourable the Financial Secretary

Your Excellency, this Bill seeks to rectify an oversight in the Currency Ordinance of 1987 insofar as the provisions of that Ordinance are inconsistent with the Coinage Acts of 1870 and 1946 so far as they relate to coins. To remove the possibility of any invalidity this Bill would postpone the operation of such provisions of the 1987 Ordinance until the publication locally of a Proclamation revoking Currency Proclamations. I beg to move the first reading of the Bill.

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

THE ELECTED COUNCILLORS' ALLOWANCES BILL

The Honourable the Chief Executive

Your Excellency, this Bill seeks to increase the allowances to be payable to elected members of the Legislative Council and to provide for telephone and facsimile machine allowances. I beg to move the first reading of this Bill.

*Speaker on record
rectify debate*

The Honourable W R Luxton

Your Excellency, Honourable Members, as most of you know I will not vote for Section 2 which is the section which awards Councillors an allowance of £200 a day for attending any qualifying meeting. I think, if we vote ourselves that sort of money, we will be making a serious error and it will be regarded as being open to abuse and possibly even could be abused in the future. It's the sort of almost obscene amount of money for a day's work that we sometimes pay to consultants who don't also provide value for money. I would like to see this referred to a Select Committee of the House for further discussion and I really do not approve of that. Some other possible arrangement could be arrived at, the rest of the Bill is fair enough, but I will certainly vote against Section 2 of the Bill.

The Attorney General

Your Excellency, all I wish to do is to say that in the printed copy of the Bill that is in front of me, Clause 6, there somehow has crept in after the words 'the Legislative Council' the reference to the Legislative Councillors (Allowance) Ordinance 1977, the words in brackets '(Nos. 7 & 8 of 1977)'. That is a printing glitch and the words 'Nos. 7 & 8 of 1977' should be in the marginal note which is the reference to the statute numbers they are. So if Honourable Members could delete, or agree to the amendment of the text of Clause 6, so as to delete the words in round parenthesis '(Nos. 7 & 8 of 1977)' and transfer them into the margin under the marginal note 'Repeals', then the thing will make sense.

The President

We have a proposal that the Bill be referred to a Select

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The President

We have a proposal that the Bill be referred to a Select

Committee. Does any other Honourable Member wish to speak?

The Honourable T J Peck MBE CPM

If there is going to be a debate on this Bill, Your Excellency, then it must go to Select Committee in the first instance, but I would say that under the Section 2 that the £200 per day which was referred to by my Honourable colleague on my left when he called it high fees. Certainly not as far as I'm concerned, because what has not been taken into account is the research which a Councillor has to do days before each meeting and days following it. So if you spread your £200 over 4 or 5 days, or even a week, it amounts to very very little. Thank you, Sir.

The Honourable R E Binnie

Your Excellency, I would just like to support that it does go to a Select Committee and perhaps we can bring it back in February.

The President

If Honourable Members are content with that course then that is the course I suggest we pursue. Is anybody against that course? I think not.

The Attorney General

Sir, can I just mention the Standing Orders. If a Bill is adjourned to a Select Committee then the person who moves the motion for a Select Committee is the Chairman of that Committee under Standing Orders. And the other members of the Committee are such as you, Sir, in the absence of any other thing, appoint. Obviously you would wish to take the view of the members of the House on that but it seems to me that one might perhaps, if it decided just to discuss it among Councillors generally and all Councillors are going to take part in the discussion, and this applies to the previous Bill, do without a Select Committee which would be a Committee of only a few members of the House and leave Honourable Members to discuss it as a whole, informally, without a Select Committee being appointed. Of course it is in the hands of the Honourable Members on this, but if we are going to have a Select Committee we need to go through the motions of appointment of it, Sir, that is all I was going to say.

The President

In the latter course would we then just be referring it to a Committee for discussion in terms of the wording now?

The Attorney General

Sir, I think what we would do is adjourn it for further consideration at the February meeting of the Legislative Council. That would enable Councillors generally to discuss it in the meantime and come up with any amendments or modifications to the Bill that they might think fit.

The Financial Secretary

Alternatively, Sir, with the indulgence of the Attorney General, this matter could be referred to Standing Finance Committee where all the members are present in Committee and if it is their wish they could discuss it at that time.

The Attorney General

This is a financial matter, Sir, so it could probably go to Standing Finance Committee for consideration; that is a Committee of all the elected members of the House.

The President

Can I therefore suggest to Honourable Members that in both of these cases it should either be referred to Standing Finance Committee, or just be deferred until February. Shall we say that Standing Finance Committee sounds perhaps the most tidy of those. Are members happy for that to happen in both of these cases? Any disagreement on that? Then I think that is what will happen to those two. Thank you.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

Your Excellency, I beg to move that this House stands adjourned until the 16 February.

The President

Does anybody wish to speak to the motion, Honourable Members?
No speakers?

The Honourable Mrs Norma Edwards

Yes, Sir, just a few points I'd like to make. We are extending our territorial waters to a twelve mile limit shortly, on the 1st of January, and we are assured by the Fisheries Department that as it's mainly a Loligo area off Beauchene Island and the Loligo are at the moment, they think, controlled, that we were advised to leave the fishing as it stands and let the fishermen fish up to the three mile limit as before. I would hope that the Fisheries Department keep a close eye on this, I well remember the petition that we gave to Baroness Young and it stressed conservation before fisheries, and I would hope that if there is any danger at all of the Loligo stock being depleted as the Illex stock is being depleted that we will enforce the twelve mile limit all round the Islands within this fishing season if necessary.

I would just like also to add that my question about moving Shearers about the place was in no way reflecting upon FIGAS' good services. We have had excellent service from FIGAS. All I wanted was that Government should lay down the rules for the moving of people because FIGAS takes the brunt of all of us when it comes to who wants to be moved first and they do an excellent job, and particularly Captain Alsop, of course, who has held the whole thing together on his own for some months. I am extremely grateful to him.

I hope, in the future, we can look at the MPA road. It does concern me and a lot of lives have been lost on it. Even if we could only extend the barriers, if we can't afford to actually make a decent road, perhaps we could extend the barriers to prevent accidents, that would be a help. Driving along the thing in the fog is horrendous, because you just can't see the edges of the road and you have to have somebody looking out the window to make sure you're not going into the ditch and of course the same when there is snow about I would imagine.

I am pleased to hear, I know rumours have been floating about that the school is going to be disbanded and we are not going to build the school. It is a rumour and people should be assured that the new school is to go ahead as planned.

I am pleased also that the swimming pool is going to be opened publicly by Mr Wilkie, although I had thought that Mr Simon Weston was to do this job. Perhaps I've been misled but I thought that we were to ask Mr Simon Weston and I don't

understand why Mr Wilkie has been asked in fact, perhaps somebody could explain that to me at a later date. Sir, I support the motion.

The Honourable W R Luxton

Your Excellency, Councillors, this seems to have been a fairly short meeting, we've deferred two Bills to February which looks like being a busy time, and we've also deferred some, I'm glad to say, that were originally on the Order Paper: the Law of Contract Bill and the Land Acquisition Bill, and also of course the Law of Property Bill which Councillors have been presented with - its about two inches thick that one on its own. I think we need a lot of time to consider these things and we need a lot of feedback from the general public. I hope that there will be discussion in both of our existing media organisations so that people know what we are letting them in for or what we may let them in for but these things will all come up in February with a bit of time to reflect of them.

On my pet subject of roads, I am pleased to say that there will be a Roads Construction Committee meeting tomorrow and I hope that it will bring together a lot of people with local knowledge, local expertise and make some firm recommendations on the whole possible road system to Executive Council and that we will get under way. I think its unlikely that the money voted for this financial year will be spent in this financial year and I shall be pressing my colleagues that some is carried forward to be spent in the next financial year and not lost in addition to whatever extra provision we might have.

I also would like to say, on behalf of Councillors and the travelling public a public thank you to Captain Andy Alsop for holding the whole operation together for so long, God only knows what we'd have done without him. I can imagine myself the pressure he must have been under, seven days a week on call all the time, and I am delighted that we have some new arrivals here and on the way I believe, and also that the local potential in the world of pilots has been taken up and that there will be movement there. On FIGAS just one small point on the question of bookings. I really wonder whether we shouldn't introduce a cancellation fee for people who cancel their flights at the last minute. I know the scheduling sometimes is pretty tight and it must be quite infuriating when people in FIGAS have made considerable effort to accommodate people and they are called up on the radio just before the plane leaves Stanley to have their flight cancelled. I think anywhere else in the world when you cancel a flight you don't pay all of it, you pay a proportion, perhaps we could look at that one at some stage.

Last of all, perhaps I should comment that the country next to us across the water there hasn't been mentioned at this meeting so I am going to mention it. We have had a few little hints from Her Majesty's Government that we should become involved in some small way in talking to them over fisheries or attending or sending an observer to attend various meetings. I am glad to say that Councillors have remained absolutely inflexible and unanimous on this subject, and I would just hope that we can stick to that line and not open any small door, now or in the future, until they drop their baseless and stupid claim on these Islands. We

maintain the attitude that we will not have anything to do with them whatsoever. Thank you, Sir, I support the motion.

The President

Thank you. I think the hint you refer to was not actually a hint, it was a suggestion that Islanders might or might not wish to take up, and they didn't wish to, and that was the end of that.

The Honourable T J Peck MBE CPM

Your Excellency, Honourable Members, I would just like to let the people know that when this Council was first formed we put into gear to get our Research Assistant and I am very pleased to mention to the public that Mrs Alison Barton has agreed to take up this post on behalf of the Councillors. The office will be in Ross Road in the ex-PSA building. At the moment it is still being refurbished, but it is getting a wee bit slow so I am hoping that the Public Works Department will speed things up so that the public will have a place where they can meet with Councillors and air their views and whatever assistance we can provide. So, the office is there, there is a telephone, but we need some furnishings yet.

On housing, what I can say is that having had four meetings of the Housing Committee since the 16 of October I am pleased to say that a lot of work went into those meetings from the Housing Committee and I would just like to let the people know that the Committee do work very very hard and they often have a thankless task of having to refuse a request from a member of the public to accommodate them. It's not easy. We have at the moment, and that is without the new Dental Officer and possibly a Technician, at least thirteen contract officers on our waiting list, whether this is right, or we should have that many is questionable as far as I am concerned, but this is just an example and we do not have any houses available either for them, or not that number, or local people. Our biggest problem is with single accommodation; hopefully the Public Works Department will put into motion the units at the Jersey Estate and that these will come on market within this next year. We are desperate for single units.

I would want to see more effort being made by Government to encourage the private builder. I do not want to see our Government being involved in building houses. By all means we have a duty to provide serviced plots but let's leave it there and not take it any further; let's encourage the private builder. Already the town has I would think, off the top of my head, around about 30-32 private houses being constructed at this present moment, and there are more under review, so that's a great deal of new properties which are coming on. The Council, I'm hoping, will give thought to this over this next 24 hours or so on a Housing Policy, a Government Housing Policy. It has got beyond all reason and this is why the Housing Committee or Councillors in the past made a rod for their own back. We have far too many houses and we should not be in the market where the Government is expected to provide accommodation for everybody in the Islands or coming into the Islands. We must reduce the number of properties that we have got to a realistic level

whereby we accommodate the Government contract officer and family, and those who are in real need of care in the community; beyond that we should not go. People have the same opportunity to build or rent in the private sector and they should be encouraged to do this. I believe that the Government must not provide accommodation, it's very wrong and it should not be put on the tax payers shoulders.

Another area, Sir, which is very serious are the roads in Stanley. St Marys Walk: if you haven't broken your leg when you leave for the hospital, you are sure to do so by the time you get there. The road is in a disgraceful state; there is no excuse for not having this graded and rolled and I implore the PWD to have this done immediately. John Street is another area, that could take second place. I know there are plans and a contract going out for that road to be paved, but that's not going to happen over this next month to six weeks so let's get it graded as well before we have more accidents.

And finally, Sir, my colleague, Mrs Edwards, mentioned Beauchene. I am very concerned about fishing, no matter what it is, finfish or Loligo near Beauchene Island and I want that Island protected. A fairly recent report from Mr Ian Strange mentioned the decline of 30% in the Rockhopper Penguins. Now that's a terrific decline in the course of a year, and that really concerns me; I am all for conservation. I think the Government is a wee bit hypocritical when it talks about a conservation zone. It does only apply to the fishing stocks in the waters, but it should apply also to our wildlife and we should do everything we possibly can to keep the trawling outside the twelve mile limit, that is my view on that one, Sir. I support the motion.

The Honourable R E Binnie

Your Excellency, it seems a very long time, but it's only six weeks since we became members of Legislative Council. I have lost count of the meetings that we have had. We have had to consume a lot of information, and spend many hours reading reports, and catching up on all the information required. I would just like to point out, Sir, that I was elected to this Council because I believe I am a very honest and law-abiding person and I will not be party to any deceit of the general public. Sir, I support the motion.

The Honourable K S Kilmartin

Your Excellency, I would like to support Councillor Peck in welcoming Mrs Alison Barton to join us as Research Assistant and I feel that now we have our office in Stanley almost set up, and we do have a telephone, although I don't know the number yet, we will be able to address the two vital issues that are facing us in the next few months. First of course is foreign policy with the talks in Madrid starting again in February, and second is the state of the economy where we have expenditure increasing rapidly and the prospect of our income decreasing even more rapidly. Your Excellency, the lesson of Seamount has been suggested, also the lessons of most of the Joint Venture companies. Your Excellency, I'm afraid that at the end of the day the Falkland Islands will have lost an awful amount of money. From now on we

must have clear objectives of what we want to achieve and for whom and how to do it, on what is essentially a very limited budget. I support the motion.

The Honourable G M Robson

Your Excellency, Honourable Members, I was getting a bit worried and thinking that perhaps I was the only person thinking about the gentleman, if that's the right word, across the water. I am very pleased to see, perhaps, that Britain and Argentina appear to be resolving some of their differences, but I'm still fearful of becoming an expendable pawn in the wide political game. I may be almost xenophobic towards Argentina but, having had them kick our door in once, metaphorically speaking, I am very loath to loosen even one link of our security chain now. I think we have to be very firm in our resolve and keep reminding people of that resolve.

The new telephone system, I think, is possibly something that no one has mentioned so far and it's obviously going to make quite a huge difference to the country as a whole in terms of being able to communicate with everybody, but it is a little sad to think that the personal service of the old system which has been kept going by numerous people over the years, I'm sure with great difficulty, is something that perhaps we don't think about too much but it is sad that it has been superceded. I'm sure a computer could not tell us who just phoned, for instance.

I'm glad to see that the Senior School is coming about, in spite of rumours. I think much has been made in the press of the Rolls Royce thing, but I consider that Rolls Royce are a great British institution and I would like to think that education is also a great British institution and therefore the analogy is not such a bad one. Furthermore I think I would rather ride in one than in some other out-moded type of transport. Sir, I wish to support the motion.

The Honourable H T Rowlands CBE

Your Excellency, in rising to support the motion I would just like to say a few things. The first point I would like to mention is that I am pleased to hear that the dental section of the Medical Department is to be considered. I am convinced that it is understaffed at the present moment, and the service which is being given to the public, no fault of the Dentist, but the fact is that he just cannot cope and I'm convinced that this must receive very urgent attention. The second point that I was pleased to hear from another source was we would have a revision of the laws, that's the publication of a revised edition, and I would like the Attorney General to keep us fully informed from time to time because I recall it was first mentioned some ten years ago.

The final point that I have on behalf of all Councillors, I can say, is to thank the Commander British Forces for arranging to have the Royal Marine Band here to mark the 75th Anniversary of the Battle of the Falkland Islands. This is very good news. Thank you.

The Honourable G P Short

Your Excellency, Honourable Members, finding myself at the end of the Table, as such, everything that I was wanting to speak about has been snaffled. So, without further ado, I will not waffle on and repeat what other Honourable Members have said: so all I think that remains for me to do is wish everyone a Merry Christmas and a Happy and skeleton-free New Year. Thank you, Sir, I support the motion.

The Honourable the Financial Secretary

Sir, I would like to support the motion and the points that Honourable Members have been making round the Table will be taken onboard, certainly as far as they affect myself, and the other officers will be doing the same. One thing in particular which was raised by Councillor Kilmartin was the report on the economy and this I hope to have prepared by January in time for the Budget exercise which will be beginning early in the New Year, and this is when serious decisions will have to be taken. I support the Motion.

The Honourable the Chief Executive

Your Excellency, perhaps I can touch upon some of the points which were raised by Honourable Members. The business of monitoring Loligo is of course a matter which is very very close to the role and rationale of the Fisheries Department and under the very specific and informed leadership of John Barton you can be certain that every possible priority is being given to that topic.

Honourable Members are perhaps not aware, Sir, that you have written to Captain Alsop thanking him for his efforts and I think as the last of the few he really has done a remarkable job and should be given some public notice. I will take on board the point made about cancellation fees and discuss that with my colleagues from FIGAS.

The Swimming Pool Opening: the decision was not taken by any one person, as I understand it. At one stage there was some consideration given that Simon Weston should be invited to do this, and certainly the last Council gave some thought to Mr Weston coming down here on a visit, particularly in the summer, when he could enjoy the Islands rather than being dedicated to any one task. I believe one of the options that is being examined is to look at his special interests which is in relation, I think, to creating a new spirit among young people, and I understand that the feeling was that perhaps those involved with the opening of the Swimming Pool should be people associated with swimming excellence, because we have with the swimming pool the potential now for young people in the Falklands to excel in that sport in the future and it seemed that by giving some leadership, by a World class athlete, would be appropriate and that was the thinking as I understand it.

I will give my immediate and close attention to the Honourable Members' office accommodation; I hadn't appreciated until today

that there was any difficulty with that.

As far as single unit accommodation is concerned I will also undertake to make sure that a progress report is made on that, but PWD do have the matter well in hand, the plans have been drawn up and I think they are fairly confident that it is going to be produced on schedule. You will find your officers totally in accord with your concept of reducing the responsibility of housing accommodation being provided by the Government and we are anxious as was indicated in one of my earlier answers, Your Excellency, to see the private sector fill some of the gaps in the provision of housing within the Government Policy.

The matter of Stanley roads has, of course, been regularly aired and currently the Director of Public Works is operating to a scheduled programme, but factors lead to such things being changed, and I understand that St Marys Walk is not scheduled to be dealt with for at least 18 months but I will have early discussions with the Director of Public Works and we can re-examine the schedule and the priorities accordingly.

If I can finally close on the business of conservation overall, as it were. As you will probably recall Government has taken on the responsibility for conservation directly and hasn't allocated that to the Falkland Islands Development Corporation. This week I had discussions with Kate Thompson, and she in particular wants to look at Beauchene and some of the impacts that Honourable Members have raised and we will be coming to Members in the very near future with some proposals for funding along those lines. Your Excellency, I support the Motion.

Commander British Forces

Your Excellency, I spoke at some length on my first attendance at Legislative Council here on the commitment of the British Forces to the Falkland Islands and I have no more to add to that today, other than to reiterate our commitment to ensure the right to self-determination in these Islands. It is perhaps an indication of the importance which the British Government places on this, certainly in Ministry of Defence circles, that during this summer period I have some 16 VIP visits in 24 weeks to the Islands of which some three have taken place already, and four of those visits will include Members of Parliament, or Ministers, who will be looking at defence aspects. I shall ensure that those visitors do, in the course of their tours around the Islands, have a good opportunity to meet with Islanders and to hear the views of those Islanders, to whom we dedicate our service down here. Sir, I have nothing else to say; I beg leave to support the Motion.

The President

Honourable Members, we have covered the ground we had to cover. The House stands adjourned accordingly. I should just like to thank you for your attendance and contributions to debate. Thank you.

QUESTIONS FOR WRITTEN ANSWER

Question number 7/89 by the Honourable G P Short

Has Government any plans to extend the television service to all areas of the Camp?

Reply by The Honourable The Chief Executive

Although no firm plans exist at present some thought is being given to extending the television service to Camp. Following a recent visit by two of their senior executives, SSVC have undertaken to prepare a project and this is expected to be submitted to Government early in 1990. The estimated cost is not to exceed £200,000 and it is envisaged that the signal will be transmitted from Mount Maria. SSVC have indicated that if the installation costs are met that service and maintenance of the facility would be borne by them at no recurring cost to Falkland Islands Government.

Question number 8/89 by the Honourable G P Short

Are there any plans to erect public toilet facilities at various locations in Stanley?

Reply by The Honourable The Chief Executive

There are no current proposals for public toilet facilities, and no such proposals are included in the Draft Town Plan produced by McAdam Design. The possibility of providing additional public toilets will be examined as the Town Plan is being re-drafted.

Question number 9/89 by the Honourable G M Robson

As it is becoming apparent that the Stanley Butchery has difficulty in maintaining a regular supply of mutton to Stanley residents - are there any contingency plans to alleviate the shortage, particularly for the older residents in the community?

Reply by The Honourable The Chief Executive

There is no formal contingency plan to alleviate mutton shortages in Stanley.

Question number 10/89 by the Honourable G M Robson

Does Government have any plans to consider the formation of some sort of prices and incomes board in order to control any artificial inflation that may occur in the retail trade in the

Falklands?

Reply by The Honourable The Chief Executive

In reply to the Honourable Member's question, the short answer is no, Government do not have any plans for the formation of a Prices and Incomes Board.

The possibility of creating a body, such as a Prices and Income Board, to monitor and control inflation in the retail trade has been considered. The reasons for the rejection of a regulatory authority for this purpose are as follows:

1. Incomes

The major employer is Government. Wage levels negotiated for Government employees set the norm against which other employers in the economy tend to set their wage rates. Control of incomes, therefore, is already held by Government and followed in the annual negotiations with the employees' associations, e.g. General Employees Union (GEU), and Civil Servants Association (CSA).

2. Prices

(a) Consumer Durables

All consumer durable type commodities will be imported as there is no manufacturing capacity within the economy. Any inflation in prices of this type of commodity will be dependent on the inter-relationship of the three constituent elements, i.e.

- (i) Purchase Price
- (ii) Freight
- (iii) Profit (including return on investment)

The only element which Government could control would be the level of profit.

(b) Basic Commodities

The 'basic commodities' definition will cover all commodities consumed within one year, particularly relevant to food, and other general living expenses. This category is a mixture of domestic production and imported commodities, consequently control of prices would require constant monitoring to establish any element of profiteering. Market forces, i.e. alternative sources of supply and consumer choice are more effective than bureaucratic control.

3. Conclusion

The greatest difficulty in establishing a monitoring body will be to obtain staff to carry out the creation of a data-bank of prices, and subsequently to record changes and calculate variances from an accepted norm for profit. The further difficulty of agreeing with suppliers and consumer representatives what is a reasonable norm acceptable as a profit margin under current circumstances will be extremely complex to

resolve.

The conclusion arrived at in assessing the benefits to the economy as against the cost of establishing and maintaining such an authority, was that the tangible benefits which could realistically be achieved were far outweighed by the costs of the operation. The effective result which such a body would have on controlling inflation would be extremely limited because the major elements of inflation are outside the control of Government.

Question number 11/89 by the Honourable T J Peck MBE CPM

What were the total costs of recruiting, housing, salary and transportation for the recently departed Environmental Health Officer and his family? Will this post be left vacant or will another person be recruited?

Reply by The Honourable The Chief Executive

Outlined below are the costs associated with the appointment of Mr Bustin -

Recruitment costs	£1,924.45
Airfares UK-FI (Mr & Mrs Bustin)	830.00
Salary + Inducement Allowance 10.7.89 to 12.10.89	4,463.21
Shipment of freight to FI	3,137.00
Outstanding electricity	44.50
Laundry	4.00
	<hr/>
	£10,403.16

Debts from Bustin in respect of Falkland Islands Government amounting to £4,227.71 are being processed. At the date of writing no monies have been recovered. Mr Bustin's effects are being returned to the United Kingdom, as FIG are legally bound to do, but they will not be released until payment has been received.

In view of the circumstances of Mr Bustin's resignation a full report is being prepared to allow Honourable Members to decide upon the immediate future of this post, which is not currently being recruited.

Question number 12/89 by the Honourable T J Peck MBE CPM

Are steps being taken to ensure that expenditure related to the Seamount disaster is fully investigated, particularly with regard to repairs to the fishing vessel Mount Kent, and, if it is proved that negligence was the reason for the necessary repairs will those responsible be made to account?

Reply by The Honourable The Chief Executive

Investigation of the matters referred to by the Honourable Member

fell within the Topics for Consideration in the Seamount Inquiry. Those Topics are copied as Appendix 1 to the Report. Mr Boyd, the Inspector, was not able to investigate them because neither Tyne Dock Engineering (who carried out conversion works to the Mount Kent and Mount Challenger) nor Seaboard Limited and its directors Mr Roderick and Mr Kenneth Mackenzie were prepared to give evidence to Mr Boyd.

London solicitors instructed by Stanley Fisheries Limited and a marine expert had previously attempted to investigate the whole conversion contract and extras in respect of which there is an alleged outstanding debt of over £1 million. Tyne Dock Engineering failed to provide any information despite repeated approaches.

Tyne Dock Engineering have commenced proceedings in England against Seamount Limited claiming the alleged debt. The Government and Stanley Fisheries Ltd are not parties to that action.

So far as the repairs to Mount Kent are concerned, the information Government has is that the breakdown of the winch resulted in extensive repairs in Punta Arenas was caused by a leak of refrigerant from the fish freezing plant on board. This leak caused the lubricant used on the winch to undergo physical and chemical change, so that the winch ran, in effect, unlubricated with predictable results. The cost of the repairs appears to have been covered by insurance and, in any event, the damage cannot clearly be attributed to any fault on the part of Tyne Dock Engineering.

The responsibility or otherwise of the shipbuilders for the breakdown in the Mount Challenger is not clear. At all events neither Stanley Fisheries Limited nor the Government can bring any claim. This would have to be brought by Seamount Limited. This company is now insolvent and it appears that any action could only be for the benefit of the creditors, principally, the Midland Bank plc. No doubt if there is any clear advantage in any claim, the creditors will bring it through the liquidator in due course.

Question number 13/89 by the Honourable T J Peck MBE CPM

The Falkland Islands Swimming Pool is heated from the Power Station. Will the Chief Executive ensure that every effort will be made to install a similar linked system to the new Senior School Complex to reduce both initial and recurrent operating costs?

Reply by The Honourable The Chief Executive

The Architect to the New Senior School has been requested to install a similar heating system to that being successfully used in the new Swimming Pool. This system's primary heat source is the jacket water from the larger Power Station generators.

The very successful project that is providing energy for the Swimming Pool is being closely monitored and there is every reason to believe that a surplus capacity exists that can be used

to the advantage of the Senior School.

Question number 14/89 by the Honourable T J Peck MBE CPM

With the swimming pool in operation and the sports season already under way, concern has been expressed about the operation and landing of helicopters on the football field. The swimming pool is glass fronted and glass roofed. The downdraft of a helicopter rotor is extremely dangerous. Should a section of glass be damaged it could well inflict severe or fatal injury to those attending the pool. Will the Commander British Forces undertake to find an alternative landing pad for the operation of helicopters?

Reply by The Honourable The Chief Executive

The Falkland Islands Government and the Ministry of Defence are currently investigating alternative helicopter landing pads. Quite apart from the new Swimming Pool, an alternative site will become an absolute necessity when construction of the new Senior School commences.

The helicopter landing sites at Murray Heights and adjacent to the Beaver Hangar are possible alternatives and in view of the rebuilt Ross Road West the latter site is the preferred choice at present.

The danger of down draft is a factor that is well recognised by pilots who have additionally been briefed on the structures in the area of the football field.

The matter is under close and priority consideration. The sports field site is normally only used for critical casualties being brought to the hospital.

Confirmed This 15th day of February 1990.

Will Full

Governor