

RECORD OF THE MEETING OF THE  
LEGISLATIVE COUNCIL  
HELD: 15 FEBRUARY 1990

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HELD IN STANLEY ON THURSDAY, 15 FEBRUARY 1990

**PRESIDENT**

His Excellency the Governor  
(Mr William Hugh Fullerton)

**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 Gavin Phillip Short  
(Elected Member for Stanley Constituency)

Apologies were received from

The Honourable G M Robson  
The Honourable H T Rowlands CBE

**PERSONS ENTITLED TO ATTEND**

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

The 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 RECORD

The Record of the Meeting of Legislative Council held on the 6 December 1989. There was one amendment from the Attorney General which had been included in the Record, as follows:

Page 24, line 13 - Insert the word 'no' between the words 'be' and 'evidence'.

## OPENING REMARKS BY THE PRESIDENT

Honourable Members. At this point the schedule calls for some introductory remarks from me. This has been, is, and will continue to be, a very busy month. Shearing has long been underway, the fishing season has begun, visitors to the Islands are here in their welcome numbers, we have received the Falkland Families Association, a very moving visit, followed by the Parliamentary Under Secretary of State for the Foreign and Commonwealth Office, Mr Sainsbury, and we will soon be receiving the Secretary of State for Defence, Mr King. All this really to say that, though our Agenda is not overlong this morning, I shall not detain you with further introductory remarks, but will now invite the Clerk of Councils to turn to the first item of business.

## PAPERS LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE

Copies of subsidiary legislation made or approved by the Governor in Council, since the 6 December 1989 and published in the Gazette.

## ORDERS

No 32/89 The Education Regulations 1989

No 33/89 The Fisheries Regulations (Amendment) Order 1989

## QUESTIONS FOR ORAL ANSWER

### Question Number 1/90 by the Honourable R E Binnie:

What is the cost to date of the proposed new Senior School?

### Reply by the Honourable the Chief Executive:

Your Excellency, the cost to date is £233,673.89. These are consultants and architects fees.

Question Number 2/90 by the Honourable R E Binnie:

Has the Administration any knowledge appertaining to violations of the fisheries Voluntary Restraint Agreements?

**Reply by the Honourable the Chief Executive:**

Your Excellency, it's premature to comment fully on the level of compliance with the Voluntary Restraint Agreements and any violation of such agreements, and full information on this subject will be provided to Honourable Members in due course.

But I am happy to report that monitoring of the Voluntary Restraint Agreement has been set up and will continue throughout the fishing season. Observers have been placed on vessels, fishing boats, inside and outside the Falkland Island Conservation Zone. In addition the Dornier has been carrying out flights to 45 degrees north, which is some 400 miles North of these islands. These flights have covered the main areas involving the Voluntary Restraint Agreements.

Information from both the observers and the Dornier are still coming in and being checked. Preliminary analysis indicates that the majority of the restraint agreements are being complied with. Some violations have been identified and these are being investigated and dealt with. The stance that is to be taken in respect of proven violations will be both firm and its implications severe on the vessel and the fishing organisations involved.

An update on Voluntary Restraint Agreements and how it is being pursued by the companies will be regularly produced to Honourable Members.

Question Number 3/90 by the Honourable W R Luxton:

The Administration has received complaints in the past about the surface mail service to the Falklands but there has been no improvement to date. As an example the surface mail which arrived here at the end of January contained items posted as early as September 10 last year. Will the Chief Executive say what further action has been taken to improve the service and what further action is proposed to ascertain where the delays occur, and report back to Council?

**Reply by the Honourable The Chief Executive:**

Your Excellency, this is a difficult question to answer, in as much that the Falkland Island Government has little control over the factors that affect the mail. I am grateful to my colleague the Superintendent of Posts for his assistance in preparing this reply.

The Falkland Islands Government is responsible for mail deliveries on arrival in the Islands and it's generally accepted that the Post Office performs a prompt and reliable service.

Surface mail from the United Kingdom has been a matter of concern for an extended period and close contact on the limitations of the service has been maintained by the Superintendent of Posts and indeed myself with the General Post Office in London.

It appears that a recent re-organisation has taken place within the General Post Office and that Birmingham has now been made the sole sorting office for the Falklands, replacing what had previously been the case of both London and Liverpool being dedicated sorting offices.

It is not inconceivable that the timings outlined in the Honourable Member's question will continue to be repeated again and again, and the reasons for this are as follows:

Surface mail enjoys a low priority within the UK postal service and at the worst case it can take two weeks for a letter to reach the Birmingham sorting office. Parcel and surface mails are therefore despatched two weeks before the sailing date. This then places a worst case delivery of three months after posting. Should the surface mail just miss a sailing, then four and a half months would be a probable time frame.

It's fully accepted that this is not a satisfactory situation. Contact between this Government and the General Post Office in Britain will continue and we will press for improvement where the British system allows.

Question Number 4/90 by the Honourable W R Luxton:

When proposed lines for the Camp Road System have been identified, will the Administration ensure that there is early consultation with landowners directly affected by these routes in order to avoid the sort of problems experienced on the Stanley to MPA road because of the lack of such consultation?

**Reply by the Honourable the Chief Executive:**

Your Excellency, yes is the answer. During the process of identifying the Camp road alignments the various landowners will be fully consulted and it is hoped they will be able to play an important part in advising our Consulting Engineers on local geography, geology and indeed community needs.

Question Number 5/90 by the Honourable G P Short:

What is the cost per day incurred by the Falkland Islands Government for the two road consultants hired in connection with the Camp Tracks programme?

**Reply by the Honourable the Chief Executive:**

Your Excellency, Mr Ed Farrand, who is the Project Manager, will cost FIG £250 per day in fees, plus £31 per day for accommodation.

Mr Gil Thomas who is a partner will submit an invoice in due course. As a Senior Partner we wouldn't expect to receive an individual bill for his contribution, but it is estimated that his daily rate will be charged at something like £500 per day, plus of course accommodation and related travel.

**The Honourable G P Short:**

Can the Chief Executive say whether this is a normal fee to be charged, or is it viewed as excessive?

**The Honourable the Chief Executive:**

This is not an unusually high rate. Of course the thing was put out to tender and this was the most competitive of the tenders that were sought but, for example, Mr Gil Thomas comes considerably cheaper than a tax partner from a UK consultancy firm.

**Question Number 6/90 by the Honourable G P Short:**

Is Government satisfied with the standard of work carried out on Ross Road West?

**Reply by the Honourable the Chief Executive:**

Your Excellency, this project has not yet been fully completed nor handed over to the Falkland Islands Government. Some items of work have been questioned by our Consulting Engineer who is supervising the project on our behalf and remedial action is currently being taken by the Contractor at no further expense to the Falkland Islands Government.

There are no major causes of concern and by and large the work is to the satisfaction of the Falkland Islands Government.

**Question Number 7/90 by the Honourable G P Short:**

Will the Chief Executive say how many vehicles and motor-cycles are used by Government Departments and can he give a detailed, up-to-date breakdown as to what each individual department uses?

**Reply by the Honourable the Chief Executive:**

Your Excellency, I do have some information here. Excluding specialist vehicles and plant, Government Departments currently operate 97 vehicles. The breakdown by Department and vehicle is as follows, and I hope you will allow me just to indicate groups of vehicles rather than individuals -

PWD: 36 Landrovers, eight Sherpa vans

Civil Aviation: One Landrover, one Suzuki Jeep



FIGAS: Three Landrovers

Customs: One Landrover, one Suzuki

Post Office: Two Landrovers

Agriculture: Ten Landrovers, one Suzuki, three motorcycles

Medical: Three Landrovers, three Suzuki Jeeps

Police: Four Landrovers, one Suzuki Jeep

Fisheries: Four Landrovers, two Suzuki Jeeps

Fox Bay East: One Landrover

Secretariat: Two Landrovers, one Suzuki Jeep, one Fiat Panda

Education: One Landrover

Fire Service: Three Landrovers

Broadcasting: One Suzuki Jeep

Immigration: One Landrover

FIDC: Two Landrovers, four cars (Fiat/Lada Niva)

[Totals: Landrovers 74 - Suzuki Jeeps 11 - Sherpa 8 - Cars 5 - Motorcycles 3]

The allocation, type and use of Government vehicles is now being carefully monitored by a Working Group of senior officers which was established last year.

**Question Number 8/90 by the Honourable T J Peck MBE CPM:**

Your Excellency, Honourable Members, would the Financial Secretary state what expenditure has been incurred to date by the Falkland Islands Government with regard to Consultant Engineers and Architects in producing the outline planning of the new school and community complex; what are the proposed recurrent expenditure and additional staffing costs expected to be once the project is complete?

**Reply by the Honourable the Financial Secretary:**

Your Excellency, the costs incurred so far by the Architects amount to £233,673 as the Chief Executive earlier replied. The additional figures requested by the Honourable Member put an additional cost over and above the current operating cost of the Senior School at an additional £206,773. This is made up of employing additional teachers and additional ancillary staff such as caretakers, attendants, two additional attendants for the sports hall, and in total an additional nine staff.

**Question Number 9/90 by the Honourable T J Peck MBE CPM:**

Would the Chief Executive explain why the renewal of the road from the old Beaver Hangar to the Butchery has been given priority over John Street and other parts of Stanley? Would he also state how much the cost will be to FIG?

**Reply by the Honourable the Chief Executive:**

Your Excellency, I am obliged to the Director of Public Works who assisted me in the preparation of this reply. Ross Road West and East and the road to Moody Brook were the subject of protracted negotiations between the Ministry of Defence and the Falkland Islands Government to establish the responsibilities for their damaged state and compensation for their refurbishment.

It appears that in 1987 the Ministry of Defence offered the Falkland Islands Government £467,000 compensation, which was accepted by Executive Council.

In 1988 funds were allocated by Falkland Islands Government and designs prepared for the refurbishment of these roads; Gordon Forbes was successful. The total project will cost £1,690,000 of which £467,000 was contributed by the Ministry of Defence.

In January 1988, at the same time as the Ross Road contract was being prepared, tenders were invited for the reconstruction of John Street and the Tender Board recommended that a local contractor's bid be accepted. However, as only £50,000 was authorised for Stanley Roads for that financial year, approval and additional funds were requested from Executive Council and Standing Finance Committee. At that time Members rejected the proposal as it did not include a footpath on both sides of the road and they instructed that a full design scheme be prepared, having been informed and made aware that the cost would be much greater.

Those instructions were therefore carried out within, in relative terms, a prompt time and a contract has been placed for the work. Once again Gordon Forbes Company won the tender, they started work on John Street yesterday and it is planned to be completed by the end of June.

There never was a priority rating placed upon these schemes, which are in fact unrelated in origin.

**The Honourable T J Peck MBE CPM:**

Did the Chief Executive say whether the total sum includes professional fees?

**The Honourable the Chief Executive:**

The total sum for which development?

**The Honourable T J Peck MBE CPM:**

Sorry, for Ross Road West.

**The Honourable the Chief Executive:**

The information I have been given is that the total project would cost £1,690,000; I would have to take some advice to confirm to you that that does include professional fees.

**MOTIONS**

**Motion by the Honourable T J Peck MBE CPM:**

That this House appoints a committee with the following membership to undertake an early revision of the Standing Rules and Orders of the House-

The Honourable H T Rowlands CBE  
The Honourable G M Robson  
The Honourable K S Kilmartin  
The Attorney General  
The Clerk of Councils

**The Honourable R E Binnie:**

Sir, I beg to second the Motion.

**The President:**

Does any Honourable Member wish to speak to the Motion?

**The Honourable T J Peck MBE CPM:**

Just a few words, Your Excellency, Honourable Members, to say that the Standing Rules and Orders of this House have been long overdue for a revision and this is why it has been considered necessary today to present this Motion in this House. They do require updating along with a number of points which the new Council have been talking about within Council and, Sir, I feel that it is very essential for this House to have these Rules updated.

**The President:**

Does any other Honourable Member wish to speak to the Motion?  
Then I think we can consider the Motion passed.

ORDER'S OF THE DAY - BILLS

THE LAND ACQUISITION BILL 1989

**The Honourable the Chief Executive:**

Your Excellency, this Bill, the Land Acquisition Bill of 1989 would repeal and replace part four of the Land Ordinance which was originally enacted in the earlier years of this century, to reflect the provisions of section 7 of the Constitution, to provide for powers of compulsory acquisition, to make provision which reflects adequately the public interest and the interest of the person whose property is the subject of a compulsory purchase order, or of a proposed compulsory purchase order. There are two fundamental considerations reflected in section 7 of the Constitution which the Bill seeks to address, and that is the justification for a compulsory acquisition and the prompt payment of adequate compensation. I beg to move the first reading of the Bill.

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

**The Honourable W R Luxton:**

Your Excellency, Honourable Members, this Bill has been discussed by Members informally and I think there is a unanimous feeling that it's a long, very complex piece of Legislation, and it will have fairly substantial effects on those Members of the Community who are affected by it. I think Councillors would like to have more public discussion and more feedback from the general public on the effects of this Bill and how it's generally seen. Whilst in principle I support it, and I think other Councillors do, we feel it would be sensible to delay it for further public discussion to perhaps the next session of the Legislature. I believe the Attorney General recommended taking it to the second reading or, perhaps he will correct me, to the third reading, and it will be brought back to Council with opportunity for amendments if any are thought fit.

**The President:**

Do any other Members wish to add anything?

**The Honourable T J Peck MBE CPM:**

I'd just like to support to Councillor Luxton's comments Your Excellency.

**The President:**

There seems to be unanimous agreement on this, so we will defer this Bill until the next meeting of Legislative Council.

## THE LAW OF CONTRACT (AMENDMENT) BILL 1990

**The Honourable the Chief Executive:**

Your Excellency, the Law of Contract (Amendment) Bill 1989 is to amend the law as to execution of deeds, to amend the law as to contracts relating to land and interests in land, to abolish the rule in Bain versus Fothergill, which restricts the amount of damages which can be recovered on a breach of contract for the sale of land and to make consequential amendments. I beg to move the first reading of the Bill.

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

**The Honourable K S Kilmartin:**

Your Excellency, this Council has already decided to defer the Land Acquisition Bill to enable there to be further public discussion about it. This Bill, although it's called the Law of Contract Bill, is in fact to do with land and may I suggest, Your Excellency, that as we are going to discuss the Land Acquisition Bill and the Law of Property Bill, that we also discuss the Law of Contract (Amendment) Bill at a later date.

**The President:**

Thank you. Does any other Member wish to speak or to support that? We seem to be unanimous in supporting that so we will defer this Bill too.

## THE PUBLIC HEALTH (AMENDMENT) BILL 1989

**The Honourable the Chief Executive:**

Your Excellency, this is a Bill for an Ordinance to amend the Public Health Ordinance, and it will enable medical charges to be varied more simply. I beg to move the first reading of the Bill.

The Bill was then read a first and second time. During the committee stage the Attorney General spoke as follows:

**The Attorney General:**

Sir, at this stage it would be appropriate for me to mention that Clause 1 of the Bill, because the Bill was published in 1989, the year is the year of the publication of the Bill; the Ordinance will of course read 1990.

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

## THE ELECTED COUNCILLORS' ALLOWANCES BILL 1990

**The Honourable the Financial Secretary:**

Your Excellency, this Bill was referred to a Select Committee at the last Legislative Council, and it is my pleasure to report back to Legislative Council on the outcome of the deliberations of the Councillors. The Allowances Bill was debated at great length and the proposals of the Select Committee are that amendments to the Bill be made in terms of section 2(2) of the schedule so that it reads,

'there shall be paid to each Legislative Councillor for every qualifying meeting that he attends an attendance allowance of £200, but so that only one such sum shall be payable in respect of any day.'

That is the amendment which is proposed by the Select Committee, Sir. Sir, I now move that the Bill be read a second time.

**The President:**

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

**The Honourable W R Luxton:**

Your Excellency, I opposed this Legislation, in particular the section which refers to £200 per day, at its first reading; I still oppose it. I realise that it is going to go through, I'm in a minority of one I believe, but I would like just to point out that under the Bill Councillors will also receive an annual salary of £2,500, which works out at a rate of £6.85 a day which isn't bad. I would also like to point out that the other organisation up on the hill which is often slated for throwing money around unnecessarily pays the members of its Executive Board a sum of £25 for each meeting that they attend, and that's taxable; this isn't going to be. So having made my feelings clear I shall just say that I oppose this Bill as it stands. Whilst not opposing some remuneration, some necessary remuneration for Councillors, I would prefer to see some other scheme devised which doesn't involve a payment of £200 per day which I think is excessive.

**The Honourable T J Peck MBE CPM:**

I must rise to this one, Your Excellency, Honourable Members, I respect Councillor Luxton's views on this but at the same time there is a great deal of work that Councillors have to perform in the interests of the community. They are not like decisions that have to be taken. Many hours, many days are spent by Councillors, particularly in Stanley. I am not dividing Camp and Stanley because I know the difficulties of having to get in and out during a busy season, that's immaterial, because Councillors have to perform their duties as Councillors for the members of this community and it does take up many hours and many days. The amounts mentioned are not high, not large. If one were to add up

every hour that a Councillor applies to the task that he has to perform in the interests of his country, and very often, very difficult and hard decisions that he has to make in the interests of the country. It is not a light task that he performs. Members of this Community have been absolutely amazed that any Member should oppose this Bill and create hardships on Members of Council who are endeavouring to try and carry out very important Council business from day to day, not once, twice or three times a month, but every day of the week. Therefore, Sir, I am asking and trust that other Councillors will support me in making sure that this Bill does go through. Thank you, Sir.

**The Honourable G P Short:**

Your Excellency, Honourable Members, in rising to speak to this Bill I fully support Councillor Peck in what he has said. I would also like to go slightly further in as much as I believe the payments are justified, but also I think it will most probably reflect at the next general election, which I know is a good way away, where perhaps you will get more people standing for election from the area of the workforce where I come from, the hourly-paid. I was going to say at the lower-end of the scale, but I am not sure if that's the right way to put it, but there are people out there, well educated people and people who believe strongly in the future of these Islands who are at the moment I think more or less barred from taking part in Council simply because they cannot afford to do so, so I believe that this will be reflected in the next general election. So I wish to support the motion.

**The Honourable K S Kilmartin:**

Your Excellency, I think I can say that no one on this Council sought election with the end of financial gain for themselves. However we were in the fortunate position that the previous Council had already identified that the workload and the responsibilities of a Councillor were such that some payment should be made and I think that we should accept this payment.

**The Honourable R E Binnie:**

Your Excellency, I support this Bill. I'm not altogether sure that it is the right way to go about the payment of £200 for a meeting for a select few committees. Maybe it sounds a lot but I support the payment, and I support what Councillor Short said that we have to have a reasonable payment to Councillors to attract the general public to put themselves forward. I would just like to add that this month I will have had seven days in Stanley for meetings. Out of those seven days only two will be paid for and that's without the hours and hours spent reading Sir. I support the Bill.

**The Honourable Mrs N Edwards:**

Your Excellency, I reiterate what my colleagues have said about the Bill, I support it whole-heartedly and I know that both the Honourable Gavin Short and the Honourable Terry Peck have to date

suffered financially because this Bill has not gone through. I don't know who is going to serve on Council after I have done my term of office, but it may be somebody just as needy as these people and I support the Bill whole-heartedly.

**The President:**

Thank you. It seems that as forecast by Councillor Luxton, there's one in opposition and the others in favour so we can proceed.

The Bill was then read a second time. At the committee stage the Attorney General spoke as follows:

**The Attorney General:**

Again, Your Excellency, I point out that in relation to clause one of the Bill when the Bill, and if the Bill, is enacted the figures 1989 will appear as 1990.

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

**THE PUBLIC FUNDS BILL**

**The Honourable the Financial Secretary:**

The Public Funds Bill, Sir, like the previous Bill was referred to a Select Committee at the last Legislative Council and Honourable Members have debated the Bill in Select Committee with the result that the following amendments are proposed:

Section One: amend the date from 1989 to 1990.

Section Four: replace the whole of the previous section four with:

'No sum shall be paid out of the Insurance Fund, except by way of transfer of that sum to the Consolidated Fund, effected on the authority of the Financial Secretary.'

Section Five: delete the previous section five and substitute therefor section five, subsection one:

'The amount for the time being standing to the credit of the Insurance Fund shall be invested in such investments as the Consolidated Fund can lawfully be invested until the Insurance Fund shall accumulate to the sum of £15 million.'

and-

**Section Five, Subsection Two:**

'Whenever the Insurance Fund would otherwise aggregate to more than £15 million then, unless otherwise



authorised by the Ordinance, the excess shall be transferred to and form part of the Consolidated Fund.' Those are the amendments to the Bill. I move the second reading of the Bill, Sir.

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

#### 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? Councillor Mrs Edwards.

**The Honourable Mrs N Edwards:**

In rising to speak to the Motion for Adjournment, may I just touch upon one or two things which are concerning us at present in Council and which I am sure the constituents wish to hear about.

At present we are tussling with the Capital Expenditure programme for next year. We have great commitments and a decreasing economy in the fishing revenue, wool prices are rock bottom, increased costs in administration which will come to us after the grant aid from ODA ends very shortly, and we are being asked to look at projects that are, I would think, the biggest projects the Falklands have ever undertaken, monetarily, the Senior School, Camp Tracks, and so on. There is a school of thought that this money should come from reserves and that we should borrow. I would say only that we should look to our neighbours across the water to see where this kind of bad economy leads if we start taking from reserves and borrowing money, we will be on the road to disaster, I believe, and we will have to look very carefully at our Capital Expenditure, which we will be doing within the next week or so, or within the next month or so.

I will just reiterate what I said when I spoke at the first meeting of this Council, and warned the people in the Islands that we really do not have the money that we would like to have and, as far as I can see, in the near future we aren't going to have a great deal of money to play with. Therefore, I know I am thought a pessimist but I would warn that we have to be very cautious indeed with how we spend on capital projects and how indeed we spend on our administration.

I would just like to touch on one or two other points. We understand now that the Japanese are down in this part of the world with drift nets and are fish mining I think its called, and I would just like to remind my honourable colleagues and the

public that when we enforced the Fisheries Ordinance, it was a conservation and fisheries Ordinance with the emphasis, as far as I am concerned, on conservation. I hope that we can enforce some restrictions on these people and this horrendous practice where they, I believe, put out miles of net and scoop up everything including porpoises, birds, anything that comes their way. And this is happening now, I believe, not in our fisheries zone but in the waters around our Islands, and I hope that we can put pressure on these people to stop this. The only way I can see to put pressure on them is by telling them that they will not have licences next year if they continue with this practice, and I hope that if it does have to come to that and when it comes to principles or money, I hope our principles come to the fore.

One other thing, we now have our phones around the Islands. Mine doesn't work, yet, but I am assured it will do in a month. I hope so. And soon we will be losing the R/T and Mrs Vidal and her staff, and I think we should record at this meeting our grateful thanks to them all for all the help they have given us over the years in the Camp, over and above their duty, and I hope that they settle in new jobs and they will be sadly missed when the time comes. In fact I hope they stay a bit longer until my phone is working. Sir, I support the Motion.

**The Honourable W R Luxton:**

Your Excellency, it seems quite a coincidence that we are meeting here today when in fact the talks are taking place in Madrid, so we wait with interest to see what developments come. I am confident that whatever the outcome of those talks, our security will be preserved by Her Majesty's Government. I would just reiterate and I think that I speak for all the people of these Islands when I say we don't need any contact with the Argentines. I am sure that message is clearly understood, but we just need to keep reminding people that that is our position.

We have again held a couple of Bills over for further public discussion. They haven't been remitted to a Select Committee. I think all Councillors are hoping that they will get input from the public on these things before we finally put in place the complex bits of legislation. We have the two we have put out today plus the Law of Property Bill, and we really do need a lot of input from those affected by these matters.

I would like to mention the Capital Expenditure as well. The one of my particular interest is the Camp Roads scheme; I think there are some misunderstandings about where the scheme stands at the moment. The basic plan of the road system, or the road scheme, has been accepted by this Government and the previous Council for a year or more, and money was voted. Nothing much has changed there except we do have the consultant engineers here at the moment making the first steps. I'd like to make it quite clear that I don't see anybody, any Councillors or anyone in the administration or anyone involved contemplating closing down the Coastal Shipping, there is absolutely no question of that. Coastal Shipping in some form or another will always be required and there are different views on how overland transport might develop in years to come. But there will always be coastal shipping of some sort. The roads are a major capital project; it's one that can be compressed or extended as funds are or are

not available.

The other major one we are considering is the Senior School. I am a little worried at the pessimistic view of some of my fellow Councillors. I think that those who have an interest in this should take steps to make their views known to Councillors. I wouldn't contemplate borrowing money to build the Senior School, but I do think that the money is available in the reserves at this time to build it. If the school is built out of our present reserves then the other capital projects can continue, perhaps on a reduced scale, but without the school occupying the whole lot. If we don't and we maintain those reserves, there will be another town perhaps somewhere in the UK who wants to build a new school and they will borrow the money to do it, and we will be lending it. I suggest that it is in our interests to use that money to build our own school, not to lend it to other people. That's my position on that, and I would like to make that one very clear that I hope to see this project go ahead, it can be looked at, it can be trimmed, I don't believe it need cost as much as the figures which have been bandied around. I would certainly like to see the school and community centre go ahead and I would like to see some roads available to enable the rest of the community to use it as well. Thank you, Sir, I support the Motion.

**The Honourable T J Peck MBE CPM:**

Your Excellency, Honourable Members, I have been listening to comments from my colleagues, particularly about Capital Expenditure. My mandate when I stood for election was that I would be responsible or act responsibly in control of accountability on the way we spend our money, and I still intend to continue along these lines. To date I have not been convinced that the amount of money and - agree with the words used by Councillor Luxton -bandied about by the previous Council, was the right way, and that amount of money is excessive, and I cannot justify that figure, or anywhere near that figure. We do need a Senior School, we will have a new Senior School, but it must be within our economy, we must be able to afford it, not only to build it, but to run it. The recurrent expenditure for the school plus the sports complex, or community centre, as I would like to call it will be extremely high. The figures quoted this morning by our Financial Secretary, to me bear no resemblance to what the actual recurrent expenditure will be. It has not been gone into in depth, it needs support, back up, it will require a small army of staff, not one or two cleaners or a caretaker. The sports complex, or community centre will require skilled people those professional people, who are highly qualified in teaching, gymnastics, physical training, anything along these lines, including the proposed astro-turf sportsfield. You need all these professional people to look after it, to train people, and its very, very expensive. None of this has ever been brought back to this Council, as I said, in depth for us to consider. I will not oppose a new Senior School being built, but I do warn the Community that we are obliged to curb our expenditure to a realistic level. If Illex fish could disappear within the next year or less, we don't know, but we have had warnings about this, and that is the lines that we should be following, not being over-optimistic, nor pessimistic, but just let's be cautious.

On the roads, the Camp Roads Scheme, I am in favour of roads throughout the Islands, but it will be for social benefits solely. The roads are not or will not, I hope, be designed to take juggernauts, landtrains and what have you. That would cost more than all the revenue we have been able to collect over these last few years. I wonder how many people have thought of the social impact upon these small communities when you have a road running through the Camp, calling on a small settlement, of two, just a husband and wife and a couple of small children. If you think about it, if you are going to have roads, you are going to have to police those roads, you are going to have accidents along those roads, you are going to require additional people to police them, you are going to have to set up other centres on West Falkland, which may not be a bad thing, but at the same time it is still going to cost us money. Year by year, it will steadily increase. I think we must look at the social problems that can arise when we build these roads and what form these roads must take, the routes they must follow.

Now to go back to Councillor Mrs Edwards on conservation, which I am very, very concerned about and will express again. The area in the Beauchene Islands is being fished very, very extensively, since the beginning of this season, and it really worries me, and other people, that we are allowing trawling within this area to such a degree. I feel we must stop that now and control it until we have the area properly monitored and we are in a position to say otherwise. Let's stop this foolish fishing near our wildlife areas. On the Japanese 'wall of death', that's the trawls that they put out which extend for mile after mile taking everything within their paths, Greenpeace has made a great effort around New Zealand and other waters, and their Governments have taken the appropriate action to kick them out of those waters. I'm asking that this Government also applies pressure to the Japanese Government through the British Government to take the necessary steps to do the same thing. If we have to we should not licence them in future to fish our waters if they choose to ignore it.

I would like to go back to another very important area to do with old age pensioners. Up to now there has not been a scheme whereby a widow, whose husband dies whilst she is under the age of sixty - if her husband dies when she is 51 she is unable to pay into the old age pension scheme and when she is of pensionable age, she cannot receive any benefits. This has been going on a long time, but during our meetings yesterday I was assured by our Financial Secretary that he and his officers are looking at this particular moment with a view to revising the Old Age Pensions Ordinance, so I shall look forward to viewing this in a very short time, hopefully by this next Budget session.

While talking about old age pensioners we must not lose sight that the old people's home is a must; you talk about building roads and a new school, but you must not lose sight of the fact that we have old people within our community who are in desperate need of an old people's home, and we must make sure that this is one of our priorities during the next financial year. Your Excellency, Honourable Members, I would like to support the motion.

**The Honourable R E Binnie:**

Your Excellency, I would like to rise to support the motion. I would just like to talk on one major subject and that is the new school complex. We have been told that we have to cut our Capital Expenditure from some £18-£19 million down to £8 million, over the next three or four years. The Senior School being the largest capital item, would take seven million next year out of that eight, so this Council within the next month is going to have to make some very important decisions. Several opinions have been bandied around the tables in the last day or two. Do we build the whole complex as it is and borrow from the reserves? Do we build the school without the sports facilities, do we build the school, the sports facilities and leave out the new road, the offices, the caretakers accommodation, and the pavilion? Or do we start again, and get a new design, and then delay it for another two years? Sir, I would like to urge the general public within the next month to contact their Councillors and give them their opinion, because this decision may break the bank. So I urge the public to contact us and let us know what they want for the future.

**The Honourable K S Kilmartin:**

Your Excellency, I wish just to mention two of the major events which are overshadowing the Council at the moment, and of course as the way of things, both of these have been talked about by my colleagues. However, Madrid, we await the outcome of these talks this afternoon, and we hope and we trust that the UK delegation has not in anyway had to weaken its negotiating position with the Argentines. The next important shadow over us is the state of the Falkland Islands economy. As Councillor Binnie has just mentioned, in the next month we have to make some very important decisions about the Capital Programme. Unfortunately the Senior School, because of its size, is in a very vulnerable position, and I hope as all other Councillors do that members of the public will make their feelings known to us as soon as possible. Your Excellency, I support the Motion.

**The Honourable G P Short:**

Your Excellency, Honourable Members, being the last one to speak, nearly, as normal everything has been taken. I go along with what the Honourable Kevin Kilmartin has said about the school and our general economic position. My feeling is, and of course I have to be guided by the general public, so I hope they will bend my ear, but I feel that the school at the moment could well put us up Queer Street. Our economy, I am afraid I take a fairly gloomy outlook on it, and I think keep the same level of expenditure as we have been, we could wake up one day and find we have been living in a fool's paradise with not much left in the reserves, etc, to show for it. But I am very much in the hands of the general public as to what they want. That is what I said on my election speech and I will stick by that. Going back to something the Honourable Norma Edwards has said, I would like to support her and publicly thank Eileen Vidal and all those who have manned the R/T Station and like Councillor Edwards I believe they've gone over and above what their job really expected of them, especially Eileen back in April, May and June

1982.

The Committee which I sit on as a Councillor, is the Apprenticeship Board and at the moment I am very happy with the way our apprenticeship programme is going ahead. However, we have a new sort of person coming into the scenario now who is called the trainee. I believe he is not covered by the Apprenticeship Board, or in fact by anyone in general and it is my worry at the moment that such trainees could, if we had a bad employer, be exploited, something perhaps as is happening in UK now with the YTS scheme in some places. It is something I shall be doing to ferret around and find out exactly how we can safeguard these young people who are being taken on as trainees.

Conservation and the 'Wall of Death', I strongly support Councillor Peck in what he says. We have, I believe, the power in our hands to stop these gentlemen by taking their licences away, or rather not issuing them next year and in fact I will go a step further and say that perhaps we also ought to be putting pressure on the Japanese to stop slaughtering the whale. I believe we could also put pressure on our side and help the efforts of Greenpeace and other people. Sir, I think I have waffled enough, repeated enough, I support the Motion.

**The Honourable the Financial Secretary:**

Thank you, Sir. I have listened with great intent to what the Members have had to say and, if I may just take up one point with the Honourable Member, Councillor Binnie, just the point in terminology really. Members have not been told that they have to cut their capital programme to eight million. It is suggested because this is the most prudent financial course that could be available to Council.

I tried to adopt a realistic view as far as the economy is concerned and am trying to build a climate of opinion whereby the financial prudence will obtain, and primarily value for money is obtained from all Government expenditures. I wish to see the capital programme go on at its maximum pace, but maximum only in terms of the funds which are prudently available to be used and I must stress the importance of the economy holding its reserves to provide the essential services that Government want to provide for the public.

The other point, Sir, which Councillor Peck raised, the Pensions Ordinance, this is underway at the moment and it is certainly hoped that it will be brought before Members at the Legislative Council session in May. Sir, I support the Motion.

**The Honourable the Chief Executive:**

Your Excellency, I'd like only to comment on the matter of fisheries conservation and to reassure Members that the Falkland Islands Government and the British Government are already some way down the road of petitioning not just the Japanese, but also the Koreans and the Polish Government, concerning voluntary restraint. The drift net fishing on the high seas is a very difficult issue but it is part, I know, of the United Kingdom Government's conservation policy and you can be certain that your

officers, and our supporting officers elsewhere, are fully behind you, and in fact are perhaps just a few steps ahead in trying to achieve an aim that you would regard as acceptable. Thank you, I beg to support the Motion.

**Commander British Forces:**

Your Excellency, I have nothing to say at this particular session of the Legislature. I beg leave to support the Motion.

**The President:**

Honourable Members. Councillor Mrs Edwards and others have raised the question of anxiety about the economy and what we can afford. There will, I am afraid, be some difficult decisions ahead for you, as Honourable Members. I agree that we need to go carefully and with prudence and with adequate thought; given that we do I think all shall be well and we shall avoid any sort of a fall of the kind hinted at by Mrs Edwards, though we might have to go more slowly in some areas than we had hoped.

Points have been raised about fishery conservation generally. I believe as the Chief Executive implies that very considerable attempts are being made to deal with the sort of massive fishery described by Councillors in international fora. It does all point to the need for widely agreed international and enforceable agreements. But I note Councillors views and will ask Her Majesty's Government, through the Foreign and Commonwealth Office, to make representations on our behalf about this sort of fishing. I believe it is your wish that I should do that.

Eileen Vidal and her team have received thanks in this forum before and I think it entirely fitting that they should do so again; I fully endorse those thanks. It has indeed been a most impressive and heartwarming service we have received from her and her team.

On Madrid II, I hope to be able to offer Councillors some briefing this afternoon, as soon as I receive it and I will be getting in touch with your office as soon as I can, and inviting those of you who are around, and free, to come and hear what I can be able to tell you. We seem to have reached the end of our agenda now so the House can stand adjourned. Thank you, very much.

**LEGISLATIVE COUNCIL**

**Questions for Written Answer**

**Question number 15/89 by the Honourable H T Rowlands CBE**

Has Government any plans to mark the occasion of the Tri-Centenary of Captain John Strong's landing on the Falkland Islands on 27 January 1690 ?

**Reply by The Honourable The Chief Executive**

Following research undertaken by Mr John Smith, Curator of the Falkland Islands Museum, the actual landing area used by Captain Strong has been identified as Bold Cove near Port Howard. It seems that the sighting was on the 27th January and the landing two days later. It was on 29th January 1690 that the landing was made and the naming of Falkland Sound (after the then Treasurer of the Navy) took place.

It is planned to produce an appropriate plaque and site it at Bold Cove. In addition efforts are in hand to arrange a Colony Ball under the patronage of His Excellency The Governor to celebrate the event.

**Question number 16/89 by the Honourable H T Rowlands CBE**

Will the Government advise the General Public of the outcome of the hydatid/aluminium survey recently carried out on the population of the Falkland Islands?

**Reply by the Honourable The Chief Executive**

The 1988/89 hydatid survey was an attempt to screen all residents of the Falkland Islands over age 8 for hydatid disease by blood testing. At the same time it was decided, in view of the high aluminium content of the water in the Islands, to measure blood Aluminium levels.

The survey achieved a very high uptake rate with 1,646 people (over 90% of the target population) coming forward for screening at the end of 1988 and the first few months of 1989.

Laboratory testing of the samples was carried out at the Public Health laboratory in Guildford in U.K. and results were collected and confirmed by retesting over several months, final results becoming available here in October/November 1989.

**HYDATID TESTING**

Blood samples were first subjected to a highly sensitive screening test, and those found to give anything but a definite



negative reaction were submitted to a range of more specific tests.

Results are reported as -

POSITIVE - Definite reaction to 3 out of 4 test systems

LOW POSITIVE - Weak reaction in one or more test systems, but NOT indicative of active disease

EQUIVOCAL - Very low level reaction on screening test. NOT SIGNIFICANT but repeat testing advised in one year

NEGATIVE

Out of 1,646 people tested only one was positive. This was in someone known to have suffered from hydatid disease in the past. 17 gave a low positive result; 33 gave an equivocal result.

These 51 people are to have repeat testing carried out in the next few months.

The one positive case has been extensively treated and investigated in the past and is unlikely to need further treatment.

There is no indication at present for any further investigation or treatment of anyone else.

#### ALUMINIUM LEVELS

It was decided to include blood testing for Aluminium levels in the screening for two reasons -

- i) there was some concern expressed a few years ago about possible toxic effects of Aluminium in diet;
- ii) there is a relatively high Aluminium content in the drinking water in the Islands.

The most recent advice from the World Health Organisation is that Aluminium in drinking water is not shown to have any short or long term deleterious effect on health.

Blood Aluminium levels in the population tested are all at low levels and there is therefore no cause for public concern on that front.

A small number of people had Blood Aluminium levels higher than the general population (though still well below any possible toxic level). These few high results are probably due to contamination of the samples and the Medical Department will be repeating the tests on the eight people concerned.

#### Question number 17/89 by The Honourable H T Rowlands CBE

According to the article on Falkland Islands fishing company losses published in the Financial Times of Friday, December 15, 1989 the Attorney General is quoted as saying that the loss arising from the joint ventures will be between £25m to £30m.

Will the Chief Executive advise whether the above mentioned loss is being charged to the Falkland Islands Consolidated Fund, and ensure that full details of the loss, which is borne by the Falkland Islands Government, are published, in particular, the names and amounts applicable to each joint venture scheme?

**Reply by The Honourable The Chief Executive**

I am obliged to my learned colleague the Attorney General for his assistance in responding to your Question 17/89.

The Attorney General was not fully quoted in the statement attributed to him in the Financial Times. He had made the proviso "may come to" before mentioning the figures £25-£30 million.

The sum represents four elements. The total joint venture premium income received by Stanley Fisheries Limited's JV subsidiaries, the grants from the Fisheries Development Fund, funds supplied from Government in respect of Seamount. To be credited against those losses is the expected value of assets passing to Government at the completion of the wind down.

The Consolidated Fund will have been charged with the losses. It is planned that full disclosure of the projects and the profit and loss will be made in respect of each and every joint venture.

**Question number 1/90 by the Honourable H T Rowlands CBE**

Will the Chief Executive advise on any progress made since the last Legislative Council Meeting towards improving the local dental service?

**Reply by The Honourable The Chief Executive**

The establishment for Dental Officers as part of the Medical Services is one. Authority has been given for the recruitment of a locum dentist.

Study of records of dental treatment indicate that treatment of fisheries patients constituted a low percentage of the dentist's work during the period February to June last year. However this was in part due to the fact that the Dental Officer made it known to fishing companies that he was unable to treat more than a bare minimum of patients. The locum will therefore allow an assessment to be made.

There has been an excellent response to the advertisement for a locum dentist, with over 50 applicants. Interviews will take place shortly and it is anticipated that the locum will arrive in the Islands in time for the main fishing season.

The locum appointment will also allow time for future establishment and funding for the Medical Services to be considered. During this same pre-budget period the prospect of employing a dental technician for limited periods in the year will also be assessed, costed and considered for the 1990/91 Estimates.

Question Number 2/90 by the Honourable G P Short:

Does FIG have any plans to put plant on the Green Patch side of Monty Dean's and continue road construction through the winter?

Reply by the Honourable the Chief Executive:

This is an option that will be considered by the Public Works Department. As a matter of careful management PWD are anxious to ensure that they do not isolate plant and materials over the winter through lack of serviceable access. The current aim is to achieve such a route if weather and ground conditions are favourable that will allow road construction to continue during the winter. This of course has to be with the proviso of other priorities limiting PWD effort on this project.

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CONFIRMED THIS 19TH DAY OF MAY 1990:

A handwritten signature in cursive script, appearing to read "Billings". The signature is written in dark ink and is positioned above the printed name "GOVERNOR".

GOVERNOR

*[Faint, illegible text, likely bleed-through from the reverse side of the page]*

CONFIRMED THIS 19TH DAY OF MAY 1990:

A handwritten signature in black ink, appearing to read "Willie L. Taylor". The signature is fluid and cursive, with a large loop at the end.

GOVERNOR

RECORD OF THE MEETING OF THE  
LEGISLATIVE COUNCIL HELD  
BETWEEN 19 & 28 MAY 1990

RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD IN STANLEY BETWEEN 19 MAY AND 28 MAY 1990

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 (19 May only)  
(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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ADDRESS BY HIS EXCELLENCY THE GOVERNOR  
TO THE LEGISLATIVE COUNCIL ON 19 MAY 1990

Honourable Members.

Much has happened on the world stage since I last stood at this lectern. Events in Eastern Europe which, I believe, surprised everyone, have caused major and welcome changes on the European continent and in the way in which the East and the West now view each other. Closer to home, the situation of apparent stalemate between Britain and Argentina has lifted in a manner which is surely indicative of the importance of commonsense in international disputes. These Islands have not been adversely affected by that rapprochement. On the contrary, we hope it will offer us some new economic opportunities in an atmosphere of reduced tension.

Honourable members. I said last year that my first eight months in the Islands had not been dull. The year which has passed has also been anything but that. I will hope in the next few minutes to give you the highlights of Government activity in that period.

There has been a major change in the participants of the budget session this year because of the General Election in October which resulted in eight new Councillors. Once again, we welcome the Commander British Forces to his first budget session, but also sadly record that it will be his last; we shall have to say goodbye to him and Mrs Stevenson in August. The Chief Executive, the Financial Secretary and I, may by now, at our second meeting, almost be classed as old hands. The Attorney General and especially the Clerk of Councils, of course, much more so, but some of our Councillors, too, have previous experience. It will be the last Legislative Council for Mr Peter King who will be greatly missed in that role.

Before reviewing aspects of the work of Government, I should like to pay tribute to those who have had to undertake it. First, the elected Councillors, both of the previous Legislative Council and those with us now. Councillors have taken on an increasingly heavy load of work, much of it detailed. As life gets more complicated, this load is unlikely to decrease. Councillors have the difficult dual role of expressing public opinion and also putting to the public new ideas and concepts.

The Chief Executive, the Financial Secretary and the Attorney General are key figures under the public spotlight; they bear heavy responsibility, often inevitably coming between the crossfire of different political or other views. Then there are those at all levels of the administration, the Heads of Department and their staffs who have to carry forward the daily work of Government. There is much of it; and their resources are limited; the way in which it is done affects us all. It is hard for the Government machine to satisfy everyone, but we try and satisfy as many people as we can.

I should like to stress that I welcome regular and easy access by Councillors to government departments and indeed vice versa. This is a small place; it should be easy for people to telephone or call on each other. I do not think we should have a system where every now and then two sides meet as sides and discover all kinds of facts they did not know before. We are all in the same boat, though inevitably there will be different views as to how it should be rowed and exactly where to.

Honourable Members, this being the budget session, it is appropriate to lead with the Treasury under the Financial Secretary, The Honourable John Buckland-James. Revenue for the Financial Year 1988/89 was £41,123,000 compared to £41,685,000 in 1989-90. Government revenues therefore showed an increase of £562,000 over last year. Government expenditure continues inevitably to rise. The increase in 1989/90 over the previous year was £7,382,630. The capital programme expands to provide social and physical infrastructure for the Islands. £12.5 million is the estimate for expenditure during the Financial Year now coming to an end. The swimming pool cost £1.5 million. The telecommunications system, on the way to completion, cost £1.4 million. We spent £1.1 million on electricity supply and £1.3 million on two new Islander aircraft. A small but welcome addition to the reserves of £2.2 million was possible.

For the Financial Year 1990/91, income from the fishery is of course uncertain. Time will tell. The Select Committee in their deliberations will have this uncertainty in mind. It is all the more important that growth in expenditure is controlled to essentials. The major elements of the capital programme ahead of us are the new senior school and camp tracks.

The Department has enjoyed a period of stability with middle and senior staff consolidating their experience. Changes have taken place in junior grades where the newcomers have settled in well. Computerisation has advanced, providing essential information to Heads of Department for expenditure control.

Under computerisation, income tax assessment will be more quickly completed. I am not sure whether that is actually good or bad news for most people. Computerisation will also provide statistical data for financial and economic planning.

The development of a central purchasing system is progressing at the Central Store and it is hoped that the stores buildings will be centralised this year.

One major financial headache is now almost removed. I am relieved to tell you that the Stanley Fisheries withdrawal is in its very last throes. Full details should be available early in the Financial Year. A small mercy in an unsatisfactory affair is that the exercise finally cost us considerably less than anticipated.

Honourable members, from the Treasury it seems logical to proceed to the Department which provides most of our revenue, the Fisheries Department.

## Fisheries Department

The period since 1 July 1989 started very sadly with the tragic deaths in an accident of Mr Alastair Cameron and Captain David Noble. Their skills and experience have been greatly missed. Fortunately, Mr John Barton, was able to take over at the time and was confirmed as Head of the Department in January.

During the year staffing arrangements changed. Most marine and scientific staff were supplied through PDA, all are now employed through FIG. It is fortunate that the majority who were recruited through PDA, transferred and that their skills and experience have been retained.

In August 1989 the Management and Maintenance of FIPASS were taken over by Seafarer Marine Services. This enabled the Department to concentrate on its primary activities. The operation of FIPASS has gone smoothly; there has been the welcome addition too of the Polar cold store which we hope will increase use of that facility.

We are investigating more fully the life cycle of Illex squid and its population structure in the South West Atlantic. The close link with Imperial College for scientific advice has been maintained. Data has been acquired from a larger area of the region, by extensive use of scientific observers outside the zone.

The processing of licence applications was transferred from London to the Department in Stanley. The change was made for the second season involving fewer applications than the first. The operation went well and should result in financial savings.

Conservation has proved a major problem during the last 12 months. The Loligo fishery has been successful although there has been a reduction in fishing effort. Illex continues to be subjected to greater fishing effort than is desirable, as a result mainly of fishing outside conservation zones. To try and reduce the total level of Illex fishing, FIG has negotiated voluntary restraint agreements. These were partially successful, although because of the small stock and low predicted escapement for 1990, we had to close the season early.

The Patrol vessels and the Dornier aircraft have provided admirable service. The Department was reduced to a single patrol vessel for the low season but reverted to two for the high season. Prosecutions have been brought for illegal fishing in both seasons. In addition to routine patrolling of the FICZ, the Dornier has proved useful in monitoring conformity to VRA agreements by flying beyond the zone over the high seas.

Further attention is being given to all possible methods of conservation. Contacts between HMG and other Governments have taken place and will continue. It is hoped that one of the advantages of Madrid II will be cooperation in conservation and management in the South Atlantic between Britain and Argentina.

## Customs and Excise

Another revenue earner, although on a smaller scale, is the Customs and Excise Department. During the year 1,661 vessels were entered and cleared as opposed to 1,559 last year. The revenue collected was: import duty - £342,673 and Harbour Dues £1,135,881, substantial sums. Given the increase in Harbourmaster duties, their complexity, and the requirements of international law, the Harbour Department was separated from the Customs Department. Mr Les Halliday and his staff who coped well with the increasing load now concentrate on customs and excise work. Mr Ray Gorbitt arrived on 9 March as Marine Officer and Harbourmaster.

## Agriculture

The scale of agricultural activity cannot in financial terms match that of fisheries, but agriculture remains, and I am sure will remain, a most substantial and vital element in all our lives. An important event in the sector was the amalgamation of the Lands and Agricultural Department, the Agricultural Research Centre and the agricultural section of the FIDC into a single department, the Department of Agriculture, of which Mr Owen Summers was appointed Head. This was not to reduce costs, but better to use resources available and broaden the Department's activities, especially in agricultural extension.

Agricultural training proved popular with the arrangement of 43 adult courses; two school leavers entered a scheme combining 12 months work experience with a programme of training courses.

Land sub-division and the sale of Port San Carlos featured prominently in the Department's activities; the latter is probably the last sub-division of a large farm for the foreseeable future.

The Veterinary Officer had a busy year with artificial insemination, and brucellosis testing; some 320 ewes were inseminated; 540 are programmed for this year; brucellosis testing kept Mr Armitage in camp over much of the summer; 9,500 tests were carried out.

The research sector had to modify its programme to suit staffing levels. Whitegrass and tussac are the major agronomic projects. Hogg nutrition, the sheep advisory project, the monitoring of goat importation and a minerals nutrition project at Port Stephens are others being carried out.

It is an unfortunate fact Honourable Members that wool sales are now almost at a standstill in the international market for reasons beyond our control, including possibly climatic ones. We shall hope for movement soon. The Government will do what it can to see that new farms in particular are not peralised by this situation. We shall be sorry to lose Mr Ian Dickson in June. He has had a long connection with these Islands and made a major contribution to agricultural research.

## Falkland Islands Development Corporation

The Corporation, with Mr Mike Summers at its head, entered a period of consolidation in which the principal aims were to support existing ventures and the application of good business principles both in-house and in associated enterprises.

This began with the implementation of a computer based management information and budgetary control system to provide monthly reports to Corporation managers. The system has been extended for keeping the accounts of subsidiary companies which already benefit from regular financial information in sales, expenditure and stock control.

FIDC adopted a policy early in 1989 of reacting to demand for assistance and funding rather than generating development; this reduced expenditure to a level consistent with the capacity of local resources for new ventures.

In cooperation with the Department of Agriculture, over 60 applications for five-year development plans were approved under the Agricultural Grants Scheme. Most farmers are taking advantage of this. Training and farm business management were given a high profile with the appointment of two full time agricultural trainees, and a substantial programme of adult training. A set of Farm Account books and a Farm Management Handbook were produced and have proved useful. In agricultural diversification, Poultry Products Ltd, started egg production in November 1989. A new dairy at Port Howard, has been successful. Both these projects demonstrate that there is a market in the Falklands for home grown agricultural products. The same message is clear from new vegetable growing projects which will receive greater attention.

Stanley Growers Ltd had a successful season with substantial sales to Mount Pleasant and visiting ships, as well as to Stanley. Plans for expansion outside are expected to produce a range of vegetable crops for sale in Stanley next spring and summer. Trials continue, funded by the Trust in the production of liquid fertiliser from kelp.

Problems at the Falkland Mill with quality of yarn and product marketing have received attention; the Corporation is working to make the Mill into a more cost-effective cottage-style industry to support local knitwear businesses. A technical appraisal of equipment will soon be complete; a new Textile Association has been formed to review Falklands designs and make recommendations on quality control.

The salmon farm at Fox Bay, has completed its pilot stage and is to be dismantled with the mature salmon being sold locally. The results will be distributed to possible investors; the establishment of a full scale salmon farm now depends on overseas investment interest. Salmon can be reared in Falkland waters.

Several new projects have been launched, four of them in co-financing with the owners and the Standard Chartered Bank. Other activities include the hire purchase of a peat-cutting machine, extension to Lookout Industrial Estate and the installation of renewable energy generating systems at Sea Lion Island and Port Howard. Thirteen more enterprise grants were approved this year.

Tourism has enjoyed a good year with 1,000 visitors, including local tourists, a 65% increase on last year and five times the number in our first full year in 1987/88. A more gradual increase is expected until regular airlinks may be established with Chile, or elsewhere, when greater numbers would be available, particularly then from the USA. Revenue from tourism is expected to exceed £1 million in the 1991/92 season.

Overseas marketing activities have been rationalised, the agency in York being replaced by a representative, Miss Victoria Poland, in the FIG office in London. This gives FIT greater control of marketing and promotion and will save £25,000 a year. Ground handling activities here have been privatised through Stanley Services. Falkland Islands Tourism will act more as a National Tourist Board, less as a tour operator.

The Corporation Board has recently approved revisions to the management structure of the Corporation under which the Corporation would be directly accountable to the Government but free to act in the flexible and entrepreneurial style essential to commercial development. These proposals have yet to be approved by Executive Council and the ODA, who will fund the Corporation until April 1992.

Mr Bill Somerville will be leaving the Corporation for personal reasons at the end of July. We thank him for what he has achieved in his time here.

#### Education Department

This has been a busy and satisfactory year for Mrs Rendell and her staff. The Education Ordinance, after discussion by staff and parents, went before the Legislature in June. The bulk of the legislation became law in January 1990. The newly structured Education Board was appointed in November 1989; the appointment of School Manager Committees is in progress.

After 18 months of planning the new senior school design was approved by Executive Council in August. Tenders are being considered by contractors. It is hoped that the project will be completed by mid-1992, providing much needed additional subject space, sports facilities for use by the community, and an uplift to the whole area.

The completion of the Junior School extension in March has greatly improved what had been very difficult working conditions. It includes an assembly hall and two large classrooms; the previous hall is now a library and a small classroom.

Both the Senior and Infant-Junior schools have enjoyed consistent staffing and committed, imaginative leadership. I am delighted to hear that Dr Burgess is staying on as Senior School Headmaster. In-service training by visiting educationalists and resident staff has been developed. Teachers in both schools are putting much effort into preparing curricula in subjects tailored for the Islands, as well as maintaining standards sought in the United Kingdom.



From this year, the GCSE "O" level coursework will not begin until Year Four, so pupils will sit the final examinations at the end of Year Five. Our pupils were at a disadvantage in sitting a 16 plus exam at 15. For those wishing to leave school at 15, Basic Skills tests are available; Records of Achievement are being introduced for school-leavers.

Education in Camp had to respond to further subdivision, young children being scattered more widely and settlement school populations declining.

There were shortages of travelling teachers in 1989, but teachers coped well and interest from New Zealand has continued. We had a full staff at the start of 1990. Two-metre radio communication remains the medium for lessons and this can be trying for busy parents. Daily contact and commitment by families and staff are obviously vital. The results however are encouraging. The majority of Camp children now come to Stanley, achieving good results at secondary level. Much constructive in-service training has gone on, with emphasis on computer use.

The School Hostel accommodated 47 pupils from Camp throughout 1989, but numbers are declining; the new year began with 36 boarders.

Staff held meetings in December and during the summer holidays to evaluate their work and see how the facility could be improved. A restructure of staffing is in progress. Better use will be made of the grounds around Stanley House. Morale there has now improved.

In further education a wide ranging programme of evening classes continued into a second year. Apprenticeship classes have consolidated; the Department is most grateful to staff members who run these classes after a day's teaching. More correspondence and distance learning material is becoming available as the Further Education Officer establishes links with colleges; a number of courses have been started by residents in Stanley and in Camp.

Community morale received a tremendous boost with the opening of the Stanley pool on 13 November. Staff training has gone well, and local staff offer a high standard of safety and supervision. Much work went into the official opening by Mr David Wilkie, Olympic swimming medalist, in February; the Pool has proved very popular.

#### Posts and Telecommunications Department

Mr Stephenson, who heads the Department, has reported dissatisfaction at the time sea mail takes to arrive in the Falklands. Efforts are being made to remedy this. There has also been a problem with the air mail up to 2 kilos packet rate. Too often, these are paid for air mail but delivered by sea. Lack of knowledge in United Kingdom post offices appears to be the problem. There is still no airmail parcel service, though we press for it periodically. Space and weight in aircraft are the problem. New postage rates were introduced in January 1990, the first rise since April 1986.

Revenue from philatelic sales has remained low but there are signs of an upturn. Four commemorative sets were issued. "Sports", "Battles", "Sanctuaries", and "Spitfires". We hope the latter will encourage others to realise the effort these Islands put into the Allied cause in World War Two. A larger computer is proving its worth.

The bureau exhibited at Alexandra Palace, London in May this year to boost sales and publicity.

In telecommunications, a year of success and disappointment. The new telephone system is mainly installed throughout town and Camp, but snags have cropped up, especially in Camp. These, it is hoped, will be overcome soon. Rates of utilisation are already high. The service is proving a great boon and I am sure it will be an excellent one.

The old telephone exchange is to be used by the EOD. The staff are now dispersed after maintaining an excellent service for many years. The R/T studio will continue until the end of September; here too the staff have done a fine job for a long time, as have the maintenance team of the telecommunications section.

Problems have occurred with frequencies in the VHF and certain short wave bands, particularly with so many fishing companies on the air. Government, with the help of technical advice, is formulating new regulations which should assist.

#### The Media

The Penguin News has been resurrected during the year under Mr James Stevens. It is good to have our newspaper back and appearing regularly.

#### Falkland Islands Broadcasting Station

With valuable engineering assistance from BFBS, FIBS under Mr Patrick Watts, managed to fulfill its designated contribution to the 24 hour broadcasting service within the Islands.

£100,000 has been allocated from the capital programme for the refurbishment of the studio in 1990/91. It is remarkable that the station manages to do what it does with the ancient equipment it has. New equipment and better surroundings will greatly enhance production. FIBS work often requires long hours and weekend working. The station serves the Islands well.

#### The Media Trust

This came into operation this year. It is designed to ensure that the Islands get the sort of press and broadcasting they want. It is not intended to have editorial or programme control but to offer advice and to guide. Members of the public who have suggestions or views on the media should not hesitate to put them to the Trust.

## Civil Aviation Department

The refurbishment of Stanley Airport is nearly complete. Fencing material for the perimeter has arrived; a contract for its erection will soon be placed.

The DCA, Mr Gerald Cheek, and staff moved back into the terminal building in February following the arrival of the long awaited radio equipment. Plans are in hand for additional aids which include a Locator Beacon and Approach and Runway Lighting to be installed later in the year.

As a further improvement, a cross runway is essential; funds have been allocated for this in the Capital Budget for 1990/91.

Aircraft movements for the twelve month period May 1989 to April 1990 inclusive totalled 2089, an increase of 18% over the previous twelve months. The number of passengers using the airport for the same period was 6,743, an increase of some 14%.

It was pleasing to see the Chilean DAP Twin Otter aircraft visiting Stanley Airport on three occasions during April. We shall hope for continuing links in future.

The siting of two new airstrips, one at Dunbar and one at Saunders Island have been decided; work is in hand at both sites.

Improvements to airstrips at other settlements have been and are being undertaken, but much remains to be done to bring Camp airstrips up to a more acceptable standard.

An inspection of FIGAS operations was carried out by the UK CAA earlier in the year. Their report was very encouraging.

## FIGAS

The year started badly with the departure of three local pilots but we managed, not without considerable difficulty, to recruit two overseas pilots on locum or long term contracts and so partly to fill the gap. FIGAS were able, with one more local and one more overseas pilot, to operate effectively during their busiest summer to date. Although one aircraft was lost to long term maintenance, FIGAS resumed weekend operations in early December.

The long term training of FIGAS staff goes ahead with three students on Commercial Pilot courses and two students training as Licenced Engineers. All being well, we shall have a full complement of Pilots and Engineers by the end of 1991.

Islander VP-FBF was successfully sold for \$180,000.00 to Air Madeleine of Quebec.

Delivery of the two Maritime Islanders is expected in early and mid June. Meetings with the Fisheries Department have resulted in a better understanding of what is required and gradual handover is well underway. Short but successful training flights have been undertaken using our standard Islander aircraft.

We shall be sorry to lose Peter Milner as General Manager. The

CAA Report on FIGAS to which I referred singled out his contribution to the airline. With his departure at the end of May, Mr Vernon Steen, who has been promoted from Chief Engineer, will take over as General Manager. He brings with him 14 years of FIGAS experience and I am sure FIGAS will do well in his care.

#### Falkland Islands Government Office - London

The move from the Falkland Islands Government's old office at Tufton Street to Falkland House was completed for the opening on 15 November. A leaking gas main unfortunately caused the cancellation at the last minute of the ceremony, at which HRH The Duchess of York was to preside. I am happy to say that British Gas have reimbursed us with the cost of the reception.

Staffing levels were enhanced during the year by the recruitment of Miss Diane Cheek and the arrival of Miss Carol Morrison.

Mr Lewis Clifton completes his tour in London towards the end of June. Miss Sukey Cameron has been selected to succeed him in an acting capacity. I should like to pay tribute to the admirable work undertaken by Mr Clifton. He has gained the confidence of many in Parliament, in the media and elsewhere and has worked tirelessly and with great success to promote the Islands in Britain. I am sure we all wish him well in his forthcoming academic pursuits and will hope to see him play a prominent role in Island affairs thereafter. We wish Miss Cameron well in taking over at Falkland House and assure her of support from this end. The job there is a crucial one.

Media interest reached a high pitch over the talks between Britain and Argentina. This meant that those consulted had to be constantly on their toes, but provided valuable opportunities for promoting the Island point of view. The Islands received their second sponsored MP visit in February. We have also received in the year two groups of MOD sponsored Parliamentarians. I can hardly stress enough the importance of such visits and those by Ministers. We have been fortunate in receiving two of the latter this year, the Secretary of State for Defence, Mr Tom King and the FCO Minister responsible for the Falklands, Mr Tim Sainsbury. As time passes there is inevitably a lack of knowledge in the UK about these Islands; there are misconceptions. We have to seize every opportunity to correct these. Most of our visitors do go away with a new and favourable outlook on the Falkland Islands.

In this context, I should mention the worthwhile publicity we have almost invariably received from the visits by journalists and TV teams from so many countries, Italy, Spain, Ecuador, Brazil, to name a few. They have been worth the trouble we have taken.

The Islands were promoted at the Labour and Conservative Party Conferences both of which former Councillor Robin Lee attended. Attendance by one or more elected representatives should be a standard feature, I think, at these events.

Throughout the year the London Representative has been involved with the various supporters groups; the Falkland Islands

Association; the South West Atlantic Group; the United Kingdom Falkland Islands Trust and the Falkland Islands Appeal. The opening of the swimming pool which two Appeal Trustees attended, enabled the Appeal to close its book after seven years financial and material support.

Four Councillors have visited London on familiarisation and working trips recently. I hope these will have provided welcome experience of and insight into institutions in Britain.

Day to day, FIGO assists many FIG departments on many issues. Falkland House provides a venue for Voluntary Restraint negotiations, press conferences and receptions, and welcomes MPs and diplomats. Mr Sainsbury visited in April. Its very location provides useful publicity. The flag flying from the mast leaves no doubt that the Falkland Islands have their place in London.

### Public Works Department

The Public Works Department has had another busy year as usual with progress in a wide range of activities.

The routine tasks of supplying water, electricity municipal cleaning, refuse and sewage disposal, house and building maintenance, cargo maintenance, cemetery and funeral duties, and the production of Falkland Islands crushed rock products absorbed much of the Department's town based workforce.

Several major new works projects were undertaken. To name a few:-

- 1) The Estancia Track. This was extended towards Green Patch beyond the top of Green Hill. I have used it a number of times and know the difference it makes.
- 2) Services were extended to housing developments at the Beaver Hangar area of West Stanley and South East Stanley.
- 3) The new asphalt plant was installed and commissioned; several roads were paved, overlain or constructed using bitumac materials.

The Department engaged and briefed Consulting Engineers, Architects and Contractors for such schemes as:-

- 1) New stores and offices for FIGAS at Stanley Airport.
- 2) Extension to the Junior School.
- 3) Refurbishment of Ross Roads East and West and improvements to the Moody Brook Road.
- 4) Completion of the Stanley Swimming Pool.

Work on other schemes now in progress includes:

- 1) The reconstruction of John Street.
- 2) The supply of mains electricity to Stanley Airport.

### 3) The landscaping of public areas in Stanley.

The Department's workforce has remained fairly steady with approximately 110 hourly paid workers of whom 16 are Apprentices or under other training, and 20 St Helenian contract labourers.

I know that the PWD is traditionally a Department which, as in most countries, people love to have a go at, but they do have more to do than most people realise, which is one reason for reading out the above list, that and the fact that their work affects so many people. We shall miss the good humoured expertise of Mr Charles Carter when he leaves early in 1991.

### Fire Service

We are well served by the Fire Service under the leadership of Mr Marvin Clarke. It does, of course, depend on volunteers for its effectiveness, and we are lucky to have them. The past year has seen improvements in methods and tactics used to fight fire; and the service has drawn on past experience. My wife and I had cause to be grateful for their efficiency when there was a substantial gorse fire behind Government House some weeks back.

### Police

The crime rate in the Islands rises, much of it drink related. The main offences are theft and associated offences, vandalism and drink affected driving. Fortunately, we have little worry about violent crime, mugging and some of the other ills of larger societies, but crime here is still real enough. I know that there are those who consider police methods over-enthusiastic, though for every complainant about police procedure, there is usually someone else asking why the police are not doing more.

To improve relations between police and public and for general administrative purposes a Police Advisory Committee has been set up. This has held its first meeting. The Chief Police Officer, Superintendent Ken Greenland, and the committee are anxious that any complaint against the police is promptly and fully investigated. There is a procedure for this. Anyone who has a complaint should use it.

The question of public disquiet was one of a number addressed by Mr Dinsdale the Deputy Inspector General of Dependent Territories Police in the foreign and Commonwealth Office during his recent inspection of the force. His report is awaited.

In terms of achievement, 1989 was a successful year. The number of cases investigated was 391 and the detection rate of 71% higher than previously. The technical complexity of some of the cases brought to a successful conclusion justified the force's training policy and professional competence.

Honourable Members, I believe we have a competent and effective police force doing a difficult and comprehensive job. I certainly do not deny that there are, as with most police forces, problems. The work of the policeman is never easy. He has work to do which others in society do not wish to handle, but wish to have done. Every offence for which there

was a prosecution last year and the year before was an offence under a locally made law. I hope that the report by Mr Dinsdale, the work of the Advisory Committee and the twinning arrangement between the Falkland Islands police force and the Devon and Cornwall Constabulary, which we hope soon to set up, will help us to get things right. The Devon and Cornwall Constabulary has geographical features not unlike our own, in Devon, with moorland, coast and small villages. Their response to our approaches has been encouraging.

#### FIDF

The Force, under Major Brian Summers, participates in all major military exercises within the Islands, and recently had an active two days during Exercise Cape Petrel, successfully defending Stanley Airport against a helicopter assault and then flying to Mount Pleasant to reinforce the Resident Infantry Company in an attack.

The FIDF came third in the March and Shoot Competition held at Mount Pleasant last December and will host the next competition in Stanley in early June.

The new Rifle Range at Rookery Bay is almost ready; target shooting should begin in the spring.

A new PSI has been recruited and should arrive in the Islands in June. The Commander British Forces has kindly offered greater involvement with and help from MPA; this will be invaluable.

On the negative side we are just about to enter another winter without heating in the Drill Hall which will be a limiting factor on the training.

#### Medical Department

Honourable Members, a department of particular interest to all of us is the Medical Department. The year has been one of unprecedented activity for the department under Dr Hamilton. There has been an increase in the number of patients seen and treated, and the range of activities undertaken.

During the past year 5,132 out patients were seen - 7.7% more than the previous year. Admissions to the hospital increased by 2%, from 809 to 825; an increase in the length of stay for in-patients meant that bed occupancy increased by 8.7%. There has been a large amount of intensive care work which has at times stretched the capacity of the nursing staff, but they have risen to the task. The increase in patients attending the Accident and Emergency Department has been even greater at 1855 compared with 1309 - an increase of 42%.

In 1989 27 pregnancies progressed to term. 21 were delivered at the KEMH (78% - a higher proportion, I am told, than in areas of New Zealand and Canada with similar medical facilities).

Work done to computerise Medical records has already proved useful in providing an age/sex register to help with work with children and the elderly. Once completed, in about a year, it

will enable us to set up a co-ordinated preventative medicine programme with cervical smear and immunisation call-up, recall, and the regular follow up of patients with various medical conditions.

Our new Health Visitor has started regular health checks on the schoolchildren as part of a School Medical Service which will involve Medical examinations by doctors at specific ages and immunisations against Tetanus, and German Measles for the girls. All aspects of health promotion are in her remit; an aspect of this has been the recent "No Smoking Day" activities as well as a series of classes in the Senior School.

There have been First Aid lectures in Camp and to the FIDE, the Police and the Girl Guides. Visits to the hospital from the Junior School go down well and encourage the school's health education programme.

We now have a "Well Woman" clinic which is proving popular.

Doctors' visits to Camp have been regularised with a more reliable service and fewer urgent call outs. Camp Medical Chests have been improved.

The possibility of an Old Peoples' Home in Stanley is under active consideration.

Medical specialists in ear, nose and throat surgery and Gynaecology have visited the Islands. Such visits have allowed treatment at KEMH to patients who would have had to go to the UK otherwise; expert advice has been obtained for many patients even with more minor ailments. We hope to organise regular visits by such specialists.

The temporary appointments of a second Dental Officer and a Dental technician have much eased the work of the Dental Department at KEMH.

We thank Mr Trevor Barnes who leaves in June for the work he has put in single handed for the last two years.

### Legislature Department

The main event in that Department's calendar was the General Election on 11 October 1989 when a total of 11 candidates stood for the 4 Stanley seats, and 7 for the 4 seats in Camp. The turn-out on polling day was estimated at 87%, very high by any standard.

Following the election, Councillors agreed that the newly created post of Research Assistant should be filled; Mrs John Barton was appointed in December. Councillors' new office on Ross Road has proved most useful in providing an independent base and central point where Councillors can work and be contacted.

The Legislative Council (Allowances) Ordinance was passed by Council in February. This provided for the payment of allowances to Legislative and Executive Councillors.

There have been three Legislative Council meetings since the last



budget meeting; 23 Bills were passed in 1989. A record of 255 separate memoranda were considered by Executive Council in the year. Nine Executive Council meetings have been held in that period. I should like to allude to the enormous amount of hard work put in by the Attorney General, Mr David Lang, and his staff. The intricacy of legal drafting requires great skill in an ever more complex world.

### Museum

The Museum and Archives, under the care of Mr John Smith, continue to attract local residents, and overseas visitors and media.

Both are closely linked in preserving Island history and in establishing a repository as well as a source for Island information covering an immense field.

There is a growing overseas interest in the often unique items which form the Falkland Islands heritage. We must ensure that these things remain here. The museum helps also to enlighten those newcomers to the Islands who, because so little information has been generally available in the past, have little idea of the depth and importance of our history, or the pride we have in it.

Close working relationships exist with the Committees set up to look after the preservation of our historic sites, buildings and wrecks; also the Falkland Islands Trust and the Falkland Islands Foundation. We need these ties to ensure the preservation of our past in this era of change.

Falkland Islands history is now being taught in both Schools. The bringing of classes to the Museum has transformed what used perhaps to be considered a dull subject into a lively and interesting part of the curriculum.

Often Museum work involves the cooperation and active help of military personnel. This is greatly appreciated by the Museum, and apparently enjoyed by both sides.

The Museum has been fortunate in acquiring exhibits of major importance recently, the most fascinating being the acquisition of a specimen of the long extinct Falklands Warrah on loan from the Museum of Natural History in Brussels. There is another in Stockholm which we are in active pursuit of. We are grateful to Cable and Wireless who funded the purchase of Governor Moore's Commission Document of 1855.

The Museum assisted with the commemoration of the tercentenary of the first landing in the Falklands. This was a project of the Alastair Cameron Memorial Trust which is closely associated with the Museum.

Plans are under way to commemorate anniversaries during 1992 among them being the Centenary of Colony Status, the formation of the Falkland Islands Volunteer Force, the consecration of Christ Church Cathedral, and the 400th anniversary of Captain John Davis' first sighting of the Islands.

Honourable Members, I am coming to the end. Last, but by no means least, I would like to pay tribute to the Commander British Forces, his staff and all who serve in the Forces of the Crown in these Islands or are associated with them from the UK. Our continued existence as the sort of society we want is guaranteed by them. Many have to be far from their homes and families; barrack life under such circumstances is not to everyone's taste, but they carry out their various roles admirably and we feel secure. In addition, they add to our lives in many ways, by their quite prodigious efforts at fund raising; by volunteer work; by help with engineering projects and in sport. All this we appreciate; we are most grateful for it.

And the Tristar. We could not and would not be without this service. It is perhaps too easy to underrate the business of getting an aircraft which may face all kinds of weather and carries mixed civilian and military personnel and mixed loads, some of them required quite urgently and suddenly, from Brize Norton to here and back week in and week out. The service is our lifeline. We are grateful for the efforts of all those who make it work.

Honourable members, it has been a busy year. The work of all departments has been impressive. We have resolved some difficult problems, though there are one or two loose ends remaining. We have taken difficult decisions. Progress has been made. Some of it can be seen in looking around in Stanley and elsewhere, and I am sure that in surveying the Island scene at the end of the coming Financial Year there will be evidence of yet more.

Honourable Members, I wish you well in your forthcoming deliberations. Thank you very much.

## MOTION OF THANKS TO HIS EXCELLENCY ON HIS ADDRESS TO COUNCIL

The Honourable Mrs N Edwards:

Your Excellency, Honourable Members, in rising to reply to your Address, Sir, may I add our thanks to the Commander British Forces for his presence at our Budget session and indeed for his presence at Executive Council every month where he patiently sits through long sessions with us and is always ready to give good advice when asked. It's much appreciated, I am sure I speak for all my colleagues, and I would like to reiterate that we would extend your thanks to the forces under his command at MPA for their continued defence of our Islands, and of course to the Bomb Disposal Unit in Stanley who still do sterling work collecting all the ordnance and keeping the minefield fences in repair.

We certainly have a lot more money to contend with at this budget session than we did at the last budget session I sat on prior to the declaration of the FICZ; I think the budget that year was in the region of six million pounds and in five short years it's leapt into the thirty millions. But we don't seem to have any difficulty spending it! We seem to have, I think, far too ambitious a capital programme and with a declining economy with the fishery in doubt I still feel that we should be putting much more money in reserves and spending less on capital expenditure at the moment, until we are sure of our economic future. There may be oil on the horizon, but we are not sure; we have to wait and see and until we are certain about our economic future I think we should deliberate very carefully what we do with our money and, as I say, look to putting more into reserves and not having such an ambitious capital programme. I don't mean that we should scrap our ideas for the future, but I do think we should tread warily for a while and make sure that we have enough money in our reserves to see us through the bad times which may be ahead.

We are extremely lucky to have the Director of Fisheries that we have. Mr John Barton is a very able man who came into the job suddenly due to Alastair's untimely death and has done a very difficult job very well and it will be no fault of Mr Barton or his staff or his advisors if the fisheries decline. I think we have done all we possibly can to conserve the fisheries in our area but unfortunately fishermen seem intent on taking everything they can get before they'll stop, so I don't really feel that we can look to a vast amount of revenue from particularly the Illex squid in the next few years; I think the fishing revenue will go down quite considerably but, that is my own personal opinion.

It's gratifying to know that FIGAS will soon undertake the aerial surveillance of the Zone and I am sure they'll prove their worth in this new field and I would wish them all the best in their new endeavours.

You mentioned sheep farming, Sir. It is going through a difficult period at present and it is hoped the wool prices will increase before too long but if they don't Government will indeed have to help the sheep farming community over the bad times in every possible way we can until wool prices increase. The new farm subdivisions will be particularly hard hit by this depression in the wool market and may well need all the help they can get at the present time.

We have four doctors and one vet and the number of small animals in Stanley alone has increased a great deal; he has a very busy time. If you want the vet he's usually in Camp, if you happen to be in Stanley he's in Camp and if you're in Camp he's usually in Stanley, so it's very difficult to get hold of him and I know it would make his workload I'm sure a whole lot easier if we had two vets: one mainly for scientific research work and one for the every day small animal surgery and regular farm work. I would think he can never be off duty, he must be on call the whole time, so that's another good reason, I think, for having two vets.

To touch briefly on FIDC, I'm pleased to hear that they hope to continue the Agricultural Grant Scheme. It's very welcome and I believe very necessary for the development of the farms, particularly the subdivisions. Fox Bay Mill, I hope they will come up with a good answer to ensure that it eventually gets all its problems sorted out and it begins to be a money earner rather than a money loser. And may I just say at this point that the four people who are running the Mill at the moment are doing an extremely good job all on their own and they should be congratulated. The yarn has improved immensely of late and the future does look a bit brighter.

It's good to see the Junior School extension finally up. That was planned when I was last on Council, so it's taken a little while to materialise; and I hope that we will be able to go to the official opening on the 23rd, although I suspect we'll be shut up in the Secretariat, so my apologies to the teachers and the children if we can't make it.

Telecommunications: I was surprised and disappointed to find at the last Executive Council that the Microwave system had been accepted on our behalf; I had understood that it would be finally an Exco decision, however, it was signed prior to Exco and I feel that we are now in a position where we've accepted half a system, which I think is wrong; we should have waited until the whole system was properly working before we signed any acceptance deals and I hope that the VHF part of the system is properly working before it's accepted.

I also would like to wish our FIGO Representative, Mr. Lewis Clifton, well for the forthcoming sabbatical year that he's going to do. He's been an excellent representative of the Islands and a great help to Councillors both at home here and when we are in U.K. and he'll be greatly missed, but I'm sure Miss Sukey Cameron will do all in her power to continue Lewis' good work.

PWD have, I think, done quite remarkably well this year, looking around Stanley. It's always the place to knock, as you so rightly said, and they have a very difficult job. But it's good to see Stanley beginning to smarten up. I notice it perhaps more than the Stanley Members because I'm in and out of the place and each time I've come in lately there's always been an improvement, which is very gratifying. The roads are a joy, apart from the traffic, but that comes with good roads I suppose, and it's nice to see some landscaping going on. Hopefully before much longer Fitzroy Road East and Harold Bennett's hill will be sorted out. The residents of Fitzroy Road East and Mr Bennett and his wife and their neighbours have been very long suffering and I would dearly like to see those two roads sorted out certainly before Christmas.

I unfortunately didn't meet Mr Dinsdale, Sir, but I listened to him on FIBS and I have to say that I really didn't feel he'd grasped the fact that we do, I believe, have a rift between the police and the community, a bigger rift than I can ever remember. Perhaps it's partly the public's fault and perhaps it's rather too much heavy policing. I know the public thinks they are over-policed and the Police say that they should have more policemen so obviously there's a bone of contention there. It's a thankless job, I know, but maybe a bit more PR wouldn't go amiss and a bit more understanding on both sides. I hope people will take your advice, Sir, and approach the Police Advisory Committee if they feel they have a valid complaint.

You mentioned the Museum and the historic buildings and the Wrecks Committee - I often wonder whether I've been given these committees because I'm perhaps the oldest one here! No, I think Harold is a little bit older than me. At the moment the Museum is doing extremely well and Mr Smith, with the help of Mr Stammers from the Maritime Museum in Liverpool, who has given us a lot of help in setting up the Museum, is doing a very good job. And the Historic Buildings Committee is really just getting under way and I know some people are a bit apprehensive so I would just like to say, to reassure the public, it is not our intention to slap preservation orders on old buildings or houses but we do feel that we have a need, and indeed it should be a moral obligation to look after our old buildings; we've nothing really ancient but for future generations the Victorian houses and cottages that we live in today will be of great interest and it would be nice to see them handed down to future generations preserved and well looked after. So what we hope to do is try and improve and conserve any building of historic interest if the owners so wish it and we would like to give advice rather than put preservation orders on things just to stop improvements and I am sure if we get together we can do just that.

One or two other small points I'll just mention: the Camp road programme, now I know Mr Luxton is very keen on getting these roads under way. I feel at the moment that we are voting money for a project which we have no idea of the end cost and I would like very much to have all that programme properly sorted out before we are asked for any more money. We've voted some money this year but I would like some idea of what the sum total cost is going to be to this Colony.

Thank you very much, Sir.

**The Honourable W R Luxton:**

Your Excellency, I would like to thank you for your wide ranging review of the year's activities by Government departments. This is our first budget together as a group and we can only be conscious of the really incredible changes that have taken place in the Islands over the lifetime of the last Council. As my Honourable Friend Mrs Edwards mentioned, five years ago, the total revenue of these Islands was less than six million pounds. If one at that time could have been moved forward in time five years, it would be scarcely believable that we now face serious economic problems with revenue at £40 million. However we do. We rely on a very unstable resource for a large proportion of our revenue, and that's the Illex fishery: it's not fully understood

and one day we may face a failure there. Likewise our other main product is almost unsaleable at the moment, at any price. We really have to be very conscious of problems faced by new entrants to the farming community, who have taken on large mortgages and at the moment can't sell their product at any price. There are other problems with that. Many of these farmers are committed to large expenditure, helped by Agricultural Grants on fencing and other improvements. I believe Falkland Farmers are in the process of supplying thousands or tens of thousands of pounds worth of fencing, it's on the way, and these bills will continue to go out and either the farmers, who aren't selling their wool, or Falkland Farmers, are going to have a problem, and I think we shall have to address that problem in the very near future. It really isn't in the interests of the community that any of the smaller farms that we've gone to so much trouble to get under way should go bankrupt.

Another industry has a problem too, which surprises me, and one which for a short time was I believe our biggest revenue earner of all and that's the stamps business. It's disturbing to see in the draft estimates that the Philatelic Bureau is actually budgeting for a loss. I think we really need to look closely at that one.

On the other hand, who would have believed in these Islands five years ago, that FIGAS could be looking at a projected surplus of £600,000 because of the taking over of the surveillance of the FICZ.

I see on the Order Paper we have a question about mail deliveries and this is a subject that I've been keeping a close watch on and I commend the Chief Executive and the Postmaster for their efforts to get an improvement and thank them for keeping me in touch. It seems that the problem is entirely in the UK, not with the shipping or with the Post Office here.

Turning to our senior citizens, I'm glad we look like having an interim solution to the accommodation for old people. It is only an interim and will need to be expanded and in addition during our deliberations I hope Councillors will look very closely at the ludicrous situation where a pension is classed as unearned income. I believe all pensioners have earned their pension and it should be so regarded, and they should be able to expect to enjoy the fruits of their labours and not have it taxed away.

I was sorry to hear Your Excellency refer to Camp tracks, as my Honourable Friend on my left said, it's a project that is dear to my heart; it may seem nitpicking, but I believe it's important to get away from the track concept with its association with four-wheel drive vehicles and loads of de-bogging gear and winches and so on. I believe that rural development depends on roads here, as it does all over the world and I hope we shall see some progress in this financial year, and I believe when the report of the Scott Wilson Kirkpatrick consultants is received Councillor Edwards' queries will be answered. The sums may be large, but one advantage of a road scheme as opposed to a project like the Senior School, is that it can be extended or trimmed if necessary but I would dearly like to see it continue and eventually that we might have the same benefit in Camp of a road system - not the very nice roads that Councillor Edwards talks about in Stanley, but at least something that we can move around on.

In my radio talk at election time I expressed some strong personal views about our level of policing. I was really quite astonished at the level of support that came from all age groups of the community for this view. I regret that I can't wholly agree with Your Excellency's assessment of the situation. Since then I've listened and watched and kept a fairly low profile but I do believe, with many others, that Mr Dinsdale was probably a complete waste of time and was never likely to get to grips with the problems that there are and I believe that this Council will have to try and do so in due course one way or another.

Overall we are in danger of becoming too over-regulated in many other ways. The public are familiar with many of the regulations which may have been imposed and the difficulties that some local businesses have with so-called regulations which have no backing in law at this time and I think they can be assured that Councillors will be looking very critically at any such proposals in the future.

On a smaller matter, I'm sure that Campers will be pleased that the announcements will return to their normal time of 6.30 - I stress "normal" as it's only Stanley that messes around with the clocks and confuses everybody throughout the year. And also on behalf of all Campers I would like to give an ongoing thank you to Eileen Vidal. There have been a number of premature good-byes to Eileen, but I think she may be with us for some time yet and come September when the VHF telephone system is supposed to be ready, even then if you dial 999 and you live in an isolated community, and the phones are out, it's not going to be much good dialling 121 to try and report it. So I think we shall need a back-up in Camp, particularly the isolated communities, until the phone is absolutely 100% reliable, if that can ever be. We have to give that some considerable thought, I think.

Last of all I would like to add my thanks to Major General Paul Stevenson for participating in our Executive Council meetings and participating in the life of the community and ask him to convey to all his people at Mount Pleasant, and wherever they may be under his command, our most sincere thanks for them being here because without them I don't think we will be either. Thank you, Sir.

**The Honourable T J Peck MBE CPM:**

Your Excellency, Honourable Members, in rising to support this Motion of Thanks I would like to mention a number of points arising from your Address.

Following the elections in October last we accepted that Councillors would find themselves extremely busy dealing with Council matters. What we never expected was the number of problems we had inherited. One has only to look down towards FIPASS today. The "Indiana 1": from July 1989 until to-date this ship has cost the local taxpayer within the region of one million pounds subsidy. The final wind-up of Stanley Fisheries may have cost less than was anticipated but it nevertheless cost us dearly. The financial loss in revenue is extremely high. A few companies did very well out of it, at our expense. They are still among us. We as a Council often say "what else is going to crawl out of the wood?". We trust nothing more.

You mentioned earlier on, Sir, about there being sides. Councillors are a united body despite some attempts to divide it. We have no sides. The sides have arisen from within the Administration and heads of department, officers who have not always kept Councillors informed despite repeated requests and demands. Misleading information whether intentional or not is unacceptable.

Fisheries: my concern, although we were always assured and led to believe that the scientific data was satisfactory, this was not so. I learnt when in London that quite often data from the Falkland Islands did not reach Imperial College until a very long time afterwards, in some cases a month. The College were unable to assess accurately the extent of the stock. The reasons for these delays were put at the door of the FCO. Why? We closed this season early; were we right to do so? We've just lost at least 2.2 million pounds in revenue to the Falkland Islands, and we didn't only lose on the financial side, we lost a lot of our prestige. We, as the Falkland Islands Government, had to accept the Imperial College's advice, but if all the information had been available to the College at the earliest opportunity we may not have had to close the season three weeks early, thereby penalising some fishing companies but also at the cost of the Falkland Islands Government's name. The Voluntary Restraint in the real world of fishing folk is a joke. The way in which we patrol our Zone lends itself for trawlers and jiggers to cash in on a very wide, open expanse of water with very little risk of being arrested.

In the Customs and Excise I believe that the Customs need to concentrate more on these duties. My recent attendance in London at the International Drugs Conference made me much more aware of the dangers involved. We cannot, should not, bury our heads in the sand regarding the trafficking of dangerous drugs. We need our Customs officers to be trained fully in this field; not only the Customs officers but certain Police officers as well, and they need to establish contacts with other countries to combat this illegal trade which brings death and corruption. We, because there is an international involvement, especially shipping, are very vulnerable in the Falkland Islands. Avenues have been closed off in many of the Latin American countries but our doors are not fully closed here and they will find avenues and ways to traffic their drugs through these waters as well.

With the recent events in the waters around the Falklands with regard to accidents to ships and vessels, I look at this with a great deal of concern. We must ensure that we do have the safety where these vessels are concerned. We need to review all the shipping activities within our waters with consideration; we do not need to over-react. We have among our local skippers an excellent history of operating and piloting vessels throughout our islands without any serious accidents and this must surely speak for itself.

Under agriculture, I fully support our farming community. But I am not entirely convinced that what we spend and have spent over the many years has brought any really significant advantages to our sheep industry. The bringing together of the IAD and ARC does not prove anything apart from the retention of a number of people. I await the reply to my Honourable Colleague to a Question which he will put to this House later in the meeting.



FIDC: I support most of what FIDC do in promoting and making funds available for new development projects. The policy to react to demand for assistance and funding may have been the wrong decision. My view of a development corporation was or should be to generate energy and enthusiasm, together with training etc., to those who are actively seeking to set up a business or enterprise. One has only to look at the enterprises today; they exist but are far from being exciting or go-ahead projects. They all operate, but what are their returns?

Tourism has finally got under way and has become something real to us all. It has cost a great deal of money, but I believe that has been worthwhile and well spent in most areas. I believe that over the next two years we will have reached a saturation point. We are a small country, for instance Sea Lion Island, to encourage increased numbers of people to visit this island can have a very adverse effect on the wildlife and fauna. This applies to other parts of our islands as well; we have seen what mankind will do to his own environment, we do not have to follow this.

Telecommunications: Councillors were unanimous in not accepting any part of the new installation, having been assured by the overseas consultant that he was to submit his recommendation to Executive Council and it was from Executive Council that a decision would have been made. However once again we were misled, ill-informed, the Micro-system had already been signed, without us being consulted. We, that is the Executive Council members, voiced our displeasure very strongly at the last meeting of Executive Council. To many of my constituents we apparently made no objection. Once again we as Councillors appeared in bad light to our constituents. We have stated that we shall not agree to the Administration accepting any further agreements on our behalf without us being fully consulted and taken to Executive Council for policy decision. We have this duty and we owe it to our constituents whereby we find that a contract has not been fulfilled satisfactorily then we would not accept it until it has been put right.

Your Excellency, you mentioned new appointments. You yourself are very much aware of Councillors' concern about appointments to the Civil Service but I am quite sure many people within our community are not. We as a Council view with the utmost concern the method whereby appointments are being made since November last within our Civil Service. Contracts are being renewed, appointments are being made without any Councillor at any time being consulted and I feel this is very, very disturbing. Already within our Civil Service we have confusion and distrust among officers. This would never have arisen, it had never arisen in the past when Councillors were on appointments boards. The FCO tell us that it's unconstitutional; we as a Council think that is absolute rubbish. As we mentioned at Executive Council, Sir, we are well advanced in forming an Establishments Committee and this we hope to have functioning within a very, very short time to avoid what has been taking place over these latter months will not occur again in the future.

It's been mentioned about the old folks' home, now this is great, as Councillor Luxton has said it is an interim measure and we are awaiting details of a more permanent home for our old people. What I do not want to see happen is for it to become an extension

of the KEMH, by that I mean fully regimented nursing staff: this is not what an old persons' home is about. They must be set in surroundings, be attended to by people, not solely nursing sisters etc.

While I mention the old people's home I would like to mention housing in general. Being the Chairman of the Housing Committee is a very difficult job and quite often one which leaves you lying awake at night for many hours, trying to find a way of how we can avoid upsetting our young people to the extent that they are already threatening to emigrate from our Islands. This cannot be encouraged and should not be so. The most difficult thing for the Housing Committee is the fact that the vast numbers of recruited officers from overseas have a priority over everybody else; now I find looking down my list of those under recruitment, those that are on the list and have been recruited are a staggering amount. More than 50% of our Government housing is occupied by these contract personnel but, as I have said, looking down that list I find that quite a number of these posts under recruitment are questionable. Do we really need them? In quite a number of cases, I do not think so. Hopefully by the end of this month we will be taking over 22 houses from the Housing Corporation. As you will be aware, quite a number of these houses are already occupied by Oriental companies and other fishing companies. We have to address this one without any delay because I believe, I am still in favour of and will continue to push that those people and companies that want to operate within the Falkland Islands should build their own accommodation. We cannot afford to provide them with Government quarters when we have such a vast number of our young and middle-aged people who are in desperate need of being accommodated in housing.

Finally, Sir, I would just like to say that I support Councillor Edwards' and Councillor Luxton's remarks and points which they have mentioned. Thank you, Sir.

#### **The Honourable R E Binnie:**

Your Excellency, Honourable Members, in rising to support the Motion I would like to thank you, Sir, for your Address. Although the entire Council changed last October at the elections, five of the elected members of the present day have had previous experience of the Budget session and if added together I believe would make quite an impressive figure.

The Stanley Fisheries wind-up is taking a long and expensive route which I believe could have been shortened; and cheaper. Although most of the joint venture companies have been or are about to be wound up, there remain a few pieces of dirty linen floating about which this Council has the nasty job of washing.

Moving to the Fisheries Department which, for those who don't know, has no connection with Stanley Fisheries, we all know how important the fishing industry and the revenue it generates is to our economy. Equally important is the conservation of the fish stocks and wildlife. We must not permit other nations to deprive us of our natural resources. A 200 mile EEZ must be forthcoming. Government to government agreements must be reached on the numbers of vessels permitted to fish within the Zone and the controls of the numbers fishing in the South West Atlantic. A

200 mile zone will be a large area to police but police it we must, strongly and effectively. It will be expensive, in this modern world of hi-tech business one is assessed by one's actions. If we are to have a strong and lasting fishing industry then we must be prepared to do the job properly and not cut any corners by reducing the capability to enforce the law around our Islands. The participation of local companies within the fishing industry must be given this Government's fullest support. It is my belief that the monies generated by the Falkland Islands fishing industry must be channelled through local companies. We should set ourselves a target, say, within three years, that at least 75% of all licences should be controlled by Falkland Islands companies. This will not mean cutting out overseas companies completely, but perhaps an incentive for them to form joint companies with local participation therefore utilising their expertise whilst benefiting both local companies and the islands as a whole. A Falkland Islands company will be defined by, I hope, the proposals put forward to Executive Council by the Fisheries Advisory Committee. I would like to see this Committee investigate the reasons for the decline in the reeferage and stevedoring within Berkeley Sound and advise accordingly.

I turn now to the other important industry in our Islands, the sheep farming. We in the Falklands listen to the goings-on elsewhere in the world with little thought of the effect it may have on our islands. Who would have thought that nations the size of Russia and China would be so short of foreign currency they cannot pay for their wool imports. The worldwide decline in the wool market stems from the activities of those two large nations. The injection of Agricultural Grants was intended to be an investment for the future. Any money spent on the land remains, whether it be on grass improvements, fencing or stock improvements. It is money that is spent to improve the agricultural industry. With the present world decline in the wool market Falkland farmers may not be able to meet their proposed commitments, therefore it may be necessary for the grants scheme to be extended until such times as the cash flows within the industry become buoyant. It may even be necessary for Government to assist some farmers during this period. Research into white grass and tussac is, I believe, a move in the right direction. The grasses are native, they have survived and are still thriving. It is the maintenance and improved management of these grasses which will bring benefits to the farming industry. At long last emphasis is being directed at the end product, wool, with the introduction of artificial insemination last year which after years of being requested has finally been introduced.

Sir, rather than repeat what other Members have said, I would just like to associate myself with the comments of Councillor Luxton on the Camp roads scheme, on Mr Dinsdale, and Councillor Peck's comments on the telephone system. Sir, I support the Motion.

**The Honourable K S Kilmartin:**

Your Excellency, you mentioned the Madrid talks and of course there is going to be a General Election in Britain within the next few years. The Falklands are now in a situation somewhat similar to that of twenty years ago. We need the support of friends in Britain, the European Community, the Commonwealth and

the rest of the world, and I hope we will be able to increase this support by the continued public relations programme overseas. The advantage that we have now that we didn't have in the 70s is that we have a viable economy. It hasn't been easy to come to terms with this new economy, at times we've behaved as though we are the richest nation on earth which of course, in per capita terms, we nearly are. We paid rapidly passing entrepreneurs large sums of money on ill-conceived projects. At other times we have continued to behave as though we are a remote, struggling community trying to scratch a precarious living in difficult circumstances. The elderly in the community perhaps have not received the support they should have done over the last few years.

The St Helenian contract workers are housed in thoroughly third world conditions.

The Falkland Islands Government has become more expensive by leaps and bounds. You, Sir, mentioned a jump of seven million pounds in expenditure in one year. What was done for six million pounds is now done with difficulty for nearly 25 million pounds. This increase in expenditure is against the uncomfortable background of the possibility of a life without Illex and the probability of low wool prices for some years. We cannot have everything; we must have clear policies on what the FIG and who the FIG wish to benefit and why. We have to make priorities and we have to make choices. Making these choices in a democratic manner is what the business of government is all about.

Your analogy that we are all in the same boat is appropriate. However, the unfortunate but arguably necessary reality is that we have a two-tier rowing system. The first tier are the residents; the second tier, perhaps just as committed but, in the new parlance, they have to be induced to get in the boat. Some departments are making strenuous efforts to train and promote local residents to the higher positions. This must be continued with greater vigour for the good of the whole community. Your Excellency, you also pointed out that there must be communication and if I continue the analogy, communication between the rowers. It's apparent to me, and I think to the other Councillors, that doors are open wide when it comes to discussing the problems of some ill-conceived project that is now on the rocks. However the doors are not quite so open when it comes to discussing the very large, very expensive establishment of the Falkland Islands Government. I find the opposition of senior members of Government to the Establishments Committee very disturbing and sometimes wonder whether in fact we are in the same boat.

I of course would like to thank the Commander British Forces for the presence of his men in the Falkland Islands and specially at a time when they are missing a European summer and having to endure a Falklands winter which, as is noticed, isn't quite as bad as is made out. Thank you very much.

**The Honourable G M Robson:**

Your Excellency, the last seven months have been an extremely illuminating experience for some of us seated at this Table today. The move from armchair critic to an active part of Government is not easy, to say the least. The changes that have occurred in the last year worldwide are indeed remarkable; events in Europe, and the eastern bloc especially, are having far reaching effects and although those events seem far removed from us their effects will no doubt eventually reach our shores and small ripples on larger shores than ours create tidal waves here. Now that Britain and Argentina have renewed links both commercial and political we must beware of pressure being put on us to do likewise. Argentina still has huge economic and political problems and we must not let ourselves be put into the position of being quietly nudged to any reliance on Argentina, as happened in the 70s. Our links with South America can just as easily rest with Chile and Uruguay, who certainly have no political aspirations in this area.

We've heard much of the word diversification in past years. I feel we need to diversify if the great fishing boom is beginning to slow down. We must look to other areas of revenue if we are to survive economically in a highly competitive world. Oil has been mentioned in this context on more than one occasion and could well be an option open to us. In this context, therefore, it must be sensible to keep pushing for a 200 mile EEZ around our shores. There are many other areas of revenue that can be explored, we should not sit back and hope that something will turn up. And it is within our capabilities to provide services that can be exported; this does not necessarily mean physical goods but facilities such as offshore banking or information such as fisheries and agricultural expertise, which may be marketable. Also, we cannot ignore the fact that for better or worse it is likely that Antarctica will become more accessible and we are in a good position to be a jumping-off point in that direction once again.

I feel we must try to become self sufficient in terms of manpower expertise at all levels. To this end our commitment to education and training must be a priority. To put local people in as many posts as possible should be our ultimate goal and we must give people the opportunities to do this. Investment in education and training is, I believe, investment for the future and the interest reaped will be of immense value.

I would just like to touch on one or two subjects of a more local nature. The PWD always comes in for its share of criticism, some may be justified, some not. I think it's true to say that PWD has been stretched to capacity and beyond for several years and to lump all the services they provide under one heading is perhaps a little unfair. The possibilities of privatising or at least making certain sections of the department self sufficient should be looked at in the interests of both efficiency and cost effectiveness. It is apparent that PWD cannot possibly, with all the will in the world, do everything it is tasked.

I would also like to touch on the FIGO office. I think it works very well and flies the Falkland Islands flag not only physically but metaphorically in numerous ways. I too would like to commend Lewis Clifton and his staff on their sterling work over the last

few years. I wish him success in his academic pursuits and it is hoped that he will return to the Falklands in due course bringing valuable experience and knowledge with him.

Within this budget I feel we must try to make the lot of the old age pensioners a little easier; in this perhaps I have a vested interest in that I hope to become one eventually. It is my fervent hope that we make things better for people who have contributed a lot to the Colony. At present I can only pose questions or suggestions, such as should we be taxing old age pensions? Can we reduce their electricity tariffs, P.O. box rentals, etc. I am sure the revenue that some of these things brings is small but the benefits to an OAP could be very large.

I would also like to record my thanks to the Commander British Forces for the continuing defence. The value of British Forces in the Islands in terms of security cannot be over-rated and should not be taken for granted. The Tristar I think has had some detractors, but I feel it is not such a bad service when you put it in the light of past services that we had a mere ten years ago.

In conclusion, Sir, I feel that this week we must of necessity look at our overall economic situation both in local terms and from a wider viewpoint. We must look outward and not let ourselves be blinded by looking too far inward. Sir, I wish to support the Motion.

**The Honourable H T Rowlands CBE:**

Your Excellency, Honourable Members, in supporting the Motion of Thanks I wish to draw attention to the most unsatisfactory situation relating to the position of General Orders for the Civil Service. The old General Orders, which are used on some occasions, are out of date and new General Orders, which have been in the course of preparation for about five years, are sometimes quoted to various officers. This state of affairs is not providing for what should be the aim of an efficient and contented Civil Service. I have had many representations and very strong ones. I would like this matter to be put in order at the earliest possible time.

I also echo the mention that the deletion of the Councillors' representation on the senior Civil Service appointments boards is completely unsatisfactory. My attention has also been drawn to signs of unemployment; this I have been investigating and I found, much to my surprise, that there are some cases of unemployment. I have already drawn the Administration's attention to this matter in particular cases and will continue as a matter of urgency to investigate the matter further. When there are Falkland Islands candidates suitable to do a job it is quite wrong to employ an overseas contract officer's wife for such a position.

Wearing my medical hat, I was indeed pleased to see the additions to the dental staff and the visits by the specialists; I fully support the proposed regular visits of medical specialists.

The old people's home has already been touched on and I am delighted to have been asked to serve on the working group which is to undertake a study of this matter this coming Thursday.

On the Fisheries Advisory Policy Committee, my colleagues and I have been working very hard on this. As a matter of fact the Honourable Councillor Binnie has been coming in on some occasions six days a week to interview all kinds of people from the fishing industry and at last we've made some progress in formulating a policy. This policy will be conveyed to you, Sir, on Monday. I will not go into any details at this stage.

It is with pleasure that I hear you give praise to the Fire Brigade and the Falkland Islands Defence Force. I admire the volunteers for these two most important bodies. I would like to mention the other desirable organisations such as the various youth organisations and commend the services of their leaders to the community. The small team of Save the Whale campaigners are also to be admired for the attention they are focusing on the need for conservation.

There has already been mention of the roads, in particular Fitzroy Road and King Street, but there are a number of other roads which we must not forget. I am delighted with the progress that was made recently on the roads, the only thing that is disappointing is that on many verges there are heaps of peat mould which with a little effort could be disposed of in a few seconds I would hope that the persons would take note of this.

Recently Councillor Robson and myself asked the public about the future of the Falkland Islands Development Corporation. The representations that have been made to us are quite strong for the continuation of a Falkland Islands Development Corporation; but this must be streamlined. I think it is possibly over-staffed. It should be looked at carefully. The amount of cash also should be limited.

I wish to associate with your mention of the first class performance that the Clerk of this Council, Mr Peter King, has given to us over the years. I recall many years service when I was in the position of Financial Secretary; he was always most helpful and we will sadly miss him and I congratulate him on his promotion.

We are no judges of our performance as Councillors, but any success we may have had must certainly have been influenced by our efficient Research Assistant, Mrs Alison Barton, who robustly insists on seeking accurate information for us.

I support the Motion.

**The Honourable G P Short:**

Your Excellency, Honourable Members, in rising to support the Motion of Thanks I will keep this very low key and brief as I would just be repeating what other Members have said.

This is indeed the Budget session, my first, and, strangely enough, I'm looking forward to it. I think this is perhaps a time for us to get to grips with expenditure etcetera but I shall leave that for now.

Fishing is of course where most of our money comes from. I still have my gloomy outlook on fishing but I do hope I will be proved wrong, although in this context I still believe we must keep pressing for a 200 mile Zone. It will cost us more, as has been said, to police, but it is a bullet we must bite and we will do it. Anything we can do to help in the conservation of stocks must be done.

Telecommunications: I fully support what has been said before about the uptake of the Microwave system, which seems to have been done behind the backs of Councillors. This to me is unacceptable and it does raise the point as to who the Government is. I sincerely hope this does not happen again in the future.

FIGAS: I'm very happy with the operations of FIGAS and certainly welcome Vernon Steen aboard as the new General Manager.

FIGO: I too wish to associate myself with the thanks that have been expressed for all that Lewis has done for us in London. Although I've never been there, from what I've been told by other Honourable Members who have been there and seen how he performs I believe it is above and beyond perhaps the call of duty. Also I do wish to welcome aboard Sukey Cameron who of course has been there for some time. She has a hard act to follow but I'm sure she will.

PWD: I'm rather pleased perhaps that I'm not receiving a skinning. I myself have knocked the department from time to time. I would just like to mention in this context the Estancia Track. I have criticised this but having been out there for a look I can honestly commend the work done by the plant operators etc in pushing this track through. It is not perhaps all that it could and should be but the blame for that must lie with the people who are planning the route, not with the workers.

I am also heartened by Councillor Kilmartin's remarks about the accommodation on FIPASS that the St Helenians have to live in. I, as a Union man, have been saying for ages that it's totally unacceptable and I am glad that fellow Councillors this time are taking notice of these views.

The old persons' home: this, as has been said, is an interim measure but it is something that I am really excited about. I think we should, as the expression is, "go for it", and I believe that it will make a great difference to the old people to be taken out of the hospital and put into, which I hope will be, more pleasant surroundings. Indeed it is a chance for us to perhaps help those who have made it all possible for us to be here today.

I fully concur with the Honourable Mr Robson's views on pensions etc. I believe we should be looking at removing them from the taxation bracket and doing everything we can to make as many concessions to pensioners as we can.



Sir, I haven't really said much but if I went through the list I would only be repeating what has been said before. The last point I would like to make before sitting down is that I too would like to thank Major General Stevenson for all that he has done in Council and also for the defence of our Islands. His help I'm sure has been invaluable and I certainly wish him well in the future. Sir, I wish to support the Motion.

**The Honourable the Financial Secretary:**

Your Excellency, Honourable Members, in rising to support the Motion I thank you, Sir, for the compliments paid to the Treasury staff; the recognition of their efforts will be greatly appreciated. As you mentioned, Sir, the computerisation of our accounting systems has proceeded with very few problems resulting in financial information for the necessary managerial control being produced within a day or so of each month end. This is a very creditable level of efficiency and much to commend the calibre of staff which we have in the Government service.

Financial control is the theme of this session, Sir, and Select Committee will be deliberating in detail the proposals for the next financial year. I welcome those Councillors who have not experienced Select Committee deliberations before; I'm sure they will find it very interesting. Looking across the Table, the expression "gamekeeper turned poacher" keeps flitting through my mind but I'm sure that Councillor Rowlands' wealth of experience will be particularly valuable over the next few days.

I would like to associate myself, Sir, with the compliments paid to both Mr Lewis Clifton and Mr Peter King on their efforts on Government's behalf and also to those comments made to the Major General.

The points that Members have raised, and they have been quite numerous, have been noted and they will receive due consideration and appropriate action will be taken over the next few days. Sir, I wish to support the Motion.

**The Honourable the Chief Executive:**

Your Excellency, Honourable Members. I've taken great note of a number of the matters that Honourable Members have mentioned and I will of course be pursuing those as soon as possible.

This is the first budget of the 90s. We stand at the threshold of the 21st century. In the deliberations of the days ahead Honourable Members will be discussing foundations: not just the financing of foundations for a school, a residential home for the elderly, for houses or for business premises, but the foundation for the future of the Falkland Islands. In recent years much has been done and achieved to repair the physical damage that was brought about by the 1982 conflict. Only those who experienced those days can appreciate the deeper damage that can perhaps never be healed, and those of us who followed need to be aware that we will never fully understand the hurt and unease that those times have imprinted. Still the Falklands' future has to be faced: there is never any going back. Change is bound to happen. The Japanese don't have a word for change, they

translate it as opportunity. Good government must see that the best comes from opportunity. The Falklands must decide and plan ahead. Do we encourage commercial growth? Do we wish to limit change to protect the lifestyle? Do we wish to become protectionists; shall we seek new physical development or shall we concentrate on defending what we have? Whatever the course, it requires a plan. Whatever the plan, it requires a framework to steer the way. Government will provide the framework and the means to carry out the will of the elected Legislature. My belief is that this Council, because of timing, could have an impact on the Falkland future greater than any other. Not only will it continue to respond to issues but it will have the opportunity to produce a blueprint for many years to come. We have reached a stage where life expectancy is greater than ever before. But what is crucial is the quality of that life, and that is largely determined by two things: financial security and environment, and government can influence both of those, and Government is going to have to face very hard decisions on the priorities of one against the other.

The Administration of the Falklands Government, as Your Excellency has generously acknowledged, is well placed for its part in the future; although it is clear that there is no room for satisfaction a strong team approach with growing continuity has been secured. Already 10 of the 16 departments are headed by Falkland folk. Training here and abroad has never had a higher priority and I would wish to see that continue. It is vital that this geographically isolated country looks outwards and that our government, our people, our businesses and our young people are familiar with world issues and that as Your Excellency has touched upon earlier, a strong start on this has been made.

So, this is the springboard year into the 90s and beyond. It is a time for strategic planning. It is a time for seizing the moment, for close commercial contacts with friends in Europe and South America. It is perhaps the last opportunity to conserve the fishery resource that is the lynchpin of our income. It is a time for unity. We are of a scale that division can destroy. It is the moment for unity within Government, unity within the Administration, and unity of purpose within all aspects of life in these Islands so that together each will strive for the benefit of all.

Your Excellency, I warmly support the Motion of Thanks.

**The Commander British Forces:**

Your Excellency, Honourable Members. Military involvement, you'll be well aware, in Government is not the normal practice in the British Commonwealth and therefore I must confess myself to being less than well versed in addressing a Budget Session of this elected Council or any other. Nevertheless, thankfully things down here in the Falkland Islands are different and, Sir, I do warmly wish to associate myself with the thanks to you for your Address. Also if I may thank the Councillors for the kind words which they've made of the commitment of the British Forces down here to the defence of these Islands. I'll return to that later but I must say that that commitment will continue and what I find most gratifying down here is that almost all the people under my command at Mount Pleasant and elsewhere enjoy what they are

doing and realise there's a job to be done and they are getting professional value from it.

I said of course that things down here in the Falkland Islands are different and of course one main reason is the size of the population in the Islands. At Mount Pleasant considerable interest is taken in the affairs of the Islands, particularly by those who spend longer down here than just the four months which the majority of personnel are away from the UK or from Germany. And I think it's perhaps of interest that I might express some of the views as the Islands' affairs are seen from the Mount Pleasant end. I mentioned the fact that we have a small population down here which brings with it of course its own individual problems. We are of course dealing with an economy for which the sources of revenue are apart from the core sources themselves pretty well polarised today around the fishing industry, and although there is national control to a very large extent over the whole of the loligo fishing industry down here, the income is obviously more precariously poised when it comes from the Illex. And we cannot go on regarding, I'm sure, that source of income as reliable and guaranteed at anything like the present rates for years to come. For this reason I fully support efforts to so profile the budget that the capital programme is kept well within what can be assessed as being the likely income from the fisheries and other sources, at the same time building up reserves on which the economy ought to be able to rely in the future. I would opine the decline this year of the Illex fishery is perhaps a salutary lesson. That is not to say, however, that bold moves should not be made with the expenditure of money which is already to hand for the more vital capital programmes which are needed if this country is to up-date itself in line with the twenty-first century. In order to allow this to continue, the development of mineral resources down here must, I believe, surely be positively pursued.

I fully appreciate that many came down to these Islands in order to escape the hassle and pressures of what might loosely be called civilisation in Europe. Nevertheless the events of 1982 have irrevocably turned the fortunes of the Falkland Islands and there can be no going back on a degree of development which will inevitably, and indeed already has, changed the lifestyle of many of you who live down here. Apart from anything else, the presence of a military force which is in excess of the civilian population is bound to have a significant influence, I would suggest, on national events. The requirements for British Forces Falkland Islands to be based at Mount Pleasant, some 35 miles away from Stanley, has of course reduced the imposition of the military here on the national way of life fairly much to a minimum. And similarly, the mountain radar and communications sites, to my mind, are well off the beaten track and cause extremely little trouble to the landlord farmers upon whose land they sit.

There are odd occasions, I regret, when settlement patrols do stray from the straight and narrow guidelines which I give them when they are out in Camp and for that I unreservedly apologise. Nevertheless I am sure that Islanders realise it would be quite impossible to maintain a honed military force such as we have down here entirely within the confines of the Mount Pleasant Complex or Onion Range and if we are to maintain a worthwhile and realistic deterrent down here on the Islands, we must have the

freedom to move around and to exercise. Only on isolated occasions have our patrols or my headquarters received less than polite communications, but I have heard of a few which were vitriolic and those do little to encourage the young men down here that the cause which they seek to defend is worthwhile. Normally, the hospitality and the friendliness shown towards the patrols down here is quite excellent.

Much has been written and much has been said recently, of course, about the Madrid II talks and I hope that the mutual trust which was proposed at those talks will become a permanent feature of South Atlantic life. Most Islanders, but I have honestly to say, not all, appal the thought of any direct communication with the Argentine and that is of course absolutely understandable. However I do believe that the Islands should waste no opportunity to take part in international discussions to explain their attitude and to influence world opinion and this may mean confronting Argentines directly at such meetings. I would suggest this is an ideal opportunity to let the Falklands voice be heard and for the Islands to gain the initiative in areas of mutual interest rather than being reactive in areas of concern, not the least of which of course is the whole question of South Atlantic conservation. I perceive here that the Falkland Islands' efforts to police the FICZ and to gain Voluntary Restraint Agreements are totally unmatched by anyone else. These Islands are the only people who have made that effort. And surely these efforts should continue to ensure that the whole area of the South Atlantic is controlled before we see the squid follow the whale down the proverbial drain.

I'd like now if I might to turn to defence. The commitments of Her Majesty's Government and of the Ministry of Defence to these Islands is of course well documented and the UK forces down here contain sufficient strength to deal with any Argentine threat. On these two counts I am perfectly certain that Islanders may rest content for the foreseeable future. However, after eight years of providing the defence of these Islands, I believe that many in Great Britain, and I am talking about the politicians, the the press, and the general public who are so influenced by the press, will come more and more to see how Islanders are looking after themselves down here. In this connection I look particularly forward to the area of development in defence to the arrival shortly of the new Permanent Staff Instructor who is to come down and work with the Falkland Islands Defence Force. I hope that he will be able to give the guidance, advice and drive so necessary I believe to stimulate enthusiasm and positive participation by a larger number of Islanders than is the case at present in the Defence Force. At present there is a small number of very dedicated people who turn up very regularly and do their stuff. They have first class skills and there's some first class equipment in the Defence Force and there is more to come. What must now be done is to develop that and build the Force up to strength and I acknowledge that this will require a higher than normal commitment to the Force by Islanders than is the case in UK towards regular and reserve forces. However I would also suggest that it needs to be done here if these Islands are to continue the way of life which is held so dearly down here.

On the subject, further, of development, I'd like briefly to touch upon the question of local purchase about which much has been said on the commercial front here in the Islands. In

principle this has very much to commend it and it was one of the early things which I gripped when I came down here. Of course since then the Secretary of State and Minister Sainsbury have also given their support to the idea of local purchase of goods by the military at Mount Pleasant. However even under the forthcoming new management strategy, where I will have a considerable budget control over the money which is spent at Mount Pleasant, which is not actually in effect yet, I shall still not be in a position to pre-guarantee the purchase of goods down here. Rather, if various items are made available to us in large enough quantities at an acceptable standard and at a cheap or cheaper price than we can get them from UK, then I can assure you that BFFI will be well to the fore in purchase interest. So far, I regret, we've not been able to reach these terms. In parallel with this I can express considerable interest in areas of joint development projects where British Forces Falkland Islands and the Falkland Islands Government might come to co-operate to their mutual advantage and the provision of power is one such possibility; I hope others may evolve in the future.

There is, as I've said, a continued commitment of the Forces down here to the defence of these Islands. I'm glad that the performance of the Tristar which to my mind had considerable problems when I arrived down here, has improved considerably over the last few months. This has been because of a re-organisation in the control of the Tristar route down here in the Ministry of Defence, and I think better serviceability of the very small number of aeroplanes which have to maintain this bridge. I'm told that all the aircraft in April arrived within two hours of the scheduled arrival time and that in fact is no mean feat for an aeroplane as old as the C2 which we are flying at the moment over the sort of distances which it has to fly to get here. I hope that satisfactory service will continue.

We've also enjoyed at Mount Pleasant, and I look forward to continuing enjoyment, of the co-operation in a number of areas, particularly with the fishery operations and although the aerial surveillance will move from Mount Pleasant to Stanley when FIGAS take over the Fishops aerial surveillance, I'm sure that the co-operation and mutual benefit which we both gain from that will continue. Similarly, I am more than heartened by the efforts which go on between FIBS and BFBS to provide the broadcasting service here throughout the 24 hours of a day backed up by the television such as it is for a few hours. Similarly, the co-operation and mutual respect in which the two sides of KEMH hold each other means in fact that there are not two sides but one co-ordinated military and civilian nursing staff there which I believe is greatly to the benefit of both yourselves and certainly to us.

And finally I must thank the Islanders as a whole for the hospitality which is shown to members of the British Forces when they are out on their R and R periods in Camp. A significant number of settlement welcome young men to go out there and spend time in their settlements and show them how life really is in the Islands, and similarly many doors are opened here in Stanley, particularly on a Sunday. This is much appreciated out there and apart from the hospitality which is shown to the patrols in Camp to get young men away and allow them to relax for a few days during their time down here is very much valued and very greatly to their benefit. Finally, Sir, life down here I have found to

be varied, stimulating and interesting. My wife and I have thoroughly enjoyed our time down here and we look forward to the weeks ahead continuing in the same way. Sir, I have great pleasure in supporting the Motion.

## CONFIRMATION OF MINUTES

The Minutes of the meeting of Legislative Council held on 15th February 1990 were confirmed without amendment.

## PAPERS LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE

Order No 1/90                      The Crozier Place (Stanley) Provisional Designation Order 1990

Order No 2/90                      The Fishing Licences (Applications and Fees) Regulations Order 1990

Proclamation No 1/90      Imposing Restrictions on the Importation and Exportation of Ivory

Report and Accounts of the Falkland Islands Development Corporation for the half-year ended 30 June 1989.

Falkland Islands Audited Accounts for the year ended 30 June 1989.

## QUESTIONS FOR ORAL ANSWER

### Question Number 10/90 by the Honourable Mrs Norma Edwards:

In view of the tightening up of maritime laws regarding the manning of ferries after the recent ferry disasters, can the Honourable the Chief Executive, explain to Council whether the Falkland Islands will be required to provide a certificated master, certificated officers and a certificated engineer for a ferry between East and West Islands, should the provision of a ferry (which was agreed in principle by the previous Council) be requested by the Transport Committee; and if a certificated captain and officers are required will it not make a ferry between the East and West Islands extremely expensive to run with the end result of yet another highly subsidised form of transport for the Falkland Islands?

### **The Honourable the Chief Executive:**

Your Excellency, I am indebted to my learned Colleague for his co-operation in this answer. The United Kingdom is understood to have amended in recent years its own legislation as to construction of roll-on roll-off vehicle ferries, which also carry passengers, and which have through decks. These amendments flow from a much publicised incident involving a ferry plying between the United Kingdom and Belgium. The United Kingdom Government has asked the Falkland Islands and other Colonies to adopt existing United Kingdom legislation in relation to construction of vessels allowed to be registered here. Whether the construction rules mentioned will apply to the suggested ferry will of course depend upon its size and method of construction and possibly the number of passengers it may be designed to carry. In any case, there are in the United Kingdom, special construction and equipment rules for passenger vessels generally, that is to say, vessels constructed to carry more than

12 passengers; these too we have been asked to adopt. Equally there are existing laws applying in the Falkland Islands, special manning requirements in respect of vessels carrying more than 12 passengers, it may very well be however that exemptions might be granted either under the existing law or any new law from manning requirements in respect of only crossings of Falkland Sound. Crew numbers, apart from qualifications, might be a different matter as crew numbers for safety reasons might have to be related to the maximum number of passengers.

As I see it at this stage a ferry of whatever type and size, regardless of its design, irrespective of its manning, is likely to require a subsidy. It will be for Honourable Members at the appropriate stage to consider whether whatever subsidy is required is justified as a matter of policy. The level of subsidy required will depend amongst other things on the size and type of the vessel, the frequency of the service and what other uses can be made of the vessel. Possibly if the ferry attracts business from FIGAS there maybe a compensating saver by a lower subsidy being required for the air service. All these matters will wish to be carefully considered by Honourable Members who will take this into account, before any contract for the acquisition of a ferry is placed.

**The Honourable W R Luxton:**

Your Excellency, would the Chief Executive agree that there are communities elsewhere in the world, specifically the Scottish Islands and some parts of Norway, the size of West Falklands, shall we say, which are served by daily ferries, have a ferry service which presumably is viable albeit with a subsidy?

**The Honourable the Chief Executive:**

Your Excellency, I do have experience of such ferries in the North of Scotland, and those are indeed subsidised, and a scheme had been developed at one stage by the Highland and Islands Development Corporation that tried to make the cost of moving freight by sea similar to that as moving it by land. This has not received universal approval, and I gather there have been some changes. There is also the view that if people wish to live in a remote part of Scotland then part of the price they have to pay for that are some additional costs, but certainly it is not unusual to find subsidised communications being provided to remote communities.

**The Honourable Mrs N Edwards:**

Would it not be the case, if we end up with a ferry across the sound that we are paying a higher subsidy, not only for the ferry but also for FIGAS and for Coastal Shipping, because some of the trade which now is taken by FIGAS and Coastal Shipping will of course, go overland, not very much of it, not enough to be viable, and we are going to end up with three heavily subsidised forms of transport, instead of two, and I wonder whether we will be able afford it.



**The Honourable the Chief Executive:**

Sir, the quandary that we were in answering the question in the first instance is that the whole thing depends upon a series of answers to facts that we haven't at our disposal, we don't know the size, we don't know the scale. What is certain is that it is going to cost money. The amount of money will depend on what is bought and how often it is used, and how many different uses you put it to. I'm sorry I can't be more helpful at this stage.

**Question Number 11/90 by the Honourable Mrs Norma Edwards:**

Can the Honourable the Chief Executive assure us that with the arrival of the proposed roads around the Islands in the future the provision of proper cattle grids or paso libres and gates in all the fences breached by the roads will be taken into account bearing in mind that most of the cattle grids on the MPA road are set into the road and fill with stones which defeats the object, and the gate which was provided at Estancia had only one hinge. Can we expect a higher standard of cattle grids and gates in the future?

**The Honourable the Chief Executive:**

Your Excellency, I am pleased to report what my colleague the Director of Public Works has advised me that the Consulting Engineers for the Camp Roads Scheme have been instructed to take special care to ensure that proper cattle grids and paso libres are provided in all fences breached by their new road alignment.

**The Honourable R E Binnie:**

Can the Chief Executive assure us that these cattle grids will be installed in advance or at the same time that the road passes the fence line?

**The Honourable the Chief Executive:**

I will give that assurance now, yes sir.

**Question Number 12/90 by the Honourable R E Binnie:**

Your Excellency, what types and quantities of raw meats have been imported from South America in the past three years?

**The Honourable the Chief Executive:**

Your Excellency, imports of raw meats from South America are confined to deboned beef and lamb. Pork and poultry products are prohibited.

During the period whilst the MV 'Indiana 1' was operating between the Falkland Islands and South America, the following deboned meats were declared to the Customs Department for consumption within the Colony:

<u>Year:</u>	<u>Beef:</u>	<u>Lamb:</u>
1989	928 kgs	Nil
1990 (To date)	1,255.7 kgs	Nil

**The Honourable R E Binnie:**

Can the Chief Executive tell us where this meat originated?

**The Honourable the Chief Executive:**

I don't have that information, Sir. It will have come from ports in either Uruguay or Chile, but I don't believe that we could trace it further back than that.

**Question Number 13/90 by the Honourable R E Binnie:**

How much Government money has been spent on self-help schemes on Camp Tracks to date?

**The Honourable the Chief Executive:**

Your Excellency, Falkland Island Government assistance to self-help schemes is as follows:

<u>Year Ending:</u>	<u>£:</u>
June 1987	22,740.86
June 1988	20,336.95
June 1989	45,876.76
1989/90 (to date)	12,253.92

It's normal for expenditure to increase during the winter months of each year and therefore the expenditure in 1989/90 is expected to increase before the thirtieth of June.

**Question Number 14/90 by the Honourable R E Binnie:**

Your Excellency, what is Government planning to do to improve mail services to the Falkland Islands?

**The Honourable the Chief Executive:**

Your Excellency, regrettably the controlling factors in this matter are out of Falkland Island hands. Seamail: this is under close scrutiny in England by the Post Office, following sustained

and documented complaints from these Islands. At the last Legislative Council meeting I reported that two weeks were allowed by the Post Office for mail to move from Birmingham to the Docks. I am pleased to report that this time has now been reduced to two days. The whole issue has been accepted by the Post Office as less than satisfactory, and they appear to be making efforts to improve, and as I get new information I will be very pleased to provide it to Honourable Members.

Recent airmail delays, about which complaints were laid with the Post Office, appear to have coincided with disruption of the transport systems due to what are described as adverse weather conditions in England. Certain areas have been identified as more prone to delay than others and steps are being taken by the Post Office to investigate this. Government will continue to press and monitor for improvement. It happens that recently three small packets, plus postcards, which were posted on the first of May in England were delivered to the addressees here in the Falkland Islands on the fourth of May. I regret that I can't guarantee that that service will be sustained.

**Question Number 15/90 by the Honourable Mrs Norma Edwards:**

Your Excellency, can the Chief Executive tell us when Cable and Wireless intend to complete the installation of the Camp VHF telephone network; part of the system is installed but a number of people are still awaiting connection to the system?

**The Honourable the Chief Executive:**

Your Excellency, I am advised that it is now envisaged by Cable and Wireless that all systems will be installed and acceptable by late September 1990, and provisional arrangements have been made for Mr Measures to return in late September in order to recommend to the Government to accept the system. The cost of this visit will fall to Government.

The fact that Camp are generally making over 1,000 calls per day would appear to suggest that the decision to introduce part of the system was a correct one. Camp so far have not had to pay rental charges as have Stanley subscribers, but only for the calls made. Until the VHF system is fully acceptable it is not envisaged that any charge for rental will be made to those subscribers on that system.

**The Honourable Mrs N Edwards:**

Would it be possible to ask Cable and Wireless if they would inform the people who haven't yet been installed into the system when they are likely to appear to do it? At present they are in a vacuum, they've got their phones delivered, they don't know when they are to expect anybody to do the job, and I would be grateful if Cable and Wireless could inform them.

**The Honourable the Chief Executive:**

I would be happy to do that.

**The Honourable W R Luxton:**

Your Excellency, could the Chief Executive give us an assurance that Mr Measures will not return to the Island until the VHF system is operating and seems to be ready for acceptance?

**The Honourable the Chief Executive:**

Your Excellency, as I understand it, he is our recognised expert, I think we will be advised by Cable and Wireless that the time is appropriate for our auditor, as it were, to come and examine the system. But there is no question that he will get on an aeroplane in September if that is not the right time. His last visit, in fact, was delayed because it was clear that things were not as they had expected to be, and so, yes, I can give that assurance.

**The Honourable K S Kilmartin:**

Your Excellency, could the Chief Executive inform us what steps the Falkland Island Government can take if by late September the VHF system is not working in a satisfactory manner?

**The Honourable the Chief Executive:**

Your Excellency, I believe the only steps that we can take is to withhold our element of funding that is due to the project that will not yet have been paid. But we will continue to use our strong advocacy and encouragement for Cable and Wireless to get it right. It is clearly in their commercial interest for them to get it right, and I can't believe that they will not be using all the influence that they have as purchasers to bring pressure to bear upon the contractors who don't appear to have carried out their work satisfactorily and have produced items of equipment that weren't up to standard.

**The Honourable R E Binnie:**

Would the Chief Executive not consider it unusual that Cable and Wireless should take over the installation of some of these facilities from the contractors?

**The Honourable the Chief Executive:**

Sir, I regret I am not in a position to answer that particular question.

**The President:**

You might like to ask Cable and Wireless that.

**The Honourable K S Kilmartin:**

Your Excellency, could the Chief Executive tell us what percentage of the contract price for the system has already been paid by the Falkland Island Government?

**The Honourable the Chief Executive:**

Sir, I regret I haven't got those specific figures in front of me but I recall reading recently that there is a sum in excess of £100,000 that is still to be paid. But I'll be happy to provide the accurate and detailed figures in due course to Honourable Members.

**The Honourable K S Kilmartin:**

Can I ask the Financial Secretary in that case to estimate what fraction or percentage of £2.8 million, £100,000 pounds is?

**The President:**

How's your mathematics today?

**The Honourable the Financial Secretary:**

Not very strong for once Sir, I'm afraid. Yes, I think the actual figure which we are holding back at the moment is in the region of 117 thousand pounds. We have recently paid over 100 thousand pounds to Cable and Wireless on the part-takeover and this represents in the region of 95% of the total contract price.

**Question Number 16/90 by the Honourable G M Robson:**

Could the Honourable the Chief Executive say whether there are any plans to improve Fitzroy Road between Philomel Street and Hebe Street with a view to making it safer and cleaner over the winter period?

**The Honourable the Chief Executive:**

Your Excellency, it is intended that tenders will be invited for a contract to construct Fitzroy Road from Philomel Street to Hebe Street within the next three months. It is therefore proposed to carry out the minimum maintenance work necessary to achieve safe access before this contract commences.

**Question Number 17/90 by the Honourable G M Robson:**

Could the administration please say how many Falkland Island Government projects were completed during the last financial year and how many have been started but not completed?

**The Honourable the Chief Executive:**

Your Excellency, PWD major projects completed during 1989/90 there were twenty in number. Major projects commenced but not yet completed and perhaps not targeted to be completed are twelve.

**Question Number 18/90 by the Honourable G M Robson:**

Does the Honourable the Chief Executive have any information of possible long or medium term plans for air or sea links with Chile or Uruguay in the immediate future?

**The Honourable the Chief Executive:**

Your Excellency, if I can deal first with Air Links. The Chilean company, Aerovia Dap, is currently making two flights per month to and from the Islands at their own commercial risk. Flights are planned, though not yet confirmed, for June and July, and will continue thereafter subject to demand. The flights are by Twin Otter aircraft with a nominal passenger carrying capacity of 15 persons. Baggage and freight capacity is limited. I am sure Members are aware that the aircraft made a further visit to the Colony yesterday and left this morning.

Initial discussions have taken place with Lan Chile and Ladeco, the two major Chilean airlines, on a low key basis. Both have expressed interest in flights to the Islands but have been anxious not to upset existing commercial arrangements with Argentina. No firm proposal has yet been received from either party.

KLM/Pluna had previously expressed an interest in flights from Uruguay. Having reviewed projections on probable passenger/freight capacity they have concluded that the route would be uneconomic on a regular basis, but that charter flights moving fishing crews could be undertaken on demand.

The British Antarctic Survey have been contacted regarding possible use of their Dash 7 aircraft via Punta Arenas when Rothera becomes operational; they have advised, however, that this is unlikely to be possible before the mid 1990's.

**Sea Links -**

It's rather difficult to answer this question as the sands keep shifting. Following the withdrawal of the 'Indiana' from service, Coastal Shipping has proposed to sail the Forrest to Punta Arenas every 3 - 4 weeks.

All fishing, reeferage and other companies with shipping operations in Falklands waters have been asked to provide services to the mainland. To date only Lavinia have offered an occasional service on their reefer vessels. Hogg Robinson have advised that they have been examining the possibility of the Government freight agency charter vessels calling at Montevideo on the way to and from the Falklands. It appears that there are indications that this is due to commence in July.

Chilean shipping companies with known interest in the Falklands have been contacted, as has the Chamber of Commerce in Punta Arenas, and there was some discussion with visitors from Chile yesterday, concerning ship movements to the Islands.

Some provisional interest has been shown by a Uruguayan company who might provide a service, but this is far from reaching a conclusion.

Offers have been received to charter the 'Indiana' and to run her on the Stanley-Montevideo-Punta Arenas-Stanley route and these are currently under consideration by the owners.

A commercial company has indicated that it wishes to operate a shipping link from the United Kingdom to the Falklands on a regular basis which would also include calls at Montevideo and Punta Arenas. The Government would support such a venture on a commercial basis, but has no plans to provide funds in support of any air or sea link with South America.

**Question Number 19/90 by the Honourable H T Rowlands:**

Will the Honourable the Chief Executive advise on the length of time the Agricultural Research Centre (formerly the GTU) had been in existence prior to its recent amalgamation with the Agricultural Department and what was achieved by the Centre during the period. What is the present annual budget and planned programme of work for the scientific wing of the Agricultural Department for the next few years?

A concise reply in layman's terms would be much appreciated.

**The Honourable the Chief Executive:**

Your Excellency, the Agricultural Research Centre, originally known as the Grasslands Trials Unit has been in existence for fifteen years. It was formed in 1975 and enlarged after 1982. Its aims are to identify, develop and refine methods to achieve greater production of wool by improved flock nutrition, improved sheep handling and management, improve animal health and to quantify the impact of geese on pasture. During that time seven principal reports have been produced. In the area of grasses and grazing, eleven projects were completed. In sheep-husbandry eleven projects were completed. In the veterinary area ten projects were completed. In goose ecology three projects were completed. In economics, one project was completed. Information leaflets and video and radio programmes have been produced. A farm accounting system was constructed and introduced.

In the interests of keeping my reply concise I have refrained from going through the list of all those reports, but I will be very happy to provide those to members. The Department's budget for 1989/90 amounted to 660,000 pounds. The proposed budget for 1990/91 is 730,000 pounds, Sir.

**The Honourable H T Rowlands CBE:**

As the reply is no doubt concise, which I asked for, I think I would change my view now and ask him to expand.

**The Honourable the Chief Executive:**

Sir, I am happy to do that, and I believe that I can expand mostly without moving out of layman's terms.

Principal Reports by the ARC:

Report to the GTU, 1975-79.

A Report of the GTU 1975-79 by C D Kerr on all subjects.

Agricultural Research in the Falkland Islands, produced by J A Ferguson on all subjects, mainly sheep.

Agricultural Research and Development in the Falkland Islands 1969-1986 T H Davies, all subjects but mainly agronomy.

Veterinary Research and Disease Control in the Falkland Islands, 1976-83 by R S Whitley.

The Impact of Sheld-Goose grazing on reseeded pasture in the Falkland Islands, A Douse 1987.

The End of Contract reports of individuals to ODA, which were scientific documents by Maitland, Clemence, Bennison, Davies, Kerr, Carter and Pullan.

A study of the feasibility of running goats in the Falkland Islands to produce cashmere, Clemence 1988.

ARC under Agronomy:

- 1- developed a successful technique for reseeding
- 2- tested grass species and varieties
- 3- composed seed mixtures and tested seed rates for reseeding
- 4- found that no fertilizer is necessary for the establishment of a reseed but that nitrogenous fertilizer is necessary for maintenance
- 5- so far been unable to specify how to establish clover successfully
- 6- demonstrated a relationship between nitrogen applied and grass produced by both reseed and white grass
- 7- found out how that relationship varies during the season
- 8- measured the productivity of a green
- 9- measured the productivity of tussock
- 10- determined the productivity of white grass



- 11- are exploring better utilization of white grass in the Fox Bay experiment
- 12- classified types of green

#### In Sheep Husbandry:

- 13- tested the two pasture system on two farms, and showed that it can result in 30% more lambs weaned
- 14- established that 90% of ewes give birth
- 15- found that the principal losses of lambs occur in the first weeks of life,
- 16- showed that maiden ewes consistently rear fewer lambs than mature ewes
- 17- showed that small ewes are less likely to rear a lamb,
- 18- demonstrated that improved nutrition speeds recovery of body weight by ewes, in late lactation
- 19- revealed the relationship between the size of a lamb at weaning and the chances of survival to first shearing
- 20- revealed the relationship between the size of a lamb at weaning and fleece weight at first and second shearing
- 21- showed that the improved nutrition results in ewes reaching mature body size earlier in life
- 22- postulated a sheep production system based on reseeds for increasing whole farm revenue
- 23- implemented such a system on a farm with a history of low reproductive efficiency with encouraging initial results

#### Veterinary:

- 24- illustrated within a series of trials on nutrition of young sheep that parasitism is a bigger problem than previously thought
- 25- explored the life cycle of different species of parasite
- 26- characterised the epidemiology of parasitism in young sheep
- 27- identified the need for safe wintering pasture for young sheep
- 28- tentative recommendations for controlling parasites in young sheep between weaning and first shearing
- 29- recommended methods for avoiding parasitism on reseeds
- 30- indicated that parasitism may affect the productivity of sheep between 12 and 24 months of age

- 31- monitored annual outbreaks of fly-strike
- 32- investigated minor diseases and deficiencies
- 33- began to establish normality in blood parameters

Goose Ecology:

- 34- established that widespread control of geese is not practical
- 35- estimated the effects of the Upland Goose on a reseed
- 36- postulated goose avoidance measures for farmers creating a reseed

Economics:

- 37- introduced a computer programme to test the impact on a farm economy of introducing a reseed
- 38- produced a series of leaflets giving out recommendations on reseeding techniques
- 39- produced a video on farm and radio programmes
- 40- contributed to successful farm open days
- 41- constructed and introduced a farm accounting system

Thank you, Sir.

**The Honourable H T Rowlands CBE:**

Thank you, Sir. I have one more further question to ask. How many years is it proposed to continue the study of the white grass and tussock?

**The Honourable the Chief Executive:**

I have no specific information on that matter, Sir, but I will be happy to find the answers and provide them to Honourable Members.

**The Honourable R E Binnie:**

Can the Chief Executive tell us, having produced so many reports, how much can be attributed to the increase in wool weights and revenue?

**The Honourable the Chief Executive:**

Your Excellency, when Professor Cunningham was here recently he was continuing to press for a high level scientific budget and an increase of staffing, but he told us at that time, that irrespective of the amount of money that is put into research, it would be unlikely that one could see a ten percent improvement

ever in wool production. That is as specific an answer as I can give to your question, Sir.

**The Honourable R E Binnie:**

Would you not then agree, Sir, that the continuance of such a programme has little chance of any benefit?

**The Honourable the Chief Executive:**

Your Excellency, I am at a great disadvantage here when I am being questioned by farmers who have detailed knowledge of the subject. However as someone who has taken an interest, it would seem to me that as sheep farming is a significant industry in the Colony it would not appear to be sensible not to have a constructive scientific research programme. I think what we have seen in the past eighteen months is a much greater involvement of the farmers in directing and advising the scientific projects and the work of the agricultural department, and I think if we have effective liaison between the Agricultural Committee the end users, ie the farmers, really should be able to come to an arrangement that satisfies both them and the scientists. I would wholly agree that research for research sake is an enormous waste of money, but I think that there must be a good number of applied research projects that farmers would welcome and I think that what is required is detailed liaison between the Agricultural Committee and the Agricultural Department.

**The Honourable Mrs N Edwards:**

Sir, we've had the ARC, in one form or another, for fifteen years. Could we ask them please, in real terms, what the results of their labours have been? The Goose research, for instance took seven years, a seven year programme, and quite honestly, I read every one of those reports and at the end of the day the only thing I learned was how many times a day a goose passes a motion, which I didn't know before, and I have a feeling a lot of these reports have about the same end result. Thank you, Sir.

**The Honourable the Chief Executive:**

Sir, I will give attention to that motion and all the others!

**The President:**

Thank you, you have probably exhausted the ARC I think now.

**Question Number 20/90 by the Honourable H T Rowlands:**

Some major amendments were made to the Income Tax Ordinance following the study of the Income Tax System by Pannell Kerr and Forster in 1987. That study was to be followed by a further study. Will the Financial Secretary advise when this second study is to take place and what sections of the Ordinance, in particular, are to be examined?

**The Honourable the Financial Secretary:**

Thank you, Sir, there is a proposal which will be considered by Select Committee next week, and that is that the second and more detailed phase of the taxation study is now planned to take place in September 1990. The successful tenderer for this phase of the study, will be expected to have a discussion draft completed by the end of October 1990. It is intended that all aspects of Falkland Islands taxation should be examined, but with particular emphasis on encouraging that the tax system be geared towards encouraging investment and stimulating economic incentives.

**The Honourable H T Rowlands CBE:**

Can the Financial Secretary assure me that consideration will be given to separate assessments for husband and wife and that major improvements in the age allowances, and the introduction of a system to provide for a higher age allowance, as the tax payers age advances be considered. For example, standard age allowance for pensioners between 64 and 73, and a higher age allowance for pensioners over the age of 74; and also the introduction of a special relief for investment income in the case of pensioners where the only income is the old age pension and investment income.

**The Honourable the Financial Secretary:**

Certainly, Sir, I am most happy to give that assurance. Later on when I provide the budget speech certain of your requests will have already been dealt with.

**Question Number 21/90 by the Honourable T J Peck MBE CPM:**

Your Excellency, will the Administration state what action is to be taken in respect of Callaghan Road? This roadway has been a source of trouble to property owners in Davis Street for many years. The properties are continuously being flooded by the lack of suitable drainage in Callaghan Road. Rivers of waste cascade through gardens, flooding outbuildings and creating all manner of problems to the residents. As rate payers they have a right to expect urgent action to right this problem.

**The Honourable the Chief Executive:**

Your Excellency, the surface water drainage of Callaghan Road has been affected by the installation of various services over the past three years. Corrective maintenance has been undertaken earlier this financial year, is proceeding at present and, within the financial limitations set by Councillors and bearing in mind other areas of similar problems which also need attention, will continue to be improved.

**The Honourable T J Peck MBE CPM:**

Will the Chief Executive please give an assurance that whenever future housing estates are planned and designed that all surface

drainage etc, will be put into effect before the commencement of development?

**The Honourable the Chief Executive:**

I am happy to give that assurance, Your Excellency.

**Question Number 22/90 by the Honourable T J Peck MBE CPM:**

Will the Honourable the Financial Secretary state what the loss of revenue to FIG will be as a result of the early closure of the Illex fishery season?

**The Honourable the Financial Secretary:**

Yes, Sir. The refund of 9% of the licence fees has been offered to owners of vessels who hold type B licences for the fishing of Illex. These were thereby affected by the early closure. This could result in a total refund of some £1.8 million. It has been indicated that a 9% refund can be expected where vessels do not fish south of 45 degrees south, after leaving the FICZ. The level of refund, if any, for vessels which do fish south of 45 degrees south is still being considered. This arrangement obviously requires close watching, and both the Dornier and the patrol vessels have been deployed to monitor activity outside the FICZ.

**The Honourable T J Peck MBE CPM:**

Will the Financial Secretary state just how frequently these patrols are being carried out?

**The Honourable the Financial Secretary:**

That information, Sir, I do not have available at this time, but I can certainly get it to the Honourable Member within the course of the next day or so.

**The Honourable T J Peck MBE CPM:**

Does the Honourable the Financial Secretary know of any shipping which is in breach of this condition?

**The Honourable the Financial Secretary:**

We have no information to date, Sir, but the situation is being monitored on a daily basis and the necessary action will be taken if such an occurrence does happen.

**Question Number 23/90 by the Honourable G P Short:**

Your Excellency, what revenues have been received by the Falkland Islands Government from the issuing of commercial radio licences?

**The Honourable the Chief Executive:**

Your Excellency, during the Financial year 1989/90 to the end of April 1990 the revenue was £5,906.00.

**The Honourable W R Luxton:**

Could you tell me please, Sir, what stations these were that were licensed?

**The Honourable the Chief Executive:**

This is made up almost entirely of two-metre licence income plus special two-metre licences. A very small amount (£8.00) is due to special ships licences (ie the Monsunen and the Forrest).

**The Honourable W R Luxton:**

What regulations are there governing the use of commercial radio transmitters other than two-metre licences and amateur licences, by fishing companies, etc. And is the Chief Executive aware that these stations are being operated presumably without a licence?

**The Honourable the Chief Executive:**

Your Excellency, it is well known that there are a number of problems associated with the licensing of other commercial users, this is a matter that is receiving attention by the Attorney General's Chambers. The matter is being investigated. Great care has to be taken now about what I say so that we do not prejudice any action that may be in hand. In order to solve some of the problems there is in the telecommunications estimate for 1990-91 an amount of ten thousand pounds to pay for the services of an expert to help formulate new regulations that will govern licensing and general management of telecommunications.

**The Honourable W R Luxton:**

Are there any existing regulations concerning the use of commercial transmitters, and if so have they been applied, and if not what steps are being taken to prevent people using unlicensed and illegal transmitters?

**The Honourable the Chief Executive:**

My understanding, Sir, is that the only legislation that is in place, concerns two-metre sets. There are a number of discrepancies that wouldn't have been accepted elsewhere, but as yet we do not have the appropriate legislation in place to deal with them. That is what will be addressed in due course.

**Question Number 24/90 by the Honourable G P Short:**

Would the Chief Executive say how many senior Government posts are filled by a) Falkland Islanders, and b) Overseas contract

personnel? Would he also say what Government posts are currently being recruited overseas, and which posts currently filled by expatriates will be filled by local residents in the next two or three years?

**The Honourable the Chief Executive:**

Your Excellency, senior Government posts (i.e. G5 or above) those held by:

Falkland Islanders - 49

Contract Personnel - 76 - 47 of those officers are on Falkland Island Government Contracts, 17 are officers on OSAS Contracts, 12 are on FIGO Contracts (ie on local rates with no inducement allowances) nine of these are teachers and three are Police Officers.

It should be noted that with effect from the end of this month only seven Head of Department posts will be held by contract officers that is to say Chief Executive, Financial Secretary, Attorney General, Chief Police Officer, Chief Medical Officer, Director of Public Works, and of course the General Manager of FIGAS will be filled by Mr Steen.

The following Government posts are currently being recruited overseas:

Dental Officer	G7
Medical Officer	G6
Agricultural Economist	G6
Design Engineer	G6
Assistant Design Engineer	G5
2 x Teachers	G4/5
Road Engineer	G4

The Posts currently held by contract officers which, subject to qualifications and availability, will be filled by Islanders or residents within the next two or three years include:

- a - Director of Public Works (G8)
- b - Financial Secretary (S2)
- c - Deputy Lands & Agricultural Officer (G4)
- d - Pilots (G5)
- e - Hospital Engineer (G4)
- f - At least one Teacher (G4/5)

**Question Number 25/90 by the Honourable G P Short:**

Will the Administration say if there is any documented case of HIV virus in the Falkland Islands?

**The Honourable the Chief Executive:**

Your Excellency, I am indebted to my colleague the Chief Medical

Officer for assisting me in preparation of this answer. He would wish it to be understood and appreciated that information relating to the presence of HIV (Human Immunodeficiency Virus) infection in the Falkland Islands is Medical information of a most highly sensitive and confidential nature.

Whilst it is appreciated that there is great concern about the possibility of HIV infection entering the Islands and spreading through the population, it would be improper for the Medical Department to allow it to be known that any such case had occurred. This could only lead to the worst form of speculation and to suspicion falling unjustly on individuals.

Whilst it might be argued that the knowledge that HIV infection was present in the community could lead to a change in sexual behaviour, the nature of the AIDS virus is such that by the time a case was identified, it is likely that the virus had been circulating in the community for at least six months and possibly for 2 - 3 years.

Those concerned with HIV should have already taken note of the campaign and of the leaflets and posters displayed in the hospital and other public places. HIV infection is acquired only through sexual contact or by the injection or transfusion of infected blood. All blood transfused in the Falkland Islands has been screened for HIV. Reducing the number of sexual partners, the use of condoms for safer sex and avoidance of intravenous drug abuse are the best ways to avoid catching HIV.

The prevention of the spread of infectious diseases is the responsibility of the Medical Department, and the public and Honourable Members may be assured that all necessary measures will be taken to prevent the spread of HIV infection from identified cases.

**Question Number 26/90 by the Honourable K S Kilmartin:**

Your Excellency, could the Financial Secretary say how much tax was paid to the Falkland Islands Government by companies involved in the Falklands Fishery in the last year for which figures are available, and could he elaborate on any anomalies and outline any plans to alter the taxation system?

**The Honourable the Financial Secretary:**

The tax paid to the Falkland Islands Government by companies involved in the fishing industry amounted to some 52,000 pounds for the year ended 31st of December 1987, and 117,500 pounds for the year 1988. The assessment and collection of tax for 1989 is presently in mid-process and figures for that year cannot therefore be finalised until later on this year.

The anomalies which you referred to, Sir, possibly could be construed as falling under the 'Taxes (Various Companies) Exemption Order 1988' and during 1987 and 1988 the bulk of the fishing industry business falling within the Falkland Islands tax net was conducted through the Stanley Fisheries Joint Venture system. Although the Joint Venture system ensured that the control and therefore the tax residence of the joint venture



companies fell within the Falkland Islands tax net, the JV companies deriving income by the sponsorship of fishing licences, were granted tax exemption on their income from that source. Consequently the only income arising to these companies that was subject to Falkland Islands tax for the two years in question was income other than that arising from fishing licences, in most cases, bank interest.

Sixteen Joint Venture companies were granted tax exemption, under the 'Taxes (Various Companies) Exemption Order 1988'. The period of exemption was from the date of incorporation to the 31st of December 1988. The expiry of the exemption Order coincided with the dissolution of the Joint Venture system. The amount of fishery related company tax, which could have been assessed had the Joint Venture companies not been granted such tax exemption and if other factors in the equation remained unchanged is approximately 1 million and 42 thousand pounds in respect of 1987, and 2 million and 36 thousand pounds in respect of 1988. In respect of the latter part of the question, Sir, the plans to alter the system will be decided following the tax review at the end of this year.

**The Honourable W R Luxton:**

Would the Financial Secretary be kind enough to let Honourable Members have a copy of that answer?

**The Honourable the Financial Secretary:**

With pleasure, Sir.

**The Honourable K S Kilmartin:**

Your Excellency, I was also confused by that reply but could the Financial Secretary say whether the former partners in the sixteen Joint Ventures that he mentioned now are paying tax if they are involved in the Falklands fishery.

**The Honourable the Financial Secretary:**

Provided they earn sufficient income then, Sir, yes they would.

**Question Number 27/90 by the Honourable K S Kilmartin:**

Your Excellency, could the Financial Secretary say how much is left from the Overseas Development Administration's £31 million pounds? What is it being spent on and when is this money expected to run out?

**The Honourable the Financial Secretary:**

The balance outstanding as of the 1st of April 1990, Sir, is two million, seven hundred and eighty-seven thousand pounds. It is estimated that this will be issued in total by the 31st of March 1992. The allocation of those remaining funds will be two

million, one hundred and eighty-nine thousand to fund FIDC; there's a remaining twenty thousand in connection with the Stanley Water Supply project, and five hundred and seventy-eight thousand is allocated for Technical Co-operation. The total allocation of the full grant of £31 million has been allocated as follows:

To FIDC some £10 million, 9 hundred and 90 thousand.

For the purposes of land transfers £2 million 500 thousand.

Other major capital aid schemes £9 million 964 thousand, and the sum total for technical cooperation is £7.5 million pounds.

**MOTION BY THE HONOURABLE THE CHIEF EXECUTIVE:**

'That this House notes the Report and Accounts for the period 1 January 1989 to 30 June 1989 of the Falkland Islands Development Corporation.'

**The Honourable the Chief Executive:**

Your Excellency, the purpose of this Motion is to give Honourable Members the opportunity to register any comment they may have on the FIDC Annual Report.

The Motion was adopted without debate.

## The Appropriation 1990-1991 Bill 1990.

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

### **The Honourable the Financial Secretary:**

Your Excellency, Honourable Members, it was Mr Micawber as related by Charles Dickens who stated - 'income £1 : expenditure 19/6d, result contentment; income £1 : expenditure £1-0-6d, result misery. I hope to achieve some degree of contentment in this Budget.

In my Budget address this time last year the dark spectre of the Stanley Fisheries withdrawal cast its shadow over the considerations for the use of development funds. That problem is now largely behind us, and this year's Budget can be approached without any such encumbrance.

I have endeavoured to use this Budget to go some way to create a climate for economic development within the Colony. Our economy is based on the vagaries of commodity prices in World markets. Wool prices are currently very much in the doldrums, which is a major impediment to the potential of our emergent businessmen in the Agricultural sector, and also a source of strain even to the established Farmer.

The assessment of our fishing stocks, provided by our scientific advisors, indicates a disturbing trend in the Illex stock that is our main revenue-earner. This, allied to a depressed market price for squid internationally, projects a pessimistic outlook for 1990-1991.

However all is not gloom and doom. The infrastructure development is well set to proceed with a proposed allocation of over £17 million towards major capital schemes.

The Draft Estimates have been provided to give Honourable Members the opportunity of examining the suggested levels of activity of the Departmental Heads. The format of the Estimates follows the pattern of last year in that part I deals with operating revenue and the second part deals with the capital, that is the development of the Revenue and Expenditure.

As a lead in to the details of the 1990-1991 Estimates, I will briefly review the 1989-1990 Financial Year. Greater details have been included in the Budgetary Policy 1990-1991 paper, which was submitted to Executive Council and has been circulated to Honourable Members.

Operating revenue was originally forecast at £38.2 million. The revised Estimate of revenue indicates that some £41.5 million will be received. An increase of £3.5 million, of which £1.0 million was produced from fishing licences, and high interest rates resulted in investment income increasing by £1.7 million.

Operating Expenditure was originally forecast at £25.5 million but the revised Estimates indicate that £30.5 million will in fact be expended. This increase of £5.0 million which was the result of setting up the insurance fund by which Government will carry its own insurance for low-risk sectors. This will save

approximately £0.25 million annually in the provisions of insurance premiums previously paid out to insurance companies.

Our Capital Programme suffered from major slippage against original planning. The Senior School and Camp Roads construction saw progress delayed resulting in an underspend of £2.25 million. Additional expenditure to purchase two Islander Aircraft for the Fisheries Protection Surveillance cost £1.3 million.

The net effect overall of the underspendings will be an increase of £2.2 million being available for the Government's financial reserves at the 30 June 1990. This will place the amount standing in Reserves to some £30.8 million which provides the foundation upon which the 1990/91 Budget is built.

The total Revenue for 1991 on operating account is estimated at some £37.3 million with operating Expenditure of £22.6 million providing a surplus of £14.7 million to fund a Capital Programme (net of Capital Income) of £13.6 million leaving a surplus overall of £1.1 million which could be available for transfer to Reserves.

The Capital Programme, which has been issued to Honourable Members with their papers, has been revised to include a revenue item of £0.5 million which is additional revenue from the European Development Fund for the funding of Agricultural Grants.

The Capital Programme for 1991 is by far the most ambitious ever planned by your Government. In the figure of £17.2 million all sectors of the economy and community will benefit. The Agricultural Sector receives a further injection of £1.0 million through Farm loans and Agricultural grants. Construction of Camp Roads is scheduled to progress by £2.25 million.

The buy-out of the Dornier lease agreement will cost £3.2 million but this expenditure will be offset in part by the proceeds of the sale of the aircraft. The Education sector will receive the major portion of capital expenditure at £5.6 million.

Housing needs will benefit by providing £2.2 million.

The Public Works Department will have £1.6 million towards the improvements in roads, electricity and other public buildings.

The Tenders for the building of the new Senior School will be received on the 8 June 1990. The prices quoted for this major capital project could have a substantial impact on the Capital Programme.

Turning now to Operating Expenditure in more detail, the Estimated Operating Expenditure for 1990/91 amounts to £22.6 million this figure includes a provision for the remnants of the Stanley Fisheries Ltd withdrawal of £1.0 million.

Recurrent operating costs of Government services total £21.6 million compared to the approved Estimate for 1989/90 of £19.0 million thereby an increase of 13.7%.

Included in the increased expenditure are average wage increases

for both hourly and established staff of over 10%. These increases follow the policy of reducing the difference between Expatriate salaries and the salaries of local employed staff.

The new salaries are shown on the second page of the Draft Estimates, and the approved estimates when published will include the approved inducement allowances paid to expatriate officers. To ensure a consistency of conditions of service within the Government Establishment, a major study on gradings of Government Officers is taking place, the outcome of which will be placed before Honourable Members later on this year.

Before leaving the subject of Government Expenditure one salutary statistic emerges. Exclusive of the Fisheries Department costs, the cost of Government Services for 1990/91 amounts to some £16.4 million or £8,197 per head of population.

Included in the figure for Operating Expenditure are the increases in the benefits proposed.

Firstly, I will deal with Pensions, in the first instance, for retired Government Officers, 1990/91 being the year for the Biennial Review.

For Officers who retired before 30 June 1977 an increase in pensions of 30% is proposed.

For Officers who retired between 1 July 1977 and 30 June 1989 an increase of 15% is proposed.

For those Officers awarded pensions after the 1 July 1989 no increase this year is proposed as they received a benefit of the major salary review which was effective in July last year.

It is also recommended to Honourable Members that the Government service pensions should be reviewed annually instead of every two years.

The cost of these proposals will be some £23,483 above the current levels of expenditure.

For Old Age Pensioners it is recommended that Non-Contributory Pensions increase from £57 to £63 for Married Couples; and for Single persons from £41 to £45 per week.

Contributory Old Age pensions will also be increased for a Married Couple by £7 to £73 and for Single Persons by £4 to £47 per week.

The cost of the Contributory Old Age Pension is met from the Old Age Pensions Equalisation Fund. The Actuarial Review by the UK Government Actuary's Department has been carried out and based on the recommendations in that review, to keep the fund solvent it will be necessary to increase the rate of contributions. Contributions will be increased by £1 per week for the Self-Employed; the employers' contribution will be increased by 60p to £6.30, and the employee will pay an additional 40p to bring that contribution to £4.20 per week.

In addition to the increase in contributory rates the Government subsidy is recommended, and included in the Estimates, at £146,000 for this year to be paid into the fund to maintain its value.

Under the Social Welfare heading provision is made for increasing Child Allowance from £33 to £36 and the Single Parent Allowance from £28 to £30.

However it is proposed that any family with a joint income of £20,000 or more should not be entitled to the full Family Allowance. It is proposed that a sliding scale reducing the Allowance by 20% for each £1,000 above the £20,000 per annum is recommended to ensure that the Allowances go to the benefit of the most needy.

On the Income side we are still heavily dependent on the Illex Fishing licences. Total Income from Fisheries licences shows a slight decrease from 70% in the 1989/90 Estimates to 64% for 1990/91, and this figure at this year is £23,695,000. Projections for future years indicate the probability of further decreases from this source.

The other two main sources of income are investment income and taxation. Investment Income is not directly controllable by Government, this being subject to the international financial markets volatility. At the present time we are receiving the benefit of high interest rates in the UK but in the run-up to the next General Election, the projections are that interest rates will decline.

The second major source of income is taxation, both company taxation and personal tax. No changes were made in the rate of taxation in the 1989/90 Budget. With general increases in salaries and wages the increase in total revenue from this source is estimated at £200,000 for 1990/91. Further increases in salaries are anticipated during this coming financial year, therefore in this financial year it is proposed to increase the Earned Income Relief from 10% to 15%. The cost is estimated at £93,000 in lost revenue, which will approximate to the estimated increase in revenue from the taxation of wage and salary awards at the new rates. This change will be effected from 1 January 1991, and will be taken into account in salary and wages negotiations for 1991/92. The estimated cost for the year 1990/91 amounts to some £46,000.

The generation of a larger income base from the economy is of paramount importance. With the withdrawal of Government involvement from direct participation in the commercial sector, eg. Stanley Fisheries and associated companies, the Government can assist in the creation of an economic climate that encourages commercial activity. Financing for commercial investment can be obtained either by utilising company profits retained within the company, or borrowing commercially from the financial institutions. Encouragement must be given to local companies to develop through their own funding. Therefore it is proposed to reduce the rate of tax on profits retained within the company from 35% to 25%. This change will be effective from 1 January 1991. The loss of revenue in a full year would amount to £120,000, but for 1990/91

an amount of £40,000 is likely to be lost to revenue.

The other avenue for company finance is through the financial institutions. The Government has an indirect interest in Standard Chartered Bank's activities in that more profit for them equals more tax received by the Government. The SCB being the only formal financial institution in the Colony is therefore the major source of finance. With an increase in deposit funds held at the Bank commercial lending could be increased, and possibly at a lower rate. With this objective it is proposed to exempt from tax, interest received by taxpayers on accounts held with Standard Chartered Bank in the Falkland Islands. The direct cost would be a loss of revenue of £50,000 in a full year. For 1990/91 the loss would be £25,000.

Indirect benefits such as a reduction in the lending rates affecting Mortgage Interest Relief Grants would substantially mitigate against this direct cost, but these at the moment are not reasonably quantifiable.

With the increase in the number of vehicles being provided by companies to employees it is proposed to amend the Income Tax (Annual Values) Rules Order 1986 to include the value of a motor vehicle provided for an employee's private use at a figure of £2,000 per annum.

Additional income from this source is estimated at some £20,000 in a full year. But for the next financial year the additional revenue will be approximately £10,000.

Annual values have not been amended since 1986, it is therefore proposed to increase these annual values under section 5(b) and 5(c) of the Ordinance to reflect current values. The average increase will be 50% which provides an additional revenue of some £4,000 to the Exchequer.

In summary the net effect of the proposed changes in taxation will be a reduction of some £97,000 in revenue but will encourage company profits to be reinvested within the Colony, and with the prime objective of stimulating the Commercial sector, and thereby expanding the income base from the economy away from Government support.

The other sources of revenue are of lesser amounts but somewhat more directly affecting the individual person.

The costs of the Electricity Department are estimated to increase by some £200,000, in the next financial year, this will result in an estimated loss on the supply account of just under £55,000. The present charge of 13p was fixed in 1987. The projections of expenditure indicate an increasing loss on this function. It is, therefore, proposed that the charge for electricity be increased by 1p per unit with effect from 1 July 1990.

In order to mitigate any hardship to the pensioners, it is proposed that a rebate of 3p per unit up to the following limits be given:

Married Pensioners	400 Units per quarter
Single Pensioners	300 Units per quarter.

Coming now, Sir, to the rents of Government owned property these have been heavily subsidised over the years. Last year Government adopted a policy of sale of as many Government houses as possible. As part of this policy it was proposed to bring house rents up to a realistic level by appropriate rent increases each year. This year the increase in rents is proposed at 15%.

During 1989/90 a scheme of providing rebates for rents of residents below specified income limits was approved. At present 11 families benefit from this scheme and this scheme will continue to protect the lower income families from the effect of the rent increases. It is proposed to increase Stanley Rates by 10% but this will require separate consideration by the Standing Finance Committee. The Rate Rebate Scheme, is in operation and will mitigate again against hardship on low-income families.

The only items subjected to Customs and Excise duty are liquor and tobacco products. It is proposed therefore this year to increase the duty on both liquor and tobacco products by some 7%.

The effect on retail prices will be:

	<u>PRESENT DUTY</u>	<u>REVISED DUTY (PROPOSED 7% INCREASE)</u>	<u>ADDITIONAL DUTY</u>
BEER	15P PER LITRE	16P PER LITRE	1P PER LITRE (1/3P PER 33CL CAN)
SPIRITS	£5.81 PER LITRE	£6.22 PER LITRE	41P PER LITRE OR 31P PER 75CL BOTTLE
WINES	38P PER LITRE	41P PER LITRE	3P PER LITRE OR 2P PER 75CL BOTTLE
FORTIFIED WINE	46P PER LITRE	50P PER LITRE	4P PER LITRE OR 3P PER 75CL BOTTLE
CIGARS	£40.30 PER KILO	£43.26 PER KILO	£2.83 PER KILO OR 3P PER 10 CIGARS
CIGARETTES	£29.23 PER KILO	£31.28 PER KILO	£2.05 PER KILO OR 3P PER PACKET OF 20 CIGARETTES
TOBACCO	£26.57 PER KILO	£28.43 PER KILO	£1.86 PER KILO OR 9P PER 50 GRAMME POUCH/TIN.



Executive Council at their consideration of the Budget Policy Paper in April charged me with the task of making savings from the departmental submissions of £1 million. Consultations have been undertaken with Heads of Departments and those reductions that have been achieved are included in your Draft Estimates. There will be further deliberations during Select Committee when Honourable Members will decide upon the levels of activity for each department to follow.

The net result of the Budget proposals is that shown on page 3 of the Draft Estimates. In summary, Sir, it amounts to:

	<u>£'MILLION</u>	
ESTIMATED REVENUE		
OPERATING	37.3	
CAPITAL	<u>3.6</u>	40.9
ESTIMATED EXPENDITURE		
OPERATING	22.6	
CAPITAL	<u>17.2</u>	<u>39.8</u>
ESTIMATED SURPLUS AT 30 JUNE 1991		<u>1.1</u>

This should keep Mr Micawber contented, if no-one else.

In conclusion I would like to touch on the immediate future. Our economy, as has been mentioned earlier on this morning, is built upon corner-stones of uncertain futures. Interest rates, currently on an internationally high level, wool prices at present very depressed and a fishing stock vulnerable as all commodity markets are.

With Government services costing in excess of £8,000 per head of population a widening of our economic base is absolutely essential, particularly in two years time, if we also have to take on the funding of FIDC. Therefore, within the remaining period of my contract I would hope to come to you with proposals to 'plug the gap' in our economy to produce a required income of £5 million annually as insurance against the loss of income from the Illex fishery. The Financial Services Industry has attractions and it also, I believe, has a potential to provide part of the solution to our need, and I believe that this is an area worthy of investigation.

Sir, my presentation is now concluded. I beg to move that the Bill be read a first time.

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 H T Rowlands CBE:**

Your Excellency, I would like to congratulate the Financial Secretary on his presentation to this Council which was extremely clear and the achievements that he is endeavouring to make are well worthwhile. During this course of the Select Committee we certainly will have to consider the expenditure very, very carefully, in particular the number of posts in the Civil Service. I am surprised how fast they have been growing. So the

financial provision for that will be scrutinised very closely.

I will not say too many things, but the first thing that I welcome is the proposal for the tax exemption on interest in the local branch of the Standard Chartered Bank, this should keep money in the country and I think that is a step forward.

The proposals to increase Stanley rates and house rents will, I think, have to come under close scrutiny as well, because they may create an inflationary effect which will affect the retail prices index and I will certainly be examining that in closer detail.

The electricity increase, I realise it's only one penny, but I did ask during the course of Executive Council that I would like full details of the consumption and the details of the costing. I have not received them yet and until I do I will not agree to any increase in the electricity charge; I mean that I will study it but I want full details of it and the need for it.

I welcome the increases in the old age pensions and family allowance, I think they are much needed. I have no further comments, thank you, Sir.

**The Honourable W R Luxton:**

Your Excellency, Honourable Members. I would also congratulate the Financial Secretary on his presentation and I also join with Councillor Rowlands in feeling that we should look very carefully at the increasing number of posts within Government.

Just one thing that disappoints me, the earned income relief from 10% to 15%, very nice for the hourly paid, it does nothing for the pensioner which is a point I made, I would very much hope we can give some consideration to improving the lot of the pensioners who at the moment are falling within the tax bracket. I have no other comment for this time. Thank you, Sir.

**The Honourable Mrs N Edwards:**

Your Excellency, I too would like to add my congratulations to the Financial Secretary. I am sad that he has put up cigarettes by thruppence a packet, but never mind, Mr Luxton will be pleased I have no doubt!

I congratulate him too on the foresight in reducing company tax from 35% to 25%. I think that is the start of encouraging companies to bank in the Falklands, and I hope in future years we can reduce it even more, so that we can encourage perhaps more outside companies to bank in the Falkland Islands.

I'm pleased that the old age pensioners are going to get an increase. I did say some years ago that it is never enough, and I don't think it ever is but this is certainly a little bit better, and also that we are going to take into account the increase in electricity, and take them into account in that effect. I have no further comments, Sir, thank you.

**The Honourable R E Binnie:**

Sir, I would just like to add a few comments. I join my colleagues in congratulating the Financial Secretary in producing the draft estimates. I am very sorry to find that there were so many sections of Government running at a loss, where I believe they should be making a profit, and the few that I name are in the construction area of crushed rock, the Post and Philatelic and the Government Power and Electrical Department, to name but a few. I shall be looking very closely at these budgets and cuts I believe will have to be made if they can't make a profit, or break even. Thank you, Sir.

**The Bill was then read a second time, and referred to a Select Committee of the House, sitting in another place**

REPORT OF THE SELECT COMMITTEE ON THE APPROPRIATION (1990-1991)  
BILL 1990 (28 MAY 1990)

The Honourable the Financial Secretary

Your Excellency,

The Select Committee has met at considerable length since the adjournment of the House, a week last Saturday. Seven days of hard deliberation has resulted in a variety of amendments to the Appropriation Bill and also to the proposals made in my Budget Address. In total the net effect on the draft estimated expenditure which was placed before you shows an increase in total expenditure for 1990/91 of £712,670.

The analysis of this figure shows that £600,000 of the increase is due to slippage on capital schemes which will require part of the 1989/90 allocation to be revoted to the 1990/91 financial year. Additional funds for Capital have been provided totalling £191,000.

The result of Select Committee's deliberations on operating expenditure has reduced the draft estimates by £78,330. Additional revenue to be gained in the next financial year is estimated to amount to £267,000 mainly due to increased charges in material manufacturing through the PWD.

All the proposals on Pensions were approved and these will be dealt with in detail under the appropriate Bills. The increases in Family Allowances were approved, but the limitations which had been proposed on qualifying income levels were deferred to be considered under the taxation review which will take place later this year. The increases in the allowances will be effective from 1st January 1991.

My original proposals on personal tax have been deferred to be studied under the taxation review, but Select Committee decided to increase personal allowances this year. The new allowances will be -

Personal Deduction	£3,000	(was £2,750)
Deduction for Wife	£1,900	(was £1,750)
Wife's earned income relief	£3,000	(was £2,750)
Female Relative in charge of children	£1,020	(was £920)
Dependent Relative	£1,020	(was £920)
Old Age Relief	£6,600	(was £6,000)

These changes will all take effect from 1 January 1991.

My original proposals on company tax and the exemption from tax on interest received by taxpayers holding accounts with the Standard Chartered Bank in the Falkland Islands have been approved, but a decision on annual values under the Income Tax (Annual Values) Rules Order 1986 has been deferred to the taxation review to be held later on in the year.

The proposal to increase electricity charges has not at this stage been accepted by Select Committee, but the recommendation on the revision of the limits of rebate for pensioners has been approved.

On rents of Government housing Select Committee reduced the proposed increase from 15%, to 10%.

Customs duty on liquor and tobacco products will be increased by 7% across the board. The detail of these increases will be listed under the Customs Resolution.

Charges for vehicle licences will be increased by 33 1/3%. The new charges will be effective from 1 January 1991 and will be set at:

- £20 per annum for trailers
- £8 per annum for motorcycles
- £20 per annum for light vehicles
- £32 per annum for heavy vehicles.

Councillors allowances have been amended to include payment for visits overseas to attend Conferences. These visits to be classified as qualifying meetings and remuneration of £50 per day to be paid. The overall level of allowances and the method of determining payment to be reviewed during the course of the next financial year.

The full and detailed list of the approved estimates of capital and operating expenditures will be produced and circulated to Honourable Members within the next few weeks. In summary the effect of the changes are that the estimated surplus for 1990-1991 will be reduced to £0.5 million. The effect on Government financial reserves will be that they will remain approximately the same, estimated at the 30 June 1991 to be standing at a figure of £31.9m.

Those, Sir, are the results of the deliberations of Select Committee. The amended Bill has been provided to Honourable Members.

**Clause 1** of the Bill was then adopted.

**The Honourable the Financial Secretary**

I beg to move that the Schedule to the Bill stands part of the Bill, the Bill which has been circulated to you today, and stands as an appropriation of £40,556,950 for the service of the year 1990-1991.

**The Schedule** was then adopted, as was **Clause 2** of the Bill. The Bill was then read a third time and passed.

**THE CUSTOMS (AMENDMENT OF IMPORT DUTIES) RESOLUTION 1990**

(Presented under a Certificate of Urgency)

**The Honourable the Financial Secretary:**

Your Excellency, Honourable Members, I beg to move that the Customs (Amendment of Import Duties) Resolution 1990 be put before Members. This Motion is in respect of the Customs Ordinance, the purpose being to increase the Customs Duty in respect of liquor and tobacco products.

The Select Committee agreed to an increase of 7% on all liquor and tobacco products and the duty payable will be:

Beer, ale, perry, porter, spruce, cider and stouts of all kinds - 16p per litre.

In respect of spirits. That is whisky, gin, rum, brandy, vodka and all other spirituous liquors and liquers - £6.22 per litre.

For all wines, still wines, sparkling wines and champagne the duty will be 41p per litre.

For vermouth, sherry, and port the duty will be 50p per litre.

On tobacco: for cigars the duty will be £43.26 per kilo, for cigarettes £31.28 per kilo; and for tobacco, again per kilo, the amount will be £28.43.

This Resolution, Sir, may be cited as the Customs (Amendment of Import Duties) Resolution 1990 and shall come into force on the 28th day of May 1990. I beg to move that the Resolution be adopted.

**The Motion was adopted without debate.**

## ORDERS OF THE DAY - BILLS

### The Old Age Pensions (Amendment) Bill 1990:

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

#### **The Honourable the Financial Secretary:**

This Bill is an Ordinance to amend the Old Age Pensions Ordinance of 1952. The Bill prepares for weekly contributions to be increased. For employed persons the new rate will be £4.20 per week, if between the ages of 17 and 64 years. For every employer of such persons the increased weekly contributions will be at the rate of £6.30. For every self-employed person the new weekly contribution will be £10.50. Also included in the Bill is an increase in the amount by which a female contributor can earn before being liable for contributions. This amount is increased to £3,600 per annum which together with an additional sum of £900 per annum being allowed for every child of school age maintained by her. The increases in benefits proposed in the Bill are: for the married rate of pension, it is proposed to increase from £66 to £73; for the single rate pension from £43 to £47. In terms of the contributions the increase is of £1 from £9.50 to £10.50; for the employer £5.70 to £6.30, the employee from £3.80 to £4.20.

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 H T Rowlands:**

Your Excellency, I rise to support the Bill, but I have had some representations regarding the increase of contributions in respect of the self-employed person. This has been drawn to my attention by a single business man who finds that the contribution now is rather steep. I realise we are going to consider the Old Age Pension Ordinance thoroughly later in the year, and I would ask the Financial Secretary to take note of the representations that I have had, and see whether some alleviation can be considered. Thank you.

#### **The Honourable the Financial Secretary:**

Yes Sir, I have noted Councillor Rowlands suggestion on this and we will be including this as part of our review of the Old Age Pensions Ordinance.

The Bill was then read a second time. In the Committee stage Clauses 1 to 5 were adopted as part of the Bill. Council then resumed and the Bill was read a third time and passed.

The Non-Contributory Old Age Pensions (Amendment) Bill 1990:

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

**The Honourable the Financial Secretary:**

Your Excellency, the Non-Contributory Old Age Pensions (Amendment) Bill 1990. 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 £63 the pension payable to a married man; the increased benefit payable to an unmarried person will be £45, the increases to take effect from the 2 July 1990.

The Bill was then read a first and second time. And in the Committee stage Clauses 1 - 3 were adopted as part of the Bill. The Attorney General then spoke as follows:

In relation to the Schedule I wonder if Honourable Members would consent to the alteration of the word 'wife' in the third line of the Schedule to the word 'spouse', and the reason is that either a man or a woman can have a spouse, but a woman cannot have a wife.

The amendment was adopted and the Bill was then read a third time and passed.

The Livestock (Amendment) Bill 1990:

**The Honourable the Chief Executive:**

Your Excellency, this Bill is to amend the Livestock Ordinance, to simply substitute a more up-to-date form in respect of Form Four which has been amended. I beg to move the first reading of the Bill.

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

The Swimming Pool (Trust Fund)(Amendment) Bill 1990:

**The Honourable the Chief Executive:**

Your Excellency, this Bill is to amend the Swimming Pool (Trust Fund) Ordinance of 1987, so that it may be cited as a trust fund. I beg to move the first reading of the Bill.

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



## The Census Bill 1990:

### **The Honourable the Chief Executive:**

Your Excellency, this is a Bill for an Ordinance to make provision for taking from time to time of a census in the Falkland Islands for the purposes connected therewith. This is to replace the Census Ordinance, which was enacted in 1901 and amended in 1950, with more suitable legislation. I beg to move the first reading of this 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 W R Luxton:**

Your Excellency, this Bill of course was approved by Executive Council for remission to the Legislature. I have one small reservation which the Attorney General may be able to comment on. Section 4 (e) 'with respect of the forms to be used in the taking of a census;' which I understand from it the Governor makes regulations concerning, I think in other parts of the world there have been problems on some occasions with census forms being rather detailed and perhaps asking questions which some people may find offensive, and asking rather personal information. I just hope that when our census form is introduced that doesn't happen here.

### **The Attorney General:**

The census form to be used would have to be prescribed by regulations and that means that the regulations with the form would have to come to Executive Council in the ordinary way for consideration. Completing census forms is always a burden, one appreciates that, and no questions should be asked which do not aim provide information which is useful to Government, that is the first rule.

There are many questions which could be asked, and I agree with the Honourable Member, the answer to which might be interesting, but which are an intrusion upon a persons privacy. Personally speaking I would find a question which asked the person to state his religion, or how many times he attended church would be extremely offensive. I would also find improper to be asked in a census form the amount of my income or savings. I am quite prepared to give that information to the Inspector of Taxes, but I can well imagine that many members of the public would find an answer to that question objectionable. Be that as it may the form will have to come to Executive Council for consideration and the Honourable Members in Executive Council will have the opportunity of considering in detail whether the questions which are in the draft form before them are the ones which should appear in the form, and there is control in that way, but I do take the Honourable Members point and I, in principle, totally agree with him.

**The Bill was then read a second time. In the Committee stage Clauses 1 to 7 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.**

The Education (Amendment) Bill 1990:

The Honourable the Chief Executive:

Your Excellency, this is a Bill for an Ordinance to amend the Education Ordinance of 1989. It is simply to change the title of a particular committee of the Board of Education. I beg to move the first reading of the Bill.

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

The Media Trust (Amendment) Bill 1990:

The Honourable the Chief Executive:

Your Excellency, this is a Bill for an Ordinance to amend the Media Trust Ordinance of 1989, for administrative convenience to allow one trustee and the Editor, to sign cheques and other bills of exchange. I beg to move the first reading of the Bill.

The Bill was then read a first and second time. During the Committee stage on the Motion that Clauses 1 to 3 stood as part of the Bill, the Attorney General spoke as follows:

Sir, I wonder it at this point I can make, with the consent of Honourable Members, a correction in clause 3. The word 'of' has been omitted after the word 'schedule 1' in that clause.

Clauses 1 to 3 were adopted, with the amendment proposed, as part of the Bill. The Bill was then read a third time and passed.

The Limited Partnerships Bill 1990:

The Honourable the Chief Executive:

Your Excellency, this is a Bill for an Ordinance to adopt, subject to modifications and adaptations, the Limited Partnerships Act 1907 as law of the Falkland Islands. I beg to move the first reading of the Bill.

The Bill was then read a first and second time. In the Committee stage, on the Motion that Clauses 1 and 2 stood as part of the Bill, the Attorney General spoke as follows:

Sir, at this stage can I mention that in Clause 2 of the Bill, paragraph c) which refers to sub-section 2 of section 8 of the act, the second line of that paragraph should read 'under this act in it's application to the Falkland Islands', an 's' has accidentally been omitted in that paragraph of the Bill, so if that could be amended to correct that.

Clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Highways (Building Lines) Bill:

The Honourable the Chief Executive:

Your Excellency, this Bill the Highways (Building Lines) Bill of 1990 is a Bill for an Ordinance to provide for building lines in respect of buildings in proximity to roads and streets. I beg to move the first reading of the Bill.

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

The Road Traffic (Special Provisions) Bill 1990:

The Honourable the Chief Executive:

Your Excellency, this is a Bill for an Ordinance to make provision so as to enable motor vehicles, in special circumstances, to be driven without insurance, or without a policy of insurance, or both, on roads where it would otherwise be unlawful to do so, and to exclude the provisions of the Road Traffic Ordinance in specified circumstances. This in fact enables motor rallies and motorcycle-cross and events such as that to take place. I beg to move the first reading of the Bill.

The Bill was then read a first and second time. In the Committee stage, on the Motion that Clauses 1 to 4 be adopted as part of the Bill, the Attorney General spoke as follows:

Sir, I wonder if at this point Sir, I can refer Honourable Members attention to Clause 3, sub-clause 5 of the Bill. In the fourth line the third word from the end on the right hand side of that line is 'from'; that 'from' seems to have intruded there accidentally and should in fact be deleted.

Clauses 1 to 4 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Law of Property Bill 1990:

The Honourable the Chief Executive:

Your Excellency, this substantial Bill has been before Honourable Members, and as is described as a lengthy and extremely technical piece of proposed legislation. 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 W R Luxton:

Your Excellency, Honourable Members. As the Chief Executive said, this is a very complicated piece of legislation. I'm afraid I, in common with many others, don't pretend to understand it and I would like to propose that it be referred to a Select Committee

of the House for further consideration. Also, perhaps, we should consider the possibility of the Select Committee sitting in public rather than appearing to be behind closed doors. I leave that for future reference, but it is a thought that the Select Committee could sit in this Chamber and conduct its business in public.

**The Honourable T J Peck MBE CPM**

I would like to second Councillor Luxton's proposals. I too find this Bill quite a document and not one that you can digest in a very short period, and I think his proposal to probably sit in public, I believe in a non-smoking area also, would be very much appreciated. Thank you, Sir.

**The President**

Are there any objections to that proposal?

**The Attorney General**

Sir, I wonder if I might be permitted to make a few remarks at this instance. First of all I welcome the idea that the Bill should be referred to a Select Committee, because I think it is important that Honourable Members should understand it, and the public, if it is decided by all Members to sit in public, should have the opportunity of hearing the explanations.

I would point out that technically the referral of a Bill to Select Committee should take place after the second reading of the Bill, but I also mention that it is my understanding that Honourable Members may wish other Bills yet to be reached on the Agenda to be referred to a Select Committee, and Honourable Members might like to establish a general Select Committee on legislation, rather than having three technically separate Select Committees, and if this proves to be a useful precedent in relation to these Bills they may well wish to consider at some appropriate future point having a Standing Committee on legislation to which complex Bills can be referred and discussed there. It would then be a matter for the Committee as to whether it sat in public or not in relation to any such Bill. I just thought it might be useful if I made those remarks, Sir.

**The President**

If we all seem to be agreed on this I would just ask that it be read a second time then it will be adjourned to a Select Committee.

**The Bill was then read a second time and referred to a Select Committee**

### The Land Acquisition Bill 1989

**The Honourable the Chief Executive**

Your Excellency, the Land Acquisition Bill of 1989 would repeal and replace Part IV of the Land Ordinance which was originally enacted in the earlier years of this Century. Honourable Members

have had some opportunity to examine this Bill. I beg to move the second reading of the Bill.

**The Honourable H T Rowlands CBE**

Your Excellency, quite a number of my constituents have come along and asked me for assurances on certain parts of this legislation. To date I have been unable to get in touch with the Attorney General and I know that some of my colleagues on Council also wish to consider this Bill in detail. I would like to propose that this Bill also goes forward to a Select Committee of the House and I welcome the suggestion made by the Attorney General that perhaps this Bill could go along with the other Bill to the same Select Committee.

**The Honourable W R Luxton**

I will second that.

**The President**

Do Members all agree with that? Thank you.

**The Attorney General**

Your Excellency, there is a technical point I ought perhaps to have raised in relation to the last Bill and it's really on the Standing Orders of this House. If Honourable Members have before them Standing Orders, this is Standing Order 39:

'The Member moving for the appointment of a Select Committee shall in the absence of any special appointment by the President be Chairman, and the Committee shall consist of such Members as may be appointed by the President. Any Member may suggest the addition of any other Member or Members to the Select Committee.'

Well we might, and it is a matter for Honourable Members, wish to depart from that somewhat, but Honourable Members will need to consider the constitution and Chairmanship of the Select Committee both in relation to the Law of Property Bill which we have just touched upon, Sir, and this present Bill, the Land Acquisition Bill 1989. I just thought I had better raise those points so that they are in the forefront of Honourable Members' minds.

**The President**

So that will also be remitted to the Select Committee.

**The Honourable the Chief Executive**

I wonder if perhaps, Your Excellency, Honourable Members might like to consider now the point that the Attorney General has raised. It was my understanding, I believe, that all Members would wish to be part of the Select Committee...the legislation is so broad that it touches all Honourable Members and their interests, and I think if it could be ascertained now that they would wish all Members to be part of that Committee that can be cleared up, and if there is a proposal now who might chair that Committee it would ease the administration later on, Sir. Thank

you.

**The President**

Do Honourable Members feel that they should all be on that Committee? Any dissenting voices? They would all like to be on it I think.

**The Honourable W R Luxton**

Your Excellency, I would certainly agree that all elected Councillors should be and of course we wouldn't be unable to proceed very far without the services of the Attorney General. I wonder whether it would be in order for the Attorney General to be Chairman of the Select Committee on these two Bills?

**The President**

I imagine it would, Attorney General?

**The Attorney General**

We have an odd situation. I'm technically not a member of this House and we haven't amended the Standing Orders on this particular point. We may be able to do something about that when the Standing Orders, which have also been referred to a Select Committee, come back before the House. I have to draw the attention of Honourable Members to the fact that I am not a member of this House although I am entitled to speak in this House with the permission of the President. I am permitted to be present of course in this House but I am not technically a member of the House.

**The President**

I imagine they wouldn't mind you speaking at the Select Committee on this particular subject!

**The Attorney General**

No, Sir, that is an entirely different matter. The Select Committee can have before it whoever it likes.

**The President**

Would Members like to nominate the Chairman of this Select Committee? Under 39, normally speaking, it would be Councillor Luxton who first proposed it - or you can leave that and decide later if you like. Would you be happy to chair the Committee, Councillor Luxton?

**The Honourable W R Luxton**

Your Excellency, it may be better if an official was Chairman of the Committee, so that there would be clerical assistance and also that person would be guaranteed to be here at all times, because it is conceivable that the Select Committee could sit without some Councillors being present: some people may be away or unable to attend.

**The President**

If Honourable Members are happy to have an official chairing the Committee we can certainly arrange that later.

**The Attorney General**

Sir, I could do it if that is Honourable Members' wish, and that would require a waiver of Standing Order 39(1).

**The President**

I imagine it probably is Honourable Members' wish? It seems to be. Councillor Peck?

**The Honourable T J Peck MBE CPM**

Sir, I would welcome the Attorney General to be Chairman and that Standing Rules be waived on this occasion.

**The President**

Then we'll waive them, and the Attorney General is Chairman. Thank you.

**The Law of Contract (Amendment) Bill 1989**

**The Honourable the Chief Executive**

Your Excellency, this brings us to consider a Bill for an Ordinance to amend the Law of Contract and recalls the well-known rule of law, Bain V Fothergill. I beg to move that the Bill be read a second time.

**The Honourable K S Kilmartin**

Your Excellency, this is yet another Bill dealing with land and could I suggest that this Bill follows the others into the Select Committee.

**The Honourable R E Binnie** seconded the motion.

**The President**

Are Members all happy with that? Thank you. So that will now be referred to the Select Committee.

MOTION FOR ADJOURNMENT:

**The Honourable the Chief Executive:**

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

**The President:**

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

**The Honourable Mrs N Edwards:**

Your Excellency, Honourable Members, in rising to support the Motion for Adjournment, I shan't speak for long, I would like to just congratulate the Financial Secretary and his team at the Treasury for all the hard work they have done. I think it has been a good Budget. I hope the general public will think so. It doesn't leave us with a great deal of spare cash to play with. However, there are some imponderables in the estimates. We don't know how much revenue will be coming from the Illex fishery, we don't know how many hours FIGAS will be flying and how much surveillance they may be required to do, now that they are taking over the surveillance of the fisheries, and that may well make a difference to their revenue in due course. So we might be a little better off in that direction.

We all await with baited breath for the estimated cost of the new school when the tenders from the contractors arrive in June. I hope they're within the limits we've set in our capital programme but, Sir, we have to be prepared that they may not be, so we don't have a lot of spare lee-way, if you like, but its a pretty good budget, I think, as budgets go.

It's nice to know that the old age pensions are going up in line with inflation. I'm not too happy about the duty, as I am a smoker, it's what I choose to do so I can't really complain about it I suppose. I'm very pleased that company tax has been brought down to encourage Falkland Island companies to bank at the Standard Chartered, and hope that that has a good result.

There is just one other thing that I would like to touch on. The Indiana has cost us an awful lot of money over the past year, and I would like my constituents to know that I was not in favour of chartering the ship. I would rather have advised Quay Shipping, the owners, to sell. She has cost us so much money over the years, in one way or another, and I think it's appalling really that we've chartered a ship to a company for less than it would cost to charter a hire car in England, a decent hire car for a day. Now, I know there are other factors in this contract, the maintenance, for instance, of the ship, but I feel it's just another way of the taxpayer supporting a large company, and if they can't make it pay at £150 a day there's no hope for anybody. So I just would like my constituents to know that I was absolutely against chartering the vessel. Sir, I support the Motion for Adjournment.



**The Honourable W R Luxton:**

Your Excellency, Honourable Members. We have achieved a balanced budget, just fairly finely balanced, and I too would like to congratulate the Financial Secretary, and his staff. We put in some pretty long hours, and I think they probably haven't stopped, we managed to get yesterday off, but I don't think they had yesterday off. So I do thank them for the hard work in getting the sums added up and presented to us so promptly.

I don't think we can say we have serious problems at the moment, rather constraints in that the revenue is still coming in, albeit a bit doubtful for the future, but at the moment things are going along fairly well. We hope to be able to continue with our capital programme with the school; as Councillor Edwards said we wait anxiously for the tenders, and also hopefully the other major project, the Camp Roads System.

For once I agree with Councillor Edwards on the subject of the Indiana, but I am delighted to see anyway that it's no longer an enormous drain on our finances, and having arrived at a consensus decision I wish the charterers luck and hope they can make it pay.

In the farming industry we are facing problems. There's no two ways about that, with the depressing news all over the world in the wool markets. All I would say is that those who have entered the industry in the last few years and may have large mortgages and also large piles of unsold wool, I do hope if they have a problem, they won't hesitate to contact FIDC or the Agricultural Department for advice, rather than leave it too late. But if things don't turn up fairly soon I know there are going to be problems.

I was pleased we were also able to give the pensioners a little help, and I hope the tax free deposit at the Standard Chartered Bank will not only help them but be of benefit to the whole Islands. The change in the personal allowances and so on will help pensioners, and also those at the lower end of the income scale, and as the Financial Secretary promised us we have a tax study, which will be looking at the whole tax system of the Islands and come up with a coherent policy affecting everything, rather than chopping and changing little bits of it.

Finally Sir, Honourable Members, we seem to be in a time of anniversaries with much ceremony at the other end of the world, fifty years since the evacuation of Dunkerque I think, last weekend, the little ships, fifty years this year since the Battle of Britain. But its only eight years ago on this day, at this very moment, I think, the Battle of Goose Green was raging. Colonel H Jones had probably already, at this time, given his life for our freedom and in this very building there were enemy troops. I wonder if at that stage they were tramping through their own filth and excrement, or whether that was something they left for the people of these Islands to clean out with fire hoses afterwards I believe. As Honourable Members know, I wasn't here at that time, against my will, I might add. We shan't forget very quickly those days I don't think. I hope the rest of the world doesn't, and we shan't forget the things that were given by others so that we might be here today. But the message is, I think from us to the Argentines, that there is not likely to be

much progress as far as we are concerned, until that claim is dropped, and until it is dropped, I think the people of these Islands will remain steadfast in not wanting to have any contact with Argentina. Thank you, Sir.

**The Honourable T J Peck MBE CPM:**

Your Excellency, Honourable Members. At the opening of Legislative Council, some nine or ten days ago, Sir, I referred to the old peoples home. It would appear that my choice of words, unintentionally, may have offended a few people within the service. For that I apologise, it was never intended. What I do want to see is the old persons home go ahead as speedily as possible and for it to be staffed properly, using the professional, auxillary and volunteer staff. I am sure we can do a lot working together to make the lives of the old people much more contented in a place slightly away from the hospital.

Now one other thing, during the course of this last week, I found that Select Committee did drag on quite heavily at times, because we felt it important that we went through it line by line, department by department. That was a useful exercise, but one which I don't really consider is necessary for the future. I find the ponderous sort of methods used within our Civil Service and Government today to be very out of date. I would like to see it much more streamlined. At the moment, Heads of Department submit estimates of revenue and expenditure to the Financial Secretary and his officers. The Financial Secretary uses a very sharp knife indeed to cut the budgets as much as he possibly can and then they are finally submitted to the Legislative Council. I find, as I said, that this is a quite ponderous sort of exercise. I would hope for us to have the full control over all our expenditure and revenue, and we need now to start almost immediately to formulate a programme on the best way we can do this, for the long term future.

I think Councillors would agree that we did learn a great deal from this past eight or nine days, but they also appreciate that we need to get onto the ball much earlier than we have been able to. A lot of this we inherited from previous Councils, and a lot of it we have not liked. We have tried to reduce staffing levels within some departments, but I am afraid because the previous Council had such a boon day in the fishing they didn't mind how many people they were agreeing to recruit from overseas.

Today we found that there are quite a number in office today who we don't really require the services of, but, because they are under contract we are obliged to continue until their contracts have been completed. This is costing us hundreds of thousands of pounds for this forthcoming year, and there should never have been a need for this. If we were to terminate those contracts today, it would still cost us very dearly, so we are of the mind that we should use those officers under contract to train our own staff during the next couple of years.

Training has not been mentioned of late, but I can certainly reassure the people in these Islands, that there is a great emphasis placed on training our local people to fill the posts that are presently occupied by overseas contract personnel. We hope that over the next year that we can improve upon this.

One of the biggest constraints, is accommodation. We just do not have housing to accommodate either our own people or people being recruited from overseas. At the present moment, I do not have one single house which I could allocate to anybody, from within the Islands or from overseas. Those under recruitment overseas will have to wait until there is accommodation because they do have that priority which I think I may have mentioned last time, this is the policy of the previous Executive Council in 1986, to give priority to overseas recruited officers. I am hoping, by what I am saying today that my people within the Falkland Islands will understand that I cannot just pluck flats and houses out of the sky, it's an impossibility. I do sympathise with them, and I and my committee are doing as much as we possibly can to try and have them accommodated, but they must appreciate that we do not have that responsibility, as a Government, to provide accommodation apart from those who are in need. By that I mean special need, so I do trust that they will give me and my committee a chance to take another look at the whole situation.

In 1992 we are going to celebrate the 400th Anniversary of the discovery of the Falkland Islands by Captain Davis. Also in 1992, is the Tenth Anniversary of the liberation of the Falkland Islands, these are just two. We have during this week provided a thousand pounds as a token gesture towards 1992 and its celebrations, and also for the memorial service which we will hold on the 14 June in that year, but we do need to raise, or provide more funds, so we can start now making a programme so that 1992 will be a year to remember.

One final thing, Sir, I am still pressing and shouting very loudly for a two hundred mile EEZ. If we can't have an EEZ we must extend our FICZ by a further 50 miles. I know agreements may be reached between Britain and Argentina for the conservation. But what we need to have is that 200 mile limit, and there must be a median line between us and Argentina. These are matters of extreme urgency to the Falkland Islands and its people and for the conservation of the South-west Atlantic. We are continuously pressing this point to Ministers, MP's, etc, and once again I am asking you, Sir, if you will convey our concern and our wish for this 200 mile limit to be imposed as soon as possible. I support the Motion for Adjournment, Sir.

**The Honourable R E Binnie:**

Your Excellency, Honourable Members. We have spent many hours over the past few days trying to make savings in our estimated expenditure of 40 million. We were not very successful which is mainly due to the stringent pruning by the Financial Secretary. However, one cannot make large savings overnight. The savings must be made over a period of time, so as not to disrupt progress. Government expenditure must be cut, departments trimmed and made more efficient. For instance, £751,000 we transferred to the Plant and Vehicle Replacement fund this year. Three quarters of a million pounds, just for transport and plant. A further £125,000 for the fuel, plus £316,000 for spares. This kind of expenditure cannot continue. Heads of Departments must be made aware of the need to be cost effective. I have asked that there be a review into the needs of Government transport and for the type of vehicles required. Heads of Departments must be kept within the proposed estimates, and especially in their

staffing levels. Some departments are working with a minimal staff, whilst others believe there is no end to the staffing level. I give Heads of departments a fair warning, I shall not be agreeing to any further supplementary expenditure during the coming year.

Sir, I believe we must make every effort to acquire the 200 mile EEZ, not only is it necessary for the conservation of our fish stocks, but necessary to ensure our rights to is rightly ours for any further discussion between Britain and Argentina on the South-west Atlantic fisheries. Thank you, Sir.

**The Honourable K S Kilmartin:**

Your Excellency, as you have no doubt gathered Select Committee can damage your health! We were locked in a small room and inhaled vast quantities of smoke. It was one of the ironies that the Honourable Councillor who attended the World Drug Conference was unable to stop adults inhaling vast quantities of what he knows to be an addictive drug! We also failed to increase the duty on tobacco by more than the inflation rate.

However, I do agree with Councillor Peck that Select Committee followed a very traditional pattern and that with the prospect of a fall in Government revenues in the near future, this traditional pattern will not give us the overview of the whole economy that is required if serious choices, if serious cuts have to be made.

Earlier in this session I spoke of the importance of the establishment of the Falkland Island Government, both because of the expense of this establishment and because of the impact that senior officers have on the policy of the Falkland Island Government. I believe it to be detrimental to the Falkland Islands that senior officers should be appointed without reference to this Council. As the ODA 31 million pounds runs out, OSAS is ceasing, and the full cost of employing expatriate officers now falls upon the Falkland Island tax payer who should now call the tune. The payment of these inducement allowances, as they are now called, has been finally approved. However, payment of inducement should be regarded as a failure, a failure to train our local people to fill these posts. It has been argued, in fact it is often argued that a community of two thousand people cannot produce all the skills that it needs. However, we can do better. How is it that such a small community can produce so many pilots, and yet at the same time, the Falkland Island Government has failed to train a single nurse in living memory. It's a question of attitude, and a question of will. Soon FIGO will be in a position to take over the recruitment of overseas personnel that are necessary, and I believe that this will make a great difference.

In our deliberations in Select Committee I was dismayed that although it is Government policy to sell houses we felt unable to increase house rents by more than a token amount. In effect it is now more attractive for a person in a Government house to pay a subsidised rent rather than accept the generous subsidised mortgage arrangement.

However, I suppose my greatest disappointment was the lack of financial support for some of what might be called the fringe educational projects. The Teachers running these projects are not established, they are paid an hourly rate, it costs very little to the Falkland Island tax payer and the benefits to a community are very real and easily seen. This contrasts with some other departments where we have very expensive established staff, and where the benefits, if they can be seen at all will in the long run be very marginal. I can only express the hope that the pre-school class which has been run so successfully will continue to be funded in some form or another.

However, I was pleased that funds were made available to proceed with the interim house for some of the old people in Stanley. Your Excellency, I agree with many of the sentiments expressed by the previous speakers, and I wish to support the Motion.

**The Honourable G M Robson:**

Your Excellency, Honourable Members. This last week has certainly seemed a lot longer than most. It has, however, been a valuable learning experience, and I too would like to express my thanks to the Financial Secretary and his team, who have had to try and make sense of the many changes in budgetary figures. I would also, within this context, like to mention the Chief Development Economist whose objective comment has been extremely useful in what can become a very subjective exercise, and we should use this expertise a lot more in the future.

I think probably enough has been said about the nuts and bolts of the budget by other Honourable Members, and so I would like to keep my comments fairly general. I too have a feeling that the whole budgetary procedure is somewhat awry. I believe we must take a long term look at our economy and identify common goals. A hands-on approach to budget, by all parts of the community must be a way forward, and it is my belief that we should start thinking of the next budget almost immediately. Closer liason between all parts of Government, Councillors, and the Treasury will surely help the whole country. To this end I would like to see a slightly less arduous and perhaps less detailed form of the last weeks procedures happen at other times during our financial year, and I am sure it would be a very helpful exercise.

Tied to this I would also like to mention that the Standing Rules and Orders Committee, which has met previously are in the process of trying to make the deliberations of this House a little less cumbersome, which may help to create some flexibility in procedures.

Finally, I feel I should pay tribute to Pete King, the out-going Clerk of Councils for his contributions to this Council and I am sure many previous ones. Fortunately he will still be about should we need his expertise on occasions. I also believe that this year we will lose the services of the Government Secretary, Colin Redston, who has contributed in no small way to the system, and I wish him well in his next appointment. Sir, in conclusion I would just say this, Mao Tse Tung wrote 'Political power comes from the barrel of a gun', but it is my belief that political power comes from the inside of the metaphorical wallet, and to keep our small measure of political influence we must try to

strengthen our economy, as I said before, by looking outwards to the world. I am sure there is a lot of money out there looking for a home and if we can provide it, and profit by the experience we must try to do so. Sir, I support the Motion.

**The Honourable H T Rowlands CBE:**

Your Excellency, Honourable Members. It was interesting taking part in the Select Committee on the estimates as an elected Member, rather than from the budget presentation seat. It was certainly less work. As Councillor Robson mentioned it was refreshing to have the Chief Development Economist, Graham Gleadell, sitting in on the Select Committee which gave a new dimension to the proceedings. For example, he posed such questions: Should we be placing more emphasis on marketing our resources? Should we be looking at recruitment for certain posts from other commonwealth countries perhaps Australasia? Should we be examining the productivity of the various departments throughout the year, in addition to the annual Select Committee's review?

I was also pleased to hear the Director of Public Works mention that the loss of thousands of gallons of water each year has been arrested by the installation of the new water supply system. We now have water for sale, if we can find a market for it.

With the precarious position relating to the Illex fishery, a very tight control over recurrent expenditure must be kept under review and the establishment must be kept to a minimum. In this connection I would like it to be clearly understood that the posts deleted from the estimates have not been on grounds of personalities, but have been made for financial reasons.

I support my fellow members in most of what they have said, but finally I would like to reiterate the need for the extension of the Conservation Zone. It is quite apparent that a 200 mile zone is more beneficial than Voluntary Restraint Agreements, because of the number of vessels operating between 150 and 200 miles.

Also I have said how strongly I am opposed to any person participating in talks with Argentina. With the Illex fishery in such a precarious state of affairs I think that we will have to reconsider our position from a scientific point of view, and consider whether we should not send our Director of Fisheries to accompany Doctor Beddington should any further talks arise. I think the Illex fishery is of so much importance; it's something like 23 million pounds a year, and I don't think we can live without that. I think that purely on scientific points, we must try to get the Illex resource in a better position. I beg to support the Motion.

**The Honourable G P Short:**

Your Excellency, Honourable Members, in rising to support the Motion, I won't take up too much time with details of the budget, as it's been covered by my Honourable Colleagues. However, I would like to pick away at a couple of small points before I sit down. The PWD: going through the estimates for the PWD, I found it, to be honest with you, hard to understand as it is such a

large and many-legged organisations. I, or my personal feeling is that perhaps PWD could do with reorganisation, restructuring, call it what you will, and perhaps be segmented off a little bit more, into various departments, that have greater autonomy. This may well, I think, lead to better productivity and hopefully better working conditions for its employees.

On the establishment, the growth in the establishment, as some of my colleagues have said, has been slowed down somewhat this year, and again it is my belief even within the establishment, that with better organisation, we could do more with the resources we already have. However, a point that has been raised by others of my colleagues, is that of course people have been poured into not just the establishment but hourly paid posts as well, in the good old days when we thought the money was never going to stop. If we cut back too drastically, this is of course going to lead to even greater unemployment than there seems to be at the moment, I think perhaps the area which we should be looking at slightly, or indeed not slightly but looking at in great detail, is that of immigration. Until we can actually slow down the people who are coming into the Islands and settling here, we won't be able to relieve the burden on the resources we have here already in the way of workers etc.

The income tax study is something I welcome, look forward to, and I believe it is time we did get the income tax here rationalised.

A point that I would like to bring up is that of AIDS, on which I did put a question in for Oral Reply. Although really nothing came back out of that question perhaps I can take the CMO's point on view that if you said we had six cases it would cause all sorts of worries within the community. I am still of the opinion that rather than burying our head in the sand, which we seem to be doing again at the moment, perhaps we ought to be having a heightened campaign on AIDS awareness.

FIBS: I am happy to see we are chucking a few bucketfuls of money into this area as when I worked there, many years ago now, the equipment was on its last legs then, and I am very surprised to see that it is the same equipment that is being used today, so I do look forward to an improvement there.

Housing: I am afraid I have to differ with the sentiments expressed by one of my colleagues about the increases in house rents. Even ten percent to me does seem to be slightly high. Although there are people who can afford to buy the houses now, there are a lot of people, hourly paid people and others, on the lower end of the income scale, who cannot and until we find some way of perhaps putting them in reach through wage increases, or perhaps even bringing the price of the houses down. To put huge increases on their rent is only going to cause hardships and misery and perhaps if they come to Government for rent rebates then of course, it is going to cost the Government that little bit.

The 200 mile limit, I mentioned this about ten days ago, or whenever it was. I still say that we have to have the 200 mile limit, I fully support my colleagues in that and I do find it strange that this whole question is not being addressed by the British Government.

I would like to thank Pete King, the Clerk of Councils, for all the work he has put in. He has done a very good job, and I certainly wish him well in his next post.

Finally, Your Excellency, before I sit down, I would just like to raise the question as to where the Courtroom clock has gone. It has given the last person to speak something to talk about for years. Sir, I would like to support the Motion.

**The Honourable the Financial Secretary:**

Thank you, Sir, in rising to support the Motion, well after these last eight or nine days, I don't think I've got very much to say. But I am grateful to Members for their complimentary remarks, and I would particularly pay tribute to my deputy, Mr Derek Howatt for all the hard work that he has done throughout the deliberations of Select Committee. Tomorrow we start work on next years budget!

I have taken note of the comments made by Honourable Members. Councillor Peck wanted to revise the budgetary process and I would welcome the chance of sharpening the knife even more. The need for a strategic plan which has been raised by my predecessor, this is something which I'm hoping that our Chief Development Economist will be able to bring to fruition within the next few months, and this will then form the basis for the next year's budget as Councillor Robson suggested. The current method of reporting to Standing Finance Committee on a monthly basis, is in being, it has been in being certainly for the last six or seven months, and Councillors do have the opportunity at that stage to control and investigate and question expenditures from all departmental heads.

In conclusion, Sir, I would like to express my thanks to Mr Peter King, for, certainly over the last twelve months, guiding me through the minefield of the constitutional rights of Legislative Council, and I wish him all success in his new position. Thank you, Sir, I support the Motion.

**The President:**

Chief Executive, perhaps you could also tell us in your remarks what did become of the clock?

**The Honourable the Chief Executive:**

Your Excellency, the absence of the clock is a clear manifestation, if one was needed, that the Administration pays attention to what Honourable Members say, and on the occasion when my attention was drawn to the clock a memorandum was sent to the department concerned asking that it be taken away, repaired, and reinstalled, and reinstalled in such a way that it can be repaired in future without being removed.

As Chairman of the Select Committee, I have to recognise that a great deal has been achieved since we last met in this House and I think Members have been far too modest about what they have actually done. Radical changes have been made in the Estimates



and we all have to remember that they are Estimates. Considerable movement has taken place between heads. A good deal of cost saving and revenue creation has been considered and concepts have been aired and various actions will be taking place in the very near future to see what can be done to achieve those things.

As Chairman, I was able to observe the thorough and detailed approach given to the budget process by Honourable Members and I can say that there cannot be any Government anywhere else in the World that vets questions and has such a detailed knowledge of the financial position of the departments and sub-departments in these Islands, and I wholly applaud the time and resources that they have committed to this. As Head of the Civil Service, I was proud to see Department Heads, one after the other, meet Select Committee and so ably talk to their areas of responsibilities. I am aware that some Honourable Members have confided of their nervousness in addressing this House. I think a number of the Heads of Department will know just how they feel, and they too have suffered qualms and worry and concern, but boned up on their figures, knew what their department was supposed to do and they batted hard, not for an empire, but so that they could meet the demands that have been placed upon them. I think without exception, they earned the respect of the Select Committee.

From my contact with my colleagues and from representations that have been made to me by the Civil Service, the sole morale problem we have lies in the understandable confusion that exists among some contract officers. They are all here to fill approved posts. They are here, not because they couldn't get a job elsewhere, but because they accepted the challenge, they were attracted to these Islands as stout hearts and bold spirits have always been attracted in the past, and I think that they all do their level best to earn their corn. I have declared to them that they misunderstand if they feel that they are under attack as a species. I have denied to them that there is any policy that will prejudice their families finding appropriate employment.

It was interesting to hear the gallant and Honourable Member refer to the anniversary of Captain Davis' first sighting of the Islands. I suspect that one of the things he wrote in his log, was that he could observe no accommodation for contract officers and that's probably why he sailed on! I think if his spirit is to revisit these Islands in 1992, and I just hope he doesn't have the wrong stamp in his passport, it will be asking too much to expect him to find no accommodation for contract officers then! But certainly there is a planned programme for training, I emphasised in my speech to the House last week that it is a major priority, but I think it has to be proceeded with, in such a way, that the people who are the trainers have confidence that they are respected and that they are carrying out their role properly.

A great deal has been done and said about housing in recent weeks, and it is a very obvious priority that is going to be given even more attention in the future than it has in the past. There are two things I would like to say about housing, I shared the disappointment that we couldn't see the rents increased but, as a house owner, I know the advantages of having an investment in your land and the short-term view of 'I'm not going to buy it - it's cheaper to rent' is really not a very clever one. I think

it's also very worthwhile to bear in mind that when one is discussing the Falkland Islands in an international arena the fact that we now have a considerable number of the rural farms now owned by many more Falkland Islanders is a strong card to play, and the more houses that are owned by Falkland Islanders again the more one can refute that this is a Colony that is simply some form of manufacture or fabrication by an evil empire. The greater we can move towards a house owning, farm owning democracy, the stronger card you have to play in your independence.

Mention was made of the good ship Indiana. I am very pleased, Your Excellency, to confirm that this morning I had contact with the owners who have confirmed that all the funds that come to Quay Shipping for the charter will be transferred to Falkland Island Government in part payment of the loan funds that have been made available to them in the past. So whatever reservations people may have about the charter, there will be a direct contribution being made to the Falkland Island Government as a result, be it ever so humble.

I, too, Sir, would like to pay tribute to the excellent work undertaken by Colin Redston. Again if we were looking for an example of training that has been undertaken, of someone who has gone out of his way to put people in place, to build on foundation blocks and to leave his job to someone, I think Colin has given us a clear example in Peter King, but there are a number of other examples throughout the Secretariat and Government, where his wisdom, commitment and generosity has been shown. Your Excellency, I support the Motion.

## The President

Honourable Members,

It has been a hard week for all of you in the Select Committee and much ground has been covered. I congratulate you all on what you have achieved. During the opening session, a number of remarks were made and questions raised. Some of what was said was indeed the hurly burly of political debate, but a number of points were made that were inaccurate. I think clarification and comment is required on some of these.

It was said in relation to the proposal that a Councillor should be on Senior Appointments Boards, that the Foreign and Commonwealth Office had ruled that this was unconstitutional and that this ruling was rubbish. As Councillors know, I have yet to give them an answer to proposals put forward in the Executive Council on this and the possible setting up of an Establishments Committee. But constitutionality may not lightly be dismissed.

Honourable Members, we should not lose sight of the fact that Constitutions are valued assets. They are put together, in the case of those applying in the British Dependent Territories, with great care and thought by people of extensive legal and practical experience. They are designed to protect the public from mal-administration and from political involvement in places where the latter does not, according to British practice, belong. They are carefully regulated to obtain balance. Where things have gone wrong, it is usually because the Constitution has not been adhered to or has been misinterpreted, rather than because of a flaw in the Constitution itself. It was Horace Walpole who said in 1770 "everybody talks of the Constitution, but all sides forget that the Constitution is extremely well, and would do very well, if they would but let it alone".

As the Chief Executive has implied, there seems to be a feeling on the part of some Honourable Members that public officers, and particularly senior expatriate officers, are in some sort of conspiracy to thwart their wishes and those of the people of the Islands. Nobody is perfect. We all get things wrong from time to time. I do, you do, the administration does, the private sector does. But some of the insinuations we have been hearing just won't wash. That sort of allegation demoralises the public service. It divides you, the elected members, from those who serve not only you but the people as a whole. I assure you that I carry no torch for anyone, Islander or expatriate, who is wilfully obstructive or incompetent.

Two myths need exploding. One is that expatriates here cannot get a job anywhere else. The other is that they are making a fortune. The expatriates I know are here because they want to be; they like it here; they believe the Islands are an interesting and enjoyable place to be and that they can do a worthwhile job. They work hard; they want this place to succeed as you do and I do and all of us do together.

This leads me to the question of senior appointments, about which anxiety was expressed. In the six month period referred to in the debate, there were four Senior Appointments Boards. Islanders predominated in them. In every case I, or the Acting Governor in my absence, accepted the advice of the Board. The

Islanders on those Boards, and indeed the other members, were persons of integrity, seniority and experience, all well suited to the job they had to do. Having looked at the candidates who applied for the posts in question, I am satisfied that all were thoroughly worthwhile; in many cases it was a close run thing, but the Board selected the one they thought most suited as any Board is bound to do. I have no reason to think they were wrong. I willingly consult and will consult Councillors in appropriate cases.

Honourable Members, I think you know - and indeed I remember making this point formally at a meeting before your first LegCo - that I and the Government and indeed HMG are committed to appointing Islanders to posts wherever possible. I repeat that now. At all the boards I have mentioned above, Islanders were appointed. Out of those four, one post will now be going to an Islander where before there was an expatriate. The new Assistant Secretary post replacing that of the expatriate Government Secretary will also be going to an Islander. The UK Government have for many years provided funds from the British taxpayer's pocket for the training and education of Islanders, so that they can fill jobs which would otherwise be done by expatriates. If more training can go ahead here as has just been suggested well and good.

The case of expatriate contract officials' wives currently working was raised. But here, too, it is the practice to look first for a suitably qualified Islander for any job. The number of expatriate wives currently working is twenty by my calculation. This list includes seven teachers, the Chief Magistrate, the physiotherapist and a pharmacy technician. Five of the twenty are part time. I am sure they all do a very good job. I am concerned to note that Islander unemployment is becoming a problem. I have asked for details.

The early fishery closure. Mr Barton has answered the allegation that the Foreign and Commonwealth Office caused delays in transmitting information to RRAG and that such delays may have caused early closure of the Illex fishery unnecessarily. RRAG have added their denial to that of Mr Barton. If there had been any serious problem of delay in transmitting information, Dr Beddington had only to pick up the phone as he frequently does. Honourable Members, I only wish that people here would follow my often tendered advice and pick up the phone, then we should avoid a damaging and inaccurate statement in public which does nothing to further the image of these Islands in international fishery circles.

Honourable Members. Quite a lot of fun was had at the expense of the Agriculture Department, particularly the research side. It may be that unnecessary work or work of too esoteric and impractical a nature has been done; if so it seems a sad waste, whoever was paying, and I believe it was ODA until recently. Now, however, we have an Agricultural Advisory Committee. This is chaired by a Councillor and has very strong Camp representation. 7 out of 10 of the Committee are Islanders, so we can make sure that what is done is relevant. The amalgamation of the Agricultural sectors into one department was criticised in the Council. It was said, I think, that this was probably a way in which posts would be retained. I believe it has resulted in the reduction of six posts. The

Agricultural Advisory Committee was in favour of the merger.

I know that the Camp telecommunications system has been a bone of contention. With that contract - and with other similar major contracts - there are practical difficulties in having ExCo decide, rather than a consultant, whether a payment is contractually due or not. No major contractor will accept a decision by an unqualified body. These difficulties will be fully explained to you by the Attorney General. The microwave contract has been accepted with conditions attached to it by our own consultant. ExCo would be ill-advised legally to insist on signature being withheld in the face of contrary advice by that consultant. They certainly can discuss the situation fully with the consultant before he signs. This will be arranged as agreed before the VHF system is accepted.

I should add that if the microwave had not been accepted, Cable and Wireless would have been legally entitled to stop operating it. Judging by the vast number of calls which are constantly being made, that would not have gone down well in the Islands.

Honourable members, I stressed in my opening speech, and will continue to stress, that I want this to be an open administration. You have a difficult role. You are right to probe and enquire, to seek answers, to put your views. But I believe a number of the questions which have been raised, and of which I have tried to clarify some, could easily have been answered by a phone call, a letter or a visit, before being raised in a sometimes contentious manner in this Council. Why can there not be frequent consultation in this small place? I believe the consultations you have had with departmental heads, chaired by the Chief Executive, in the past week have been helpful to you and to them. We should have more, informally and of shorter length.

Substantial and complicated errors we have all inherited are time consuming and expensive to put right; the frustration and anger they engender are understandable, but we are correcting them. The lessons provided have been noted and will not be forgotten. If, however, we as a community allow those cases to dominate our thinking, and adopt a tone of condemnation by innuendo, trusting no-one, we shall only have division whether between Council and Administration or Islanders and Expatriates or combinations of all of those. We can not afford that. We shall get nowhere and we shall get there unpleasantly.

Honourable Members. I do not share the note of pessimism that came across in our opening meeting. We shall no doubt have our setbacks but I feel optimistic about the future of these Islands. Things have gone wrong; much has gone right. There is much to be proud of, achieved against considerable odds.

Honourable Members. Finally, as this may be the last Legislative Council which the Commander British Forces will have attended, I should like to record, in addition to the remarks you have already made, our formal appreciation of the work he has done during his time here. It is a pity that he cannot be with us at this moment, but I hope he will at least be able to read these remarks. I think we have all enjoyed his fresh, direct and unbureaucratic approach to problems. He has been particularly forthcoming in relation to many areas of interest to

the welfare of the Islands and in military cooperation. He and his wife, Ann, have mingled freely and happily with people here, have offered warm entertainment in their home and have obviously enjoyed being in the Falklands. General Stevenson is the first Marine CBFFI. He is not to be the last, for his successor will also be a Marine. While we shall be very sad to see the Stevensons go, we shall hope his successor will continue in a similar way.

I fully support the thanks and good wishes offered by members for the Government Secretary and Clerk of Councils at this their last meeting. They have both given excellent service to the Government and to the community as a whole.

Finally, Honourable Members, I will represent your concern over the issue of the 200 mile zone as requested.

Honourable members, I thank you for all your diligence and hard work over this week. I do not underestimate the difficulty of it and of the decisions you have had to take. We have come to the end. The debate is adjourned.

QUESTIONS FOR WRITTEN ANSWER

(Asked between the 16 February and 18 May 1990)

Question 3/90 by The Honourable H T Rowlands CBE:

While I am pleased to note that it has been announced that Mr Bain, the ear/nose/throat specialist is due to arrive this Friday 9 March for a fortnight's visit, it is disappointing to certain members of the community that dates have not yet been announced for the impending visit of the gynaecologist.

It is understood that the need for a visit to the Falkland Islands by a gynaecologist was recognised some months ago. It is now understood that such a person has been identified. Therefore will the Chief Medical Officer, without further delay, notify the community of the dates of the gynaecologist's visit?

**Reply by the Honourable the Chief Executive:**

The last visit to the Islands of a gynaecologist was some five years ago in 1985.

Since that time attempts have been made by successive CMOs to have a visit made by a gynaecologist, but this has not been possible due to difficulties in attracting a suitable person.

This has necessitated the referral of a number of cases to UK for gynaecology opinion and operations and this option is still current.

An approach has recently been made to a gynaecologist in Scotland and it was hoped that a visit could have been arranged in the near future.

On 23 March it was intimated that the specialist would not now be available for some months.

In view of this very disappointing news steps have already been taken to secure as soon as possible a specialist visit and to establish a planned programme of gynaecological consultation services in the Falkland Islands.

(23 March 1990)

Question No 4/90 by the Honourable H T Rowlands CBE:

In monitoring the voluntary restraint agreements reached with participants in the Falkland Islands fishery how many vessels do the Fisheries Department have reason to believe may have acted in contravention of the agreements, how many cases have so far been positively identified and what is the estimate of the number of further likely positive identifications?

**Reply by the Honourable the Chief Executive:**


To date two vessels have been positively identified violating voluntary restraint agreements (VRA), one of these vessels is a Taiwanese flag vessel, the other Korean. They have had their licences revoked with forfeiture of licence fees.

In addition to the two positive identifications, flights by the Dornier over the area affected by VRA found a significant number of jiggers, mainly Taiwanese flag vessels, with obscured names and callsigns. Although it has not been possible to achieve positive identification of these vessels, the fact that identifying marks were obscured is obviously suspicious. In some cases sufficient information has been obtained to warrant further enquiries which are being actively pursued, but I do not wish to risk compromising the outcome by giving more information on this.

I would not wish to speculate on how many further positive identifications may be obtained, however, monitoring is actively continuing with all means at our disposal. In our negotiations with companies we called for self monitoring and self policing. It was made clear that companies providing assistance and co-operation in these matters would be seen as responsible and playing a key role in conservation. Providing corroborative evidence to the Fisheries Department is valued by Government.

(28 March 1990)

CONFIRMED THIS 22<sup>nd</sup> Day of October 1990



Governor



RECORD OF THE MEETING OF THE  
LEGISLATIVE COUNCIL  
HELD: 22 OCTOBER 1990

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## OPENING REMARKS BY THE PRESIDENT

Honourable Members, Ladies and Gentlemen, our meeting today has as its prime purpose as you know the election of three Councillors for the Executive Council. We have in addition one motion to be put, and the Planning Bill to consider. Before we begin I would like to extend a very warm welcome to General Hunt our new, or relatively new Commander British Forces, Falkland Islands to whom this will be a first Legislative Council I have no doubt that we shall all benefit greatly from his attendance as we have benefited from that of past Commanders. I should also like to welcome Anton Livermore, our new Clerk of the Councils to his first Legislative Council Meeting. The first thing we have to do, Honourable Members, is to confirm the previous records.

## CONFIRMATION OF OFFICIAL RECORD

### The Honourable the Financial Secretary:

Your Excellency there is one correction that is required to the previous minutes on page 67 which is a report on the Select Committee on the Appropriation Bill there is a typographical error there which is typed in as £20 and it should read £2. There being no further comments the records were confirmed.

### The President:

Now I would ask the Attorney General and the Financial Secretary to be Tellers and to carry on with the election before us.

Voting then took place for the Stanley and Camp Representatives on Executive Council and the results were declared as follows:-

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

Voting then took place for the Stanley or Camp Representative. Due to a spoilt ballot paper, a revote took place and the result was declared as follows:-

Stanley or Camp Representative - The Honourable H T Rowlands  
CBE

So we have as Executive Councillors, Councillor Peck, Councillor Binnie and Councillor Rowlands, I should like to congratulate those elected or re-elected. All will be aware that it will bring them much hard work and responsibility. I should also like to thank very much outgoing Councillors, Councillor Luxton and Councillor Mrs Edwards for the most valuable contribution they made during the past year to the work of Executive Council and the running of these Islands. Many major issues have arisen and many difficult decisions have been taken and the work gets ever more complex, but I think we are making progress all the time and I have been very grateful for your contributions. Now I would ask the Attorney General to invite those elected to take the Oath.

The three elected Councillors then swore the Oath of Secrecy.

## MOTIONS

### Motion By The Honourable T J Peck MBE CPM

A Motion to move that the Legislative Council believing that such action is necessary in relation to the proper conservation and management of stocks of squid of the species Illex in the South West Atlantic and that, otherwise, fishing fleets of various nations will not exercise such restraint in fishing as, in accordance with the scientific advice available to the Falkland Islands Government, is necessary to ensure that such stocks are not over fished to a degree that the species ceases to be viable for commercial fishing purposes, CALLS upon Her Majesty's Government in the United Kingdom to take urgent and early action to extend the Falklands Interim Conservation and Management Zone to the full extent permissible in accordance with International Law;

and FURTHER that the Legislative Council, believing that such action is necessary in the interests of the Falkland Islands and to bring activities in relation to the exploration for and exploitation of minerals in seas in the vicinity of the Falkland Islands within an appropriate legal regime similarly CALLS upon Her Majesty's Government in the United Kingdom to take urgent and early action for the declaration or proclamation of the continental shelf of the Falkland Islands to the full extent permissible in accordance with International Law thus enlarging to the appropriate extent that declared by United Kingdom Order in Council in 1950.

**The President:**

Thank you.

**The Honourable T J Peck MBE CPM:**

Your Excellency, Honourable Members, Your Excellency if I may ask that a small amendment be made to the motion in that where it reads "at the Legislative Council believing that such action is necessary in relation to the proper Conservation and Management of stocks" I would like to insert there "of all fish stocks" and to include "preceeding of squid" and in particular of squid of the species Illex in the South West Atlantic".

Your Excellency in the latter part of 1986 the British Government declared a 150 mile Conservation Zone around the Falkland Islands, the actual area of this zone was not from base lines but from a central point in the Falklands Sound, this excluded the most important area known as the Doughnut which lies on the Northern extremity of the zone. The area of the Doughnut which lies just outside the zone is of paramount importance to the Falkland Islands Conservation of the Illex Squid stock and indeed to the Falklands economy, because the Falkland Islands cannot under the present regime police or control this area effectively fishing fleets, that is unlicensed vessels, are free to plunder and decimate these stocks at will and they are unfortunately doing just that.

Between the 1960's and the 1980's no control was ever exercised in preserving fish stocks around the Falklands, South Georgia or the South Sandwich Islands the question must be asked why?

As a member of the United Nations successive British Governments have chosen to disregard the United Nation's Convention on the law of the sea, one of the obligations contained in the United Nation's convention is for the coastal state, in this case Great Britain, to promote optimum use of living resources in the economic zone, further more the coastal state is to take appropriate measures to ensure that the living resources of the zone are not in dangered by over exploitation.

The 1958 Geneva Convention on the continental shelf recognised the sovereign right of the coastal state to explore and exploit the natural resources of the seabed and its sub-soil in areas adjacent to the coast which lie beyond the territorial sea at a depth of 200 metres or more. In 1982 the United Nations Convention on the law of the sea ratified the definition of the outer limits of the continental shelf. Significantly the rights of coastal states are recognised as exclusive in the sense that any state may explore and exploit the continental resources off another state, only with the consent of the latter and this consent is necessary even when the coastal state in question is not engaged in such activities, more over a coastal state has rights to the shelf a respective of whether it effectively or actually occupies it or has issued a proclamation to this effect.

For the past 12 years the Falkland Islands has repeatedly requested that the British Government declare a 200 mile economic zone around the Islands. The request for the Falkland Islands Conservation Zone to be extended to 200 miles has been made to Ministers at least once every month since October 1989, by yourself Sir and by elected members of council the response has been negative. We have stressed the importance with regard conservation of the waters around the Falkland Islands and have included South Georgia and South Sandwich Islands which we consider should also be protected from over exploitation. The weakness of the British Government that Madrid won in October 1989, can be highlighted by the fact that the British Government would not declare a 200 mile economic zone around the Falkland Islands, this should have in fact been declared in 1982. Nevertheless, the British Government acting from strength had every right to declare an economic zone, the Argentine Government were not in a position to bring forth arguments to oppose it as they were in desperate straits to secure a foothold in Europe. One of the discussions held in Rio de Janiero in September of this year between the Foreign Office officials and Argentine representatives. These discussions we are told are still confidential. Councillors have been briefed about the talks by the Governor and by Foreign Office Officials, it is extremely disturbing to learn that these discussions have proceeded to outline the route which Britain and Argentina wish to pursue in relation to the Falkland Islands, no wonder we are not permitted to have our own Director of Fisheries in attendance at these talks.

Argentina has declared her own 200 mile economic zone from her coastal area, this is their right, subject to the United Nations convention on the law of the sea, they have no right to, nor will they be granted licences to fish in our rightful 200 mile economic zone. We will not agree to any joint agreement whereby Argentina may operate its fisheries patrol vessels within the economic zone of the Falkland Islands, the Falkland Islands Government are the authority who issue licences to fish in our

conservation zone, we shall not issue a licence to the Argentines to fish anywhere in our waters.

There is an urgent need for regional and global agreement for conservation of marine resources within the South West Atlantic. In order to facilitate such an agreement, the British Government must declare an 200 mile zone around the Falklands. A median line in accordance with the UN convention on the law of the sea be agreed on between our Majesty's Government on behalf of the Falkland Islands and Argentina. When this has been introduced a regional and perhaps global agreement may be introduced to control the areas of waters outside the respective economic zones.

The Falkland Islands have a record second to none in its operations regarding the management, control and conservation of its marine resources. For the past 4 years the Imperial College of Science and Technology have been employed by the Falkland Islands Government to monitor and assess fish stocks within the zone and to analyse the scientific data collated by the many Scientific Officers operating at sea in the zone and onshore. Very little information existed until the Falkland Islands Government set up its own Department.

It has been stated that the Argentine Fishery has supplied the Foreign Office with Scientific information, sources within the Foreign Office and Imperial College have stated that much of it was rubbish and of no scientific benefit to anyone. Since its conception in 1986 the Falkland Islands Fisheries Department has spent millions of pounds in setting up its own department and continues to spend approximately 6 million pound a year on its operational duties. It is most disturbing that the Foreign and Commonwealth Office may be leaning towards Argentina for joint control within these waters, we shall not accept this.

The Falkland Islands could in fact extend its role in fisheries to include South Georgia and South Sandwich Islands, we already have British registered patrol vessels with British crews who have many years of experience in fisheries control, both here in the South Atlantic and the Northern Hemisphere. This would go a long way towards meeting the United Nations convention on the law of the sea, where there is an obligation for the maintenance of the living resources of the zone to be protected from over exploitation.

The Falkland Islands economy depends very largely on the revenue received from licences. The Loligo and Finfish licences are valued at the lower end of the scale, while the Illex licence is much sought after owing to greater value of the product. It is this species that gives most cause for alarm, it is in real danger of being annihilated by the constant overfishing outside the 150 mile conservation zone, in the area known as the Doughnut. Attempts have been made by the Falkland Islands Government to institute a Voluntary Restraint Agreement between the various International Fishing Associations. The 1990 high season was only in part successful, it is anticipated that the 1991 high season will prove better.

However, all the efforts and money spent by the Falkland Islands Government, money invested by the private sector and the various commercial ventures related to fishing may all come falling down.

Why? If there is an agreement between the Foreign Office Department and the Argentine Government to have an agreement to operate in control fisheries within and around the Falklands plus the issue of licences, it is a certainty that other countries who support Argentina's claim to the Falkland Islands will in all likelihood apply to Argentina for a less costly licence.

The Falkland Islander has been criticised unjustly by the media and individuals, much of the criticism stemmed from the joint venture projects. Recently, it was stated that the Falkland Islanders were incompetent to either manage the fisheries or indeed the anticipated minerals development in that both departments should be governed entirely from the United Kingdom. Let me enlighten those people: Following the 1982 conflict the British Government provided the Falkland Islands with 32 million pound of development aid. The Development Corporation was set up under the control of the Falkland Islands Development Corporation. Falkland Island Legislation was introduced for this department to operate in the Islands. The Overseas Development Administration agreed the appointments of Manager and other staff. The Corporation was an autonomous body organisation and not answerable to the Falkland Islands Legislature or Executive Councils. A joint venture project was set up by Stanley Fisheries, one disaster followed another till at last sufficient criticism resulted in the Seamount joint venture being the subject of a full enquiry, the enquiry was carried out by Mr Stewart Boyd QC in 1988/89. No Falkland Islands people were held in any way to blame those who were to blame came from the United Kingdom, on contract with the Overseas Development Administration. They were engaged without the essential background experience and skills required to carry out the tasks they were to under take in connection with commercial fishing. It is sad that we as Falkland Islanders will continue to bear the brunt of this criticism for a long time to come, it is however, pleasing to note that today the Development Corporation and the Fisheries Department are both managed by Falkland Islanders, it should also be noted that the management of the fisheries around the Falkland Island is proving to be the best in the world.

Your Excellency, I wish to propose this motion, and hope members of Council will support me in moving it.

**The President:**

Thank you Councillor Peck. Councillor Luxton will second the motion. You might also like to indicate whether you'd like to second the amendment as well.

**The Honourable W R Luxton:**

Yes Your Excellency I would like to second the amendment, the motion and second the complete amended motion.

Honourable T J Peck has done an extremely good and comprehensive job of elaborating on this motion. The motion itself is pretty lengthy and verbose and in necessary legal language I understand, but basically it simply demands now that the British Government grants us the 200 mile economic zone for both the benefit of fishery stocks and future offshore development of any sort that we are rightfully entitled to under International Law.

There are disturbing tendencies coming from the Foreign Office which are worrying all of us a little. Memories of post 1971 period again, negotiations with the Argentines and not being quite as firm as they need to be. I think all members of this house are adamant that never again, under any circumstances, will they agree to any compromise with Argentina over anything within our own 200 mile zone or waters. There is simply no room for compromise with them in that respect at all. So this motion really demands now that Her Majesty's Government take measures to give us absolute control over the area within 200 miles of the baselines of these Islands. I really haven't got much more to add to that, except that I second the motion.

**The President**

Thank you, Would any people like to speak to the motion?

**The Honourable Mrs N Edwards:**

Your Excellency, Honourable Members, in rising to support this motion I have very little really to add to Mr Peck's and Mr Luxton's comments other than to reiterate that we are absolutely adamant that there should be no Argentinian involvement within 200 miles of our Islands. I think it is essential that we are not going to endorse any negotiations under the flag of conservation. We have said all along that we are quite willing to furnish them with any information they may need regarding the conservation of the seas around their Economic Exclusion Zone but not within our limits and other than that, Sir, I support the motion.

**The Honourable R E Binnie:**

Sir, I would like to support the amended motion. Thank you, Sir.

**The Honourable K S Kilmartin:**

Your Excellency, the Council is united on this matter and I do not intend to take up too much of its time. The control of the Doughnut is important for a number of reasons. It will in itself significantly improve the conservation effort. The increased size of the zone will make it more attractive for the fishing nations to sign the Voluntary Restraint Agreements for the South West Atlantic and this will therefore, also improve the conservation effort. It may also improve the licence revenues to the Falkland Island Government. But lastly the control of the Doughnut must be a pre-condition for any discussions of the South West Atlantic as a whole. Your Excellency the extension of the continental shelf is vital if this Government is going to consider the option of granting exploration licences for minerals. Thank you Your Excellency.

**The Honourable G M Robson:**

Your Excellency, Honourable Members, in rising to support the amended motion I think that most people will be aware that this Council has continued the policy of previous Councils in trying to get a 200 mile economic zone declared. It is my belief that a 200 mile zone is necessary for the long term survival of the fishery in the South West Atlantic. It would be foolish to believe that all fishing companies or associations have as a



first priority conservation. Fishing is after all a commercial cut throat business, and of course companies are all looking towards profit.

Fishing fleets can and do move once they have exhausted the viability of a particular area. The fishing activity in our area was not as prolific as it is now 10 years ago. The fleets were obviously elsewhere, no doubt closer to their own countries and markets. The difficulty in assessing fish stocks is due in part, I think, to the fact that they are not immediately visible and therefore one can only assume their presence and therefore their depletion. For every argument that says the stock is being exhausted there is likely to be another which says it is not so. In spite of this we must assume that stocks are being depleted rapidly and take steps to sensibly conserve what is in our area.

Voluntary Restraint is a difficult concept to understand, one dictionary defines Voluntary as "performed, undertaken or brought about by free choice or willingly". That being the case, I have the utmost difficulties in believing that all fishing companies or associations will necessarily abide by Voluntary Restraint Agreements. Therefore, the sooner we have a 200 mile Economic Zone, then the sooner we will be able to control fishing in the area. It has been said in the past that the difference a 200 mile zone will make to escapement would be marginal. I dispute that, but in any case, any improvement no matter how small has got to be advantageous in conservation terms to say nothing of the longer term economic viability of the Falkland Islands. Sir, I support the motion.

**The Honourable H T Rowlands CBE:**

I support the amended motion.

**The Honourable The Financial Secretary:**

There is very little I can add. The elected members have most eloquently put the case, very well founded, very well researched, and as I do not have a vote in the house, but certainly as an Officer of the Administration, I would wish to support the motion.

**The Honourable The Chief Executive:**

Your Excellency I whole heartedly support the motion, I have been able in the past 2 years to take part in the licence negotiations in London as part of the Falkland Island team and was particularly pleased that this year there were three Falkland Islanders, and myself forming the Falkland Island's delegation at the talks.

The fishing companies that we deal with are Businessmen and they operate within the rules of the business. Most of them are highly responsible and most of them will play to the rules that are set. A number of them in Taiwan, Korea and Japan, those countries' associations have wholly supported the concept of a 200 mile zone. Their difficulty has been in accepting the Voluntary Restraint deals that we have offered. Even then, the majority of them have taken the trouble to argue and cajole and persuade their members to enter a deal and there are only some, but unfortunately a significant some, that carry out the fishing

that we regard as unhelpful and anti to all our conservation objectives.

The danger that we face this year is that there will be something like 120 Taiwanese Jiggers fishing in the area that we call the Doughnut.

There is no doubt at all, that that type of impact can break the stock. We just need one year when the fishing is good and the stock is low, for that annual stock to be broken in such a way that if it came back, it would take 10 years and there is a high probability that it wouldn't come back. So for all these reasons the people that we are dealing with would like to see a 200 mile zone. They would like to conform with the rules and regulations. They find it difficult to accept that we are putting limitations upon them to operate freely on the high seas.

As a result of the visits that were made to Japan this year, I believe that Honourable Members, myself and the Director of Fisheries are now clear how difficult it is for fishery companies to reduce the numbers of vessels. The vessels tend to be family owned. If you have got an association of 20, which family do you say is going into bankruptcy? Because that is what it means if they don't get the opportunity to come and fish in the Falklands. So therefore, the tactics at the last negotiations were to reduce the number of days or the effort that they fished in the Falklands waters. We have had some degree of success, and the degrees of success, all be it limited, that we had Voluntary Restraint last year and this year are pioneering successes in the terms of conservation in world fisheries. No one else has been able to achieve it with the relative goodwill that we have been able to capture.

One of the important points that was made clear to all the countries who applied to us for fishing licences was that we required them to reduce their efforts. We required them to reduce their efforts because the Falkland Islands only economic future is based on revenue from fisheries licences and it was pointed out to rich countries, who have many other resources in industrial sectors, in different types of Agriculture, in motor cars, in umpteen other ways that they can switch to if there is a down turn in one particular industry. The only shop that the Falkland Islands has for a strong economic future is currently linked to the fisheries. It isn't just money, as important as money is the ecology and we are all highly conscious of the heavy responsibility that the Falkland Islands bears to take care of the unique wildlife resource that is linked to this fragile food chain, that starts with the squid and ends up with Rockhoppers, unusual birds, Seals, Sea Lions and all the things that are very important, not just to the Islands but to the world as a nature resource.

For all these reasons of course any sensible thinking person will want to see the zone extended as the motion has described. I am not certain however, that there has been a negative result. I am not privy to very much that goes on in Her Majesty's Government but from what I have seen, I am led to understand, or I want to believe, that there is considerable activity taking place and certainly more in recent months than has ever been the case in the past 18 months. I have read the press speculation that followed the Minister's visit to Argentina and I have also read

the denials that he produced after that. I would not wish to believe the allegations that talks took place and that decisions have been reached. I simply cannot believe that a Minister would give those assurances if it was not actually the case.

Concerning the continental shelf here is the Falkland Island's second shot. It is not just round the corner, if we are talking about mineral exploitation of one type or another it could be 10 years, but there is a need for the continental shelf to be declared. The work that the Attorney General and others have poured into producing minerals legislation, the opportunities which are available to us will all come to nothing, unless there is a clear declaration made of what the continental shelf is and this is a geographic feature and is not in any way linked to an EEZ or fisheries zone, it could be much further in some cases.

In both instances the two parts of these motions are perhaps the most significant that this house will deal with, within the next 12 months. I support the motion Sir.

**Commander British Forces:**

Your Excellency, Honourable Members, I think it is not entirely appropriate that I should put my toes into what is essentially political and Falkland Islands business, however, I have to say that from a military perspective, an extension of the zone to 200 miles will ease my task that much more. There is no doubt that any Argentinian vessels getting closer to the Falkland Islands makes the job of the military here that much greater. There is no doubt that it is reasonably easy for Argentinian vessels to get into Falkland Islands waters. It is not my job to police a conservation zone but, nevertheless, we have a capacity to undertake certain operational roles, which while not implicitly support of the zones which may be around these Islands. All I would say is that from a military point of view, I would be pleased to see the British Government endorse a proposal for a 200 mile zone.

**The President:**

Councillor Peck do you have anything to add to the proposal.

**The Honourable T J Peck MBE CPM:**

Your Excellency I would like to thank all Honourable members, the Chief Executive and Financial Secretary for their support in the motion. I think most points have been made, what I haven't made myself other members have contributed to and for what the Chief Executive had to say I found very very heartening. I wish I had his faith, but having gone down the path, the road in 1970 all the warnings are there today with regards dilly dallying of The Foreign and Commonwealth Office and the British Government in making a firm decision about the Falkland Islands future. I do not want to have to pick up arms ever again, but if I had to I would in defence of my country. All I can hope for is that the Foreign Office and the British Government will take notice, that whatever they discuss with the Argentinians must be with our full knowledge and agreement. At the moment there have been some discussions held, whereby people paid by the Falkland Islands Government to provide a service to the Falkland Islands in relation to fisheries, but that information has been used to

assist the Foreign Office. That person who is employed by us also works for the Foreign Office Department as well from time to time. We have said that from October last year we will not agree to anyone using confidential information from the Falkland Islands to assist the Argentines in their fisheries. I am further concerned that more talks will be held in November. In February it looks as if an agreement will have been made. I am asking what agreement? If it is one as I have said in introducing the motion, this Argentine involvement within our waters, we shall have none of it. They stay in their economic zone and we shall stay in ours. I really trust Sir, that the British Government gets the message loud and clear from the Falkland Islands and its people, that we will do everything in our power to keep Argentine people, ships no matter what out of Falkland Island waters, that is within 200 miles. We will not allow it. Once again, I would thank all members for their support. Thank you Sir.

**The President:**

I think if I may just add a few words in that I must express some doubt that the Foreign Office described Argentine contributions, scientific contributions, as rubbish, but I agree that we certainly do not think them as thorough as our own contribution. That is not surprising as I think our own contribution is outstanding and I would remind Honourable members that the Economist, and I mentioned this at the time almost 2 years ago in Legislative Council, called our fishery the best run fishery in the world. Just under 2 years ago, I have no reason to believe it has lost its quality since then. I do not think it is quite accurate to say either that the at the recent fishery talks Argentina and Her Majesty's Government together outlined the route they wished to pursue or that Her Majesty's Government is leaning towards Argentina for joint control of the FICZ; at the talks a number of ideas on conservation and management were put forward for consideration; exploratory ideas must be put forward at talks, that is what talks are really about, it doesn't mean any decisions have been taken and I don't think they have. As Councillors will know they have had a number of assurances over the FICZ. These have not changed. Thank you.

#### ORDERS OF THE DAY - BILLS

##### THE PLANNING BILL 1990.

###### **Chief Executive**

Your Excellency, The Planning Bill 1990 would introduce into the Falkland Islands a comprehensive system of land use planning to replace the informal and largely unenforceable system previously operated by the Building Committee. The purpose of the Bill is to introduce powers which will allow the development and use of land to be controlled in the public interest. It is important to emphasise that the Bill is concerned exclusively with planning and nothing in the Bill relates to the introduction or enforcement of Building Regulations which will be the subject of a separate Bill to be introduced in due course. It is equally important to stress that the Bill does not in itself introduce any standards, regulations or policies against which applications for planning permission would be judged. It does however allow for the preparation of development plans which after full public

consultation would establish policies to promote and control development. I beg to move the first reading of the Bill.

**The President:**

The motion is that the Bill be read a first time. Any objection to the motion?

There were no objections to the reading of the Bill a first time.

**The Planning Bill 1990**

**Chief Executive:**

I propose that the Bill be read a second time.

**The President:**

The motion is that the Bill be read a second time, does any Honourable member wish to speak to the motion?

**The Honourable T J Peck MBE CPM:**

Your Excellency, Honourable members, I am very much aware that this Bill appears to be at times quite controversial. We have had one public meeting and a number of points were made by members of the public who expressed concern, not about the entire Bill but certain sections of it and these points have been noted. They are quite valid points made by members of the community. I still feel that not enough time has been spent by members in considering the Planning Bill but what I would like to say is that it is important that we have planning legislation adopted in the Falkland Islands without too much delay. One only has to look around parts of Stanley to see buildings which have been constructed, some of them perfectly okay, others are a monstrosity.

Now there is nothing to stop people from doing this at the present moment. We could find high rise buildings going up in front of small bungalows, there is nothing to stop them. People can object to what they may consider, I mean what is publicly known now is the packaway in John Street at the Stanley Co Operative Society, objections were made by a number of residents but there was absolutely nothing that could be done to prevent that storage shed being erected where it was and there are many instances of this sort. It goes much further, it is a legislation which will not only assist but will provide for a much more planned Stanley if you like, and its surrounding areas. Without legislation of this sort I am afraid people can shout until they are blue in the face about somebody building a pigeon shed of top of his house in front of the neighbours and there is nothing that one can do about it so as soon as one can get down to introducing legislation to control planning then the happier I will be. Sir I would propose that this Bill be referred to a Select Committee of the house for discussion by members.

**The President:**

Do we have a seconder for that proposal?

**The Honourable W R Luxton:**

Your Excellency I would certainly second that proposal, in fact I have serious reservations about the whole Bill as it stands and I am not convinced at all that it is necessary for it to be applied to the Camp area, but if we are going to be able to discuss it in Select Committee, perhaps I should save those comments for the Select Committee.

**The President:**

At this point it might be helpful to ask the Attorney General to say a few words about the Bill if members would think that of benefit.

**The Honourable the Attorney General:**

Your Excellency, I would like to begin by saying that I currently welcome the reference of this Bill at the end of the second reading when the Bill has been read a second time to a Select Committee. For those reasons it would not be right or indeed necessary for me to dwell in any great detail on any of the proposals of the Bill, because they may well change in Select Committee and they will be debated in full in Select Committee.

However, there are a few points I should perhaps make. There are two main planks in the Bill, the first is public participation both by way of representation being considered by the Planning Committee, by the Public being consulted in relation to development plans, structure plans and subject plans which are matters which are dealt with by the Bill. And the second plank is participation by the public in the planning process through their democratically elected representatives, and also by the other members of the Committee having been selected by elected Councillors in Executive Council. The point which I am making there and I want to make it quite clearly, is that the Planning Bill will really be the community in action, what the community wants, not what I might want or what any officer might want, but what do the people of the Falkland Islands through their elected representatives and the persons that their elected representatives nominate want as right for the Falkland Islands, what is right elsewhere or wrong elsewhere is neither necessarily right or necessarily wrong in the Falkland Islands.

The second, another point not a second point because I have already made two, but another point I would make because some of his listeners may have assumed that the Honourable Councillor Luxton was saying that the Bill with all its tentacles would apply to Camp, is that the Bill envisages that in respect of Camp, orders may be made under the Bill which would mean that only some or indeed possibly none of its provisions would apply to Camp. Just how much of the Bill would apply to Camp would be a matter for elected members to decide, the Bill itself will not decide it, it would be for elected members at the appropriate stage to consider what if anything of the provisions of the Bill should apply to Camp as well as to Stanley in so far as those provisions extend to the need for planning permission.

If I were to express a personal view I would say well, clearly perhaps many things which might require planning permission in Stanley should not require planning permission in Camp, but on

the other hand it is possible that certain kinds of development in Camp which would have a major impact not only on the locality but perhaps, in relation to the whole of the Falkland Islands should be within planning control but that again will be a matter for elected members to decide.

The Bill is a lengthy Bill and it contains a number of provisions which I am sure are controversial I am in no doubt about that. The Bill is so lengthy, Your Excellency, because in part, it tries to strike a responsibility, a responsible attitude between the interests of the individual and the interests of the community as a whole and to provide checks and balances of rights of appeal. Very often people consider that a lengthy piece of legislation must necessarily be draconian. As I said at a public meeting the other evening when the Bill was being considered, a draconian piece of legislation can be written on three sides of the piece of paper. Do not judge this Bill by its length, but by its content and what rights of protection it gives is what I would ask Honourable Members to do.

**The President:**

Any Honourable Members like to speak for the Bill?

**The Honourable R E Binnie:**

Sir, there is little doubt in my mind that these Islands require such legislation. Whether this Bill is what is required, does it cover the needs of the Islands or perhaps it is too complicated. Maybe we require something smaller or with prospects of minerals surveys and exploration it may not go far enough. So that is one of the reasons why we have decided to refer it to Select Committee, and I would hope that members of the public who have any input to make will contact the Councillors, or the Chairman of the Select Committee. The Committee will need guidance from all sections of the community who have the experience and the knowledge. Thank you Sir.

**The President:**

Any other speakers?

**The Honourable H T Rowlands CBE:**

Your Excellency, I have reservations on the Bill as it is at present and I wish to reserve my comments for the Select Committee and I support that it should go to a Select Committee.

**The President:**

Any other speakers?

**The Honourable Mrs N Edwards:**

Yes Your Excellency, just to reiterate what my fellow members have said, that I support that the Bill goes to Select Committee and I would suggest that it is looked at fairly urgently so that a Select Committee sit quite soon on this Bill.

**The President:**

Thank you, do you have anything to say Chief Executive?

**The Honourable the Chief Executive:**

Your Excellency, one of the most awful bits about joining Government from the army was to discover the planning departments in local authority, they were without doubt the most barbaric, difficult, narrow minded bunch of people I have ever had to encounter in my life, and what's more was they didn't plan. A planner I was accustomed to finding a piece of paper and writing a plan that told you what to do, these people were a bit like auditors and they would look at something and would put a matrix over it and they would say yes, or no, there were no shades of grey. And in Britain, in Europe indeed, there is not a lot of popularity as far as planners go because they have gone through a period of very difficult times. When I then discovered that there was a need for planning in the Falkland Islands we went to some particular trouble and took particular care to find a Planning Officer who would be Falkland friendly and I think in the Planning Officer we have in the Islands now, Roy Carryer, is an exceptional, qualified, professional man. It happens that his back-ground makes him sympathetic to Island communities, rural areas, farming and by chance we have someone who has experience of offshore oil exploration and he has worked closely with the Attorney General on producing this document which we all understand is a basis for negotiation, but we must have an authority. The Honourable member for West Falkland made it clear that he had reservations about the Planning Bill being applied for Camp. Supposing we achieve the continental shelf, supposing a British Oil Company found a free cellar of an offshore Island in the Falklands there is absolutely nothing to stop that company bulldozing it flat, getting rid of Albatross, Sealions, Rockhoppers, Diddle Dee, Orchids, whatever it is. There is nothing to stop that happening, there is nothing to stop someone from saying "I know, the next thing we will do is produce the South Atlantic Maggot farm in the Falklands" and they could build a factory the shape of a bowler hat, it could obscure views, it could spew out noxious gases and there is nothing we can currently do to stop it, and that just cannot be right. So I wholly support the motion that the Bill be taken to Select Committee and I whole heartedly hope that we will see some quick result from it because every day we put off having some format that allows us to control, we can get into more and more difficulty, I support the motion Sir.

**The Honourable T J Peck MBE CPM:**

If I may ask a question. I wouldn't be able to put my finger on it straight away but I believe in moving the Bill to be referred to Select Committee of the house, I believe you can set a time factor on this. What I am asking is that this Bill be referred back to this house in December at the next meeting of Legislative Council.

**The President:**

If we can manage that we will do it. So there is no objection and the Bill will be read a second time.



The Bill was then read a second time.

So let it be remitted to a Select Committee. There was no disagreement. I declare that the Bill is remitted to a Select Committee.

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 member wish to speak. Councillor Mrs Edwards.

**The Honourable Mrs N Edwards:**

Yes Your Excellency, In rising to support the motion of adjournment may I just touch on one or two things which are of concern at the moment.

The main concern from the Camp community or a good deal of the Camp community at the moment, as you will well know, is the wool crisis, and I would like to suggest Sir, that Government looks urgently at the support of the farming community during the next season and reviews the situation annually. I would like to suggest that perhaps Government may look at the possibility of buying in the wool from the farming community while this crisis is going on and it may well go on for three possibly five years. Hopefully not, if it is reviewed annually it would help. I have done a small paper which I will pass on in due course to Executive Council. But basically I would ask that it is given urgent consideration, it is too late to wait until the middle of the year, people are already in difficulties and it is no good telling a small farmer that we will hold your mortgage over, we will look leniently upon your accounts which are running up, and so on because at the end of the day when the wool market does recover they will be up to their eyes in debt. That is no way for this country to go forward so I feel that there has to be help in a much bigger way from Government for the small farmers during this crisis.

Just to touch on my visits abroad Sir, there has been criticism I know by some members of the public that Councillors go abroad, I have no wish to pop off to the other end of the world and live out of a suitcase at all, but I have to put the other point of view that if the people of these Islands wish to keep their Islands British then I am afraid we are in a position of having to go and make ourselves known, meet Politicians, meet the Press and the members of the public. The Labour, and Conservative Party Conferences are ideal for this very thing. You have the Press, the public and the Politicians in one place and they can't get out because there are about 120 policeman guarding the place. It is a good opportunity to put the Falklands point of view, to kill off some myths people have about the Islands and so I would hope that the general public do not feel that it is a jolly. I used to get up at 6 am every morning to try and do something with my hair so I would look respectable for the day and my day ended,

if I was lucky, at 8 pm at night. I don't mind that at all but I do object to having the general public then say that I am wasting their money. I hope they feel that there is something that comes out of it eventually, and I think some things, some positive things do come out of these trips.

I feel that there has been criticism as well I believe of one of the Councillors who went on holiday. They said that he was wasting Government money, he hadn't had a holiday since the 70's. I believe and I think that is very unfair. I think that is all I have to say at the moment, I support the motion.

**The Honourable W R Luxton:**

Your Excellency, Honourable Members we are facing reams of legislation, most of which has been referred to a Select Committee, pending in a Select Committee at the moment. I do not believe there will be time to deal properly with the vast majority of that. I am not even sure we will be able to deal with the Planning Bill adequately by Christmas time, there are some very contentious matters in that. If Stanley people and Stanley Councillors are happy with the way the Ordinance is worded fine, let them get on with it. I think Camp people who have gone to the trouble to tow a portacabin from Fox Bay to Hill Cove when they were able to purchase them from the military find they then have to apply for planning permission to be allowed to leave it where it was put, they should know that that is the sort of legislation that is being put into place. If you have an old tractor, as I have a number parked reasonably tidily around the place, you should know that this Ordinance will allow some little pillick from the Secretariat or the Planning Department as the Chief Executive described Planners in the UK, to come along and say you have to move it. If that is what we want, if that is what the public wants then I suggest they let their Councillors know. If they do not I also suggest they let them know. In any case I shall not under any circumstances agree to it being retroactive. My reading of it, I have read it many many times and there is a bit of red ink around in it I still do not really understand it and I am not sure that a lot of people will. But in some cases things are going to be taken back as far as 1982, I think that is quite unacceptable. If I am right in that, I think you might even have to get planning permission to open a new peat bog, so the Select Committee I think, has a great deal of work to do and perhaps amendments to make. The application of it to specific areas has to be closely looked at. It is all very well to say that this will be passed into law and then won't be applied or will be applied leniently, but that is not the way these things work and we have experience of that in the past. Once the legislation is on the books you are stuck with it.

The Law Of Property Bill and the Camp Tracks Bill and so on are going to require a great deal of time and attention and I suggest that, I think we agreed the Select Committee meeting should be held in public.

I agree entirely with Councillor Edwards and I look forward to seeing her proposal as far as some support for the sheep farming industry is concerned. It is not in the interests of these Islands that the sheep farming industry should go bankrupt and all those people who have vast unsold stocks of wool, whether they be new comers to the industry or having been in it for some

time, all have quite serious problems. I hope this Government will be able to do something to tide people over. The good news I suppose is that people are still wanting to invest, or still wanting to improve their farms and the proposal for a national stud flock committee I think has a paper going to Executive Council. There is a lot of work being done under the auspices of the sort of guiding light, Mr Nigel Knight of Fox Bay and I do hope that will be able to proceed despite the gloomy prospects for the industry in the short term. I think we should continue to look at the long term. There is a problem with the funding with FIDC and the method of funding so I hope Executive Council will be able to look at that fairly quickly.

The other fairly cheerful prospect is that I hope we shall soon see the start on building some of the Camp roads scheme, and that that will proceed from now on, on a regular basis until we have a complete network in the not so distant future.

The other matter which is really concerning many Campers is the telephone system. I think most of the microwave system is functioning reasonably well, some of it very well, I personally have no complaints at all, but I think even the microwave system does have some problems in some areas and we know that the VHF system is a disaster. I would like to say that I believe Cable & Wireless will get it right eventually and that I don't believe that this Government will accept a system which isn't functioning. So the message is really that people will just have to be patient and wait until they can get the system sorted out and functioning as it should, but it won't be accepted until it is functioning properly, even if that takes a very long time. Cable & Wireless have an international reputation to maintain and they can't afford to not make it work in the end. So Your Excellency, we are in Camp about to start shearing off another consignment of wool which no one wants to buy and the farming members of this Council will become increasingly busy and more reluctant to spend a long time in Stanley I guess. So, I hope the consideration of most items of the legislation can be delayed until we do have a little more time to spend in here. Thank you Your Excellency. I wish to support the motion.

**The Honourable T J Peck MBE CPM:**

Just a few points Your Excellency, Well Councillor Luxton put that over about the planning, I hope he hasn't frightened the public into acting in a similar manner because a lot of it I can reassure the public, they don't have to be afraid of planning legislation. So we will have the time to revise and perhaps amend where necessary, but certainly I don't think people need to run around scared. I mean those who have attended meetings have held discussions of various organisations. In the main I would say most of them are supportive of the Bill as it is, with the few amendments.

Your Excellency, there is one other point Councillor Luxton mentioned, about the farmers being exceedingly busy as of now and reluctant to come to meetings. I only wish he was a Stanley member, he would find that it happens 365 days a year. But I don't like the issues made between Camp and Stanley. When I stood for election I stood to represent the Falkland Islands. It is because of the Constitution that it lists Camp and Stanley, and I am not in favour of that at all. I think that as the

Falkland Islands are a small population and we could be, should be represented by the people who vote members of the Council as one body.

To a more serious issue Sir, the MPA road, this is claiming or being responsible for the maiming, injury and deaths of people on this road are continuing, are they going to continue to get worse unless we as the Falkland Islands Government take money from somewhere and surface that road and put up the safety barriers wherever necessary together with reflectors. We can't go along burying our heads in the sand saying "oh tough, they shouldn't speed". Speed certainly kills, but you don't have to speed that much on that road to become a cripple for life. Those ridiculous monsoon drains on either side are a danger in themselves and in my view should be filled in. We are not talking of small amounts of money we are talking of several million. If the Camp roads are to proceed that road will become more and more used, the number of accidents will increase day by day. I am hoping that Council will see it as a matter of urgency to look to find funds to upgrade this road as soon as possible. We cannot allow any more accidents of what has been happening of late.

I haven't got much more to say Sir, but I feel that Councillors have been absent a fair bit this year in the interests of the Falkland Islands. Their visits overseas meeting with Ministers and MP's and other bodies have been most important as far as the Falkland Islands are concerned, in placing it more firmly on the map if you like. But to me personally, I think it has to be extended beyond just a few areas, we have to meet with other, visit other countries, meet with other Government Ministers from these various countries. We have not got time to sit back and wait for people to do the work for us, we've to get off our backsides and do it for ourselves.

I don't want to be all gloom and doom either, as far as it goes, but I would like to congratulate those contractors who have taken on the task of providing the new Senior School, new flats in the Jersey Estate and wherever. I find that they are doing an excellent job and at great pace, I would like to congratulate them all for it. Thank you Sir.

**The Honourable R E Binnie:**

Your Excellency, Honourable Members, if I may perhaps being one of the biggest users of the MPA road I would agree fully with Councillor Pecks idea of filling the ditches in, but I must say that the road was built for a speed of 40 miles per hour and that road is quite safe at 40 miles an hour, anything over and above that Sir, is the drivers own fault if anything occurs.

I have recently returned from the United Kingdom as most of you will know, having attended the Voluntary Restraint talks with the various Fishing Associations, and Political Party Conferences of the Labour and Conservative Parties. During this period I and other Councillors were briefed on the Rio talks by Mr Merrick Baker Bates, Head of the South Atlantic and Antarctic Department. The briefing was agreed only after numerous requests were made by Councillor Rowlands, Mr Sampson the Chief Executive and myself. There was a reluctance on their part to do so. Councillor Edwards and myself had an interview with Gerald Kaufman, the shadow Foreign Secretary. He was not prepared to rewrite the

Labour Party Foreign Policy on the Falkland Islands and gave assurances that the Labour Party would consult with the Falkland Islands if and when they talk to Argentina.

We also had a meeting with the Minister of State Mr Tristan Garel-Jones, prior to his visit to Argentina. He gave us his word that he would not discuss or give an inch on the sovereignty issue. He gave the same assurance during a telephone conversation on his return from Argentina, when we questioned him on various newspaper reports which he denied as newspaper speculation. That the United Kingdom and Argentine Governments were not about to sign any agreement on the fisheries and that when he had something concrete he would discuss it with the Falkland Island Councillors first.

Have we heard it all before? Are you like me, I get sick of the repeats, even if there is a decade or two between them? I believe the Minister when he said that he did not discuss sovereignty, but I do not believe everything reported was newspaper speculation. I believe they are discussing joint agreements and liaison within an area of the South West Atlantic. That includes an area within the 200 miles north of our Islands. They believe they will discuss it with Falkland Islanders only after having agreed on co operation with Argentina. If I am wrong then why were Councillors not consulted prior to the Rio talks? Why was it we had to seek an interview with the Minister? Don't you think it strange that six elected members were in the United Kingdom over the past few months and not one was summoned to the Foreign and Commonwealth Office and consulted before the talks, or any future co operation with Argentina.

I believe this Council must take the necessary steps to mount a campaign to ensure that we the Falkland Islands are granted a 200 mile economic zone, that the Falkland Islands Government has the sole right to police and maintain a conservation fishery policy within that 200 mile zone; that this Council will never agree to any agreement involving Argentina within a 200 mile zone. We must bring together all our friends in the Parliament and our friends in the Falkland Islands Association and all other pressure groups to bring to bear the necessary pressure on the Foreign and Commonwealth Office to ensure these Islands come into line with the International Law of the Sea.

**The Honourable K S Kilmartin:**

Your Excellency, I would immediately like to support Councillor Binnie in his last words. Foreign Affairs never cease to cause concern. We have welcomed the new friendship between Argentina and Britain, however, until Her Majesty's Government agree to extend our limits to the maximum permitted under International Law the position of the Falkland Islands is not being protected.

A year ago Your Excellency, the expenditure of the Falkland Islands Government seemed likely to out strip the revenue. In the event it did not, but the wool market collapsed. Your Excellency, we must remember that our economy is very fragile.

One of my small disappointments of the year was the Camp VHF telephone system but as Councillor Luxton has already remarked on this, I won't continue with it.

However, the success of the Education Department has been notable, we have all noticed that there is now a new Senior School being built; there are at least 25 young Islanders away undertaking academic courses, and there are more Islanders taking practical courses. The recruitment of teaching staff for the schools has been very successful and the majority of the teachers are now here on local terms.

I would like to welcome the Commander to this meeting and also of course our new Clerk. Thank you Your Excellency.

**The Honourable G M Robson:**

Your Excellency, Honourable Members, much has happened in the past year, some of it of direct interest to the Falkland Islands and some rather more distant. The agreements reached between Her Majesty's Government and Argentina are a step forward for those countries, but does it bode well for us I wonder. I refuse to believe that any umbrella is leak proof, particularly as it gets older and we can but try to make sure that the only rain that falls on us is the reign of the British Monarch, as is our wish. It is not easy to get this message across to the world at large, however, I believe the most effective way is to have people to visit the Islands and to see first hand our way of life. I have noticed even those who are not particularly pro British Falkland Islands go away with a slightly different view point. It is also important I feel to get our message across at every given opportunity. I am sure that during this last year a lot of politicians and others have heard our message both in the United Kingdom and elsewhere. But I am equally certain that Argentina is also getting her message across and is absolutely essential that we do not lose points by default at any stage. The Falkland Islands are British and the more often we can state our case the better.

Sir, this last year has been very interesting and informative for me, but I also believe that the next will be equally if not more so. Then in conclusion I would like to on behalf of all elected members welcome the Commander of British Forces to this Council and also welcome Anton Livermore, the new Clerk of Councils, to this House. Thank you Sir.

**The Honourable H T Rowlands CBE:**

Your Excellency, Honourable Members, in rising to support the motion of adjournment I would like to publicly thank the three Stanley Councillors that covered so well during my period that I was abroad on holiday. During that period I had the good fortune of visiting the Cayman Islands at my own expense and during the time there, there was a Legislative Council meeting held which I thoroughly enjoyed attending, and some things did surprise me.

The first thing I found that I was the only one sitting in the gallery, and the population there is something like 25,000 people, here we have at least 2,000 people and I must say it is well attended today. It shows that they take a great deal of interest here. However, I must not say anything about the Caymanians as they are very nice people, they made me very welcome there and I enjoyed the coffee breaks with all the Councillors.

I am pleased on returning to the Islands that some progress has been made in the Select Committee of which I am a member of on the Standing Orders, and in the near future we will see some changes for this Council. One proposal which I intend making which I haven't brought up to the committee as yet and that is that I think in future Standing Finance Committee deliberations should be held in public. I believe that we should be working more to an open Government and I cannot see any reason why that cannot take place. Certain items may have to be held behind closed doors, but I think that 90% of the business should be open to the public.

I think the other points I had in mind already have been mentioned so to avoid repetition I will support the motion.

**The Honourable the Financial Secretary:**

Sir I have listened with interest to the comments of the various members and certainly these points will be taken on board by Executive Council and Standing Finance Committee wherever there are financial implications. But as I stand at the moment and certainly up to quarter past two today, I have not been asked to renew my contract so I must work on the assumption that this is going to be my last Legislative Council.

I would like to take this opportunity to state my regret that I may be forced to leave the services of the Falkland Islands Government. After 25 years of experience in different parts of the world, experience of which in my Senior position in Public Finance, I have tried to bring to the benefit of the Falkland Islands. Over the period of my last 22 months I believe my achievements have been reasonable and quite considerable. There has been a successful completion of computerisation of the accounting system, which provides the foundation of a vastly improved system of financial control. There has been a creation of an in house insurance saving over one quarter of a million pounds annually in premiums. The reduction in the cost of the fisheries operation of almost half a million pounds a year. The re-structuring of the investment management agreement of the Falkland Island Government funds which have provided an improvement of income of over half a million pounds a year also. The exercising of financial control over vehicle costs have resulted in savings of in excess of £200,000. Comparing these figures with the salary I have received in my term of office, you will find that there has been an extremely high measure of value for money.

With my training and my professional qualifications my position gives me a fiduciary responsibility to the people of the Islands. This is my role and this is one which I believe I have successfully tried to carry out. I believe and I have stated that I would wish to continue until such time as Mr Derek Howatt completes his development programme, then my objectives would be complete.

During the remainder of my present service which is probably up to the end of my present contract, the early part of February, I will continue to give the best possible financial advice and part of this advice will be in setting the guidelines for your progress along what hopefully will be your next major development, the possibility of oil discovery. When you consider

this development, remember the problems of Stanley Fisheries and Seamount. The ingredients of that disaster included control being taken outside Executive Council. This allowed for the absence of strong financial control. Proposals were being rushed through the decision taking machinery without proper consultation, without information being provided for proper consideration. Frequent absences from the colony of Senior Government Officers, Senior Government Officers using their positions for receiving personal benefits, decisions being rushed through without adequate planning and consultation. These are warning signals, do not let Seamount happen again. This statement is not a plea for my future, that is not important. My cry is for the future of the Falkland Islands people. Can you take another Seamount disaster? I hope I will be here to prevent it. I support the motion Sir.

**The Honourable the Chief Executive:**

I support the motion Sir.

**The Commander British Forces:**

Your Excellency, Honourable members, as it has been made by Councillor Peck and Councillor Binnie perhaps I might put in my two penny's worth on the MPA road. I agree that it is on occasions dangerous. I fear that when you put a road, a motor vehicle and human nature together accidents will happen. There is no doubt that the speed on that road, the speed of which one goes on that road is critical, but it does depend on the weather conditions, and sometimes 25 miles per hour is too fast. On certain stretches and in certain conditions. It is difficult to choose precisely what is the appropriate speed on that road, but I suggest it is as the situation requires. But one thing I would plea for, Councillor Peck pleaded for an upgrading of the road, I am not sure what is in his mind, but I hope metalline is not one of them, because that would make the road far worse than it is currently particularly in the winter. I beg to support the motion.

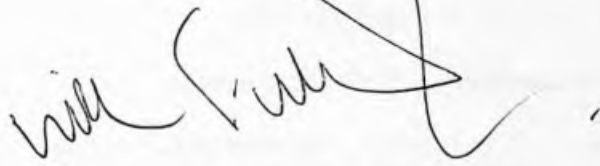
**The President:**

Thank you, Honourable Members my only remaining comment which I might just make would be that on the point made by Mrs Edwards, Councillor Peck and others about overseas representation, I am sure the Islands were admirably represented abroad by Honourable Members during this summer and indeed other times and I quite agree about the importance of stating the Falkland Islands case. It must certainly not go by default. From all accounts, Councillors attendance at the party conferences particularly and in their other travels was most successful in ensuring once again that it did not.

Honourable Members we have come to the end of our schedule - the House stands adjourned, Thank you.



Confirmed this 8<sup>th</sup> day of January 1991

A handwritten signature in cursive script, appearing to read "Will Fisher". The signature is fluid and somewhat stylized, with a large loop at the end.

GOVERNOR