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RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 24 MARCH 1999

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PRESIDENT

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

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

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

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

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

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

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

PERSONS ENTITLED TO ATTEND

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

The Commander British Forces Falkland Islands
(Brigadier David Vernon Nicholls RM)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

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**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD ON WEDNESDAY 24 MARCH 1999**

HIS EXCELLENCY THE GOVERNOR'S ADDRESS

Honourable Members of the Legislative Council of the Falkland Islands and listeners who are tuned in on the Falkland Islands Broadcasting Service. This is the fourth and last annual report, or State of the Nation Address as some now call it - perhaps not entirely flippantly - which I will have the privilege of delivering to you and to the people of this very special, very small, yet inordinately complex Overseas Territory of the United Kingdom. I am grateful to you for agreeing to advance the whole annual budget cycle to accommodate me. In accordance with well established tradition, I will speak today primarily about the performance of the Government and all its other departments during the past 12 months. I will necessarily have to be selective, for an exhaustive review of every activity, of every single department would be ineffably tedious and take hours. I apologise in advance for any significant omissions. More detailed reports by individual departments will be published separately in due course for the benefit of the specialist. If I occasionally stray into some other areas, or allow myself a few personal observations here and there, I hope you will indulge me just this once.

Life in the Falklands is seldom uneventful. This past year has been at least as full and as interesting as my first two years here were. There is much to report.

Let me start with Government and Governance, for without question there has been a further accretion of responsibility for the conduct of public affairs by the elected Councillors. This is not only natural, it is also consistent with the philosophy which suffuses the British Government's recent White Paper on the Overseas Territories, and the latter has, of course, been broadly welcomed by Honourable Members, particularly for its emphasis on partnership. But, with greater responsibility also goes greater accountability. This shift in the internal power balance also points out the need for clearer demarcation lines between responsibility for policy, and responsibility for running Government departments. I believe that there is still scope for further refinement in this respect. If the frequency of our Executive Council and Legislative Council meetings was the only criterion, representative self-government in the Falkland Islands is clearly flourishing, for the Legislative Council met four times during the last year, and Executive Council no less than 13. The national agenda grows ever heavier, and in parenthesis, I still believe that we could be more rigorous about forcing down the level of decision making in our administration, and I still hanker after some form of representative body, a sub-committee of Executive Council perhaps, to which routine Stanley business could be delegated, but that is now for another day and another Governor.

We can also take pride in having formulated and adopted this past year, a state of the art Code of Conduct on Standards in Public Life, applicable to politicians and civil servants alike. No one could criticise us now for indifference to ethical principles. But for the Falklands, 1998 may go down in history as the year in which, many years after it was first mooted, offshore oil exploration finally started. Considering our inexperience when we started, I think we can give ourselves a pat on the back. The oil companies certainly did, for the thoroughly professional way in which we as an administration, with valuable support from the Foreign and Commonwealth Office, the DTI, the British Geological survey and the Health and Safety Executive, managed the drilling programme always putting the highest emphasis on environmental protection. I pay tribute to the Director and staff of our Department of Mineral Resources, for the excellent job they have done, although, as Honourable Members know, commercial reservoirs of oil haven't yet been found, at least two hydrocarbon systems were identified from the minor oil shows found in four of the six wells drilled. The Geologists are optimistic that thicker sandstone reservoirs containing exploitable quantities of hydrocarbons, may be located in future drilling programmes. We must hope they are right.

The truth is that hydrocarbons hype notwithstanding, we never expected a major discovery straight off. This first exploratory drilling phase was always viewed as the beginning of a long term programme. The next step is for the mass of data from the six wells to be analysed and assessed. We may not see an oil rig again for several years, but there is no reason not to hope that the oil companies will return when oil prices rise again.

I must say a word about keeping the public here informed about oil development. I know that some were concerned about not having a proper say. My own view is that we didn't neglect our duty to the public to tell them what was happening. Far from it. Nor did they need to fear that major decisions would be taken without full consultation. I am sure that that will apply to any further oil development phase too.

Meanwhile, the South-west Atlantic Hydrocarbons Commission in which Falkland Islands representatives participate actively and constructively as members of the United Kingdom delegation, continues to inch toward an eventual licensing round in the Special Co-operation Area. If we still seem to be some way from that point it is only because of the sheer complexity of the task, but we are making progress.

The Department of Mineral Resources have also managed the final phase of the geological mapping project, yielding a detailed geological map, a CD ROM and a full report on the geology of the Islands. These should have valuable research applications. Honourable Members will also be aware of the apparently encouraging preliminary results of field work by Cambridge Mineral Resources, to assess the presence of precious stones and minerals on land.

So for the foreseeable future the fishery will remain our most valuable and productive natural asset, infinitely more so than agriculture. One sign of its importance to our economy is the fact that the number of fishing vessels registered in the Falklands is now up to 19. This past year, catches of both species of squid have been reasonably good, with 1998 witnessing a return to normal catch levels for *Loligo*. The 1999 season has already produced some surprises. The *Illex* Fishery started in Falkland zones earlier than usual, and the *Loligo* fishery is occurring further north than usual, which just goes to show that we are still far from knowing all there is to know about the squid's life cycle. Research must go on.

The fishery also remains vulnerable to natural phenomena and human depredation, and our income from it, and hence the prosperity of our community, vulnerable to world economic conditions. Thanks to the difficulties in the Far East, revenue from fishing licences fell to £17 m in the last financial year. This year the loss of revenue caused by some companies choosing to fish in Argentina, has been broadly compensated by the welcome return of many Korean vessels. The result is that revenue should be back up to around £20 m, but the lesson is clear. High and stable levels of income are not to be taken for granted.

The past year also provided grim reminders of the perils of high seas fishing. The sinking of the South African Vessel *Sudour Havid* in the South Georgia maritime zone in June with heavy loss of life, and fires aboard a Korean jigger in February, and a Spanish trawler this very week, but fortunately causing no casualties in either case. Moreover, the deaths of two Chinese crew men and the disappearance of two others after they have presumed to have jumped over-board from two Korean jiggers, raised serious issues relating to conditions aboard fishing ships. The Falkland Island Government's hands are somewhat tied in these matters by international convention, but vessel owners should not underestimate public disquiet about incidents of this sort. It is good that Councillors have taken up cudgels in relevant international organisations.

The now thriving Seaman's Centre in Stanley, relying heavily as it does on volunteers whose contribution I salute, is one tangible way in which we can give something back to seafarers for the bounty we receive from the sea. On the other hand, the arming of our main fishery protection vessel should show that we mean business about stamping out illegal fishing in our waters.

I must here mention the well earned award of the MBE to John Barton in the New Year's Honours. As he himself said, with characteristic modesty at the time, "this reflects great credit on our Fisheries Department team in its entirety." They do indeed do us proud. May I also take this opportunity, to reiterate formally, to the Commander British Forces, our Government's gratitude to the Forces under his Command, and especially 78 Squadron for the invaluable assistance they provide in all weathers to people in distress in the high seas.

I only wish I could report that agriculture, the traditional backbone of the Falkland's economy, was in equally good shape, but the further collapse of the world wool market, just when we thought we had hit rock bottom, has dealt it yet another body blow. Thank heavens we have an innovative and go ahead Agriculture Department, and money to put where our mouth is. Without these things, I wouldn't like to be a farmer in the Falklands today. It is not as if we are not doing our best to make farming more productive and profitable. I could reel off numerous programmes, pre-eminent amongst them of course the Agricultural Subsistence and Incentive Scheme, designed not only to provide financial support, but also to assist in the improvement of existing farming operations, or the development of new farm based enterprises; or the Pasture Improvement Programme, of which there has been widespread take-up and positive initial results.

The grazing systems trial on white grass near Fitzroy is yet another. It too has yielded promising results and much effort is going into identifying which legumes and grass species are most suited to upgrading our pastures. There is also the sheep nutrition programme, the shelterbelt programme (under which nearly 10,000 trees have now been planted), and the beef programme, focusing particularly on artificial insemination and improved animal feeds.

The veterinary Department also continues to make a big contribution to both agriculture and the fishery. It can, for example, now certify fishery products for export to the EU. Indeed legislation has been passed by this very House, bringing us into compliance with relevant EC directives, an important advance for our fishing industry.

Looking ahead, the Agricultural Department are working with the Falkland Islands Development Corporation on developing a Quality Falklands Wool Accreditation Scheme. New ways of exploiting the competitive edge, confirmed by our chemical free wool, and possible diversification into, amongst other things, guanacos and cashmere goats. I know some people here are sceptical about newfangled ideas, or ask why we spend all this money on experts and programmes. Are they seriously suggesting we should do nothing?

The real question, it seems to me, is whether what we are doing now is enough. I am not sure that there are any magic bullets, but I can't help feeling that more radical action is now needed. We need to ask ourselves some difficult questions too. Should we, for instance, continue to pour public money into inherently marginal or uncompetitive farms? Does it make sense to go on with sheep farming at all, when the bottom has fallen out of the world wool market? Should Government intervene when farmers want to leave their land, and can't find a buyer, or can only find a foreign one?

I don't pretend to know the answers, but I hope that the workshop we are holding in April will help to clarify thinking and options.

Finance and Economic Development. Although not unexpected, the upshot of the oil drilling programme and reminders of the uncertainties of the fishery, have instilled a more cautious approach to Government spending. As a reformed 'big spender' myself, I applaud this. There are things we still need to do, but we need to cut our cloth according to our means, though not so drastically as to disrupt the economy.

If the Capital Budget Programme can indeed be tightly restrained into £11 m by re-prioritising and stretching out programmes, then so much the better. At the macro-economic level, if the Islands Planning Committee didn't exist, we would have to invent something like it. The background statement which it is about to produce should be a key building block in the development of a coherent and much needed Islands Plan. But if I may say so, the Committee needs to take care not to lose its way, or get side-tracked from its essential remit.

A catalogue of the Treasury's accomplishments might quicken only the accountants pulse, but it is all part and parcel of strong fiscal management. This past year they have continued to work for improved longer term planning and budget processes, to strengthen financial management and control systems through computerisation. To lay the ground work for a new system of resources accounting, under which all fixed assets have now been registered and assigned a value and rate of depreciation, relentlessly to promote value for money, and to keep taxation policy under constant review, to ensure that our fiscal system reflects economic reality.

Our new pensions scheme, now fully up and running, is another advance for which the Treasury can take much of the credit. During 1998 we also split our investment portfolio between two major Merchant Banks, in the hope of gaining a better return. I hope we shall.

For their part, the Falkland Islands Development Corporation continues to promote economic and commercial development every way they can think of. Agriculture remains a major priority. I mentioned some of the FIDC joint initiatives with the Agriculture Department earlier. Provided Euro bureaucracy doesn't cause further delay, our new abattoir should, I am assured, start going up this spring. I am sorry if Ian Dempster won't see this through to completion, but he will leave the Falklands with our best wishes for the future.

The possible harvesting and use of calcified seaweed as fertiliser, as well as various aquaculture projects, are also being pursued. Stanley now has a brand-new, purpose built, Chamber of Commerce building and a successful new diner, to mention only two other FIDC supported projects, and reflecting the increase in cruise ship tourism, the FIDC and its Tourist Department are also masterminding a new public jetty heritage centre for Stanley, due for completion in time for next summer's season. This will be an important, and I imagine impressive new landmark.

It has, we can all agree, been a vintage year for Education, crowned by the superb GCSE results obtained by the year 11 pupils. 19 of them, more than ever before, could go on to further education overseas, if they wanted to, and perhaps the splendid new Falklands Lodge at Peter Symonds College, unveiled by His Royal Highness Prince Andrew, will provide an additional incentive. The Community School's publication - *Falkland Focus* - also won the international section of the Times educational supplement's newspaper day competition for the second year running. I warmly congratulate everyone concerned. Such successes entirely vindicate the substantial investment you and we are making in your young, and must fill teaching staff, not to mention pupils, with great pride.

The Infant and Junior School also had a good year, and Camp Education continued to set a high standard. A much needed comprehensive training needs analysis, from which a revamped apprentice training scheme will flow, is another important advance. In short, we are fortunate to have such a good team in education.

Medical and dental services in the Falkland Islands, also get steadily better. The Medical Department itself has been fortified by the appointment of a new General Manager Health Care, who is already making a perceptible impact.

In conjunction with the Education Department, a speech and language therapist has been recruited. An in-depth assessment of the needs of the community has been carried out by the College of Occupational Therapists, embracing sheltered housing for the disabled and an integrated approach to employment and recreation.

Dental hygiene education is being enhanced, and a new dental surgery at Fox Bay should be functional shortly. In short, we are remarkably well served as a community. We will also work closely with the Military to ensure a smooth civilianisation of the services from which both civilians and the Military benefit, currently provided by the Ministry of Defence at the King Edward VII Memorial Hospital.

Turning to infrastructure, the Public Works Department, now in better shape managerially, continues to press ahead with a significant Capital Works Programme, and to make real strides. Road construction and maintenance remain a high priority. There is good progress to report in the Camp road building programme in both East and West Falkland, as important for the social life of Camp as it is for economic development. Large stretches of road were surfaced in Stanley too, though there is plenty more to go. I also seriously wonder how many more accidents it will take before we decide we can no longer leave the MPA road unsurfaced, hugely expensive though that would be.

The new plant at the quarry has performed well and the Power Station and the Water Treatment plant have successfully met rising demand. It is also good to see more Government buildings looking smarter, thanks to a more systematic maintenance programme. In the end, it is all a question of resources and priorities. In the nature of things, the Public Works Department is one of those Government Departments which

tends to get more brick bats than bouquets. Let's not fail to give credit where it is due they do a very good job for us all.

It will be a great relief when the East Stanley Development is at last completed, but better late than never. All those extra Government houses and plots for private owners should relieve the pressure on housing in Stanley greatly if not totally. I have to say that I still remain convinced, however, that some additional, low cost, basic housing, is needed for people in lower income brackets.

The Environmental Planning Department have also been working up a structure plan for the whole of the Falkland Islands, as well as a revised Town Plan and Traffic Management Plan for Stanley, though executive decisions on these remain to be taken. It will be interesting to see what becomes of the latter (the Traffic Management Plan). The access track to Gypsy Cove, and the preparation of a management plan for the whole of the Cape Pembroke Peninsula, are other noteworthy advances. I hope that our new Environmental legislation which we have had on the stocks for some time now, will be passed without too much further delay, besides being intrinsically important, its adoption could only enhance our reputation in the world at large.

Amongst other things, it would also open the way for us to designate ten candidate wetland sites under the RAMSAR convention, another move which would be renowned to our credit in the environmental world.

Turning to air services, FIGAS who celebrated their 50th anniversary in December with a marvellous open day, continue to provide a very high quality service. Although the total number of passengers decreased slightly over the previous year, the number of Stanley residents travelling to the Camp on holiday increased, which is surely a sign of the times. The introduction of their first scheduled service to connect with the weekly flight from Chile is an interesting experiment.

For their part, the Civil Aviation Department, as ever working in close calibration with the UK CAA, completed their programme of testing and refurbishing airstrip fire appliances and the cross runway at Albemarle Farm. The new airstrip at Lively Island should also be finished this year.

On the subject of the Lan Chile air link, we are of course at the moment of truth. The Falkland Islands Government and the British Government, both hope that the Chilean Government will allow flights to continue after the end of this month, never mind what the result of the Lords decision. Cutting them off would hurt Chileans just as much as it would us, but we are actively working on fallback plans in case it does go. I am very clear about Honourable Members' concerns about unacceptable political conditionality.

The Attorney General and his team too, have maintained an impressive strike rate, in a sense reflecting the increasing sophistication of the Government and society of these Islands. To single out just some of the activities in which they are engaged, work has

started on a wholesale revision of the Islands company law, the first four volumes of a complete set of the Revised Laws of the Falkland Islands have been published, and new Immigration and Customs legislation is on the stocks. Another priority is the development a modern Civil Service Management Code, to replace the existing, now out-of-date General Orders.

If I may say so, I am glad that we finally established the Court Office as a separate cost centre within the Justice Department. It may seem an arcane point, but the judicatory needs to be and to be seen to be, independent of Government. This measure removes a tiresome running sore. The Court Office and the Registrar General's Office also continued to do their stuff, a service which the training and computerisation under way in those offices will only enhance.

The Royal Falkland Islands Police dealt with an increased case load this year, yet achieved a phenomenal detection rate for verified crimes (excluding traffic offences) of 93 percent. The men and women of the Force are to be congratulated. Superintendent Ken Greenland can bow out on a high note after 14 years as Chief Police Officer. I thank him for the dedicated and professional service he has given, and I wish him well in his new incarnation.

The Fire Service, who celebrated their 100th Anniversary in November 1998, had fewer call-outs than in 1997 and mercifully only two major fires. I hope this won't count against them in Hay terms! One would like to think this reflected greater public awareness of fire prevention rather than just good luck. It is good to see that the Fire Service now has its first ever female fire fighter, thus boosting our credentials as an equal opportunity employer.

The Customs and Immigration Service again had their work cut out, coping with a further increase in the number of cruise vessels visiting the Islands, translating to no less than 20,000 tourists landing, and the many extra aircraft and ship movements generated by the oil exploration activity. Customs and Immigration revenue makes an increasing contribution to the exchequer. Other Overseas Territories might be envious to learn, that the grand total of customs service criminal prosecutions in the Falkland Islands in 1999, was precisely one.

The Falkland Islands Defence Force have also had further successes, particularly in their recruiting drive and they have played an active, and I believe valued role in exercises with the regular British Forces stationed here in the Islands. They have also proved that they can give even the Gurkhas a run for their money in the march and shoot and the recent 100 Km yomp. It is wonderful to me, that so many people, Islanders and newcomers alike, are not prepared to just sit back and leave it to the regular Forces to shoulder the whole burden of defending the Falklands. Good for them.

Turning to central services Honourable Members, I recognise that the whole Hay Management reform process has been contentious, not to mention expensive, but the end result has, I hope, been broadly positive, particularly to the extent that it has eliminated some old inequities and given our public servants, who comprise such a large part of our working population, conditions of service and pay levels, comparable to those in the United Kingdom. The transformation brought about by the Hay review seems, on the whole, to be working well, and Performance Management is now embedded into the review system. One would like to see it become an intrinsic part of public service culture.

The greatly increased emphasis on training can also only be for the good, as much for individuals, as for the public service as a corporate body. Similarly the progressive computerisation and networking of Government Departments should produce corresponding efficiency gains. The Hospital even has a digital camera capable of sending X-rays via internet E-mail. If we have got things right, we shouldn't have any nasty surprises at midnight on 31 January, touch wood. A lot of work is going into preventing just that.

Both the public and the private sectors continue to be well served by the Printing Office. Backroom staff whose work is so often taken for granted, that without which, we simply couldn't function as a modern State.

The Post Office's work load also increased again over the past year, particularly in relation to air parcel mail via Chile, unfortunately of course now in jeopardy. We seem happily to have got over some problems we were experiencing with overseas registered mail. Philatelic sales have also revived somewhat, attributable in part perhaps to the appearance of the Philatelic Bureau on the Internet. Jimmy Stephenson I know is retiring later this year. He will be a great loss when he retires, and I salute him too.

The Falkland Islands Broadcasting Service has had a slightly uncertain year, due to high staff turnover and delays in reaching conclusions about the Neale Report. The permanent and volunteer staff at the station have nevertheless maintained a high quality output, particularly in news and current affairs, the evidence being that radio remains a popular medium.

Our new Medium Wave transmitter should improve reception throughout the Falklands and further afield. This year will see two other significant changes too. First, FIBS will become answerable to an expanded Media Trust rather than an appendage of Government as it is at present, thus more clearly delineating its independence from Government. Also, Patrick Watts is due to retire after a lifetime's career at FIBS. His departure will mark the end of an era. The Falkland Islands owe him a great debt of gratitude.

Under the increasing pressure of visitors, our little jewel of a museum in Stanley will slightly sadly I think, have to encase its exhibits rather than having them on open display, but that is needed for their own protection. But the Antarctic refuge hut is a fascinating addition to the collection. The National Trust remains as active as ever, particularly over safeguarding the unique historic hulks lying around Stanley Harbour and at Goose Green; valuable historical work on the missionary settlement at Keppel Island also continues.

Our very smart new Archives building means that our valuable collection of records to which a number of important, private donations were added over the years, and I thank the donors, can be properly stored and accessed for the first time. I am sure that future generations of Falkland Islanders will thank us for spending money for this purpose.

The Falkland Islands Government Office (FIGO) in London, has also been busier than ever, particularly at the political and public relations sharp end in advancing the Falklands cause in the United Kingdom. As part of an essential ongoing programme, two groups of MPs and several influential journalists have visited the Islands at our behest. Falkland Islands Government representatives and of course that includes elected members, attended the Labour and Conservative Party Conferences as usual. There has been a Falklands presence at three major County Shows, and several high quality photographic exhibitions have been staged around the United Kingdom. The representative continues to play a prime role in the United Kingdom Overseas Territory Association. All this activity helps to raise the Falklands' profile and, we must hope, to make friends and influence people which is increasingly more important the further away from 1982 we get.

Honourable Members, at the risk of prolonging an already long report, and I apologise for its length, there are just a few more things I must say before I conclude.

First, I wish to express the thanks of the Government and the people of the Falkland Islands to Brigadier Nicholls and to his predecessor not long departed, not just for the security in which the men and women serving the British Forces stationed in the South Atlantic provide, but also for the contribution which they make in so many different ways to the life and prosperity of these Islands. Within our means we will continue to repay this by shouldering our share of the burden, in turn we hope we can continue to enjoy undiminished use of the Tristar, particularly if our other air link is in jeopardy.

Secondly, although the Chief Executive is not due to depart until several months after I myself leave, I wouldn't want to pay tribute to other Government Officers who are standing down in the relatively near future, without paying warm tribute here to Andrew Gurr as well. However, allow me to reserve my main remarks for a later opportunity when I can do him full justice.

Thirdly, I have already referred to the British Government's White Paper on the Overseas Territories and the welcome emphasis it places on partnership between the mother country - if I can call her that - and the Overseas Territories. We in the Falkland Islands, who already enjoy full British citizenship must surely also welcome HMG's readiness to extend this privilege to the peoples of the other Territories, and especially those in St Helena, many of whom have become members of our own community.

Fourth - I am sure that you would all wish me to express our delight and gratitude to His Royal Highness the Prince of Wales for his recent visit. It would be difficult to imagine a more eloquent reaffirmation of the unique link between the United Kingdom and the Falkland Islands, or a more poignant reminder of the debt of gratitude owed to the British servicemen who fell in defence of principle in 1982. I hope the press coverage of his visit also served to dispel some persistent and sometimes pernicious misconceptions about what the Falkland Islands, and the Falkland Islanders of today are really like.

Fifth, since this report is primarily about internal matters, I don't propose to speak about relations with Argentina at length. A great deal has been said on that subject lately. The British Government's position on sovereignty and your right of self-determination, should, I hope, be sufficiently well understood here in the Falkland Islands as not to need repetition by me now. Nor need there be any doubts about HMG's assurances that the intrinsically desirable improvement of relations between the United Kingdom and Argentina, exemplified President Menem's visit, will not be at the expense of British commitments to the Falkland Islands. Nevertheless, while I very much understand the feelings of people here, how could I not after three years living amongst you, I have to say that I personally welcome the signs of a greater readiness, at least to question some shibboleth. A lively debate within Falkland society about these things is surely healthy rather than harmful.

Lastly, I would like to recall the assistance which the people of the Falkland Islands offered the people of Papua New Guinea, Honduras and Nicaragua, following the dreadful natural catastrophes which overwhelmed them this past year. It was, if I may say so, a generous act on your part.

Honourable Members, that concludes my report. I believe the record of the past year has been highly positive. If I may say so, it is remarkable what we have achieved, particularly considering the size of the population. That doesn't mean to say that there isn't still plenty to do. I only wish I were going to be here longer to play my part, but that will be my successor's privilege. I hope to have one final opportunity to address you formally in this House before I depart, but for now I wish you luck in your work in the Select Committee. Thank you.

The Clerk of Councils

Motion of Thanks to His Excellency The Governor on his Address.

The Honourable the Chief Executive

Mr President, Honourable Members, I would like to propose that this House offers a Vote of Thanks to Your Excellency for your most welcome Address.

The Honourable MV Summers OBE

Your Excellency. Thank you for what was necessarily a comprehensive and very positive Address. I will pick up on just a few points, perhaps to emphasise some other areas of positiveness and perhaps to indicate some areas where we have a little more work to do. Before doing that, may I welcome Brigadier Nicholls to our midst and wish him a very useful and positive time as part of the Falkland Islands Government.

Sir, you mentioned Performance Management as a public service culture. What we will do in the budget both this month and next month, and what we should be doing throughout our time as the Government of these Islands should constantly bear in mind Performance Management as a public service culture, for that is what we should have. Every public servant, both on a personal basis and on a departmental basis has a responsibility to deliver to this community value for money. That not only means seven and a half hours work for seven and a half hours pay every day, but it also means ensuring that the department, the section, the environment within which you work provides value for money to the community, and if you are not doing that you are not being thoroughly honest to all your fellow citizens. We will bear that very much in mind when we debate the budget during these next few weeks.

You also mentioned islands planning and the need for focus. I thoroughly endorse that, and as the Chairman I do hope that we are entirely focused on the key issue of Islands Planning, which is to ensure that we have the direction of the economy right. If you are aware of some devious plot to side-track the Island's Plan, or Planning Committee into some other area of activity, I would be delighted to hear about it. I think we are focused and I think we know what we have to do in the overall structure of the budget this year, and we as Councillors and the officers who help us to do it must be honest in that endeavour and ensure that we do work within that plan.

The Broadcasting service, I think, delivers a fine service to the Falklands and I thank them for that. I think the addition of the Medium Wave Transmitter will be a useful addition, and I too welcome the greater independence that will come as a result of the transference of the management responsibility to the expanded Media Trust. I hope that people who work in the Broadcasting service won't feel too disturbed during this change over time, and we will do what we can to make the transition smooth, but it is for the benefit of the community at large.

I would like to congratulate the Post Office most particularly, who during this past year have delivered an improved service at no extra cost, and for that they are to be congratulated. That is not always that case in all departments and I am pleased to see Jimmy Stephenson at this late stage leading the way.

Cost against service, I perhaps alluded to in my opening remarks. It is a key issue. I would just like to express myself in this House as a computer sceptic, not that I don't think that the things work, but that I think very often they work the wrong way around. Computers are tools for people to use to make themselves more efficient and more effective. They are not a means of spending more time doing the same job more prettily. I hope, therefore, that the Computer section, will be able to assist the rest of the Government in performing its tasks most effectively, rather than providing the direction for departments that they wouldn't necessarily wished to have taken.

I will touch briefly on the Police in just one area - their role in the recent drugs awareness campaign. I thank them for the work that they have done in that and would just like to remind folk that this is very much a joint activity. The Education Department is thoroughly involved in it. So are the Customs, and so are the parents. Drugs awareness in an important matter. It is important that the young people have the right direction in life and the direction at home, the direction from the parents is more important than anything that we can deliver from the public side to assist that activity. We do very much welcome the future involvement of all parents in the drug awareness campaign and in the meetings and discussions that will take place in the future.

I will mention the Customs and Immigration Department because I think that they too, above all others, do deserve some special mention. The Immigration section particularly has quite a difficult task and they do it fairly quietly. They too suffer the occasional brick bat but not very many considering the emotion that very often runs around the question of immigration and I would like to congratulate them for that work.

Education has been successful in this last year and for that we are all very proud, I hope. We must understand that results do come and go and if we don't have quite such good results next year or the year after, or the year after, or in any subsequent year, that is not necessarily a bad thing, I mean there are cycles. The continuity is the important thing and the dedication of the heads and the teachers to providing education is what has got us where we are today, backed up by the resources that the Government is able to provide. We look forward to that continuing in the longer term. I would just like to mention the same thing that I mentioned in drugs awareness, and that is the role of the parents. Parents have a huge role in education. I think that at the end of the day for most pupils, it is the support of the parent at home in supporting the child's need to do the homework, or just understanding and sheer support that is the measure of success. You can see those children who get support from home are generally speaking more successful than those who don't. The parent plays a critical role in this.

Finally two other areas. Transport both external and internal. I think external will be discussed later on. Internal transport I have a concern about because I am not sure that we are actually keeping on top of the developments that are required in internal transport. I think we give it plenty of Committee time but I don't think we give it enough management time. I think there are several issues that need to be determined and put before the Executive Council and I hope that that will happen shortly.

On the development issue generally, I fear that there has been a drift in focus from the core activities like this to some of the more sexy activities, and I would like to see them getting back to the basics.

This leaves me finally with agriculture and the issue of rural development. We have to be clear about what we are trying to do. What are we trying to do? I think we are trying to keep people working economically successfully in the Camp. That is our aim so everything that we should be doing should be focused towards that. We should be rewarding, therefore, diversification and success as opposed to simply sustaining the status quo. I know and have supported the notion of providing subsidies for difficult times during the wool crisis, but we have to move forward from that and we have to think of ways in which we can reward success in the Camp. Perhaps that means providing subsidies to those people who have joined the quality wool scheme, or who have developed diversification schemes already. Perhaps you will reward people who have produced more beef. Perhaps you make the Camp a tax free zone. Like you, Sir, I am not the provider of answers in these areas, but I think that we have to be more positive thinking about how we assist the rural areas to survive, and to survive profitably. Sir, I support the Motion.

The Honourable JR Cockwell

Your Excellency. While rising to support the Motion I too would like to welcome Brigadier Nicholls to the Legislative Council. I have had the pleasure of working with him in two Executive Councils and I look forward to the rest of his stay.

I agree that we really should welcome the Government White Paper on the Overseas Territories. It actually makes us more comfortable in some ways, but it also gives us responsibilities which we will have to face up to, and I think we are actually going that way.

Otherwise I will just touch on various matters of your speech which have come to mind. The first one is fisheries and in particular, I think we should welcome the fact that the catches are up - particularly in the Illex - as being an indication or a vindication of our fisheries policy, because there have been people who have suggested in the past that our fisheries policy was really pointless, and that it wasn't going to create sustainable stocks. Obviously we have to watch this very carefully, but it does actually show that our Fisheries Department supported by the Imperial College are getting something right as far as it is going. While talking about that, I

should also join you on congratulating John Barton on his Honour.

Abuses of human rights will not be condoned in any way in the Falkland Islands as far as I am concerned, Further work on securing support from other areas of the world to eliminate these occurrences really must be continued, and I am personally following this through Sir, as I know a lot of other Councillors are.

Obviously the next thing which I have to talk about is agriculture. This time last year I stated in this House that wool alone could not be expected to support the agricultural community. I think I was the first person to actually stand up and say that in plain words in this House and interesting enough it wasn't actually even reported in the Penguin News or in any other areas, other than the fact that it was broadcast over the station, it didn't really raise an eyebrow. However, I believe that my predictions were more accurate than even I could have expected, and I regret the fact that the wool prices have dropped so low so quickly which has caused us major problems.

We must continue to support the agricultural community, but in agreement with the Honourable Mike Summers I believe that in the future the support should not be set on wool production alone, but should also be rewarding effort and diversification to other rural enterprises, be they agricultural or otherwise. Wool always will be a significant factor in the Falklands' agriculture there is no question of that, and therefore I support the efforts of standardisation of quality and also the efforts to identify niche markets, such as the chemical free enterprise which has been entered into in the wool being sent to Germany and that sort of thing, and obviously the quality Falkland wool which you have mentioned yourself.

The abattoir is a vital element in the agricultural development as far as I can see, because it gives the farmers another outlet for a product which they know how to produce. I look forward to the day when we find that we have overcome what you referred to Sir, as 'Euro-bureaucracy', and we can commence the building of the abattoir. There is one word of caution that I would like to actually present to this House and that is that I believe that the proper training of Falkland Islanders in the operation of all objects of the running of an abattoir, must be taken into serious account. We have the best abattoir in the world and if we don't actually train our people to produce quality meat, the enterprise will not succeed.

I wish to commend to this House the work of FIDC, and in particular the work of Ian Dempster who has worked tirelessly to bring this project to fruition. I also regret that he will not be here to see it happen.

I would also like to congratulate all the people involved in road construction in the Camp this year. I believe that we have actually laid more pavement this year around the Camp in the Falklands than we have for many a year, if ever. In particular I would like to congratulate the very small but hard working Flying Squad which works out of Fox Bay, and the work that they have done doing advanced works down into the Port Stephens area, which has helped the people in that area considerably to be able to

Fox Bay, and the work that they have done doing advanced works down into the Port Stephens area, which has helped the people in that area considerably to be able to move around in the summer.

I would also like to congratulate FIGAS on their 50 years of flying, and again this year they have supplied a good service to people living in the less accessible parts of the Islands.

May I follow you in expressing our thanks to HRH Prince Charles for finding the time to visit the Falkland Islands. I believe that his comments on the sovereignty of the Falkland Islands were carefully chosen, and sincerely meant and any person who values democracy could not disagree. While talking about this, I would like to thank everybody who assisted in the organisation of the visit, all the people behind the scenes, the people in the Press Office, the Research Assistant and Councillors who manned the Councillors' Office all during this visit, I think they should all be congratulated on the hard work that they did.

(Hear! Hear!)

Fuel prices - I'd like to express my dismay that in a position of a Government Director of Stanley Services, I was unable to prevent a price increase on some fuels. I am convinced that we should be able to see a reduction within a month or so, after completion of discussions on the domestic fuel formula with the other Directors.

You mentioned the education and the achievement of the exam results last year which were very commendable. This won't always happen, as has been pointed out, it will go up and down, but I believe that the last issue of the *Falkland Focus* is to be commended and in particular, I would like to recommend to people in the Islands that they read the editorial which was written by one of our young students. I believe while our students can produce such thought provoking and intelligent editorials and this type of thing, the future of the Falkland Islands is in very good hands.

Regarding the drugs awareness campaign, could I commend their project which is being proposed to help combat any potential drug problem. Could I also suggest that if it is decided that we should have another drug sniffer dog, that we investigate the possibility of re-training the dog we've had. I believe now, that possibly that dog is perfectly capable of achieving what we need and it would save us an awful lot of money.

Sir, I wish to thank you for your Address.

The Honourable Mrs JL Cheek

In rising to support the Motion of Thanks Your Excellency, I begin with caution on the subject of agriculture. I am aware that I am not involved, never have been involved in agriculture, but sometimes you can be more objective looking from the

outside than when you are deeply involved in the problems that it has at the moment. The time has arrived for hard decisions, both by Government and by the farmers. I know that farmers appreciate the sums of money that the Government has put into their businesses over the years in order to keep farms going. There is not one easy answer. It may be a combination, it may be that we should be heading for some form of mixed farming, or a complete diversification away from farming on the land. My business experience leads me to believe that you must start small with whatever new scheme, find your way, and if that one's not successful you may well have to try another. The abattoir will open new markets, and whatever decisions are made, they will be in the best interests of the Islands as a whole, including the farmers on the land.

Government must take an interest in land sales, because over the years Government has invested heavily in keeping those farms going. It cannot then just let them go by the board. I welcome the fact that you are a reformed big spender. I remember speaking to you about your profligate suggestions before I even got onto Council. As we go into the budget session, capital and recurrent, we must look very carefully at our priorities again, as we will be over the next few days, but above all, recurrent expenditure must be contained. This should be assisted by the greater efficiencies that we are told Hay will bring. But, nevertheless, I believe there is overmanning in some departments. I am not proposing that we start firing and retiring, but I am advocating a careful policy of looking at natural wastage. When posts become vacant, let's look stringently at them, see if they are really needed. See if the greater efficiencies that we have been promised have made some of those posts unnecessary. Every post will have to be convincingly justified to the Human Resources Department, and to Councillors.

That said, we should be planning carefully so that we don't find essential posts left empty for months, as has recently been the case with the Social Worker's post. Better planning could have, perhaps, avoided that.

I join in your congratulations on the wonderful results achieved by the Education Department. I think we can all share in the pride in our young people. We can remember that those good results are not achieved overnight. It is the accumulative effect of years of investment, of hard work, as my Honourable Colleague on my right says, by parents as well as teachers. I taught for nearly 20 years and I am very conscious of the fact that a little parental interest can make up for ten IQ points at least. Just bothering to go along to parents evenings, shows a child that their parent is committed to their education, is interested, and is interested in playing a positive part in it.

There is some urgency now in extending the Junior School, if we are to maintain the small classes and high standards that give us such an advantage here, and I hope that matter will be addressed over the next few days. In education we should be looking at the broadest education for all, and this is why things like drugs awareness do form an important part of that, but we must not get a distorted idea that somehow all our

children are looking to drugs. I am quite confident that most of them have too much good sense for that, but that doesn't mean that we can ignore the fact that they may be at risk.

Moving onto East Stanley, it is wonderful to drive down there. I drove down there extraordinarily enough after a gap of one year, and I was absolutely amazed to see the finished roads, the finished houses, the sites ready for new houses, and the building going on on many of those sites. Let's hope that that really will make in-roads into the housing list, but I share your view, Sir, that we should be looking at a way of encouraging one or two builders to do more starter homes, at reasonable and affordable prices, to give people a stepping stone into the housing market.

I share everyone's concern that we may lose the Lan Chile link. The effect that that may have on tourism, on many businesses, and on those living in Chile cannot be underestimated. That said, we must not be panicked into accepting what some would interpret as blackmail, in the sense that we should be forced to fly directly to Argentina. If you give in to blackmail, just wait for the next demand. It will be a lot bigger.

(Hear! Hear!)

I join you Sir, in your good wishes to the Chief Police Officer as he moves on. I am very sorry that he didn't see the start of the new Police Station before he did so, but I hope it won't be too long, and perhaps he will be able to drive past it.

The Honourable the Chief Executive

At 50 miles per hour!

The Honourable Mrs JL Cheek

I reiterate what Councillor Cockwell said about the visit of Prince Charles. It has given a tremendous boost to people here, and the hard work done by so many people and I would like to mention in particular, the Clerk of Councils.....

(Hear! Hear!)

.....who I believe played a large part in ensuring the success of that visit. It was wonderful for us to welcome a senior Royal visitor, and people could not but be gratified to hear the words that he said in Argentina on the subject of democracy, and of allowing our small democracy to continue.

I would like to endorse your remarks on the vital role of the British Forces here and to welcome Brigadier Nicholls to his first session of Legislative Council. I support the Motion.

The Honourable J Birmingham

Mr President Honourable Members. In rising to speak to the Motion, I will also be as brief as possible. I welcome Brigadier Nicholls to this House, and hope that your stay in the Islands is as enjoyable and as interesting as it has been up to now, Sir. I thank his staff for all their help before and during the visit of the Prince of Wales and on a personal note, although I shall be writing to the officer concerned, I thank on behalf of the Blue Bus, Flight Lieutenant Nicholas Pinkley, and all of 78 Squadron, for their cheque of £660 donated to the bus yesterday out at MPA. The continued generosity of both the Military and civilian communities in the Islands never ceases to amaze me, as shown by the recent support for Karl McKay and his effort to raise £5,000.

Sir, if I may just comment on a few points from your Address. I was surprised that you still flogged the horse of a Town Council, Sir. If there had been a Town Council at this moment, you can be sure that a proposed new public toilet would still have gone to Executive Council for the definitive decision. The Town Council horse, I hope, is dead and buried.

Your Excellency, you are right when you say that a pat on the back is deserved for the Department of Mineral Resources, but also for other Falkland Islands Government personnel, such as the Attorney General and his staff, are to be thanked. There is still an enormous amount of work to do with the data supplied by the oil companies, so it has to be understood that just because the rig has disappeared over the horizon, it doesn't mean that nothing is being done. I can assure both yourself, Sir, and the public, that information will be forthcoming on any future development, not only in the oil sector, but also on land, as we see at present with the work recently done by Cambridge Mineral Resources.

The Honourable Richard Cockwell has spoken at length on the fisheries. I would just like to add my congratulations to John Barton on his MBE, and I agree with him that it surely does reflect on the department as a whole. I agree with you when you say that we still don't know enough about the cycle of squid, and that research must go on if we want to maintain a sustainable fishery.

The Seaman's Mission is a great success, and long may it continue, and thanks to everybody concerned.

On the subject of agriculture, as a Councillor I fully support the Camp. I have done in the past and I will in the future. We can't afford to have an empty quarter as they have in some desert countries, but I am not the first to say that the time really is coming, when wool has got to be seen only as part of a farmer's income, and not the whole. We do need an abattoir for export purposes, but even now there is a market here in the Islands that is waiting to be filled with local produce.

Dare I say that the Public Works Department do deserve a round of applause for the way in which they tidied up the Town ready for the Royal visit. The Public Works Department don't get enough praise for the many things that they do do well. Perhaps one of the problems is that they don't shout enough about the things that they are doing properly.

Sir, you said that in your opinion, even with the East Stanley Development nearly completed, that there is a need for low-cost basic housing for the lower income bracket, as did the Honourable Jan Cheek. I agree with both of you, but as Chairman of the Housing Committee I know that the situation could be made better if couples, not only in the Falkland Islands Government employment but also in the private sector, who are earning substantial amounts of income, decided that it was unfair for them to be taking up cheap Government accommodation, when it is clear that it is within their resources to buy, or build their own. Other Councillors will want to have their say about their own areas, and we have a very busy three days ahead so I will finish by thanking all who made the Royal visit such a success, even the weatherman, who gave us a little bit of fair weather.

One last point, Sir. Towards the end of your Address you said "I welcome the sign of a greater readiness to question some shibboleth". Being an ignoramus I had to look up in the dictionary what this word meant, and one meaning I found was that it was to question custom or doctrine. Fine, but apparently it is Hebrew meaning ear of corn as well, which was apparently used as a test of nationality, because of its difficult pronunciation. Perhaps we should remember this just in case that time ever comes when we were confident enough, and had reason enough, to let Argentine passport holders in. Sir, I support the Motion.

The Honourable DL Clifton

Mr President. I rise of course to support the Motion and to thank you for your eloquent delivery. It truly is an impressive review of the workings of Government. It is also appropriate to welcome Brigadier Nicholls, and I am sure that we all look forward to working with you and your men and women at Mount Pleasant during the forthcoming year. As you say Sir, we have much to take pride in. You asked that we permit you to indulge in some personal observations and I think in return, I must ask this of you. You started by reflecting on Government and Governance and the further accretion of responsibility for the conduct of public affairs by Councillors. I would say that this is something that we do not take lightly, but I could not help but be perplexed by your use of the word accretion.

To follow through from my Honourable Colleague on my left here, the Oxford Dictionary defines one meaning of accretion as being the growth by organic enlargement. Of course the national agenda does grow heavier, and to use your own words, it would be much simpler if we could be more rigorous about forcing down the level of decision making in our administration. In my view effective governance ensures that the managers have the tools to manage and they are then directed to get

on with the job. Performance Management springs immediately to mind, and perhaps I didn't hear somebody say "Hay! Hay!" But, good governance also requires the managers to be cognisant of political demands and directions.

(Hear! Hear!)

It is to be hoped that when we further advance the development of our Constitution, which I earnestly hope we will do, and in the life of this Council, that anew role for Councillors will be found. Here I am talking something akin to ministerial office because it is only by attaining that goal that Councillors can then be fully accountable to the electorate.

Mr President, I am tempted to say something about oil. It is of course well known that I had a direct interest in the exploration activities over the past two years and I continue to hold that interest. I think that we should be reminded that the total exploration expenditure by the oil companies was something in the order of \$200 m (US), and no economic accumulation of oil was found. The industry generally is in a shaky condition and I believe a number of years will pass before offshore exploration recommences in the Falkland Basins.

Crude oil, unlike our retail in gas oil prices, were at a historically low level at the end of 1998 and the 10 year prognosis, I suggest, is not good. Because of that I think I am duty bound to urge some considerable restraint on expecting anything to happen too quickly within the Special Co-operation Area. In my view, crude oil prices will need to recover to more than \$15 a barrel, before the Special Co-operation Area can become in any way attractive, that is of course after the fullest political agreement on all the technical and environmental issues. Therefore, in my view oil is on the backburner in the Islands' immediate and short term future. I say this because I think we have to be focused on other areas.

You mentioned continuing human rights abuses, and I cannot agree that the Government's hands here are tied. I am very conscious that I have an ongoing debate with the Attorney General on this matter, and I am pleased to see that he is well rested and returned from vacation, but we must take bold steps to introduce conditions in the award of our fishing licences.

I would like, Sir, to be associated with your (kind remarks in respect of John Barton's New Year's Honour. I believe it was a truly fitting reward. Our financial situation is in good shape, and I think that, in large part, is due to the direction that the Islands Planning Committee has taken in the last 15 months, under the very able and competent Chairmanship of the Honourable Michael Summers.

We have been able to disengage the 'let's spend' era. That can only be good for our long-term future. I just wonder where we may have gone, had we related to the oil optimists' view and continued to freely spend on everything.

The agricultural sector does require urgent cash priming. We are in the unenviable position because we have exercised, I suggest, greater financial constraint at being able to financially help farmers, but not merely by offering cash. Offering cash on an annual basis, as my Honourable Colleagues have said, is not the way to proceed. The agricultural sector does need a radical overhaul. I think that has come to us quite strongly and readily at this time. The sector needs to be re-invigorated, it needs both capital and initiative for those radical steps to be taken. We have to accept the reality that wool as a single product has no future in our rural area. We must diversify. To the farming community I would simply say this: "We will help you financially and technically, we can offer advice and support, and we would like you to seriously take up the cudgels of diversification."

An analysis in the *Economist* only two weeks ago, clearly showed that with depressed oil prices, synthetic products will continue to reap even a larger portion of the wool market for the next decade.

On the general theme of the rural community, I must make some mention of the truly isolated areas, and I do so being fully aware of the sentiments behind the statement made by the Honourable Mike Summers. I think we need to return to this and return to it perhaps rather more quickly than we are doing.

Mr President, when you arrived here, a little over three years ago, we were launching out into several unknowns, not least the end of a Tory Government, reduced defence spending under the Tory Government, unexpected return to Government of the Labour party with all the emphasis they were then putting on strategic defence review, and we were moving into a new jet service with Chile. In this House we have said how pleased we were, and in some respects surprised by the robustness of Prime Minister Tony Blair's support for us. Their strategic defence review has had its effect, and I think it will continue to have an effect here, not so much in terms of Britain's defence commitment to the Islands, but in those other peripheral areas which we have come to so very much enjoy over the past 16 years. All may not be what it seems and now we are unfortunately caught up in the machinations of the Pinochet affair, and the potential demise of the Lan Chile service, and consequently a much reduced, or anticipated reduction to the tourist trade next season. All these might be components of a conspiracy. I hope not, and I would like to think that they are all truly unforeseen events.

We did not find oil as I have said; sheep farming is at an all-time low; we have some money in the bank, and I am sure that we can weather a storm or two, but I suggest that we cannot weather a political hurricane.

Finally, like my Colleague the Honourable John Birmingham, I am struck by your use of the word shibboleth. My colleague has given an explanation of where that has derived from and having just written a paper about the Falklands' national identity dynamic and the end of the class society, I was struck by your use of such a word and its probable connotation.

We all want some resolution on the way ahead. The questioning of the shibboleth could help that; equally it could render inaction and unacceptability. All we require, I believe, is some form of Argentine recognition of our right to determine our own future, and I suggest that this may not mean the same as resolving the sovereignty dispute. Mr President, I thank you.

The Honourable Mrs N Edwards

Your Excellency. In rising to support the Motion of Thanks, may I just touch on a few things that you commented on? I agree entirely that we could cut the Executive Council agenda considerably by departmental decisions rather than everything coming to Executive Council, but I still feel that when we reviewed the Constitution, my own feeling was that we should have scrapped Executive Council, had a joint meeting every month in this Chamber, open to the public for part of the meeting and closed for confidential items that might come up. That would be a whole better way in my opinion, of open Government, and it would have rid everything which goes to Executive Council now.

I think we would all have to agree with the thoughts on the future of oil by my Honourable Colleague on my left here. We might not have any at all, and it might not be for a very long time before we have any activity in that area again, therefore I feel that we should now be looking to reducing the oil department to a caretaker department which we can expand if necessary, but at the moment it seems unnecessary to have a rather large department - well it's not extremely large, I think it employs four people there. I really can't see the point of it now. However, I expect it will go on and on.

You mentioned Fisheries. It is comforting to know that our fisheries at the moment continue to be healthy, but I agree that we shouldn't be complacent about it at all. One bad year, and that might mean our revenue is greatly reduced.

As for the human rights issues on vessels in and around our waters, I think it is right and proper that we continue to highlight these problems at every opportunity, in the hope that the Law of the Sea will be ratified by all fishing nations around the world eventually, and complied with by these nations. If this was to happen I feel that that would make a great deal of difference to the rights of fishermen on the high seas. Again, wishful thinking I suppose.

A lot has been said about agriculture, and may I say on behalf of the farming community, that we are grateful for the continuing support offered to us in these hard times. We hear continually now that the days of farming for wool are over and we must look to new incentives, and believe me people are trying very hard to do just that. If I could think of anything which would support the farm I would have had an incentive scheme nine years ago. I am still looking, still trying to think of what it is that we can do which will effectively replace wool farming, I haven't managed to

think of anything. There are all kinds of help offered by the Agricultural Department for which we are grateful, but I have to say that the truth is that the only tried and tested market for farmers in the Falklands is wool at present. Hopefully there will be some organic market for meat products when the abattoir is a) built and b) up and running, but we would still have to run our wool flock, you can't just get rid of wool flocks over night, so there is no quick fix solution and please don't think there is. We will do all we can as the farming community to not have to accept handouts from Government, rest assured of that. I would urge this Government and its successive ones to continue the support we are giving to farmers to encourage them not to leave the land. Remember that farming has supported these Islands for over 150 years, and probably none of us would be here today if it hadn't been for the farming in the past. We are now dependent on fisheries money but maybe again in the future we will be able to have a useful contribution to the economy of these Islands again. I hope so, but we would be grateful to be helped through the hard times which we will have to endure in the meantime.

You mentioned the Medical Department, Sir, and I agree with you. I feel that we have got a Medical Department which provides a very, very good service, and I have always said this. If anybody doubts me on that then I suggest that they look carefully at the National Health Service of today and be grateful for what they have here. Lots of changes are happening to provide a better service for the patient, and as the years go on, I hope that that will prove to be so. We are trying very hard to keep up-to-date in all fields. We recently had a senior nurse out here to review the nursing situation and advise us on the way forward in nursing practices, so that we are not left behind and that we are up-to-date on all fronts.

It is pleasing to hear of the success of our children in education this year and I hope it continues, but as the Honourable Mike Summers said, it is a bit like fishing - some good years, some bad years. Don't judge the Education Department if there aren't such good results next year.

You also mentioned that the Public Works Department takes all the brick bats and that is very true, I think, and they should be congratulated for all the work they have done up to the Prince's visit and all the improvements around town. It is a treat to come into town and see at least the front looking reasonably painted up and nice. I can't wait for the Queen to visit because then we will have a completely regenerated town I should think. Even, perhaps, a new front road for that!

FIGAS continues to serve us very well indeed, and I think what people don't realise is that they have the CAA out to look at Gerald Cheek's 'bit of it', and people come out to test the Pilots and so on, and they always get excellent results and it isn't publicised, but they are much praised. Not just here but afar, and I thank FIGAS for the service it gives us and hope that it continues for another 50 years, at least.

It was gratifying to see the White Paper on the Overseas Territories has granted British citizenship, especially to the St Helenians. Many of us, when we have gone abroad in the past have pushed the St Helenian cause for citizenship and it is really very good to see that that has now happened, and I am very pleased for them.

Sir, I support the Motion of Thanks.

His Excellency The Governor

You've had enough already! I can't say that I blame you.

The Honourable Mrs S Halford

Mr President, Honourable Members. In rising to support the Motion of Thanks I would like to endorse what Your Excellency said about the British Forces here in the Islands. I too would like to welcome Brigadier Nicholls here, especially as he returns to this House wearing a uniform that has had a very long association with the Islands.

(Hear! Hear!)

I am also pleased that FIBS is now going to be taken out of the Government remit. I have long thought that this is something that should happen, but obviously all the listeners out there today will now realise, that this is not a meeting of Executive Council but a meeting of Legislative Council. I have heard it consistently advertised over the last few days that we are having an Executive Council broadcast. It could be quite interesting if we did.

The Honourable Mrs N Edwards

It should happen!

The Honourable Mrs S Halford

I too welcome the White Paper on the Overseas Territories. I thought that was very good, and it is very nice to see that the other territories will now get British nationality.

I have to say Sir, that your comments on Public Works were most welcome, and so were those of some of my colleagues here today. The Public Works does take a lot of knocking generally, from the public, and often not a lot of thanks. It probably takes a lot of knocking because mainly its departments are in fact departments that provide services to the public, and any department that provides a service is going to be greatly criticised. I think what we have to bear in mind is that whatever they do, there will always be plenty more still to be done. I would like to thank all those people who work within those departments and do provide those services.

The Honourable Jan Cheek issued a word of caution to farmers and Government. I would like to extend that word of caution to the whole population. As the Honourable Norma Edwards has just indicated, farmers don't want to feel that they are the only people sitting out there taking hand-outs. As I have seen it of recent times, it seems to me that the whole population is increasingly expecting more of the Government and the services provided by it. This expectation is often without thought toward cost. It often appears that we are fast becoming a society that expects everything to be done for it from the cradle to the grave. I sincerely hope not. I know there are still people out there who are still prepared to put effort into their survival and not sit around and wait for someone else to do it for them. I congratulate those of you who do this.

The internal transport issue was mentioned by the Honourable Mike Summers and I totally support what he said. There is no point in us putting in all these roads at great expense if we are not going to seriously address the issue and make use of them. By doing that we will need to re-evaluate exactly how many airstrips we need and how many ports we need. We certainly don't need to go to all the minor ports. If we do, then it seems to me that money spent on the roads has been wasted.

Starter homes have been mentioned by a couple of people, and it has been suggested that it would be good if some of our builders could build these starter homes. Certainly if Council feel this way inclined then a conscious decision will have to be made to allocate land to those builders to allow them to do that, because the way the land is currently allocated this would not, at the moment, be possible.

You mentioned tourism Sir and how many people come here and this is obviously something I am involved in. I still find it somewhat troublesome, that whilst we welcome tourists here we don't actually give them a lot in return. It will, therefore, be very nice to see the new Tourist Centre built, and perhaps we could put the toilets in there, which were mentioned as well. It's not just Stanley that seems to take from the tourists and give nothing in return, I have to say there are many places outside Stanley now which one has to pay to go to. Again, a frequent comment by tourists is that they are surprised that there are no facilities for them to use. Perhaps this is something that people should be taking on board.

The other thing I would like to mention is the FIDF. Another one of my portfolios. We know they have had a lot greater activity of recent times, as you have said, in conjunction with the British Forces here. What I think is pleasing to note is that there are now over 70 people on the books of the FIDF, and I think that the Officer Commanding needs to be congratulated in raising the level of interest and participation within the force. There is an exercise due to take place this weekend, and should see in excess of 50 people wishing to take part. This type of motivation and interest has been sadly lacking in past years, but I am pleased to see this is now up and running.

Sir, I support the Motion.

The Honourable WR Luxton

Mr President. The construction of the alphabet seems to have left me either with the last word or scrambling around for something original to say. I am not sure which.

First of all I would like to add my welcome to Brigadier Nicholls. We have a particular attachment to the Royal Marines of course - indeed the first of my ancestors arrived here as a Royal Marine.

Mr President, one thing that hasn't been mentioned is Stanley Services and the recent iniquitous hike in fuel prices, which I believe was totally unjustified.

(Hear! Hear!)

Around this Table we are aware of the reasoning behind this, although I am not sure that members of the public are. When one knows that the price of domestic fuel oil in, for instance, the United Kingdom, is around 8 p a litre at the moment, it is very difficult to justify the current price here, and the increase. I think Stanley Services is something that this Government is going to have to tackle, and the whole question of fuel supply. I think the public should know that we are actively considering that.

I won't try to comment on everything that you touched on Mr President, but I would like to congratulate all those involved throughout the Islands in the construction of roads. The amount of road that has been constructed this year is truly remarkable. There are an enormous number of people involved. There is the North Camp Road gang, the Public Works Department have done an incredible job. They are not very far short of Salvador now, which was supposed to be two years work and they have certainly done more than anyone ever considered they would. The Lafonia road is right past and over the famous, or perhaps infamous, Cobb's Pass so I trust that one of our predecessors around the table will be happy to see that. It was a subject dear to his heart.

(Hear! Hear!)

I think that Mike McKay and his gang are to be congratulated on the excellent job they have done out there.

(Hear! Hear!)

Equally Stewart and son - the road from Port Louis towards Johnsons Harbour. We provided the funds and they have gone out there and done the job. On West Falkland I would also like to add my congratulations to the Public Works Department Road gang out there, for their excellent job in the maintenance. I don't believe that maintenance is as expensive as some people thought it would be, and they have done a

lot of advanced works. And finally of course, to Gordon Forbes, and his gang, many of who are locals, and a lot of them are involved in the farming industry. They too have done an amazing job and still building road. It must be the only project throughout the Islands that always spends all the money allocated to it, and could spend a lot more. We have allocated more this year, which I was very glad to see.

As for agriculture, wool is certainly in the doldrums. One of the critical things that faces us is the abattoir. We simply have to have that abattoir built. Most of the development that we are talking about depends on having the abattoir. It is not only for export purposes, but local consumption as well. If we can get into the Mount Pleasant Airport market it will make a tremendous difference and a tremendous extra income to existing farming operations.

This time last year, some of us were lucky enough to have a visit to Chile which was organised by the Agriculture Department, and the income from wool for the farmers over there is much the smallest part. The income from meat represents the biggest proportion by far. As a farmer I would say that we are all grateful for the day-to-day or the year-to-year assistance, and for the benefit of those who are listening out there I would just like to say, because I don't think it was mentioned in your Executive Council roundup, that Council has agreed to an interim subsidy on the wool price, and I believe the first tranche of this should be payable next month, so there will be a wool price subsidy during this year which will hopefully keep people's heads above water.

As for the future, there are so many things going on, and I would like to add my congratulations to the Agricultural Department for the tremendous breadth of things that they are taking on, but I would caution that many of these things need to be proved before too many people get in too deeply. I am optimistic.

I would also like to refer to the flight situation. Today may be crunch day. We should know in a few hours what has happened to General Pinochet, and what the reaction will be. I would just like to say to our neighbours across the water, that we know they are putting pressure on other countries, and we know what they are after. What they want is direct flights to Argentina, but they should know that Falkland Islanders will not be bullied, or blackmailed and that that is the wrong tactic to take. If they want to normalise relations we don't respond well to bullying, blackmail or pressure.

(Hear! Hear!)

Finally Sir, I welcome you to the small band of people who would like to see a Town Council and we will keep on trying. Sir, I support the Motion.

Commander British Forces

I am rising to support the Motion, Your Excellency. First of all thank you very much indeed for your generous words of thanks for the British Forces contribution to the security, safety, life and prosperity of the Falkland Islanders. I would also like to say

thank you very much to the Honourable Councillors for their warm words of welcome to me personally. I am extremely grateful for those, and also the Honourable John Birmingham for his kind words about the British Forces behind the scenes support to the Royal visit. Thank you.

The Strategic Defence Review has been mentioned. It was foreign policy led, it was an extremely thorough research of what Her Majesty's Government's commitments were and of course it resulted in a reconfirmation of the Government's commitment to the defence of the Falkland Islands in the very significant investment that there is in MPA, but also it is of note that very significant investment has gone into what we know as the Joint Rapid Reaction Force, which are ready reinforcements to come down here to reinforce my forces in the Falkland Islands should that be necessary. So that is very good news for us all.

My focus as Commander British Forces Falkland Islands is first, very much on operational capability and that is honing the sharp end of my forces in order to sustain the security of, not only the Islands here, but also South Georgia, South Sandwich Islands, and the territorial sea and air space surrounding those territories, and my second focus is to maintain and sustain the existing harmonious relationships, between us - the Military - and the Islanders.

Sir, I am very grateful to you for mentioning the MPA road. Clearly anything that can be done to improve the safety of that road I would welcome. We have lost seven servicemen since it has been built, and 149 have been injured on that road. So thank you for that.

It is an enormous privilege and pleasure for me to be here as Commander British Forces Falkland Islands as a Royal Marine of 1982 vintage, and be here for one year. I am determined that the British Forces Falkland Islands will maintain a high level of operational capability, and that the harmonious relationship between us and the Islanders will be sustained and maintained in the future.

Sir, thank you, and I support the Motion.

The Honourable the Financial Secretary

Mr President, Honourable Members. As usual my remarks are made with pound signs in my eyes. All developments, improvements and progress that Your Excellency has so rightly applauded today, represent a drain on the Consolidated Fund, the reserves of the Falkland Islands. The Fisheries licence income and other revenues will be unable to keep those reserves topped up to a manageable level, unless the approved Islands Planning and budget strategy is fully accepted and followed by everyone responsible and accountable. I will leave further comments in this regard to my budget presentation to this House next month.

I would also welcome Brigadier Nicholls to the Falkland Islands and to this House. I support the Motion of Thanks.

The Honourable the Chief Executive

Mr President, Honourable Members, I rise to sum up on the Motion. Well of course I too add my warm welcome to Brigadier David Nicholls. Every Commander brings his own particular style to the post, and I must say I find his style especially helpful, and I am very confident that civilian-military liaison will continue to be excellent Sir, during your time in the Islands. I would too, congratulate you, Mr President, on your speech. It was both comprehensive and succinct. I believe it was a well balanced summary of the situation we now have, and it was delivered with your own characteristic clarity and poise, and on behalf of the Civil Service I would thank you for the many tributes that were paid during your speech. I would single out especially my senior colleagues - if only they did work seven and a half hours a day for seven and a half hours pay they would, I am sure, have a lot more free time than many of them have. There is a lot of evening work that goes on, a lot of weekend work goes on by senior officers and I would thank them for it. I know indeed Councillors too would thank them for that. Many have worked excessive hours and have provided a value for money that is well beyond expectation.

A brief comment about computers. I must speak in defence of computers. They are not just things that do jobs prettily. It hasn't been said in this Chamber today, but I have heard it said in the Islands that computers don't save jobs. Well, tell that to hundreds of thousands of bank and insurance employees who have been made redundant. Tell it to the hundreds of thousands of manual workers in the manufacturing industries that have been made redundant by computers. They do save bodies, and they do make organisations more efficient. They do so, initially by enhancing existing capability but subsequently they can, in many cases, where the job may be repetitive and mundane, replace that capability and I think we need to keep a constant watch on that, because in these islands we have far too few skilled people, and where computers are able to take over what human beings at present are doing, I think that is a very healthy trend, if we can achieve that. It will free people to do other more worthwhile and more cost effective tasks.

Finally, I would just comment on the Royal visit and the amazing achievement by all concerned in the organisation in what was an incredibly, and unusually short space of time. Six weeks planning for a visit that would normally require something like six months planning. With the sort of resources we have here, that was amazing. In the press room in particular, we actually had to provide a world class service, starting from scratch. I think it was a great tribute to all those involved that at the end many of the press people said that it was the best press room they had ever been in. At times there were crises, coming back to computers, it was like one of those nightmare computer games where you have got inadequate resources to play with and then some crisis hits you and you suddenly have to change things. That certainly happened with the weather on the Sunday and the Monday. I would like to pay particular thanks, not

just to the civil servants involved, but to those from the private sector, because the work that was put in by Cable & Wireless was truly astonishing, and I think that they helped out in an amazing way, and they have to be congratulated on that. I would also congratulate Kelvin's for the additional work that they put in at Lookout Lodge. I had the job of actually explaining to the journalists in London what Lookout Lodge was before they come here, and the looks on their faces were something to behold. But they were very agreeably surprised, and some of them actually very much enjoyed staying there and said it compared very favourably with high class hotels that they had been in other parts of the world, not too far from here. Now whether there is any truth in that I don't know! We pleased them so much that they were actually saying that sort of thing. To the many individuals and the private sector companies involved, I would offer a great deal of thanks. We really showed the world, and indeed we showed some of the opinion formers of the world, what we can do in these Islands, and I think we can be proud of that.

With that Sir, and congratulating you again on your speech, I beg to move the Motion of Thanks.

His Excellency The Governor

Thank you very much. If I could just very briefly pick up a few points that arose out of the comments for which I am very grateful. There is no devious plot, that I know of, to distract the Islands Planning Committee from its remit. As I said in my remarks, I think it is an essential body that would have to be invented if we didn't have one, but I think there could be a temptation for it almost to become an alternative Executive Council because the economy does go off in so many directions. It is just a question of self-discipline, I think.

The Town Council - well I can have my dreams can't I? On a point of clarification, I know that there was a Town Council and I know that it was not judged to have succeeded therefore it was scrapped. I am not actually proposing a Town Council, I think there is a need for Stanley issues to be dealt with in some other body. Now I know there are Constitutional difficulties, and practical difficulties about having a Town Council perhaps, so my idea was a sub-committee of Executive Council. I didn't spell that out.

The Honourable J Birmingham

Another committee?

His Excellency The Governor

Well it's another Committee, but it might actually save the principal Committee, anyway let's not get into that. It is a matter for all of you, and as I said, for another day and another Governor.

I couldn't agree more about the need for action on human rights abuses on fishing ships. I was as appalled as anybody else would have been about those awful incidents that came to light and the loss of life and all that, and I am under no illusions that that sort of thing probably persists. Not just in our waters but all around the world. When I said that our hands are tied, I didn't mean to imply that there is nothing we can do and I am sorry if I gave that impression. Of course there are things we can do, but there are also some things we can't do as the Honourable Member clearly understands because of international law.

On agriculture, can I just say to the farmers out there, you would be misunderstanding the general tenor of this discussion and of the general feeling in the Islands at the moment in Stanley, if you thought that we were all ganging up on agriculture and farmers and have a downer on them. We don't and that is absolutely not the point. The point is that our minds are concentrated by the abysmal price of wool, and the need to do something else. I think the money is there, but we all have to work as a community to really get a wet towel wrapped around our heads and think some very tough thoughts about how the hell we can solve this problem. I fully agree that there are no quick fixes. It is not something that can be turned around in a year. It will be a short, medium and long-term programme, but I think that we have to start now.

I haven't done an Executive Council round up, which one Honourable Member referred to, but I will be doing one following the Executive Council meeting yesterday. Of course a number of the points that I will tell the public about have now been addressed in this meeting, but I will still mention them.

I was very remiss in not saying in my speech how amazed and grateful I was too, and impressed, by the incredible collective effort on the part of everybody here in the Islands who was involved in making the Prince of Wales' visit an enormous success, as I think we all know it was. I would simply like to echo all the thanks that have been pouring out of this body today to everybody, civilian, military, public or private sector. Everybody, and I dare not pick anybody out because I know that gets me into trouble, but you know there were some that obviously worked their watsits off - Claudette you won't mind if I put it in those terms, and thank you so much. I hope you got a lot of fun and satisfaction out of it too because it was fun, actually.

I am sorry if I have used the wrong word when I said shibboleth. I did look at my dictionary, and though it's not supposed to be a heavily coded word which now enters the demonology or anything like that, what I really wanted to say was that I just think that a questioning of some of the existing orthodoxy's, existing policies or conventional wisdom's or whatever, that is good, that is healthy, even if you don't change your minds I just think it is healthy to question it.

My last point is that last year I made the most dreadful mistake *faux pas*, in singling out one Government department as the Government of the year. I am not going to do that again, but I am going to single out one department that has got us all a surprising sympathy vote this year, and that is PWD. It is very nice to hear so many people

standing up for that department, so I am glad I said what I said about them and I hope that they are encouraged by the warm remarks which have been made by Honourable Members in this forum today, about their activities on road building and everything else. They have done a great job but so have all the other departments too, and it really is difficult to pick anybody out as they all worked jolly hard. On that note, I thank you very much, I think this Address is therefore, technically passed or something - isn't it? If there is a Motion for it? (I will go and change and return in twenty minutes time). Thank you very much.

The Clerk of Councils

Confirmation of records of the meetings of Legislative Council held on 19 November and 22 December 1998.

His Excellency The Governor

Does any Honourable Member of this Chamber have any editorial or indeed any other substantive points on the records, that they would like to draw to the Clerk's attention, and mine for that matter. No, then can I confirm them as being a correct record? I will. Two meetings, okay. Hasn't one of our resident, eagle-eyed proof-readers picked up anything? Don't disappoint!

The Clerk of Councils

Don't encourage them Sir.

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

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

The Law Revision Order (No2) of 1998

The Dissaplication of Enactments (No 3) Order 1998

The Planning Ordinance 1991 Correction Order 1998

The Registration of Charities Exemption Order 1998

The Animal Health Application of Legislation Order 1998

The Designated Abattoirs Application of Legislation Order 1998

The Falkland Islands Pension Scheme (Accounts) Regulations 1999

The Falkland Islands Pension Scheme General Provisions Regulations 1999

The Fisheries Products (Hygiene) Designated Vessels Order 1999

The Honourable the Chief Executive

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

His Excellency the Governor

Thank you very much. They are so laid. I think that is all we do in this case isn't it?

The Clerk of Councils

Questions for Oral Answer

QUESTION NO 1/99 BY THE HONOURABLE MRS SHARON HALFORD

Will the Chief Executive please indicate whether or not the policy on overseas training has changed, and explain why some contract officers are being sent overseas for training?

The Honourable the Chief Executive

Mr President, Honourable Members. I am informed that the policy on overseas training has not changed. Contract officers sometimes do undertake training overseas, but only:

- a) if it is necessary;
- b) if it is attached to leave passage; and
- c) if the officer is going to continue in service for a period of time.

Now realising that the Honourable Mrs Halford doesn't ask questions without a reason, I asked the Human Resources Department to carry out a check on recent training applications, and I am informed that no anomalies which may have given rise to this question could be found.

The Honourable Mrs S Halford

I thank the Chief Executive for that response. Presumably it is Government Policy to try and ensure that when we recruit officers from overseas on contracts of two years, that they do fit the requirements for the post and should not therefore need training?

The Honourable the Chief Executive

Well Mr President, I think it is hard to comment on that, other than to say that would normally be the case. There may be continuing professional development requirements and I can think of one or two cases, which come in the middle of a two-year contract, and they would be dealt with under normal training procedures.

QUESTION NO. 2/99 BY THE HONOURABLE SHARON HALFORD

Could the Honourable Lewis Clifton please indicate whether or not it is the intention of the Millennium Committee to raise monies from within the community, rather than seeking Government funding for celebrity events and activities?

The Honourable DL Clifton

Mr President. It appears, I am afraid, it is. As the Honourable Member is aware, there are no funds presently allocated for any aspect of celebration, and/or activity. Later on this week I propose placing on the Table in the Select Committee, a request for funding to kick-start certain initiatives.

The Honourable Mrs S Halford

I thank the Honourable Lewis Clifton for his reply.

QUESTION NO. 3/99 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members. Can the Honourable Jan Cheek please inform me of the number of pre-paid places at Peter Symonds' College for Falkland Island students?

The Honourable Mrs JL Cheek

Your Excellency, Honourable Members. The £500,000 loan made to Peter Symonds' College by Falkland Islands Government in 1996, purchased 92.6 fixed price places at £5,400 each. To date, these have been used as follows:

1996/97 academic year - 10 places
1997/98 academic year - 8 places
1998/99 academic year - 9 places

It is expected that in the coming academic year (1999/2000) a further 19 places will be used.

The Honourable J Birmingham

I thank the Honourable Jan Cheek for her answer. I wonder if she could inform me as to whether the Education Department is happy with the College, and if in the next few years we will be thinking as to whether they would move on somewhere else, or whether they would stick with the same College?

The Honourable Mrs JL Cheek

Obviously we are happy with the college, or we wouldn't be sending pupils there. In years to come, who knows? Things might change there. At the moment, the range of subjects and the quality of the teaching they offer is of a very high standard. If someone can suggest something better as these places run out then we will certainly look at it.

The Honourable MV Summers OBE

Mr President. Could I ask the Financial Secretary whether the cost, on an annual basis of these pre-paid places, are shown in the estimates for the Education Department, or whether, in fact, there is an understatement of the true cost of education year on year, whilst we are using up these pre-paid places?

The Honourable the Financial Secretary

Your Excellency. I advise that the cost is not shown in the estimates, but the opening and closing balance of the loan is shown as a note in the estimates.

The Honourable J Birmingham

I would just like to thank the Honourable Jan Cheek for her answer. Yes I was aware when that £500,000 was paid Falkland Islands Government were happy with the situation, and as long as they, and the Education Department are happy with it then I am sure all is well.

QUESTION No 4/99 BY THE HONOURABLE JOHN BIRMINGHAM

Will the Honourable Sharon Halford please tell me what steps, if any, are being taken by the Public Works Department to minimise the pollution coming from the KEMH incinerator?

The Honourable Mrs S Halford

This is primarily an operational matter for the Medical Department. The Public Works Department has advised the Medical Department of the recommendations made by Halcrows, with regards to improved operation of the existing unit. These are, in short, that the following measures will minimise the pollution from the KEMH incinerator:

- 1) that the burner units are pre-heated prior to waste being inserted;
- 2) that the waste is loaded in small quantities; and
- 3) that the unit is de-ashed after each use.

A further reduction in emissions could be achieved if shredded paper waste were not passed through the incinerator. This is stated to be both the largest quantity of waste processed, and also that giving off the greatest amount of visible emissions. The Public Works Department has already recommended that the Secretariat and Medical Departments jointly address this. Until the alternative incinerator is available at the abattoir, there would not appear to be any other short-term measures, which can be taken to reduce emissions.

The Honourable J Birmingham

I thank the Honourable Sharon Halford for her answer. I apologise, as I have obviously asked the wrong department the question. Do I take it then that the Medical Department are fully aware of the procedures for burning, and that they will be carrying on in the future with the correct method of burning?

The Honourable Mrs S Halford

I believe that to be the case. But what has been highlighted by the answer – and even though I consider it ridiculous I suppose I have to declare an interest - is the way that shredded paper is treated here by Government. If Government were to start allowing shredded paper to be used for bedding for animals then it would not be causing smoke emissions from the incinerator.

The Honourable J Birmingham

I thank the Honourable Sharon Halford for her answers and I actually agree with her view on the waste of paper. Small as it may seem, over a year it is a lot.

His Excellency The Governor

Would the Honourable the Chief Executive care to comment on that point?

The Honourable the Chief Executive

I too agree about the paper situation. I understand the problem with the shredder. It isn't that, in principle, shredded paper can't be used, it is that the shredder is not efficient enough, and there is some belief that it is possible to un-shred the papers, which I know is in everyone's interest. How the Queens medical records was found on the street....

The Honourable J Birmingham

They weren't shredded.

The Honourable the Chief Executive

No, that is true, but you never know what you could do with a bit of sellotape and a lot of time. I think that is the question. The situation is not secure enough. If Honourable Members would be happy to agree to a request for a shredder that was actually capable, as some modern shredders are of making the product actually genuinely suitable for use, then I don't see why that shouldn't happen.

The Attorney General

Same as the shredder in my department.

The Honourable J Birmingham

I thank the Chief Executive for that, and the Attorney General who I welcome back. Well missed. I think that the Attorney General has some information that I am sure he will pass on to the Chief Executive after this meeting.

His Excellency The Governor

I don't want to get below my level of competence, or above my level of competence on this issue, but it sounds to me as though something needs to be done. Anyway, thank you.

QUESTION No 5/99 BY THE HONOURABLE JOHN BIRMINGHAM

Can the Chief Executive please tell me what progress has been made on the subject of fire prevention in Falkland Islands Government buildings, especially the Museum, since the September meeting of this House when the problem was first brought to his attention?

The Honourable the Chief Executive

Mr President, Honourable Members. I am pleased to report that some progress has been made since the September meeting of this Council, in that an order has been placed on a local company for the supply and installation of a fire detection system in the Museum complex. This system will be linked by means of an autodialler to the Police Station. This is due to arrive very shortly and will be installed as soon as practical after arrival. The installation will be maintained to ensure that it remains fully functional.

With regard to the wider issue of other Government buildings, there has been provision made in the draft capital budget, for installations in all other key buildings. Subject to this being approved, further progress can be made during the 1999/2000-budget year. I would, however, draw to the Honourable Member's attention, that there is a distinction between fire prevention and fire protection. What I have been

answering is assuming that his question was actually about protection. If his question were about prevention, which is indeed the word that he used, then it would require substantial refurbishment of Government buildings.

The Honourable J Birmingham

I thank the Honourable the Chief Executive for his answer. Yes, even I know the difference between fire protection and fire detection.

His Excellency The Governor

It's an old shibboleth.

(Laughter)

The Honourable J Birmingham

We appear to be making a start and now the Falkland Islands Government seem to be recognising that there is a problem, and I again thank the Chief Executive.

The Honourable Mrs N Edwards

Can I just assure the Honourable John Birmingham that this should be completed in the museum within two weeks.

The Honourable J Birmingham

I believe it is actually fire detection. We mustn't get mixed-up with that.

The Honourable Mrs N Edwards

Yes detection. I just wonder have you phoned the Museum and asked them. How much does this question cost to answer. We have been around this twice now. A phone call might have been cheaper.

The Honourable J Birmingham

I actually object to that by the Honourable Member to my right. Because the Chief Executive as head of the Civil Service has some responsibilities and I believe that this is one of them, the responsibility for Government buildings. Even though the Museum is a Trust, I believe it is still a Government building.

The Honourable WR Luxton

Mr President. Would it not make more sense in the case of a place like the Museum to have a true prevention system, a sprinkler system. Rather than detect the fire, so that we can have the Fire Brigade up there to watch it burn to the ground, because once a fire starts in the Museum, the damage is going to have been done and we will have lost everything. Why are we not looking at some sort of system to put it out?

The Honourable J Birmingham

I asked that question two years ago. I should have made a phone call perhaps.

His Excellency The Governor

Great minds.

The Honourable the Chief Executive

I suspect it is a matter of cost Mr President. We know there are three words - detection, prevention and protection - and I think that we have to be very, very careful which one we are actually addressing. Fully fledged sprinkler systems are very expensive, and one also has to design the building around them in a sense, because somewhere like the Archives, it can actually ruin what is there already, and also the Museum, so you really have to have everything properly done. That is a very expensive process. Obviously if Members wish that to happen that is what will happen. I believe in the Museum, what we are doing, is what we were asked to do.

The Honourable Mrs S Halford

Absolutely.

QUESTION No 6/99 BY THE HONOURABLE LEWIS CLIFTON

Mr President. The Falkland Islands Government is about to commence a recruitment campaign to secure a successor to the incumbent Chief Executive. Will the Chief Executive please advise what that campaign will consist of, and will he further outline the likely day-to-day role of his successor?

The Honourable the Chief Executive

Mr President, Honourable Members. I will just comment on the earlier question of why wasn't a member rung up, or why wasn't somebody rung up for the answer? Surely one of the main purposes of asking questions in the public forum, is so that the answer can be public and so the public actually understand what is going on. I certainly have that in mind as I answer this question.

(Hear! Hear!)

The campaign for the recruitment of the next Chief Executive was approved by the Executive Council in January. So far, His Excellency The Governor has approved the appointment of NB Selection as our recruitment consultants, and they have prepared a draft specification and advertisement which will be available to Honourable Members for comment shortly. It is proposed that the position will be advertised in the Islands on the 16 April, and in the United Kingdom on 18 April. During May NB Selection will carry out first interviews and make shortlist recommendations for interviews by two panels in London during the first week of June. Membership of the panels will be decided by His Excellency The Governor.

Following interviews, it is hoped that recommended final candidates will be able to visit the Islands with spouses during July, and August, with an offer being made during August or early September. It is hoped that the new Chief Executive will be able to take up his job during December of this year.

As far as outlining the likely day-to-day role, in some respects the job remains an evolving one. It has certainly changed during my tenure, and I expect that evolution to continue. Clearly the major activity is an executive one, ensuring that the decisions and policies of Executive Council are carried out efficiently. Thus, as head of the public service, the Chief Executive will manage the operation of the entire public sector, working through Heads of Departments. He will presumably lead Government business in Legislative Council; he will report directly to His Excellency The Governor, and will also ensure that Honourable Members are kept informed, especially where they have specific portfolio responsibilities. He will act as an internal spokesman on Government affairs, answering questions and giving interviews as appropriate. He, and I do of course include 'she' when I say 'he', will liaise with the Military, deal with enquiries both internal and external, and fulfil the roles placed upon him, or her, by decisions of Executive Council, both past and future.

As things stand, he would become Chairman of the Development Corporation, and he may also become Chairman of Stanley Services Limited. I hope he will continue to hold open discussion meetings on a regular basis, with the Chamber of Commerce.

The administrative component of the job is, in effect, the day-to-day function referred to in the question. There will also be many doubtless ad-hoc matters to become involved in. There will be fire fighting were unexpected situations arise, whether the Museum or elsewhere. There will, I hope, be a substantial co-ordination component to ensure that the service is efficient, not merely departmentally but as an entity. I also believe that there is a strategic component, which is of considerable importance. Too often we get bogged down in detail. I am also aware that there is a leadership component, less of the Government as a whole, as may have been the case in the past, but more of the Civil Service, as a vital component in Government.

I am confident that the role is an exciting and challenging one. There will be many very competitive and competent applicants. I am also confident that NB Selection will do a professional job, in putting before us, some excellent candidates.

The Honourable DL Clifton

I thank the Honourable Chief Executive for his reply.

The Honourable MV Summers OBE

Knowing as I do from the Chief Executive, that it is one of his most dearly held principles that no jobholder should be involved in the recruitment of his successor. Who does he expect will brief the interviewing panels on the type of person that is required for this post?

The Honourable the Chief Executive

Well the briefing documents, in essence, are already prepared Sir, and you have approved them. They will be seen by Executive Councillors and there will be not be any briefing given that isn't inherent and implicit in the job description documents.

His Excellency The Governor

Thank you.

QUESTION No 7/99 BY THE HONOURABLE LEWIS CLIFTON

Mr President. Can the Honourable Richard Cockwell please confirm that the Port Stephens spine road will definitely commence in 1999 Austral spring? Will he outline the programme of anticipated construction, including a finishing date? Will he further confirm that the highly successful Advanced Works Programme will continue until the road to Port Stephens is complete?

The Honourable JR Cockwell

I thank the Honourable Lewis Clifton for giving me the opportunity to answer this question. The commencement of the works to Port Stephens is, as you know, conditional on their inclusion in the Capital Estimates. However, it is assumed that if current levels of funding are provided in the future, the road will start in October 1999 and should be completed within three seasons - that is by April 2002. It is planned to move the road camp to Fox Bay over the coming winter. The Advanced Works Programme is separate from the project for the road to Port Stephens. Subject to funding and resource availability, the advanced programme will continue. This will be by combination of work by independent contractors and direct labour.

The Honourable DL Clifton

I wonder then, Mr President, in assuming that there is some delay in the construction and the start date of the spine road given possible financial constraints. Can the Honourable Member give an assurance that the Advanced Works Programmes which have been undertaken in the last summer amazingly well, given the absence of some good overseeing management, will they continue for next summer because those peoples in those areas are extremely isolated?

(Hear! Hear!)

The Honourable JR Cockwell

Your Excellency. Given the suggestion that The Honourable Lewis Clifton has made regarding the fact that these works may not start. I trust that this will not happen because it is essential to build this spine road. Given that situation, I would make every effort as Chairman of the Transport Committee, to ensure that the advanced works were continued and possibly accelerated. However, I personally do not feel that we should consider not starting the spine road to Port Stephens in the next road building season.

The Honourable DL Clifton

I thank the Honourable Richard Cockwell for that statement. I am sure that will be welcome news to the people in that area.

The Honourable Mrs N Edwards

Can the Honourable Richard Cockwell please assure me that there are no plans afoot to remove the flying squad part to the Hill Cove area, in view of the fact that we now have a portion of the road at Hill Cove that needs repair urgently, I might say, because of flooding and so on - at least 200 metres of it. Can that be undertaken before any of the plant is moved from Hill Cove down to the Fox Bay area?

The Honourable JR Cockwell

Your Excellency. I thank the Honourable Norma Edwards for this question. This is a difficult question for me to answer because this is actually a Public Works Department problem, and not a transport one. The Transport Committee dictates the policy and not the implementation, and I feel that the Honourable Sharon Halford may possibly be in a better position to answer this question.

The Honourable Mrs S Halford

Sir, I have been given to understand by Public Works that the work which the Honourable Norma Edwards has asked about - I believe it is in the Sound area - will be undertaken during May and June of this year, which obviously will be before any plant is shifted.

The Honourable Mrs N Edwards

Thank you very much.

The Honourable MV Summers OBE

Could the Honourable Sharon Halford tell me how that work is to be funded, since it is reparation of a poorly designed piece of work and there are no funds, as I am aware, allocated to that work. Does she know how it will be funded?

The Honourable Mrs S Halford

I am unclear as to how it will be funded and would suspect that this is something that we would be deliberating about later this week.

QUESTION No 8/99 BY THE HONOURABLE LEWIS CLIFTON

Mr President. As we all know there are uncertainties regarding the future of the external air services to and from the Falkland Islands. Will the Chief Executive outline the options available to Government, with particular regard to the impending reductions in the Tristar service?

The Honourable the Chief Executive

Mr President, Honourable Members. The matter of air services to and from these Islands is a very current concern. The Law Lords' decision on General Pinochet does us no favours in view of the recent pressures on Lan Chile. In a Working Group created by Executive Council, we have reviewed all the options open to us in the event of a cessation of the Lan Chile service, and we have been in active pursuit of those that we consider to be the best. However, our major work has been to ensure that we have created the best possible arguments for the continuance of the Lan Chile flight, especially within Chile, and I pay tribute to the work of the General Manager of the FIDC to that end. As far as the Tristar service is concerned, I can assure this House that the Administration is working alongside the Foreign and Commonwealth Office to try and ensure that the arrangements from the 1 April onwards are optimised from the civilian stand point as far as is possible.

The Honourable DL Clifton

Mr President. I thank the Honourable the Chief Executive for his reply.

QUESTION No 9/99 BY THE HONOURABLE MIKE SUMMERS OBE

Mr President. Would the Honourable Jan Cheek please outline the current plans for provisions of additional accommodation for the elderly, whether this includes a residential home as well as additional sheltered accommodation, and what is the philosophy underlying this provision?

The Honourable Mrs JL Cheek

Your Excellency, Honourable Members. The issue of additional accommodation for elderly people was considered by Executive Council in September last year. A paper from the General Manager Health Care, prompted by debate on the future use of the Stanley House site was received. Honourable Members agreed:

- 1) That every effort should be made to maintain elderly people in their own homes;
- 2) That a greater number of places in sheltered housing should be made available over the next few years (approximately 15); and
- 3) That specialist nursing care should continue to be provided in hospital.

The service principles are that:

- 1) the most important consideration in the provision of any service is the choice that individuals, to whom the service is being provided, would make for themselves. Of course it is not always possible for this to be overriding but any variance to this needs to be explicitly made;
- 2) the contention is that most people, whether elderly or not, would choose to live as independently as possible; and
- 3) the services should be driven by the client need and not by placing individuals into what happens to be available.

An over-concentration of services into any one area should be avoided. The options available in the provision of residential services for elderly people range from independent living at home, with family, community or minimal professional support at one end of the spectrum, through to specialised nursing care at another. Between these extremes would be semi-independent living at home with significant support, sheltered housing, a residential home and a nursing home. It would be rare for there to be the full range of services available in a small community. The range of services

currently available comprises of independent living at home with family, community, or some professional support, sheltered housing, and specialised hospital care. This range of services across the spectrum would seem to be optimal, given the size of population, the exercise of choice, economic reality and the availability of the appropriately trained and qualified staff. The option exists to offer more intense support to maintain people in their own homes, should this be desirable and affordable in the future.

The Honourable MV Summers OBE

Mr President, I thank the Honourable Jan Cheek for that explanation. For the benefit of the public, I think it will help to clarify some of the confusion that has surrounded the issue of residential accommodation. Could I ask her to clarify whether these provisions could be expected to include some higher dependency units in the sheltered accommodation?

The Honourable Mrs JL Cheek

Your Excellency. I would hope there would be a range of dependency from those who simply need a home all on one level, right through to those who need support on a daily or hourly basis, and all would be connected to an alarm system.

The Honourable J Birmingham

I think the question says 'will the Honourable Jan Cheek outline the current plans', now would this include the present site of the hostel? Are we going to see any movement in what was the plan to move Stanley Hostel to somewhere else and to utilise that area?

The Honourable Mrs JL Cheek

That is one of the questions we will be addressing in the next few days. I would have thought if we wanted to build extra sheltered accommodation speedily, then we need to look at an empty site, and not one that is currently occupied.

The Honourable J Birmingham

I thank the Honourable Jan Cheek. Do I take it then that the decision made two years ago by this Council is now going to change and we are not going to build a new hostel? Do I detect that that is the way we are going?

The Honourable Mrs JL Cheek

Could I just make one point?

His Excellency The Governor

Yes please do.

The Honourable Mrs JL Cheek

Arguably we have no need for a new hostel at present with numbers falling.

The Honourable J Birmingham

I agree that the numbers of children in the Hostel are falling Sir, and originally it was decided that it wasn't so much that we required a new hostel of a given size, it had been decided that we would utilise the area around Stanley House. I thank the Honourable Jan Cheek.

The Honourable DL Clifton

Mr President, just a point for clarification. I wonder if the Honourable Jan Cheek can say if there are any funds presently earmarked for this round of the capital budget, to be considered in terms of some preliminary construction on additional accommodation?

The Honourable Mrs JL Cheek

Without being able to give you the precise figures, I believe that there is provision for some sheltered accommodation.

The Honourable DL Clifton

Thank you very much.

QUESTION No 10/99 BY THE HONOURABLE MIKE SUMMERS OBE

Would the Honourable Sharon Halford please outline the plans for completion of the Infant and Junior School toilets, and what active resources are being put to this project?

The Honourable Mrs S Halford

Presumably the tide will now turn for the Public Works Department.

The Junior School toilets are programmed for completion prior to the start of the second school term on 27 April of this year. I am assured that the resources being put into this project are sufficient to complete the work by this date. In addition to PWD directly employed labour, some finishing work has been sub-contracted. PWD advise that the completion date is subject to the delivery of some specialist materials, which

were short-shipped by the United Kingdom manufacturer. These materials were ordered on 26 August 1998, for delivery to the Falklands by mid November. The bulk of the order actually arrived late December on the Hogg Robinson vessel, and I Robinson understand that a letter of apology should be forthcoming from the United Kingdom supplier.

The Honourable MV Summers OBE

Thank you the Honourable Sharon Halford. I wonder whether the Honourable Member would agree with me that it is extremely unfortunate that for a project which is so high profile in the middle of the town, that so many ~~inaccurate~~ *inactive* resources were seen to be on hand in the early days of the project? *GA.*

The Honourable Mrs S Halford

Presumably the Honourable Member is referring to when the blocks were being laid. It was recognised when this project was undertaken by the Public Works Department, that there was a shortage of block laying skills in the department, and presumably that is one of the errors he refers to.

The Honourable MV Summers OBE

What I was referring to, were those people who were clearly incapable of laying blocks who were hanging around the site, not laying blocks.

His Excellency The Governor

Thank you. We are getting slightly into the realm of micro-management here I suspect.

The Honourable J Birmingham

The Honourable Member could have just picked up the telephone and got that answer.

(Laughter)

His Excellency The Governor

Thank you very much for that observation. Does the Honourable Sharon Halford wish to just counter?

The Honourable Mrs S Halford

I don't actually think there is anything to answer by what the Honourable Mike Summers has just said. I think he made his point.

His Excellency The Governor

Thank you very much. I would just like to note that this will be a major landmark since the completion of the toilets, and therefore the first flush coincides with my birthday.

(Laughter)

I hope I am still here for that.

QUESTION No 11/99 BY THE HONOURABLE JAN CHEEK

Your Excellency, Honourable Members. Will the Honourable Sharon Halford, please give a progress report on the East Stanley Development, including when plot owners may expect access to their plots?

The Honourable Mrs S Halford

There are 83 plots on the East Stanley Development. Four of these have been allocated for commercial development. Of the 79 plots remaining for residential development, 22 have been taken by Falkland Islands Government for Government housing leaving 57 for private development. As of yesterday, 30 of these had been released to plot owners. The remaining 27 plots, most of which are in phase III, Watson Way - should be released progressively between now and mid April. I am unable to give the actual release dates, as these are dependent on completion by the contractor.

The Honourable Mrs JL Cheek

I thank the Honourable Member for her reply.

The Honourable DL Clifton

Mr President. If I may, a supplementary. Can the Honourable Sharon Halford confirm that the list of plot holders is a public document? If she cannot confirm that perhaps she could indicate why that is not the case?

The Honourable Mrs S Halford

As far as I am aware, we have never ever advertised whom the plots have actually been released to. If it is considered that this should be advertised, then perhaps we could do so.

The Attorney General

I declare my interest in this question.

The Honourable J Birmingham

Does the Honourable Sharon Halford herself see a reason why the plan of the East Stanley Development, along with the names of the plot holders and the numbers they have been allocated, could not go up in a public place such as the Post Office?

The Honourable Mrs S Halford

I see no reason why this could not be the case, but when plots are actually allocated wouldn't necessarily be the time to advertise who has got them. One would have to wait for the eventual take-up of that plot.

The Honourable MV Summers OBE

Mr President, it might help the other Members of the House and present members of the public to know, that the Executive Council took the view yesterday that that information should be public. Thank you.

QUESTION No 12/99 BY THE HONOURABLE JAN CHEEK

Your Excellency, Honourable Members. Will the Honourable Sharon Halford please indicate how many East Stanley plots have been given up through non-payment or non-compliance with the rules, and whether all have now been reallocated to those further down the list?

The Honourable Mrs S Halford

As of yesterday, 16 plots had been returned through choice, non-payment, of non-compliance with the rules. Of the 16 plots, which have been returned, two have been added to the three other plots, which remain to be allocated. Once these five plots have been allocated or reallocated, there will still be 47 persons remaining on the waiting list for Government serviced plots. This highlights the need to continue the phase five of the East Stanley Development.

(Hear! Hear!)

The Honourable Mrs JL Cheek

I thank the honourable Member for her reply.

QUESTION No 13/99 BY THE HONOURABLE JAN CHEEK

Your Excellency, Honourable Members. Will the Honourable Lewis Clifton please say how many farms have put forward projects for the Incentive Scheme to date, and how many have been accepted?

The Honourable DL Clifton

Mr President. As the Honourable lady knows the rural incentive scheme was developed, and the run-up to the budgetary process, last year. As at the 15 March of this year, nine farms had submitted business plans under the Incentive Scheme and if the panel (which consists of the General Manager of the Development Corporation, the Economic Advisor, and the Director of Agriculture) have considered all of these. Of these nine, seven have been approved, and the members of the panel deferred to allow for further consideration. Of the seven approved five have drawn down the first payment, and the total funds disbursed amount to £96,950. The Department of Agriculture, which is the department by which the applications are made, is aware of another six projects for which the business plan is in an advanced stage of preparation, and the full plan is expected to be submitted shortly. Total funds available during the 1998/1999 financial year are £153,050.

The Honourable Mrs JL Cheek

Just a small supplementary. How many farms are there in the Islands that would be eligible to put forward plans for the Scheme?

The Honourable DL Clifton

Mr President. I apologise for not being able to give the accurate figure, but I would have thought that most farms were eligible, except in some very special circumstances. Most farms in the Islands would be eligible for the Incentive Scheme.

The Honourable Mrs JL Cheek

I thank the Honourable Member for his answer.

MOTIONS

MOTION No 1/99 BY THE HONOURABLE MV SUMMERS OBE

“It is moved that -

“This House greatly appreciates the visit of His Royal Highness Prince Charles to the Falkland Islands, and particularly his supportive and encouraging remarks toward the people of the Falkland Islands. The loyal subjects of the Crown welcome future Royal visitors whenever their schedules permit.”

His Excellency The Governor

The seconder is the Honourable Richard Cockwell.

The Honourable MV Summers OBE

Mr President. In moving this Motion I will be relatively brief because I think it is wholly uncontentious. I did not mention in my response to your Address this morning the thanks that are due to the many people, who organised the visit, because I had intended to do so now. I won't go through that simply to add my support to the many comments of thanks that have been made to the people who have organised the visit. The one group of people who were not thanked, and I think do deserve a very substantial measure of thanks for their support in the visit are the general public. The general public welcomed the Prince with open arms and warmth as we knew they would, as a man of his status who will one day we expect, become the reigning Monarch. The visit of the Prince of Wales is a demonstration of the display of solidarity at all levels in the United Kingdom to the people of the Falklands, and for that we are most appreciative. We look forward to the day when Prince Charles will visit again with his sons, and I hope that this House will perhaps send a message of thanks to the Prince for his visit and welcome him back in the future. Sir, I propose the Motion.

The Honourable JR Cockwell

Your Excellency. In rising to support the Motion, I would like to associate myself with all the sentiments stated by the Honourable Member on my right. There isn't really anything more to say, other than the fact that I too believe that the Falkland Islands public showed great support for the visit. As HRH was able to speak to virtually every person he met, this was really very gratifying for the Falkland Islanders. I also believe that this visit came at a very opportune time, when there has been a certain amount of uncertainty within the community regarding our relationship with Argentina. Also the way that the British people were addressing it, and I believe it was an extremely opportune moment for the visit to take place. I would like to support the Motion.

His Excellency The Governor

Thank you very much indeed. Would any other Honourable Member wish to speak to what I expect is as the proposer said, likely to be an uncontentious Motion?

The Honourable D L Clifton

Perhaps I shouldn't, but I simply rise to support visits by any member of the Royal family. They certainly are most welcome. I would like to think that we can continue with the process of inviting members of the Royal Family here, and if for nothing else, we do seem to get some attention paid to one or two roads and a few fences around and about. There is some additional benefit for the community in that regard.

The Honourable W R Luxton

I would like to associate myself absolutely with this Motion. During his visit to West Falkland, His Royal Highness was asked why he hadn't brought the Princes William and Harry with him. He said he thought they would love to come and would probably enjoy their visit more on their own, so I very much hope that one day we may see the Princes visit.

The Honourable Mrs N Edwards

Sir, I would just like to associate myself with the comments that have been made by my colleagues. It was a most welcome visit and I think people should be in no doubt as to where Falkland Islands' allegiance lies: it doesn't lie with Argentina at all and I think the general public showed that admirably when the Prince came to visit.

His Excellency The Governor

Thank you very much. Well, I think I can safely take it that all Members of this House would wish to identify themselves with these warm and loyal sentiments. I will be very glad to convey the sense of this Motion and the feelings of the people of the Falkland Islands to the Prince of Wales. I hasten to add that I have already, of course, sent a report to London which will have gone to the Prince of Wales' Household saying that I thought his visit had been a phenomenal success and exceeded all expectations in terms of the warmth of welcome. Thank you. Yes, he certainly made it clear to me that he hoped very much that his sons would be able to come to the Falklands and if he himself wasn't too, I think 'decrepit', he said, to come again himself. So thank you for that.

The Motion is therefore carried by acclamation.

MOTION No. 2/99 BY THE HONOURABLE D L CLIFTON

It is moved that -

“this House calls upon Her Majesty's Government to make all necessary diplomatic representations to the governments of Brazil, Chile and Uruguay to enable air services to continue between the Falkland Islands and South America without political hindrance. We also seek assurance from HMG that it will not take any action which is designed to make or result in future air services being obliged to use Argentina as their point of origin or destination.”

The Honourable D L Clifton

I am conscious that a decision was made.....

His Excellency The Governor

May I just intervene? Honourable Members might be interested to know, if they haven't already heard, that the Law Lords have delivered their decision in the last few minutes. I don't have any great detail and I am quoting now from a *BBC World* press report - The Law Lords refused to grant General Pinochet immunity from prosecution which would have allowed him to return to Chile. They ruled by 6-1 that he could face charges but only on crimes committed after 1988, when UK law was changed. He would not be immune to charges of torture, conspiracy to torture and conspiracy to murder, they ruled. The extradition proceedings are expected (this is an editorial comment now) to be long and drawn out and the case is still far from over. So I sense that's probably not the news that this House was hoping for. The Honourable Lewis Clifton, you have the floor with your Motion.

The Honourable D L Clifton

Mr Chairman, the Motion speaks for itself and certainly more so now that we have heard that news. We are concerned; we are involved and in many respects I suggest it feels as though we are in a corner. It would seem that the unfortunate chain of events which has caused Lan Chile to react to domestic, political pressure is being politically capitalised on by Argentina. An article in the Argentine newspaper *Clarín* on Saturday said, and I quote "between now and the end of the month Argentina will carry out indirect pressure on the Kelpers, with the aim of them agreeing to resume communications with the continent and as part of the foreign ministry strategy, a group of deputies from the Foreign Affairs Commission would go on a tour of the Mercosur countries next week, with the aim of strengthening that support." That is not good news at all. I don't think it would be appropriate to suggest that Chile may be leaning from Argentine pressure, but the sheer evidence, if one can believe it, and I think in this case we have to, the sheer evidence suggests that there is pressure from Argentina towards the Chilean Government.

The Lan Chile link is a valuable link; it is an essential ingredient to present and future development; it has worked well, it is cost effective and is a significant revenue earner for Lan Chile, and all of the other service providers linked in to the support of that service, as was mentioned earlier this morning, there is considerable evidence that the tourism industry is gearing up to use Argentine airports for passenger exchanges next summer rather than using the existing and proven route via Mount Pleasant and Stanley. An airline should exist on the basis of its commercial viability and I think all the evidence suggests that the link that we have enjoyed and we continue to enjoy up until Saturday has proven that case, albeit with a very small subvention from the Development Corporation.

We need a service, and we need it preferably on our terms rather than somebody else's, and therefore at the moment the one service that seems to be most opportune for our own particular aims is the continuation of the Lan Chile link. We need the

service, if there is a breakdown in it, if the transition is not seamless, then that will cause a hiccup in our own system and I very much doubt that people here will want to live with the demise of that service for very long. I say the demise of the service because I am also conscious that there is a cutback in the Tristar service. Although that might not necessarily follow through in terms of reductions of numbers of seats, it does mean that there will be a reduction in flight opportunity and that in itself will have a significant knock-on effect in both public and private sectors.

We are of course still reliant on a single revenue source, fish. We've been through the motions of formal returns and now there's considerable evidence that the tourism industry is going to become affected next year. We really cannot afford to become isolated, so the purpose of this Motion is to ask the British Government to give as much support to the Falklands as it possibly can, to ensure that, if there is Argentine pressure, it is duly rebuffed. That an open skies policy can be maintained in this part of the world and it must be an open skies policy that is not subservient to any form of unnecessary Argentine intervention through the air traffic system scheme. Sir, I commend the Motion to the House.

His Excellency The Governor

Thank you very much indeed. The seconder I think is the Honourable Jan Cheek.

The Honourable Mrs J L Cheek

Your Excellency, Honourable Members. As the Honourable Lewis Clifton said, the Motion does speak for itself, but we are seeing more clearly now the strategy in Argentina to force us into closer links with that country, with possible detrimental effects on our rights to self determination. I trust that Her Majesty's Government, as our representative in foreign policy matters, will use its improved relations and influence with the Argentine government to persuade them that this strategy is counter productive and is not likely to engender friendly feelings towards them. I second the Motion.

His Excellency The Governor

Thank you very much indeed. Now other Members. The Honourable Richard Cockwell.

The Honourable J R Cockwell

Your Excellency, Honourable Members. While rising to support this Motion I shall be brief, but I feel that the Lan Chile link was an indication that the Falkland Islands could actually have commercial partnerships with South American countries. It's very unfortunate that the people of the Falkland Islands and the people of the Magallanes Region of Chile, neither of who have any direct involvement in the dispute, should be the only people to suffer from this action. I believe we should ask all governments

who can possibly put any pressure on the proponents of this action that they should seriously consider why this should happen.

The Honourable M V Summers OBE

Mr President, I declare an interest in this matter, nevertheless I would like to say a few words, if I may.

A senior member of the United Kingdom Government made an observation to one of my colleagues during a recent visit, that sometimes the Falkland Islanders lack vision, and I think he was referring in this instance to this subject. At the risk of being somewhat smug, in 1989 I first wrote in the FIDC Report and Accounts of the need for diversification away from wool and there was not very much support, I regret. In 1990 I, with only one or two people, suggested that there was an urgent need to get on with building roads in the Camp in the face of a great outcry of horror, and 'nonsense, what do we need roads in the Camp for'; in 1991 I, with the Director of Fisheries proposed a new fisheries licensing policy and faced substantial opposition from several members of the administration at that time. We nevertheless, managed to prevail, and it was in 1994 that I first proposed the building of a new abattoir, again against an outcry, particularly from the Camp community but also many others, 'what on earth do we need that for?' In 1998 I suggested to the public and to the government that there was a necessity to have an airlink between the Falklands and a destination as immune as possible from Argentina and from Argentine influence. To carry people from here on a long term basis to meet up with the rest of the world, and I proposed that it should be done, basically, with a Falkland Islands company and as much Falkland Islands investment as possible. That proposal was made not out of personal interest but out of interest for the long-term security of transport to and from the Falklands. It met with support that was very grudging at best, and in some places downright opposition. I think that vision has not been lacking in all quarters and I think that had there been more support and had we now had an independent Falkland's airline operating to a country more immune from Argentine pressure that we might not have been in this position. Let's hope when people have a little bit of vision in the future that we can work positively with it and make things happen for our own benefit.

His Excellency The Governor

Thank you. That intervention brings to mind the phrase about the fate of the prophet. Would any other Member of this House wish to speak? In that case, the proposer has the opportunity to speak again. The Honourable Lewis Clifton [expresses no wish to speak further]. Show of hands then please - actually, may I just speak very briefly before we go there. I know it looks bad in the light of the Lords' decision, but we have yet to receive firm word one way or the other from Lan Chile or indeed any Chilean source, about whether the service will now actually end or that this Saturday's flight will be the last flight. I agree, it does look bad, but shall we just keep praying, there's not a lot more we can do.

I would like to say that we haven't just sat on our hands. If anyone thought that we were, and it's been partly at our instigation a very welcome if rather belated groundswell of opposition or protest by Chilean commercial interests who stand to lose from the cessation of the service in the Chilean press and with government. I pray that that will be heeded because, as I said in my speech just now, of course we will be hurt by this but the Chileans will also be hurt in some respects.

On the point of the second part of your Motion, which is the assurances from HMG, of course they are well aware of the feelings and views of the Council of the Falkland Islands on this matter because I have been making that clear and you have had opportunities to make those points clear to them. I think they are in no doubt as to your position, particularly about the unacceptability of political strings being attached. I think your use of the phrase open skies policy is an interesting one since that's the one that a certain Foreign Minister not 500 miles from here also uses but in a different sense, I think. You said you want it on your terms: I agree.

Now we must see where we are and where we take this but as I said earlier, we must go into high gear now to try and fix up another air service. I think it will have to be a commercial air service, not a government one, at least that's my feeling, but we must give it the fairest possible wind.

Could I ask you for a show of hands on the Motion then please of those in favour? All seven, thank you, fine it is carried.

The Honourable MV Summers OBE

May I register that I didn't vote?

His Excellency The Governor

I am sorry, you didn't vote. One abstention.

MOTION No. 3/99 BY THE HONOURABLE RICHARD COCKWELL

It is moved that -

“this House pursuant to Section 1A(2) of the Protection of Animals Act 1911 in its application to the Falkland Islands under the Crimes Ordinance 1989 and the Welfare of Animals Codes of Practice Ordinance 1996, resolves that the codes of practice laid on the Table by the Chief Executive, namely the Codes of Practice for the Welfare of Sheep, of Dogs, of Horses, of Pigs and of Cattle, and the Code of Practice for the Transport of Animals, are approved.

The Honourable J R Cockwell

Your Excellency, I'll be very brief. These Codes of Practice are something, which we have to put in place. I don't think people need to be worried about them, there may be some people concerned that they are too draconian, but they are purely Codes of Practice to ensure that the welfare of animals in all places is actually looked after. It is particularly important that at the time when we are looking at diversifying into other enterprises other than sheep, that these Codes of Practice are laid on the table. I believe it will not be long before we have other Codes of Practice that have to be brought up, like Codes of Practice for the welfare of guanacos and alpaca and other things. There is going to be a change, at least I hope there will be a change, and these Codes of Practice will be taken forward to cover other animals as the agricultural community may diversify. It is particularly important that the world sees that we do have these Codes of Practice in place if we are looking to market our products in other parts of the world. I beg to move the Motion.

His Excellency The Governor

Thank you very much; the Seconder, the Honourable Jan Cheek.

The Honourable J L Cheek

Your Excellency, Honourable Members, in seconding this Motion I understand these Codes of Practice were devised in consultation with farmers to ensure that no animals suffer unnecessarily. If we are looking to the future, with the abattoir hopefully on the horizon, to marketing products as organic. I think implicit in that, should be the idea that there has not been cruelty involved and I think it can only help us, as the Honourable Richard Cockwell says, in the eyes of markets elsewhere in the world, if these kinds of codes are in place and complied with. I second the Motion.

His Excellency The Governor

Thank you very much. Would any Members wish to speak, particularly from Camp? No. In that case, could I have a show of hands in favour of this Motion please. All eight elected Councillors are in favour, no one against, so the Motion is carried. Thank you.

The Clerk of Councils

ORDER OF THE DAY: BILLS

The Companies and Private Partnerships (Amendment)(Fees) Bill 1999.

This Bill has been published in the *Gazette* and therefore requires a second reading.

The Honourable the Chief Executive

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

His Excellency The Governor

Thank you very much. Do we need a little explanation?

The Attorney General

For the benefit of members of the public, this Bill has one effect and one effect only, and that is to alter the fees payable in the Companies' Registry in relation to a number of matters in relation to companies which are registered there. It has no other effect at all.

His Excellency The Governor

If my memory serves me right, I think I must have mentioned those in an Executive Council broadcast. Thank you very much. The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to this Motion?

The Honourable the Chief Executive

You need a seconder, Sir.

The Honourable the Financial Secretary

I'll second the Motion.

His Excellency The Governor

Let's fast-track it; I think we all know the procedure so I won't rehearse it tediously. Going, going, gone. The Bill is passed. Thank you.

The Clerk of Councils

The Fishing (CCMLAR) Bill 1999

This Bill is being presented under a Certificate of Urgency and therefore requires a first reading.

The Honourable the Chief Executive

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

The Honourable MV Summers OBE

May I declare my interest?

The Honourable Mrs JL Cheek

Can I also declare an interest.

His Excellency The Governor

Two declarations. Seconder?

The Honourable the Financial Secretary

I will second the Motion.

The Attorney General

Mr President, Honourable Members. The purpose of this Bill is in fact to enable Falkland Islands flagged vessels to be issued with a licence which would permit them as far as the authorities of this country are concerned, to fish if they are permitted by the South Georgia authorities, in the South Georgia waters. This is required because of the provisions of CCMLAR, a flagged state must be able to exercise control over its flagged vessels if they are to be allowed to fish in CCMLAR waters. Therefore it is necessary because Falkland Islands flagged vessels are seeking licences to fish in South Georgia waters, that we should have this legislation so that we in the Falkland Islands may maintain the sort of control which CCMLAR requires for such vessels.

His Excellency The Governor

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

The Clerk of Councils

The Fishing (CCMLAR) Bill 1999.

The Honourable the Chief Executive

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

His Excellency The Governor

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

The Attorney General

Sir, at the Committee stage I have some minor amendments.

His Excellency The Governor

So the Bill is read a second time.

The Clerk of Councils

The Fishing (CCMLAR) Bill 1999.

His Excellency The Governor

I now declare this Council to be in Committee, so, Attorney General.

The Attorney General

Mr President, Honourable Members. In consultation with legal advisors at the Foreign and Commonwealth Office, a number of minor improvements to the Bill are possible and in accordance with international law. The first one would be to amend the definition of conservation measures which Hon Members will find in Clause 2 of the Bill, on the second page of Clause 2. In the first line, delete the words "one or more" and in the second line delete the words "that are" so that the definition then becomes "conservation measures means measures to conserve Antarctic marine living resources and the Antarctic marine ecosystem adopted in accordance with Article 9 of the Convention" and that has been suggested by legal advisors. In Clause 3.2 on the following page of the Bill, delete the words "enable the Falkland Islands to" so that what the sub-Clause then reads is "the Governor may give or may authorise the Director of Fisheries to give such information and make such reports as may be necessary to assist with the implementation of the objectives of the Convention and conservation measures."

His Excellency The Governor

As a point of clarification, could you explain the inwardness of that last amendment?

The Attorney General

I think the inwardness is surely that it accords more particularly with the provisions of the Convention itself. I would suggest that the word "other" be deleted in the last line of the first page on which that Clause appears, including evidentiary material with countries that are parties to the Convention rather than "other" countries that are parties to the Convention. The inwardness there, Sir, is of course because we are not an independent country we are not and cannot be a party to the Convention; we can merely be required to comply with its terms.

His Excellency The Governor

Thank you very much. Those are most helpful.

The Clerk of Councils

Clauses 1 to 22.

His Excellency The Governor

As amended. Mr Mover.

The Honourable the Chief Executive

I beg to move that Clauses 1 to 22 stand as part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 to 22 stand as part of the Bill. Is there any objection? No objection. They stand as part of the Bill. No Schedule. The Council resumes.

The Honourable the Chief Executive

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

His Excellency The Governor

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

The Clerk of Councils

The Fishing (CCMLAR) Bill 1999.

The Supplementary Appropriation 1998/1999 Bill 1999

The Honourable the Financial Secretary

Your Excellency, Honourable Members, the purpose of this Bill is to authorise the withdrawal of the additional sum of £1,466,230 from the Consolidated Fund for supplementary expenditure approved by the Standing Finance Committee. The Bill provides for the Contingencies Fund to be replenished to the extent of any advances made for urgent or unforeseen expenditures. It is worth noting that the Bill provides £236,320 for additional operating expenditure, £75,300 of which was approved for public relations and £97,400 for health and social services. The Bill also provides

£1,229,910 for additional capital expenditure. The most significant approvals are an extra £345,000 for Camp roads, including a re-vote of £95,000; £253,760 for the purchase and installation of medical equipment in the hospital, and £470,000 for the first instalment of a revised Agricultural Assistance Programme approved by the Executive Council and the Standing Finance Committee at yesterday's round of meetings. I beg to move the first reading of the Bill.

His Excellency The Governor

May I have a seconder please? The Honourable Mike Summers thank you.

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

The Clerk of Councils

The Supplementary Appropriation 1998/1999 Bill 1999.

The Honourable the Financial Secretary

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

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak? The Bill will be read a second time - in fact, why don't we go fast track. Thank you very much indeed. Last opportunity to register a wish to speak - nobody wishes to speak so the Bill is deemed to have been read and passed. Thank you.

The Clerk of Councils

The Capital Programme presentation by the Honourable the Financial Secretary.

The Honourable the Financial Secretary

Mr President, Honourable Members, at yesterday's meeting of Executive Council it was agreed that the six-year capital programme from 1999 to 2005 should be referred to a Select Committee of this House. Last year was the first occasion that the capital programme was referred to a separate Select Committee; previously it was considered by the Budget Select Committee on the Appropriation Bill and Draft Estimates.

In connection with better quality long-term planning, the benefits of separate consideration are threefold:

- 1) that decisions in principle can be made to reflect the approved Island Planning and Budget Strategy. As part of this strategy it was agreed by Executive Council that new money for capital schemes and transfers should be restricted to £11m per annum;
- 2) to enable Elected Members to manage priorities within that strategy framework; and
- 3) that the operational effect of what is decided in principle can be taken into account in the consideration of the Draft Estimates by the Budget Select Committee next month.

With regard to the capital estimates for the financial year 1999/2000, subsequent to the January meeting of Executive Council the Treasury issued a set of guidelines on capital expenditure and a further paper was considered by Executive Council on 18 February 1999. These documents clarified the situation on the carry-over of unspent monies from this financial year, particularly where this was unavoidable due to existing contracts or retention monies that would become due for payment in 1999/2000. Further work was carried out on the capital estimates and a first formal draft issued to Honourable Members on 1 March 1999 in order that it might receive their attention before the meeting of the Select Committee on the capital programme.

In summary, proposed capital expenditure for the next financial year amounts to £14.1m which comprises an expected carry-over of unspent money from this financial year of £1.3m, EEC Stabex monies of £1.8m and new monies of £11m for schemes and transfers in accordance with the approved strategy.

The capital schemes have been prioritised as follows within the first formal draft:

Priority 1 - for schemes nearing completion and for which retention or other final payments will become due in 1999/2000.

Priority 2 - for schemes which are in the main, continuous and difficult to change for the next financial year.

Priority 3 - the majority of schemes scheduled over period 1999/2005 in such a way as to reflect government priorities within the sums likely to be made available; and

Priority 4 - for schemes that are not yet scheduled.

Heads of Departments have been asked to provide as much quantified information as possible for each scheme in time for this Select Committee. In addition, certain

schemes were highlighted and recommended for a full option appraisal. For these schemes, Heads of Departments were requested to provide an outline case of objectives where it was suggested that approval be given in principle, prior to a formal evaluation, and Executive Council endorsed this approach.

Mr President, I move that the capital programme be referred to a Select Committee to consist of all Elected Members, the Chief Executive and myself, with Councillor Summers as Chairman, with my deputy and the Economic Advisor in attendance and my Personal Assistant as Clerk. I also move that the report on the proceedings of the Select Committee should be deferred to coincide with the report on the proceedings of the Budget Select Committee scheduled for debate next month.

His Excellency The Governor

Do we have a seconder? Thank you the Honourable Mike Summers. I take it that that Motion enjoys unanimous votes? Anyway, majority support. Thank you very much. So the Motion is carried.

On that note, it is now my duty to adjourn Legislative Council until 10 a.m. on the 15th of April this year. Thank you very much and good luck with all your labours.

Countersigned this ^{21st}~~30th~~ day of ^{August}~~July~~ 1999

Donald A. Lambert
GOVERNOR

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 15 AND 20 APRIL 1999**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 15 and 20 APRIL 1999**

PRESIDENT

His Excellency The Governor
(Mr Richard Peter Ralph CMG, CVO)
(absent overseas for the meeting on 15 April)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr) (as Acting Governor for the meeting on 15 April)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

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

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

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

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

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

PERSONS ENTITLED TO ATTEND

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

The Commander British Forces Falkland Islands
(Brigadier David Vernon Nicholls RM)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

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**MEETING OF THE LEGISLATIVE COUNCIL
HELD ON 15 AND 20 APRIL 1999**

His Honour the Acting Governor

I now declare this meeting of the Legislative Council open. I have been asked, for the purpose of those who may be listening on the radio, to explain that this is the annual session where we consider the budget, and that this meeting actually falls into two parts, the second part of which will be next Tuesday afternoon, after the work of the Select Committee on the Estimates has been completed. Again for those who are listening on the radio, I think I should also say that we are sitting in a Council Chamber which has been somewhat refurbished, and we can actually see what we are doing and what we are looking at, because the lighting has been redone, and indeed the photographs of the past Governors on the walls have been repositioned. There will be room for a few more yet. At least we have some light on the proceedings. You will be able to judge this as the morning progresses.

The Clerk of Councils

Papers to be laid on the Table by the Honourable the Financial Secretary.

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

The Fishery Products (Hygiene) Amendment Regulation 1999
The Land Charges (Amendment) Rules 1999
The Law Revision Order (No 3) 1998
The Disapplication of Enactments (No 1) Order 1999
The Designated Abattoirs Application of Legislation (Amendment) Order 1999
The Fishing Licences Applications and Fees Regulations Order 1999
The Custom Fees Regulations 1999
The Pedestrian Crossings Regulations 1996
The Ross Road Exemption Order 1999

The Honourable the Financial Secretary

I lay on the Table the papers mentioned by the Clerk.

The Clerk of Councils

The Appropriation Bill 1999.

The Honourable DL Clifton

Mr President. Is there an opportunity to speak to those papers to be laid on the Table please?

The Attorney General

If the House so allows, it can be done by way of suspension of Standing Orders, otherwise the Honourable Member would have to move the disallowance of the papers. That is probably not what he has in mind. He probably has some point to make and I suggest that the House might want to give him permission.

His Honour the Acting Governor

Is it the wish of the House that we suspend Standing Orders for a moment to allow this to take place?

(The Members indicate their agreement)

I have your agreement? Well consider Standing Orders suspended. Councillor Clifton you have the floor.

The Honourable DL Clifton

Mr President. I rise in terms of the last piece of legislation laid on the Table – The Pedestrian Crossing Regulations 1996. There are only two exemptions that are permissible under these regulations and that is the provision for a hearse, for such reasonable time as it may be required outside St Mary's Roman Catholic Church, and/or a wedding vehicle.

It seems to me that this is quite restrictive. The point I wish to bring to the attention of this House is that the new provisions of the pedestrian crossing do not provide for the old age folk to alight from their blue bus to make a convenient and safe entrance into the Post Office. I wonder whether some provision for that cannot be made in this legislation. I know my Honourable Colleagues were made aware of that point at a recent public meeting. It seems to me that Pedestrian Crossing Regulations should not be so restrictive as to not allow reasonable safe ingress and egress into the Post Office from a safe spot. Thank you.

His Honour the Acting Governor

Do I seek comment from the Attorney General?

The Attorney General

I am not unsympathetic to the point made, but what I would say in reply is that the two matters which are referred to in the Amendment Regulations were specifically brought to my attention because of the difficulties they could quite obviously cause to a place of worship. I will sympathetically look at the other point and make proposals to Executive Council.

The Honourable DL Clifton

Mr President. I thank the Honourable the Attorney General for that assurance.

His Honour the Acting Governor

Right, well I am sure we can consider Standing Orders back in place as we continue this meeting.

The Clerk of Councils

The Appropriation Bill 1999.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to authorise the withdrawal of £45,863,950 from the Consolidated Fund for the service of the financial year beginning on 1 July 1999. With regards to part one - the Operating Budget - the appropriation represents the provision inserted in the departmental Draft Estimates of expenditure.

This year, part one is divided into four sections, three of which coincide with the Select Committee timetable, and one summary section. It is hoped that this new format and the comments and observations prepared by my deputy will further assist the Select Committee in its deliberations and marks the start of a review of service provision, as set out in the budget policy.

With regard to part two - The Capital Budget - the Appropriation represents the second formal draft following adjustments made at the March Select Committee on the capital programme.

As usual, before dealing with the 1999/2000 budget, I will briefly review the current financial year.

A smaller budget deficit of £6.7 m is now forecast, compared to the deficit of £7.4 m shown in the approved Estimates. The reason for the reduction in the budget deficit is due to a combination of additional revenue and deferred capital expenditure, partly offset by a slippage in capital receipts. It is worth noting that contributing to the budget deficit, are approved transfers to special funds amounting to £1 m, therefore, although the Consolidated Fund is reduced by £1 m other funds are increased by an equivalent amount, and in relation to these transfers, the bottom line balance sheet figure is unaffected.

At 30 June 1999, it is estimated that the balance of the Consolidated Fund will amount to £69.1 m. Thus the annual appropriation of £45.8 m represents 66%, or two thirds, of the value of the Consolidated Fund. In other words, the Consolidated Fund balance represents 18 months worth of proposed expenditures.

This is an appropriate point to start the report on the 1999/2000 budget, which is presented on a background of strategies approved by Executive Council, to acknowledge the changing economic environment, the negative implications for the financial future of the Islands, and the need to assess the economic impact of Government Expenditure, and revenue patterns.

These approved strategies include:

- maintaining a Consolidated Fund balance of at least £60m;
- restricting new money for capital expenditure and fund transfers at £11m;
- meeting inflation by efficiency savings; and
- reviewing budgetary control mechanisms

Total revenue, including capital receipts for 1999/2000, is forecast at £39.4 m and submissions for total expenditure including capital and transfers are inserted at £45.9m which results in an estimated budget deficit of £6.5 m.

Operating revenue is inserted in the Draft Estimates at £36.7m. This is marginally lower than the revised estimate for this financial year of £38m. Despite the forecast for fisheries income remaining at existing levels of £20 m revenue is forecast to decline. There are two main reasons for this:

- 1) income tax revenue is expected to fall reflecting the movement away from the Islands by persons involved in oil exploration activities; and
- 2) lower income is expected from overseas investments due to both the generally lower rates of return available on the world markets and the reduction in the amounts Government are able to invest as the Consolidated Fund reduces in size.

To slightly offset these reductions are additional revenues from proposed increases in customs duty, from the approved introduction of a conservation levy and from recent increases in rents of Government owned housing. The Draft Estimates of operating expenditure amounting to £30.6m reflects departmental submissions as adjusted by Treasury after consultation with Heads of Departments. This is £1m higher than the revised estimate for this financial year, even after £1m was removed from the submissions. Heads of Departments will, of course, have the opportunity to discuss these adjustments at the Select Committee.

The £30.6m includes a reserve of £380,000 inserted under the Treasury cost centre for the cost of the pay increase with effect from 1 July 1999. This includes £125,000 previously earmarked for the initial cost of implementing the Performance Management Review Scheme which forms part of the new salary and conditions of service package for civil servants.

Contributing to the £1m worth of Treasury adjustments I have just mentioned is a reduction of £186,000 in the provision for overtime inserted by some Heads of Departments. To confirm this reduction, which it was recognised attracts premium rates of pay, Executive Council approved a proposal to limit overtime working for reward. Executive Council also agreed that the cost of any pay increase must eventually be met from efficiency savings to be identified. To continue to support the Performance Management Review Scheme, a further allocation of £152,000 was approved, in principle, by Executive Council, to reward performance to be measured in respect of the 1999/2000 financial year with effect from 1 July 2000.

From management account information, it is observed that the annual average rate of operating expenditure at the beginning of 1997 was £22m. The same observation at the beginning of 1999 shows that this has increased to just under £30m with a budget estimate for 1999/2000 of £30.6m - £14m of which is represented by staff costs inclusive of pension and recruitment provision.

The ever-increasing level of operating costs remains a concern, in particular at a time when revenue was forecast a decline. In the event this trend continues, the amount of revenue available to finance a sensible capital programme in future years will be inadequate, while the main source of revenue depends upon a fragile fisheries income base. However, I am pleased to report that there are plans to arrest and reverse this trend. Executive Council has agreed that Government should now concentrate on proving value for money from its operating budgets. In accordance with this, with the strategic and operational objectives of the Island Plan, this can be achieved by adopting best value and public service agreements concepts currently being employed by local Government and Treasury in the United Kingdom. These United Kingdom concepts are not being adopted for the sake of it, but out of necessity. It is evident that United Kingdom standard paying conditions, better than UK health, education and other public services cannot be adequately managed without comparable methods of accountability and control.

I now move onto capital expenditure. As a result of a referral by this House when it met on 24 March 1999, the first formal draft of the capital programme was considered by Select Committee. To recap, the task of the Select Committee was to agree in principle, the allocation of funds to projects and the priorities of those projects within the capital programme in order to reflect the approved Islands Planning and Budget Strategy. As part of this strategy, in order for the programme to remain affordable and achievable, it was also agreed that new money for capital schemes and transfers should continue to be restricted to £11m per annum, as approved in principle last year.

In summary, proposed expenditure inserted in the second formal draft of the capital estimates for 1999/2000 amounts to £15.3m, with capital receipts, Stabex money and contract adjustments estimated at £3m this results in net capital expenditure of £12.3m, including £1m of fund transfers.

It is anticipated that the carry over of unspent money from this financial year will remain at around £1.3m which means that the new money of £11m has been fully

allocated in principle, in accordance with the agreed restriction.

In the review of the priorities those major infrastructure objectives agreed last year remain with the exception of a new school hostel which has been deferred several years. A new site rather than the Stanley House site is to be selected for sheltered homes, also, at least for the short to medium term, a new school hostel is not required, based on the assumptions used to determine future numbers of boarders.

The priorities which remain include:

- The Infant and Junior School expansion – this is to be given the highest priority, provided suitable accommodation is secured for the temporary relocation of the FIDF, work on this project should not be delayed;
- Disabled and sheltered accommodation is also high on the priority list, and has allocated funds for five years of the programme. Now that the Stanley House site is no longer available, an alternative site, or sites, will need to be selected with some urgency;
- The construction of a new police station and prison remains a priority with funds allocated to make a start next year;
- A permanent headquarters for the FIDF also remains a priority, but due to the slightly higher priorities I have just mentioned, this project has been deferred for two years. In the event that suitable accommodation is not secured for the temporary relocation, the priority given to this project will need to be reviewed;
- Housing site development for both Government and private owned housing remains a priority. Due to other priorities the building of Government housing for rental has had to be deferred for one year. However, the programme includes funding allocations for housing throughout its life and beyond, in an attempt to satisfy demand. The foregoing major building projects and others in the pipeline point towards the need for a review of sites to ensure the best possible allocations;
- The programme allows for the continuation of the construction of roads in both Camp and Stanley, at a slightly slower pace to recent years; and
- Priority is also given to allocating funds to transfer payments for the economic benefit of the private sector and in particular for assistance and subsidies to enable the agricultural community to continue to be supported and developed during these difficult times of low wool prices and depressed markets. From a total allocation of £5.2m £3.5m is allocated for agricultural and associated purposes, conclusive of £1.6m of STABEX monies. I hope that that will provide some comfort to the agricultural community.

I should report at this stage that notwithstanding the confirmation of the agreed priorities as an important step in the budget process, Executive Council approved Treasury proposals for option appraisals to be undertaken upon all major projects. This will then enable Executive Council, the Standing Finance Committee and future Select Committees to make better informed decisions after the costs and benefits of all major schemes have been clearly identified and quantified.

I will now deal briefly with the subject of taxation. The amount of revenue that can be raised from taxation alone is limited due to the relatively small number of tax payers. At existing levels all current forms of taxation represents less than 10% of total operational revenue. However, I proposed last year that raising additional revenue by taxation should be given serious consideration as it was evident at that time that the public expenditure plans were unable to be contained within limits which would leave the carefully accumulated reserve funds secure. This remains the case, as any meaningful changes to taxation would have an impact on the economy. The Executive Council agreed my proposal, that the relationships between taxation fees and charges should be examined and reported by the Economic Advisor. In the interim it was also agreed, that adjustments to personal tax rates and allowances should be given advanced consideration.

With regard to other revenue proposals, the following modest adjustments, as approved by Executive Council are put forward.

- It is proposed to increase import duty rates on alcoholic beverages by 5%, and on tobacco products by 10%. A higher increase to endorse once again the health warning related to smoking. These proposed increases would, for example, put an extra 1p on a small can of beer, and extra 38p on a litre bottle of spirits, and an extra 11p on a packet of 20 cigarettes. It is estimated that the proposed new rates of duty would generate additional revenue of around £45,000.
- It is proposed to reintroduce Embarkation Tax at a rate of £10 per person leaving the Islands by air. This is the subject of a separate Bill to be introduced when this meeting of Council resumes next Tuesday. After taking into account proposed exemptions, it is estimated that Embarkation Tax would generate additional revenue of around £30,000 per annum. This would make a worthwhile contribution towards meeting costs in connection with passenger handling at Mount Pleasant Airport which the Government has an obligation to share with the Ministry of Defence.
- It is proposed that the annual water charges for Stanley premises be increased by 10% with effect from 1 July 1999 as follows:
 - selected commercial premises from £450 to £495;
 - all other commercial premises and domestic premises from £150 to £165; and
 - the charge for pensioners to remain at 50% which would therefore increase from £75 to £82.50.

Executive Council noted that provision is inserted in the Draft Estimates for metering commercial premises, and that a report from the Director of Public Works, on the metering of domestic supplies is awaited.

It is intended that charges for commercial premises based on meter readings will be introduced to replace the annual charge with effect from 1 July 2000, and that in due course this will be extended to domestic premises.

The purpose of metering water is the same as for electricity. That is to limit wastage and to move to a fairer charging system. That is those who use the most should pay the most.

- Following the recent review and consequent increases in rent for Government owned housing, introduced with effect from 1 January 1999, Executive Council agreed that it was too soon to adjust rentals further. However, house rents and tenancies will be kept under review, so that the appropriate conditions and incentives are in place to encourage home ownership. This is intended to ensure the limited and subsidised resource of Government owned housing is occupied by those public officers that Government is obliged to accommodate under contract provisions of service, and others who for the time being, are unfortunately unable to buy their own homes rather than for those who simply choose not to.
- Following a review of the costs of production at the Stanley Power Station, it is considered necessary to raise the unit price of electricity in order to fully recover those costs. It is proposed therefore, to adjust the tariff as follows from 1 July 1999.
 - the non domestic rate from 11.5 pence to 12 pence per unit; and
 - domestic rate from 10 pence to 11 pence per unit.
- The Education Board has recommended revised charges with effect from 1 January 2000. This will affect:
 - boarding fees at the school hostel;
 - meal charges for staff at the school hostel;
 - tuition fees at the community school; and
 - sports facility charges.

It is proposed that the revised charges are adopted as recommended. Details of the revised charges are available from the Education Department Office.

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

The 1999/2000 budget circular, like its predecessors, asked Heads of Departments to review charges for services, and to provide recommendations accordingly. It is worth noting that the only detailed response in this regard was from the Director of Education, although it is fair to say that there were some ideas put forward by other Heads of Departments which will require further evaluation.

I now turn to specific benefit proposals. It is proposed that the monthly rate of the Child Allowance payable under the provisions of the Family Allowances Ordinance be increased from £50.50 to £52 with effect from 1 January 2000. This allowance is payable in respect of each child who is in fulltime education, regardless of the marital status of the parents. It is estimated that the child allowances at the revised rate will cost £350,000 for a full year, an extra £10,000 on current costs.

The Education Board has recommended a 5% increase in student grants with effect from the September 1999 term, which is the beginning of the United Kingdom academic year, on account of inflation. It is estimated that the additional costs of this increase amounting to £11,000 will bring the total costs of further and higher education for 1999/2000 up to £623,000, including 19 pre-paid boarding places at Peter Symonds College.

Under the provisions of the Retirement Pensions Ordinance, it is proposed that the weekly rates of contribution and pensions be increased as follows with effect from 1 January 2000:

- employer contribution from £5 to £6
- employee contribution from £5 to £6
- self employed contribution from £10 to £12
- voluntary resident contribution from £10 to £12
- voluntary overseas contribution from £17.50 to £18.30
- the standard rate of pension from £82.50 to £86
- the married couples supplement from £46.50 to £48.50

Retirement Pension Contributions are paid into and pensions are met from the Pensions Equalisation Fund. It should be noted that for voluntary contributors overseas, the proposed increase matches the proposed percentage increase in benefits, whereas for resident contributors the proposed increase is greater. This would reduce the subsidy requirement in order to more closely match the fund transfer provision inserted in the capital estimates in accordance with the approved budget strategy.

Subject to confirmation by the United Kingdom Government actuary, it is estimated that a weekly contribution rate of around £18.30 is required to finance the proposed improved levels of benefit to avoid reducing the value of the Pensions Equalisation Fund. If there is a contribution rate of £12 per week in respect of resident contributors, then a subsidy of £6.30 per week, per contribution will be required to be paid to the Pensions Equalisation Fund.

Based on information to hand the estimated cost of this subsidy for 1999/2000 is between £500,000 and £600,000. The amount of subsidy inserted under fund transfers in the Capital Estimates is £500,000. An actuarial review of the scheme as of 31 December 1998 is to be carried out by the United Kingdom actuary, where a more accurate assessment of the position will be provided.

As a result of the proposed increase in Retirement Pensions, the maximum ex gratia pension would be increased by £3 from £74 to £77 in order for it to remain at 90% of the value of a Retirement Pension. It is proposed that a Christmas Bonus should continue to be paid to resident pensioners, the equivalent to one week's pension. Ex gratia pensions, and the Christmas Bonus are payable from the Consolidated Fund.

It is proposed that public service pensions in payment under the provisions of the 1964 and 1979 Pensions Ordinances, be increased by 3% with effect from 1 July 1999. The estimated cost of this increase is £12,000. The proposed increase equates with the provisions of the Falkland Islands Pensions Scheme Ordinance 1997, whereby the annuity purchased by a member must provide for an annual increase of at least 3%.

To provide an alternative funding mechanism, and thereby additional security for those public officers who have retired, or will retire under the provisions of the 1964 and 1979 Ordinances, Executive Council agreed that a special pension fund should be created. A Bill to establish this fund to which money from the Consolidated Fund would be transferred to provide for the payment of these public service pensions and future increases, will be introduced when this meeting resumes next Tuesday.

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

It is intended that the Draft Estimates of revenue and expenditure should reflect, in monetary terms, the policies of the Government as determined by Executive Council. At the forthcoming meeting of the Select Committee on the Estimates those policies can either be confirmed or denied on the consideration of the Appropriation Bill. This is an ideal opportunity where the costs of the policies of Government can be assessed in aggregate, compared to one another and reviewed to ensure they remain affordable.

In my first budget presentation of eight years ago, I commented on a comparison of 10 years before that. In the financial year of 1981/1982 the approved budget was £3.5m and in 1991/1992 it was £44m producing a surplus of £10m. I said then that in order for it to increase at a comparable rate over the next ten years, alternative revenue sources would need to be found. I warned that unless our income base was broadened, the growth in expenditure was likely to outstrip revenue, and therefore expenditure would need to be restricted to achieve further balanced budgets and thus maintain healthy reserve funds.

It is unfortunate that a budget review process which was started in 1992 was not continued, as savings in expenditure were achieved for a short while. With oil exploration suspended any expectations of meaningful revenues from that source must feature well into the future. We should therefore continue to plan our financial affairs without those expectations, and keep the Island Planning and Budget Strategy under constant review in an attempt to arrest the decline of the Consolidated Fund.

It will be difficult to return expenditures to former levels without affecting the quality of public services which are now provided. Inflation cannot be absorbed forever, and revenues are not keeping pace with it, however, there is scope for separating the essential from the purely desirable and for efficiencies to produce savings. It is anticipated that by practising better housekeeping using the United Kingdom concepts of best value and public service agreements I mentioned earlier, we can return to living within our means.

I am grateful to Heads of Departments for their estimates, which were required to be submitted in a revised format, with additional information, even earlier than last year. I am also grateful to Treasury staff involved in assisting in the preparation of the budget papers and the Draft Estimates. Mr President, this concludes my budget presentation, and I beg to move the first reading of the Bill.

His Honour the Acting Governor

Thank you very much. Do I have a seconder for the Appropriation Bill please? Councillor Summers thank you. Does anybody wish to speak? The Motion is that the Bill be read a first time. Is there any objection to the Motion? No objection so the Bill will be read a first time.

The Clerk of Councils

A Bill for an Ordinance to provide for the service of the financial year commencing on 1 July 1999 and ending on 30 June 2000.

The Honourable the Financial Secretary

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

His Honour the Acting Governor

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

The Honourable MV Summers OBE

Mr President, Honourable Members. I thank the Financial Secretary for his comprehensive presentation and for the work of his department in preparing these Estimates. He has given us a very full explanation of the economic situation in the Falklands at the present time. There are one or two items I think I would just like to refer to and emphasise that we will need to deal with these in the forthcoming days.

Over the last few years we have existed in an environment where operating expenditure has been allowed to rise, and the budget has been balanced by increasing, or decreasing the Capital Estimate. I don't think that that was a very healthy way of doing things. Clearly there has been sufficient monies to improve services to the

community and to be able to increase the distribution of monies coming into the Government to the public and that is quite right, but it is undeniable that we now have ourselves in a position where the operating budget, together with the essential Capital Budget exceeds income, and as has been said, that is clearly not sustainable. This Council, and this Government I believe, is not prepared to continue in a process of deficit budgets and reducing the Consolidated Fund. It would be imprudent, it would be unwise. We therefore have to go through a process which I regret will be painful for some people, not overly painful, but slightly painful. We will need to reduce some services and we will need to reduce, to some extent, the distributions we make. What we have to do in that process is to ensure that those who need, and those who deserve are not disadvantaged, but that expenditure on the desirable rather than the essential is very closely examined. That will be the process we will go through in the next few days.

The points made about taxation are very relevant, but I think, nevertheless, we will need to look at taxation levels to ensure that the community at large is making the correct level of contribution to funding of the Government, which leads each individual member of the community to examine, perhaps more closely, how Government money is expended. I think it is that close examination by members of the public that will give us the support that we need to reduce operating expenditure where it isn't essential.

A word about the restriction on overtime, because I know there has been some excitement about it. Let me just explain that the purpose in reducing overtime is to increase efficiency. I think there are many people who recognise that work has been done in the past at premium rates, which could or should have been done at normal rates, and it is purely an effort to ensure that we are being efficient in the use of public money that these measures are introduced. Clearly if there anomalies, some of which have been raised with us already, they will have to be dealt with, but as a general principle it has to be right that public services are carried out at normal rates of pay and not at premium rates.

The question of duty very often raises excitement. I am a supporter of increasing duties on alcohol and tobacco, because in my opinion at least, they are not essential consumption and we must ensure that we expend the maximum amount of public money on essential purposes rather than the optional.

I also regret the need to increase the electricity tariff. I think it is to a large extent as a result of fuel increases about which the Government is not happy, and about which we spoke in a previous Legislative Council. We will continue to work on the issue of fuel prices to make sure that we think the public is getting good value for money.

In closing, Mr President, I would just like to mention that in the process of the budget evaluations upcoming, it is my view that we will have to reduce the amount currently proposed in the Appropriation Bill of £45.8m. If it remains at that level I give notice that I will not be able to support the Bill. Thank you.

His Honour the Acting Governor

I am not sure whether having seconded it that is in order. Attorney General?

The Attorney General

Indeed it is.

His Honour the Acting Governor

It is, fine, right. Any other speakers?

The Honourable Mrs JL Cheek

Mr president, Honourable Members. I would also like to thank the Financial Secretary for his presentation, and I would like to support a lot of what has been said by my Colleague. If we accepted this sum in its entirety, we would accept that we are withdrawing another large chunk from our reserves. We can't maintain that balance if we continue with deficit budgets. It is a matter of simple arithmetic. Because of that I accept the need to increase taxes and charges, but I would ask that my Colleagues – I have already asked my Colleagues – that any consideration of raising personal taxation should effect the higher earners before it affects the lower earners.

I support the regular reviews, and if necessary raising of charges, as then we don't get into a situation as we did a few months ago where Government rents had fallen far, far behind realistic levels, and where the rises were quite large, and for some people quite difficult to cope with.

Finally, I am in agreement with Councillor Summers on the matter of duties on alcohol and tobacco. Tobacco in particular I would like to see being raised higher. I am surprised given the knowledge we now have of the harm that smoking does that people still indulge in this suicidal habit. I support the Motion.

The Honourable MV Summers OBE

It's disgusting.

The Honourable DL Clifton

Mr President, just to be brief, to thank the Financial Secretary for his presentation. I know an awful lot of work has gone into the exercise of preparing the necessary papers for us to deliberate over the next few days. I can support the Bill in principle but I cannot support a lot of the detail that is contained within it. It is incumbent upon us to reduce the level of operating expenditure and that will be the exercise firmly in the forefront of my mind over the next few days. Thank you.

The Honourable JR Cockwell

Mr president, Honourable Members. In rising to support the Motion I shall be very brief because my Colleague on my right has put the points very clearly. We cannot accept that we are drawing money out of the Consolidated Fund at the rate we are, and we have to be prudent, not only this year but in the years to come. I beg to support the Motion.

The Honourable Mrs N Edwards

As a member of the community who indulges in the disgusting habit of smoking I don't object at all to the proposal to raise the duty. Hopefully by next year I will be able to stand here and say I have given it up but I give no promises on that front. However, I will continue to try. Just to say that I agree entirely with my previous Colleagues' comments around the Table, and I, like Councillor Summers, would hope that we can reduce the sum total of this Bill considerably before we can support it. Thank you Sir.

The Honourable Mrs S Halford

Mr President, Honourable Members. In rising to support the Motion I too would like to thank the Treasury for all the work they have put into this and continue to do so each year. Much has already been said about the proposals which I totally agree with, but I do believe we have to reduce the amount which is currently in the Appropriation Bill. I find that the budget process never gets any easier from year to year because unfortunately, or fortunately I suppose, people's expectations continue to grow, and with that of course, so does cost. I think what we need to be mindful of in our deliberations for the next few days, is that the budget must not affect only those who are the low earners, if it is going to affect anybody it must affect everybody equally if we are able to do that.

We are always talking about better performance, I thought the hope was that with the Hay package and everything, we would get better performance and thus a saving. I sometimes wonder if some of these projects, and that one in particular, is not like an investment my husband suggested he make some time ago when he bought himself a new motorbike. Immediately on buying it he then told me the cost to buy spares for it. That was not really how I saw an investment and how it should work.

The Financial Secretary did touch on Child Allowance, and he mentioned it was for children in full time education. I would hope that Child Allowance is also for those children before they get to full time education. Sir I support the Motion.

The Clerk of Councils

A Bill for an Ordinance to provide for the service of the financial year commencing on 1 July 1999 and ending on 30 June 2000.

The Honourable the Financial Secretary

Mr President. I wonder if I may speak on the Members' comments briefly?

His Honour the Acting Governor

Okay. You should have done prior to the Clerk saying what she said but yes you may.

The Honourable the Financial Secretary

I would just like to say that I am grateful for the thanks to myself and Treasury staff. I too look forward to some downward adjustment to the proposed appropriation, but as Councillor Summers has rightly said, there will be no real gain without some pain.

Just in response to Councillor Halford. When I said full time education, I was thinking that education begins at home before the formal education.

(Laughter).

Mr President. I beg to move that the Bill and the Draft Estimates be referred to a Select Committee of the House, and that the Honourable Councillor Summers be appointed as Chairman.

His Honour the Acting Governor

The Motion is that the Bill and the Draft Estimates be referred to a Select Committee of the House and the Honourable MV Summers be appointed Chairman. Is there any objection to that Motion. No objection so the Bill is now referred to a Select Committee of the House.

The Clerk of Councils

The Finance Bill 1999

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to introduce those statutory amendments necessary to implement an increase in the Child Allowance, and in Retirement Pensions and contributions which, I proposed in my budget presentation. I beg to move that the Bill be read a first time.

His Honour the Acting Governor

Is there a seconder for the Bill? Thank you Councillor Cockwell. The Motion is that the Bill be read a first time is there any objection to the Motion? No objection so the Bill will be read a first time.

The Clerk of Councils

A Bill for an Ordinance to amend the Family Allowance Ordinance 1960 and the Retirement Pensions (Prescribed Rate) Regulations 1996.

The Honourable the Financial Secretary

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

His Honour the Acting Governor

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

The Clerk of Councils

A Bill for an Ordinance to amend the Family Allowance Ordinance 1960 and the Retirement Pensions (Prescribed Rate) Regulations 1996.

The Honourable the Financial Secretary

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

His Honour the Acting Governor

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

The Council is adjourned until 2pm on Tuesday 20 April 1999.

His Excellency The Governor

I declare this session of Legislative Council resumed.

The Clerk of Councils

The report of the Select Committee on the Estimates and the Motion that it is adopted by the Honourable the Financial Secretary.

The Honourable the Financial Secretary

Mr President, Honourable Members. This report covers both the Operating and Capital Estimates of revenue and expenditure referred to the Select Committee on Thursday of last week. The Committee spent two and a half days in examining the detailed submissions as presented. As the Capital Programme had already been the

subject of a one-and-a-half day Select Committee in March, members were able to devote the majority of time and effort to the Operating Budget.

Most Heads of Departments, supported by section heads where appropriate, attended the meeting to justify their budgets, and answer questions put by members of the Committee. The Chairman made it clear to all who attended that with the current economic climate in mind, and for reasons of financial prudence, it was necessary to reduce the projected budget deficits in order to return to a balanced budget situation in future years. The Committee set a target of reducing the deficit for 1999/2000 by £2m. This was in addition to the £1m worth of savings obtained by the Treasury in consultation with Heads of Departments during the course of preparing the draft estimates.

In summary, more than 100 individual adjustments were made. Operating revenue was increased by £300,000 from £36.7m to £37m. Operating expenditure was reduced by £1.4m from £30.6m to £29.2m. Capital expenditure was reduced by £400,000 from £15.3m to £14.9m. The estimated deficit for the year was therefore reduced from £6.5 m to £4.4m which means that the target reduction of £2m which the Select Committee set itself was exceeded by around £100,000.

I can report that the major capital infrastructure objectives I announced in my budget presentation were once again confirmed. It should be noted, however, that the provision for major road building in Camp was one of the major areas to be reviewed, and as a result, a reduction in allocation of £170,000 was made.

The allocation of £750,000 that remains is to be referred to the Transport Advisory Committee for it to advise the Executive Council on the most beneficial way this money should be spent. This is in line with recent decisions to look even more closely on how public money is spent and to ensure value for it.

The Select Committee also agreed that further consideration should be given to the Capital Programme beyond the next financial year to ensure it is both affordable and achievable. It was suggested that the Select Committee should reconvene in July to complete this task, when it is hoped that further detailed analysis of the Schemes will be available.

The Select Committee approved the following revenue proposals made in my presentation:

- Increase in customs import duty
- Increase in water charges
- Increase in electricity tariff
- Increase in Education Department fees
- the reintroduction of Embarkation Tax

The Select Committee agreed my proposal that the relationship between taxation fees and charges for services should be examined and reported by the Economic Advisor. The Committee also agreed that proposals for amending personal tax rates and allowances should be presented to Executive Council. The proposed amendments that are intended and would be applied to income from 1 January 2000, are a reduction in the allowance for earned income relief from 15% to 10% with the introduction of a cap in the allowance of £2000, and the introduction of a higher rate of tax at 35% on chargeable income in excess of £35,000. It is estimated that these measures would increase revenue from personal taxation by around £300,000 per annum, which is around 20% of the current tax take. The estimates have been adjusted to take this additional revenue into account.

The Committee confirmed the allocation of £125,000 inserted in the expenditure estimates to implement the Performance Management Review Scheme, which forms part of the new salary and conditions of service packages for civil servants.

The Committee did not allocate any sums relating to pay increases beyond this amount. The Committee agreed that the concept that no civil servant should be permitted to work in excess of 17% of normal working hours for a reward, and noted that the salary budgets had been funded accordingly. However, it was recognised that where certain operational requirements prove that this is too restrictive, Heads of Departments will be given the flexibility to manage within their overall budget. On a general note a greater flexibility to vire is to be extended to other operational areas.

The proposed increase in Public Service Pensions was not approved. The proposed increase in Retirement Pension Contribution benefits, ex gratia pensions and Christmas bonuses was approved. The proposed increase in the Child Allowance was approved, but not without some reservations. The proposed increase of 5% in student grants was reduced to 3%.

The Select Committee tasked the Administration to obtain a reduction in operating expenditure of half a million pounds beyond the reductions it achieved. With the assistance of Heads of Departments, the Treasury will set about this task during the course of the next financial year by following the best value and public service agreement concepts. When I present the budget next year I expect to be able to demonstrate how and where those reductions can be achieved. I am pleased at the outcome of the Select Committee's deliberations. We are back on track for more prudent financial management, which is absolutely necessary in the current economic climate. We must not forget our dependence on our main source of income, nor should we fail to recognise how insecure it is. The current threat to fishing licence income from poachers is a further reminder of that insecurity. The strategies and policies that are in place to ensure our financial independence must be kept under review to ensure that they fulfil their objectives. A paper summarising the adjustments made to the draft estimates at the Select Committee was presented to Executive Council earlier this afternoon. I can now report that the Executive Council recommends to the Legislative Council the amendments to the Appropriation Bill necessary to accommodate those adjustments.

I would like to thank all officers and all Honourable Members who took part in the Select Committee. In particular I thank Una Wallace for taking the minutes. To John Parker for keeping an accurate and timely record of the adjustments, and Mike Luxton and Linda Lyse for all their hard work behind the scenes. The estimates are the result of a lot of hard work, started by Heads of Departments and their staff, and completed by Treasury staff, and thanks to all those involved. That concludes my report of the proceedings of the Select Committee on the 1999/2000 Draft Estimates.

His Excellency The Governor

Well, thank you very much indeed the Honourable the Financial Secretary. I think it is for a Councillor or an Honourable Elected Member to move that the report be accepted.

The Honourable MV Summers OBE

I will.

His Excellency The Governor

Thank you. The Honourable Mike Summers. And a seconder please? The Honourable Lewis Clifton.

I now declare the Council to be in Committee.

The Clerk of Councils

Clauses 1 and 2.

The Honourable the Financial Secretary

I beg to move that Clause 1 stands as part of the Bill and the consideration of Clause 2 to be left until after the Schedule has been considered.

His Excellency The Governor

The Motion is that Clause 1 stands as part of the Bill. Is there any objection? Clause 1 stands as part of the Bill.

The Clerk of Councils

Schedule.

The Honourable the Financial Secretary

I beg to move that the Schedule stands as part of the Bill with the amendment which have been circulated to Honourable Members, which will be made available to the media.

His Excellency The Governor

The Motion is that the Schedule, as amended, and as will be made available to the media stands as part of the Bill. Is there any objection? The Schedule as amended stands as part of the Bill.

The Clerk of Councils

Clause 2.

The Honourable the Financial Secretary

I beg to move that Clause 2 stands as part of the Bill with the following amendment -

Delete the words and figures "45,863,950 pounds" and insert "44,101,790 pounds".

His Excellency The Governor

Thank you. Honourable Members, the Motion is that Clause 2 stands as part of the Bill, with the figures that the Honourable the Financial Secretary has just mentioned. Is there any objection? No objection, so Clause 2, as amended, stands as part of the Bill and the Council now resumes.

The Honourable the Financial Secretary

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

The Clerk of Councils

The Appropriation Bill 1999.

His Excellency The Governor

I don't wish to vitiate the parliamentary procedure and, I think, I have inadvertently cut out the opportunity for Honourable Members to debate.

The Honourable MV Summers OBE

Mr President. Before we do that, on advice from the Attorney General may I please seek leave of the House for the Select Committee to recommence in July to further consider the Capital Estimates?

The Attorney General

I have given the Honourable Member the advice that this will be necessary, because otherwise labours would be finished on the conclusion of the passage of this Bill by the House, and if it is to sit again as proposed in the report it needs the leave of the House to do so.

His Excellency The Governor

Any objection? No objections, so agreed, thank you very much. Can I just revert though, as I said, if any Member wanted to take the opportunity to speak on the Appropriation Bill could they indicate it, and I do apologise for having skated over that so rapidly. No one does, so the Bill has in fact been passed. Thank you.

The Clerk of Councils

The Finance Bill 1999.

The Honourable the Financial Secretary

Mr President, Honourable Members. I covered the report on the proceedings of the Select Committee on this Bill when I reported on the Appropriation Bill and Draft Estimates. It is confirmed that the Select Committee approved the provisions of the Finance Bill, which provide for increases in the Child Allowance, Retirement Pensions and contributions. I reported the details of those increases in my budget presentation.

His Excellency The Governor

Thank you. May I have a Councillor to move the report? Thank you very much the Honourable Richard Cockwell, and a seconder? The Honourable Norma Edwards. Now debate. Would any Member of this Council like to speak? No, thank you, so I declare the Council to be in Committee.

The Clerk of Councils

Clauses 1 to 3.

The Honourable the Financial Secretary

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

His Excellency The Governor

The Motion is that Clauses 1 to 3 stand as part of the Bill. Any objection? No objection so Clauses 1 to 3 stand as part of the Bill. There is no Schedule.

The Honourable the Financial Secretary

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

His Excellency The Governor

The Motion is that the Bill be read a third time and passes. Is there any objection?
The Bill is read a third time and passes.

The Clerk of Councils

A Bill for an Ordinance to amend the Family Allowances Ordinance 1960, and the Retirement Pensions (Prescribed Rate) Regulations 1996.

The Embarkation Tax Bill 1999.

This Bill is being presented under a Certificate of Urgency and requires a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to reintroduce an Embarkation Tax to be payable, with exceptions, by persons leaving the Falkland Islands by air. It will be noted that I made reference to this proposed tax in my budget presentation.

As many people will be aware, this would not be the first time such a tax was imposed in the Falkland Islands. To recall a little of that history, in 1978 an Embarkation Tax of £2 was levied at Stanley Airport for every passenger of 2 years of age or over, who departed the Islands through the airport. The tax was subsequently increased to £3 in 1980, was abruptly, and without proper authority, cancelled with effect from 2 April 1982, and was not formally revoked until 1991.

It is the practice in many countries to levy a tax on persons who embark at airports for destinations outside the Country. The purpose of the tax can be twofold. In the first instance as a mechanism, amongst other charges, to assist in recovering certain airport operating costs, and secondly, in the event that there is any surplus to contribute to general revenues. In the case of the Falkland Islands the tax would represent a worthwhile contribution towards the cost of burden sharing, at Mount Pleasant Airport.

Clause 1 of the Bill provides that it would come into force on such a date that is notified by the Governor in the *Gazette*. Executive Council agreed that this date should be 1 January 2000. Executive Council agreed that there should be certain classes, or categories of persons exempted from payment of the tax. Clause 3 of the Bill provides that these exemptions would be prescribed by regulations. Executive

Council also agreed that the rate of tax should be £10 per person, and the Standing Finance Committee suggested that there should be a provision in the Bill for the tax to be paid in US dollars.

Clause 3 of the Bill enables such provision to be prescribed by regulations and for the amount of the tax to be set and altered by regulations. Clause 3 of the Bill would also enable regulations to be made to prescribe the manner in which the tax is to be paid and collected.

I beg to move the first reading of the Bill.

His Excellency The Governor

Can I have a seconder please? The Honourable the Chief Executive seconds. The Motion is that the Bill be read a first time so is there any objection to the Motion? No objection so the Bill will be read a first time.

The Clerk of Councils

The Embarkation Tax Bill 1999.

His Excellency The Governor

The mover please?

The Honourable the Financial Secretary

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

His Excellency The Governor

Thank you. The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to this Motion? If we have no debate we could go onto the fast track. So no Member wishes to speak on the substance of this Bill? Fine, I then declare that this Bill has been read through all its stages and has passed.

The Clerk of Councils

The Pension (Old Scheme) Fund Bill 1999.

This Bill is being presented under a Certificate of Urgency, and requires a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to establish a special fund to which money can be transferred from the Consolidated Fund to provide for the payment of pensions to public officers, who have retired, or who will retire under the provisions of the 1964 and 1979 Pensions Ordinances.

It will be noted that I made reference to this proposed special fund in my budget presentation. The creation of a special fund was approved by Executive Council in September last year. It will provide an alternative funding mechanism, and thereby additional security for those public officers who have retired under the final salary scheme provisions of the 1964 and 1979 Pensions Ordinances. And for those public officers who opted to remain subject to those provisions rather than become members of the Money Purchase Scheme established under the provisions of the Falkland Islands Pensions Scheme Ordinance 1997.

Clause 3 of the Bill would establish the fund as a special fund within the meaning of section 11 of the Finance and Audit Ordinance 1988. The provisions of Clause 3 would authorise the immediate transfer of £4,181,137.87 already appropriated in accordance with actuarial advice. It also provides for the investment of the fund.

Clause 4 of the Bill provides for withdrawals from the fund to meet the payment of pensions, investment management fees, audit and actuarial fees and for any Administration expenses.

Clause 5 of the Bill would require actuarial reviews of the fund to be carried out once every 3 years.

Clause 6 of the Bill provides for further payments into the fund from the Consolidated Fund. I beg to move the first reading of the Bill.

His Excellency The Governor

Thank you very much. Can I have a seconder please? The Honourable Richard Cockwell thank you. The Motion is that the Bill be read a first time. Is there any objection? No objection so the Bill will be read a first time.

The Clerk of Councils

The Pensions (Old Scheme) Fund Bill 1999

The Honourable the Financial Secretary

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

His Excellency The Governor

So the Motion is that the Bill be read a second time. Would any Honourable Member wish to speak? If not, I think we might again do this on the fast track. One last opportunity. Fine, the Bill has passed through all stages and is passed.

The Clerk of Councils

The Administration of Justice (Practice and Procedures) Bill 1999.

This is being presented under a Certificate of Urgency, and a first reading is required.

The Honourable the Chief Executive

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

His Excellency The Governor

Could I have a seconder? Thank you. The Honourable Jan Cheek will second. The Honourable Attorney General, would you mind explaining what this Bill is about?

The Attorney General

Mr President, Honourable Members. The purpose of this Bill is to prevent a vast change in the practice and procedure of the Magistrates Court, and of the Supreme Court in the exercise of their civil jurisdiction. That would otherwise occur on the 26 April when the Civil Procedure Rules 1998 take effect in England. Those changes in the rules in England are the result of a Committee on the practice and procedures in civil proceedings, and they are a great improvement in the English situation. However, they are totally inappropriate for use in the Falkland Islands and if this Bill was not enacted they would otherwise take effect by reason of the provision of the Administration of Justice Ordinance.

In the longer term we will need to look at the practice and procedure in our Courts, in civil proceedings, which is somewhat old fashioned. What we cannot do is adopt and apply wholesale the massive changes which are coming into force next week in England, we will have to look at our changes in the longer term.

I could explain at great lengths and with mind-numbing detail just why English rules are not applicable, but if I tell Honourable Members that this is the case then I hope they will trust me when I say that the Chief Justice and the Senior Magistrate are at one mind with me that these rules should not be applied and that it is necessary to enact this Bill to have that effect.

His Excellency The Governor

Attorney General, thank you very much. I for one don't particularly relish having my mind numbed so let's forgo that particular pleasure. The Motion is that this Bill be read a first time. Is there any objection to that Motion. No so the Bill will be read a first time.

The Clerk of Councils

The Administration of Justice (Practice and Procedures) Bill 1999.

The Honourable Chief Executive

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

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak now or in the immediate future on this Bill, because otherwise I shall invoke the fast track procedure, which I am going to do now. The Bill is deemed to have been passed.

The Clerk of Councils

The Stanley Common Bill 1999.

This Bill has been published in the *Gazette* and we require it to begin with a second reading.

The Honourable the Chief Executive

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

His Excellency The Governor

Thank you very much. We need a seconder please. The Honourable the Financial Secretary seconding.

The Attorney General

Mr President, Honourable Members. This Bill would have the effect of repealing the current Stanley Common Ordinance, and give a larger area to the Stanley Common, which would be provided for by this Bill. Clause 3 would operate to dedicate the Common as public open space in perpetuity. It would have the effect of preserving the area of the Common as amenity land.

The other Clauses of the Bill are subsidiary Clauses which give effect to that general purpose that I have described, and the background of course is that Stanley has grown, the need for land to be preserved for public amenity and recreational purposes around Stanley is obvious. This Bill has been some two or three years in gestation and I believe that it is one, which the House will welcome, and I believe also the public.

His Excellency The Governor

Thank you. Well we have a mover and a seconder, so the Motion is that this Bill be read a second time. Does any Honourable Member wish to speak to this Motion?

The Honourable DL Clifton

Just a point Mr President. I think that it is public understanding of this. If this is the wrong time then I stand corrected, but could the Attorney General perhaps enlighten us how the Cape Pembroke Management Plan fits into the concept of this?

The Attorney General

A Cape Pembroke Management Plan could be given effect if it were so desired by regulations under Clause 10 of the Bill. I imagine that what would happen would be that the Management Plan would be devised, Regulations would be devised once the Management Plan were in being to give effect to the Management Plan.

The Honourable MV Summers OBE

Mr President. Could the Attorney General clarify or confirm for me that whilst there are some areas that are exempted from the Common area for good and obvious purposes, could he confirm that the other activities that are prohibited on the common, such as the shooting of wildlife and the like, will not be permitted in these exempted areas?

The Attorney General

The prohibition of shooting on the Common is contained in the Firearms and Ammunition Ordinance, and the effect of the enactment of this Bill and the repeal of the existing Stanley Common Ordinance would be that those prohibitions, unless other provision were made and legislation would be required, would extend to the new Stanley Common. In so far as the areas are not included in the Common under the new legislation, the prohibition on the use of firearms would cease to apply to any land, which has ceased to be part of the Common. That would be the effect. If it were desired to continue the prohibition of the use of firearms in relation to that area, it would be necessary to amend the Firearms and Ammunition Ordinance.

The Honourable MV Summers OBE

Mr President. I thank the Attorney General for that. I believe that is desirable.

His Excellency The Governor

Thank you very much - so noted. With a concurrence of concurring noises by the Honourable Lewis Clifton, any other Member wishes to speak?

The Honourable Mrs S Halford

Sir, could the Attorney General clarify, for the sake of the public, as to whether or not the ranges would still be able to be used for firing - the rifle range and the pistol range?

The Attorney General

The answer to that is yes. If you asked for the legal route I would give it to you but again it might be mind numbingly boring detail. The answer is yes.

His Excellency The Governor

Thank you very much. Well the Bill is read a second time.

The Clerk of Councils

The Stanley Common Bill 1999.

His Excellency The Governor

I declare the Council to be in Committee.

The Clerk of Councils

Clauses 1 to 12.

The Honourable the Chief Executive

I beg to move that Clauses 1 to 12 stand as part of the Bill.

The Attorney General

Mr President, Honourable Members. In relation to Clause 2 of the Bill I would ask Honourable Members to consider amending the words "plan comprised within" to "map appearing in".

His Excellency The Governor

Content? Sounds reasonable thank you. Well the Motion is that Clauses 1 to 12 with the amendment that the Honourable the Attorney General has just put forward should stand as part of the Bill. Is there any objection to the Motion? No objection so Clauses 1 to 12 as amended, stand as part of the Bill.

The Clerk of Councils

Schedules.

The Attorney General

In relation to the first Schedule Mr President, Honourable Members, it would be intended that when the Bill is printed as an Ordinance the map will be reversed so as to be the right way up. At the moment, the words "First Schedule" appear upside down at the bottom, and that is due to a printing error.

His Excellency The Governor

Thank you. So the Motion is that the Schedule, as amended, stands as part of the Bill, and the right way up. Is there any objection to that Motion?

The Honourable the Chief Executive

I didn't actually propose it Mr President.

His Excellency The Governor

I am sorry.

The Honourable the Chief Executive

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

His Excellency The Governor

Well as I was saying before I was so wisely interrupted.

(Laughter)

Yes the Motion is that the Schedule stands as part of the Bill, is there any objection? No objection the Schedule stands as part of the Bill and the Council resumes.

The Honourable the Chief Executive

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

The Attorney General

Mr President. The title has not been put to Honourable Members, so I ask that Honourable Members consider that the title to the Bill should be amended to read as follows. "To repeal the Stanley Common Ordinance 1963; to define the boundaries of Stanley Common by reference to a map; to declare the Common as open space in perpetuity; to restrict disposal of land in the Common and other forms of development in it."

His Excellency The Governor

Do I hear any objection to that redrafting of the title of this Bill.

The Honourable Lewis Clifton

No I don't Mr President, but the words which the Attorney General has just used, are somewhat different to the proposed amendments on the sheet of paper here.

His Excellency The Governor

Was that inadvertent?

The Attorney General

And for connected purposes. Yes Mr President, it was inadvertent in that I was trying to read my own handwriting.

His Excellency The Governor

So can we take it that the authentic wording is the wording of the piece of paper that was circulated to Honourable Members?

The Attorney General

Yes those are my considered thoughts.

His Excellency The Governor

Thank you very much. Are Honourable Members content with the amendments? Fine, thank you. The Motion is that the Bill be read a third time and do pass, is there any objection? No objection. The Bill is read a third time and passes.

The Clerk of Councils

The Stanley Common Bill 1999.

MOTION No. 4/99

That it be resolved from midnight tonight, customs duties payable under the provisions of the Customs Ordinance are increased.

- On beer from 20p per litre to 21p per litre
- On wines from 52p per litre to 55p per litre
- On fortified wines from 63p per litre to 66p per litre
- On spirituous beverages from £4.27 per litre to £4.48 per litre
- On spirits from £7.77 per litre to £8.16 per litre
- On cigars from £103.16 per Kg to £113.48 per Kg
- On cigarettes from £74.62 per Kg to £82.08 per Kg
- On tobacco from £67.81 per Kg to £74.59 per Kg

The Honourable the Financial Secretary

Mr President. This Resolution will bring into force with effect from midnight tonight the increases in duty I proposed in the budget and I beg to move that the Resolution be adopted.

His Excellency The Governor

The Honourable the Chief Executive has seconded. Would any Honourable Members care to speak to this Motion? Now I must admit that I realise that one has to do these things but as a cigar smoker I can only deeply regret the massive swingeing increase in tax on cigars. Right, may I have a show of hands please of those in favour of this Motion. All voting Members are in favour so the Motion is carried unanimously.

THE MOTION FOR ADJOURNMENT.

The Honourable the Chief Executive

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

His Excellency The Governor

Honourable Members, would you like to avail yourselves of the opportunity and your privilege to speak, and if so who would care to go first?

The Honourable Mrs N Edwards

Your Excellency, in rising to support the Motion for Adjournment I think this is probably the most difficult speech I have ever had to make, because of the situation we are in at the moment. I remember an Election Address that I gave some time ago when I said that we have had the Military war over the Falklands in 1982 and we are now to face the propaganda war. That was when Dr di Tella was telling us that he

was going to use his charm offensive, and I said that this would take place in your living rooms and your kitchens. That is exactly what has happened.

I have to say congratulations to Dr di Tella who has been extremely successful. Only last week we had him on the radio here in the Falklands saying how sad he is that no one is talking to him about the demise of Lan Chile, and from a selected few we constantly hear that people's opinions are changing. That may be so in some cases, but I do think that there are still an awful lot of people who feel the same as I do about Argentina. I cannot ignore the fact that 1982 happened and that lives were lost for us so that we could live a life of our choosing in these Islands, and to now say "Okay Argentina you are putting the screws on us by various ways, let's talk about whatever." To me that would be the beginning of the end of the Argentine objective which they would see as being well in sight. For us I think it would be going back to the position of the 1970's and we all know where that ended. Argentina is very keen to tell us that they are a democracy now. Good for them and I wish them well in their democracy, and long may it last. But it is a pretty frail democracy that still lets its Police pick people off the street and torture them. It is a pretty poor democracy that whips up its neighbour's support to isolate a couple of islands in the South West Atlantic to gain its political aims. That is a pretty dam poor democracy that has to resort to blackmail to show its people that they are fulfilling their promises of the recovery of the 'Malvinas'.

I don't feel about to succumb to that kind of pressure I am afraid. I know very well that they can make life extremely uncomfortable, and no doubt will continue to do so, but we are now part of a reorganised Overseas Territory of the United Kingdom. A new era of partnership, we are told, between Overseas Territories and Great Britain and I am sure that Britain will continue to support its Overseas Territories when they are pressed by overbearing neighbours who have designs on them. I know times are going to be tough but we have had tough times before and no doubt we will have them again. I would say to my constituents and all the people of the Islands, don't let pressure from Argentina wear you down. Stand firm in your belief, in your rights and in the heritage which has been handed onto you.

In the next few months no doubt, we will be going through very difficult times here in the Falklands but I can assure everybody that we will be doing our best, to do the best we can in the interest of the Islands and not in the interests of individuals. We have had a tough one and a half weeks on the budget, and it is going to hurt this time and it won't be the last one that hurts. I can remember too, saying in this House that when you have principles in one hand and money in the other, usually principles go out of the window. Well I hope that our principles don't go out of the window because of Argentina, and I hope that we stick by them.

I also hope that people won't be too disappointed in the budget that they have to put up with for the next year. We have tried very hard to cut costs all across the board and we have done that in each department, including the Legislature Department so nobody has been isolated out for cuts. I would like to assure the people of that.

Sir, we are about to lose Jenny Luxton from our office, and I have worked with Jenny for the past seven and a half years so I would like to publicly thank her for all her hard work on our behalf, and for her integrity. All VIPs, without exception I think, who have visited us over the years have sung Jenny's praises and rightly so. She will be missed a great deal from our office. I would like to wish her well in her new post at the Department of Mineral Resources.

Sir, you are also going to take flight sooner or later, and I would like to thank you on behalf of all the Council for being a pleasure to work with, for being a very hospitable Governor in lots of ways and we would like you to accept our good wishes. You are entitled to a tie now seen as it is your last day in Council, and we wish you very well for your future in Romania.

His Excellency The Governor

Thank you very much indeed Councillor Edwards. I will reserve my thanks and other comments to the end if I may. May I ask another Honourable Member to speak to the Motion for the Adjournment?

The Honourable MV Summers OBE

Mr President. In standing to support the Motion for Adjournment I will say a few words about the economy and one or two other matters. I didn't speak at the time of the Finance Bills because I think it is better to reserve it until now. On behalf of all the Councillors could I thank the Financial Secretary and his staff for their excellent work during the presentation of the budget this year. We did thank him privately in the Select Committee, and particularly John Parker for what was probably the best presentation that the 'old hands' have seen of a budget, and some very timely information that is extremely helpful and we thank him for that.

The purpose of the budget this year was to begin to 'get us back on the track' which is a phrase which I think the Financial Secretary used. We do have to give notice that this is the beginning of a process - this is not the end. We are still setting a deficit budget this year of the order of £4m. I think it will take a further two budgets of further cuts to achieve a positive balance between income and expenditure. Therefore, it behoves all departments, all public servants, all members of the public indeed, to work with us and help us to achieve further reductions in the operating estimates/expenses over the next two or three years so that we can return to a positive situation. That is the only way in which we will have a secure future that we currently still have in our grasp. There is a balance of burden on all sectors of the population in this budget. There is effectively, no reduction in services. There may be one or two very, very minor areas where we are not able to continue to provide services, but they are very minor indeed. In that I think we are all very pleased but we do require, during the next one or two years, a great deal more lateral thinking and flexibility to achieve further savings without losing vital services. I don't think it is necessary to lose vital services. Indeed I don't think it is necessary, as far I can see at the moment, to lose any services to achieve the savings that we require. It will require from

everybody a slightly different approach to the expenditure of public money. Let us all bend our minds to that process.

Now a couple of areas I would just like to mention briefly. It has been mentioned in the report from the Financial Secretary that there has been a significant reduction in the monies available for Camp roads. Can I commend please to the Transport Advisory Committee and to the Executive Council, that when this comes back to us the funds which are still substantial at three quarters of a million, are directed toward the completion of spine roads which was what was always supposed to be the intention in our road programme.

(Hear! Hear!)

Let's get us back on the right track again. We shouldn't be building small roads off to the side until we have finished the main spine.

There are a number of important schemes still in the Capital Estimates. The Infant and Junior School; the provision of accommodation for disabled persons; the beginning of work on the police station; a number of projects around Stanley to do with roads; and there is some funding allocated for experimental work towards the beginning of a phased covering of the Mount Pleasant Road.

All of these schemes need to be fully and properly evaluated before we commence and they will be so, and the Treasury will be working with us in that process. I think it is a budget which - sensibly directed - will be to everybody's benefit.

We will be looking at every corner and every turn, both in the Capital Budget and in the Operating Budget for efficiency and value for money. This is not a harsh budget, but it does lay the basis for a continuation of the very secure future that we currently have economically, provided that we can maintain the level of income that we currently enjoy. On this issue, our income is of course principally from a resource tax. Income from licences to fish. We need to pursue with all vigour the hard line that we have adopted so far against poaching to protect the future well being of this country.

In terms of foreign affairs, I commend to a very large extent, the analysis of my Colleague about the approach that our neighbours have been taking. I think I have adopted a slightly different view in public to some others in the recent past, in that I have commended in writing to the Falklands, but as a clear demonstration of our right to self-determination that we should in fact be talking direct to the Argentines. I said this in an article I wrote in the Penguin News some while ago. I think that this sort of clear tangible demonstration to our right to self-determination should be pursued with all vigour, so that we establish that right beyond any doubt, in anybody's eyes. It is just another part of being responsible for your own affairs and taking responsibility for the execution of your own affairs. This doesn't mean that I have gone soft. I still do not support direct flights from Argentina and I still do not support access for Argentines until there is a very, very substantial change in the current situation. I

think we need to accept that in all parts of life you have some good days and some bad days. That has certainly been my experience. I think we are probably having a bad day. There is no need to be depressed, there is no need to panic, but there is a need to be concentrated and to be absolutely sure about where we are going and how we are going to do it. I think that is a pleasantly optimistic note on which we can proceed for the forthcoming months.

Two lighter notes before we finish. I wish our competitors who are going to the Island Games shortly the very best of luck, and I hope that they do the same sort of job for us that previous competitors have done for us in the Islands. Spread the word about the Falkland Islands. It is splendid public relations and I wish them well.

I too wish Jenny Luxton well as she leaves our office. We have perhaps not always seen eye to eye but nevertheless, I wish her well and I commend the splendid work she has done, particularly with visitors here and the ability to look after and say and do the right things with visitors. It is a great talent.

To you Sir, thank you for your contribution over the last months and years. I have enjoyed working with you. It has been a different style for sure. I think it is a better style and a more appropriate style for these days of partnership. I wish you well in your new post and we look forward to welcoming your successor in due course. Sir, I support the Motion.

The Honourable DL Clifton

Mr President. I rise of course to support the Motion and to endorse all of those comments about the budget in particular, and to extend my own thanks to the Financial Secretary for a well presented budget this time. We have had our particular disagreements in terms of what should have been cut or what shouldn't have been cut, but I take delight in the Financial Secretary's admission at long last that we are back on track for prudent financial management. I think the question we should all ask ourselves is just how long were we off track? As my Honourable Colleague has said, it is the beginning of a process and we must remain stringent, particularly over the next couple of years. Perhaps we may need to be more stringent next year than we are currently anticipating if we are still going to have very substantial poaching offshore.

I would like to make two points in terms of the budget. My Honourable Colleagues have associated my statements on this issue as likening to a former Honourable Member and his statement making about Cobb's Pass, but I do have to raise the question because a great number of constituents have raised it with me. When we are going through fairly prudent financial housekeeping I have to ask myself, and I ask my colleagues, is it appropriate to continue with the Holiday Voucher Scheme. It is going to cost us about £400,000 a year and that is an awful lot of money, in my view. There maybe one or two gasps here, but that is the fact of the matter. There has been some suggestion that we could perhaps devalue the Holiday Voucher Scheme. They are perhaps more commonly known as 'Gurrs'. They could have convertibility, they could be devalued from a pound to a penny perhaps, but I think I would have much

preferred for the value to have been frozen at this particular time. I say that against the possible introduction of a new income tax level and an attempt to raise about £300,000 which will affect quite a small element of the tax paying community. Therefore, I do question the value of paying the Holiday Voucher Scheme and providing for it.

There is one point that I would like to note at this particular time. I personally had some sad news yesterday and I think this House, if it knew some of the background of the late Ernie Luxton would also express some sympathy for his sudden passing yesterday. He was a man who has contributed much to this society. I think one of the last, if not the last Mayors of the Town Council, which is something we often talk about, but a man who has contributed a great many things over something like 80 years to this community. Everything from the Working Men's Social Club to the Stanley Benefit club to Stanley racecourses, even initial hydrographic surveying at Port William with lead laying, something we don't do today, and so I extend sympathy to Cybbie at this time.

We have talked a lot about who has been cut off, Sir. The Honourable Norma Edwards has raised some very pertinent points, and I see on the Internet today a posting that recalls the Victorian newspaper headline from when England was having some difficulties with Europe. The headline went 'Fog in the Channel - Europe is cut off'. The parallel is drawn here - 'Lan Chile flights cease - South America is cut off' but perhaps we are a little cut off at this time and there is some uncertainty to what the immediate future might hold.

The Internet is rather a fascinating thing these days, there is yet another posting along the lines of the expressions my Honourable Colleague Norma Edwards has said. The logical follow up to di Tella's seduction policy is rape, and I see other commentaries here about how Uruguay, Chile and Brazil are rejecting the possibility of planes using their territory. That is really difficult and I suspect for some folks it is alarming stuff. Is there a conspiracy? Who believes in the conspiracy theory?

I know it is not a time to make wise cracks about departing Governors but I wonder if the Public Works Department is actually in on this conspiratorial loop. If I look around this room, recently redecorated with a fine new ceiling, all the Governors' portraits have been put into fours and there is only one and three quarter panels left, if we accept that Governors' frames will remain of the same size. I am not suggesting that dietary habits are needed but it suggests to me that if Governors come for a three year appointment, that is seven by three which is 21. Someone is working on a 21 year freeze are they not? I joke somewhat but I think we often get too caught up in the conspiratorial theory, and I think there are times when, I think, we should address issues on a blank page and work forward from that.

Sir, I too would like to be associated with the kind words that have been conveyed to you from my Honourable Colleagues. I particularly welcome my time on Council working with you. I believe you have brought a very different style of governorship to the Islands which insofar as we are aware, I think, has been very reasonably

transparent and if I may say so, rather up front at times. But I do thank you for that and I only hope - having known Mr Lamont a great number of years ago - that he will exercise that same sort of style, as it does help us develop our own political future. Particularly now when we have the opportunity to participate in the wider understanding of the new relationship we will have with Her Majesty's Government, and indeed Her Majesty's Government with us. I support the Motion.

The Honourable Mrs JL Cheek

Your Excellency, Honourable Members. I would firstly like to associate myself with the remarks of the Honourable Lewis Clifton regarding the sad passing of Ernie Luxton. He is to be remembered as one of the people who contributed a lot - much of it voluntary - to our community. That is a good tradition, which it would be sad to lose. It is sad to see the passing of people like that.

I now move to the subject of the budget deliberations we have recently gone through. I am pleased that we have gone some way towards arresting the spiral into which we found ourselves, but as we have been told, we are still in deficit, and may well be for several years to come. This is a subject that has worried me, certainly for the last three years, when I felt that we must work very hard to contain the Operating Budget and decrease the cost of maintaining our still vast Civil Service. We also need to have the careful analysis that we plan later on of future capital projects. Some might argue that it is all an academic exercise at the moment, but while I wish not to be too repetitious, we have to look, in everything we do, at whether it is affordable and whether it is efficient? We were looking at things as essential or desirable. There are still many things we have in the desirable category. We will have to be very careful to balance those.

I am pleased we have been able to implement to some extent, the idea of natural wastage, which I have been advocating in recent months. It is infinitely preferable to forced redundancies if it can be arranged as part of a careful review of the requirements and far cheaper to implement. I would like to thank the Heads of Departments who recognised the need to contain the budget this year, and of course I would like to congratulate the Honourable Derek Howatt and the people in the Treasury, both backroom and front-line people, on the thoroughly professional way in which the budget was presented to us and which greatly assisted the way we were able to work on it.

Moving on to the question of fisheries protection, and of course I must declare an interest in any fishing related matters. We are all aware of the serious position that exists, and there will be time later for questions to be asked about whether there was any avoidable delay, or even worse, actual obstruction in the one year since we made a clear decision that these strong measures have to be taken.

We must remember that the ^{"c" CA} sea in the FICZ and the FOCZ is for conservation, and be careful at all times to take note of the fragility and unpredictability of those stocks. There is now a new element added to that unpredictability. There is no clear record

being kept of what is being taken. We can take the estimates but the long term effects on stocks and on our economy should not be underestimated.

Altogether, we are in testing times. All will experience some inconvenience, some small hardships. I choose my words carefully because if you want to see real hardship, watch television every night.

(Hear! Hear!)

These testing times will not only test our resolve, our confidence in our right to self determination and in the right of justice of our case but it will also test, as the Honourable Norma Edwards has said, the concept of partnership which was included in the new White Paper. It will test, dare I say it, the ethical foreign policy of the Foreign Office. It will test the renewed friendship of Argentina and Britain. That was symbolised by the welcome visit of the Prince of Wales to that country and to our country. I repeat what I said at the public meeting the other night. This is no time for panic measures, it is time for careful measured consideration of any actions we may take, and of the consequences of those actions.

I won't go on in detail about anything else but I wanted to say - of course - farewell to Jenny Luxton as she moves to a different job, thank her for the many qualities which she brought to the job when she was doing it, not the least of which was managing eight bosses, and another one up the road in Government House who would have liked to have been her boss. Thank you Jenny and good luck for the future.

The final farewell, but first I will have to correct the Honourable Lewis Clifton's mathematics. If we count the present Governor who will fill one space, then there are only six more, not seven.

The Honourable DL Clifton

So it is. I'm so sorry.

The Honourable Mrs JL Cheek

In saying a public goodbye to Your Excellency, I would like to say that we have appreciated your honesty. We might not like what you have said on occasions but we appreciate the honesty with which you said it. Another quality which you brought to the job was approachability. I don't think that there was anybody who felt terribly in awe of you that they couldn't speak to you on any given subject. Finally, your humanity, which many people will be aware of and for which I was grateful on more than one occasion. I wish you luck in your future job. I support the Motion.

The Honourable JR Cockwell

Sir, while rising to support the Motion I shall be brief because my Colleagues have said most of the things which needed to be said. I too would like to congratulate the

Financial Secretary and his colleagues on the extremely efficient way that they did the budget presentation and kept us up-to-date with what was happening. When we went home to lunch they must have worked right through their lunch hours because there was always an up-to-date appraisal by the time we sat down for the next session which was very useful.

I will just touch on one or two things. Nobody has mentioned agriculture at this stage because we do have all sorts of other serious problems other than agriculture, but the intention to support the agricultural community through the difficult years which are coming are still in place, and I will intend to make sure that this remains so, so that we can actually get the Falkland Islands agriculture to become an efficient and welcome additional financial benefit to the Islands, rather than the problem that it is at the moment.

While on the subject of Camp roads the Honourable Mike Summers has said that he feels that we should get back on track with the spine roads. I must admit, sympathetic as I am to the people who require roads right to their farm doors, until we have got the spine roads completed we must continue with them and make sure that these spine roads are completed as rapidly as possible.

My colleague on my left said that we need to keep our house in order, and I think we have actually started to do that. However, I think we also have to realise that the fox is amongst the chickens, and the fox is the poachers in our fishing zones. We have to do something about this. Executive Council's intention to arm the patrol vessel in order to prevent poaching in our economic zone has been hindered by bureaucracy outside our control and this needs to be made very clear. There is no weakening on our intention. The bureaucracy in question to my mind, does not appear to have a proper appreciation of the seriousness and the implications of the poaching in our waters, particularly the implications to the future Falkland Islanders. That is not just the people here at the moment but for prosperity. We have to make sure that this ceases and that we can actually make a conservation zone, and also we can actually control it so that we can continue with augmenting our budget with fishing licence money, because if we don't we have a serious problem.

I have to say Sir, that I am so angry about the above matter that it is extremely difficult for me to talk about anything else. However, I personally also would like to thank Jenny Luxton very much for all the assistance that she has been to me personally in guiding me through the complications and the vicissitudes of being a Councillor. She has been a great help.

And you Sir, I think everybody has said the things that I would like to say. It has been a pleasure working with you, I hope you find that your time in Romania is as interesting and as varied as it has been in the Falklands. Thank you very much, Sir.

I support the Motion.

The Honourable J Birmingham

Mr Chairman, Honourable Members. I was hoping to speak last as I am the youngest by far, but it is not going to happen. In rising to support the Motion I also have a few words to say on the budget, and as has been said earlier on, every country has its ups and downs and sometimes external factors beyond our control make it seem as if decisions are being taken when they appear to be unnecessary. I would like to assure the public that whatever measures are taken at the moment or in the future by this Council, are taken in the best interest of the Islands although it may not seem so at first. I would also like to thank the Treasury for the work that has been done over this budget.

The Director of Mineral Resources, a Data Manager, a scientist from the British Geological Survey and myself have just returned from a forum at which forty-seven countries were present exhibiting at a geological exhibition. I would like to tell people that there is still an enormous amount of interest in this part of the world, and I have no doubt that in the future when oil prices are on the road to recovery, we will see more activities in our areas. Please don't close the door on oil exploration. We know there is oil. More importantly - talking to people overseas - there are some very serious players in the industry who know it as well.

A lot is being said at the moment about poaching in the zone and we cannot and will not let this carry on. It is unfortunate that we hear semi-hysterical interviews about the subject that not only upsets people here, but I think, gives aid and comfort to our unfriendly neighbours. Perhaps there has to be some responsibility in the local media. It does no harm to pick up the phone and find out a few facts. There have been major problems and these are being ironed out at the moment.

I would, however, like to read out a few lines from a speech given only last week by Baroness Symons in London. She is, as is known, the Parliamentary Under-secretary of State. She gave this speech last Friday - the 16th - which some people will remember was quite a warm day. I will just read a few points. It is to do with the White Paper which has been issued, and underlined the security of the United Kingdom Overseas Territory.

“On March 17 Robin Cook announced the results of a major review between the relationship with the United Kingdom and its Overseas Territories. The objectives of the review had been to establish better and more effective communications between the Government of the United Kingdom and the Governments of the Dependent Territories (now known to be the Overseas Territories). This was to improve the status of the residents of the Overseas Territories and to ensure that the United Kingdom could discharge its international responsibilities in respect of those territories.”

It then goes on to talk about many areas - drugs and money laundering - but it moves on to partnership and how any partnership implies mutual obligations.

“The United Kingdom accepts that it has responsibility for the defence and the security of the territories and for their international relations. We, the United Kingdom, are committed to ensuring the good government and sustainable political, economic and social development of the territories. In return we expect them to demonstrate high standards of probity of governance and adherence to the international agreements to which the United Kingdom is a party.”

I think that we in the Falkland Islands have been doing that. Some might say Sir, that the partnership at the moment seems to have a sleeping partner. Personally I disagree with that.

Moving on to some comments by the Chief Executive last week, when he was talking about the Civil Service and how some people apparently don't seem to put in a full day. He has assured me time and time again that he is going to sort this out and I know that we (The Council) know that the Chief Executive has been and will continue to lead by example. I thank him for that.

Sir, I am not going to go on. Everybody has had a hard couple of days. I would like to associate myself with the other Councillors who have thanked Jenny Luxton for her work in the past, and I would also like to wish yourself all the very best for the future. You have just been given a tie and I hope that every time you tie that around your neck you will be thinking of the Falkland Islands.

(Laughter)

Sir, I support the Motion.

His Excellency The Governor

Thank you very much!

The Honourable Mrs S Halford

Mr President, Honourable Members. There was me trying to think of a fitting comment for you, Sir.

In rising to support the Motion I too would like to congratulate the Financial Secretary and his staff for all the hard work they have put into the budgetary process. Councillor Summers did mention old hands, well perhaps being one of those old hands - and I hope he wasn't referring to age but merely the length of time we have been here - the paperwork on this occasion was the best presented I have seen to date. I do not believe that they will be able to surpass this year's achievement in future years. As ever, the whole process was not without pain in order to achieve some gain. I believe we were able to identify to Heads of Departments where, in our opinion, there was room for more efficient working in some areas and cost reductions in others. Hopefully, although we reduced most budgets, we at the same time gave greater flexibility within departments for the administration of those budgets.

Overtime working is one area that we tried to look at very closely, as it was evident that it could be open to abuse in some areas. Obviously essential overtime will need to be continued to be undertaken, but non-essential overtime will need to be looked at more closely by all departments. Overall I feel confident that even with the additional cuts imposed, our managers will now do an admirable job of managing their respective budgets within the parameters set.

I still believe that there is probably scope for greater flexibility, even with the cuts and the trimming we have done. It is just to indicate one area, and I was actually lobbied about this funnily enough just before I came in here. If you look around the Civil Service and various departments for sake of argument, you might see an awful lot of clerks. I am sure there is not just clerks, there are other areas where you have the same thing, where I am sure if it was really, really looked at there could be greater flexibility throughout Government. When I joined the Civil Service many years ago, I didn't join just to be in one department, I joined knowing I could be sent around to any department. Perhaps that should still be done.

Although we might feel a slight pinch in some areas as a result of the budget this year, I wonder what the process will entail next year. As most people will appreciate, our main income is derived from our fishing industry, an industry which has been well run and policed for many years. Those in the community who heard *News Middy* yesterday will now have some appreciation of the level of poaching we are currently seeing in our zone, and the possible knock-on consequences that may result. It is my belief that if this is not addressed immediately it could result in little or no licence uptake next year. I think we all appreciate that that is a scenario we need to avoid.

Councillor Birmingham started quoting Baroness Symonds. I thought 'my goodness he has taken the words out of my mouth'. He quoted when she was delivering a speech in which she talked about the major review of the relationship between the United Kingdom and its Overseas Territories. She was talking about the White Paper "Partnership for progress and prosperity" a paper, which we all welcomed. The White Paper sets out how the United Kingdom is fully committed to meeting its obligations to the Overseas Territories. She said, and I quote, "In those Territories that rely heavily on natural resources, for example fishing, fisheries protection work is of considerable importance".

Baroness Symonds concluded by saying - "promoting and providing security for our Overseas Territories is a complex business. It encompasses a wide range of interrelated, interlocking problems and activities. It involves a wide range of actions by the people and the Governments of the Overseas Territories as well as by Her Majesty's Government. We stand ready to help".

Security, as I see it, does not just mean protection from invading forces, it means protection from any threat to the economy or the stability of the territory. In our particular case it is therefore essential that we protect our natural resources, resources which in turn currently support our economy. As we hear HMG stand ready to help, I

wonder what will prompt them to move. Will it be the total collapse of our economy?

Sir, I would like to touch on a couple of other points. Today we have seen the Embarkation Tax Bill come through and be passed. I hope, if we are going to be in the process of getting people to pay this tax, they will have the courtesy of having our Customs Department out there in time, to coincide with the RAF who open and do the checking in, and then I hope the people who check in will then be able to go into the departure lounge rather than have to wait outside.

We have also had the Stanley Common Bill go through and I would like to correct the Attorney General, I am sure that he will jump down my throat for doing this, but he did say that he thought it had been about three years since it started. As I recall it has been one of my pet projects from about the day I got onto Council, so I would say in this case the wheels of Government have indeed turned slowly, because it must be a good four years anyway.

I too would like to thank Jenny for all the hard work she has done, and for her excellent confidentiality over the years that I have been on Council.

Sir, it is your last Legislative Council, and perhaps many of us have said things which you would have preferred us not to have said, but I am sure that we all felt that it was essential. Since listening to some of the other people speaking I have been wondering what quality of yours hadn't been mentioned which I could perhaps highlight. I have to say it has been a pleasure to have worked with you, but your command at meetings if you don't mind my saying so, (when Chairing them) has been interesting from time-to-time. If it has been a meeting that you have wanted to go quickly, it has gone quickly. Where it has been one where you have wanted to get your point across, the meeting seems to have sometimes gone on for longer than it might otherwise have done. I think this has perhaps been a good tactic on your part.

The Honourable Mrs N Edwards

It's called diplomacy isn't it.

The Honourable Mrs S Halford

I do wish you well in your future posting. Sir, I support the Motion.

The Honourable WR Luxton

Mr President, Honourable Members I will be fairly brief. In terms of the budget and getting back on track, I would just like to reiterate other people's caution of the very fragile state of our income, and I too would support a robust approach towards the massive amount of poaching that is going on at the moment. I think we really have to get a grip of this and do something if the environmental damage isn't to be huge as well as the financial damage to the Islands.

I think we have also perhaps got our backs to the wall with our friends across the water. Somebody said that Di Tella's charm offensive looks more like rape, and whatever dealings we have to have with them, I don't think we should ever lose sight of what their avowed ultimate objective is - which is to take over these Islands. That is something which I think all Islanders find totally unacceptable.

A couple of other points. I should be careful what I say about Jenny but I wish her well in her new post also and I am sure that she appreciates all the kind things which have been said by my colleagues.

Finally yourself, Sir. Nobody has really picked up the point that you are going from one sort of hot spot possibly to another. I hope things go well in your new appointment anyway Sir, and I wish you all the best.

The Honourable the Financial Secretary

Mr President, Honourable Members. I support Councillor Clifton's concerns on continuing the Holiday Credit Scheme, especially at a time when we are looking at ways of saving money to get back and keep on track, and when we are also looking at increasing taxation and charges. Like him I would categorise expenditure to finance this scheme as purely desirable rather than essential, but have to accept that others have a different view, and that the democratic process is seen to be working.

I am grateful to the thanks given by Honourable Members to myself and the Treasury team for the work we have put in on the estimates, and we hope to be able to produce similar work next year.

I would just also like to express my thanks to you Sir for your contribution to the Islands, to the Government of these Islands. I wish you well in your new appointment. I support the Motion.

Commander British Forces

Your Excellency, I would just like to make two comments if I may in terms of reassurance to the public. The first one is in terms of fisheries protection. Clearly the very significant military capability that we have here in the Falkland Islands is, as you all know, a tangible demonstration of Her Majesty's Government's commitment to defend the territorial land, air and sea space of the Falkland Islands, South Georgia and the South Sandwich Islands. I have, and I will continue to provide every support and assistance that I can within my capabilities to assist you in this difficult situation which you have with fisheries protection, and my assistance of course falls within the role I have here within the Islands. Tomorrow we are indeed taking that forward.

In terms of the air bridge, I know there is some concern as a result of the flight that came out of Brize Norton on Monday evening, in which we had to load on extra fuel into the aircraft because of the uncertainty of diversionary airfields, and that meant that we had to remove a number of passengers from that aircraft. Indeed we took off

some 30 military passengers, which included the band for tomorrow's parade for Falkland Islanders, and 25% of fresh rations. We are in the business of clarifying the situation in terms of diversionary airfields such as to ascertain what the effect is in the long term on the Tristar bridge. As far as that aircraft is concerned, I regret to say it is currently stuck in Ascension Island as a result of technical problems.

Sir, finally I would like to thank you for your support for the Military garrison on the Islands here, and I wish you the very best of luck and good fortune in the future.

The Honourable the Chief Executive

Mr President, Honourable Members. Well having been, I think, justifiably tough on certain members of the Civil Service in my broadcast a few days ago, I think I would like to congratulate the Public Works Department, and the Electricity Department in particular, for the ceiling and the redecoration. There were those who said it couldn't be done; there were those who said it would spoil the room; there were those who said it had been tried before and it had failed. I think it is a lesson to us all to look at how splendid it is, and how we can actually see what we are doing. So well done Public Works Department.

I was fascinated by Councillor Edwards' comments on the charm offensive, and I do wish that Dr di Tella could actually see her. She is actually dressed as a spider's web.

The Honourable Norma Edwards

A black widow you reckon!

I think this is a message to Dr di Tella to watch out because every fly that gets caught actually imagines that a direct link is a good idea.

The budget this year was, as Members have said, a very detailed process and I too would congratulate the Treasury for the work that they did. There is no doubt that they improved their performance on a year ago, and I have no doubt that they will improve again next year. I think that is an example to the rest of Government, because if we can improve with the same resources, or even less people, then that is an improvement in efficiency. That is what we are looking for.

Councillor Clifton raised his shibboleth. I thought at first it was going to be about fenders at FIPASS but no, it was about the apparent devaluation of what is called "the Gurr". I would remind Members that the reason that this scheme was actually put in in the first place was actually to enable it to be taken away. If you recall, it was an option we took at the time because there were certain contractual obligations to established civil servants which involved leave passages. What this did was to get leave passage into the political sphere so that Honourable Members, at a time that they consider is politically appropriate, can in fact take it away if they so wish, and I think it is a measure of the importance that they place on it, that they didn't choose to do that on this occasion, but be under no misapprehensions that power is there to

withdraw it should the time be considered appropriate by the politicians.

On the whole question of poaching and the fishery, again I wouldn't want anybody out there in particular, or indeed on the street here to be under any illusions. There is, I think, a gap at the moment between perception and reality, and just because it may look as though nothing is happening to protect our zone, I would like to say a word to the Taiwanese, (not in Taiwanese I hasten to add) but my word would be 'It ain't necessarily so'. We are determined to do something and we are confident that something will be done.

Finally, I turn Mr President, to you yourself. In the words of Peter Cook and Dudley Moore "now is the time to say goodbye".

There are many different goodbyes. There has been a Camp goodbye, there will be a Town Hall goodbye, there will be a goodbye tonight, there will be personal goodbyes, but I think in this particular forum Sir, it is appropriate to remember your Chairmanship and you Presidency of this body. I think we would all thank you, some of us have already done so, for your lightness of touch, for your inevitable good humour, for your marked impatience in wanting to cut dross and streamline the process, and for your assistance to struggling officers and coruscant stars of the political firmament when we lose our way.

Personally on the short tennis court, I experienced your own particular brand of competitiveness. This was of course, quite unwarranted because of my own vulnerable pussycat nature, but I have taken the trouble to make a detailed and comprehensive list of all your classiest shots. I can't quite read it here but.... No in all seriousness, for those of you who are listening, I am picking up a postage stamp here but I can't read what I have written on the back, but when you forced me into that backhand corner and then I gave a sort of a dolly lob and you then scurried to the net and smashed it away with great accuracy, it was an experience that I will certainly remember and I am sure you will probably treasure, but I have thoroughly enjoyed it. It may only have been a game but it made me aware of the nature of modern Foreign and Commonwealth Office man, trained and tuned to win even under the most adverse circumstances.

We are confident that you will have a very positive and fruitful time in Romania, and you go with all our very best wishes. We hope, Sir, that you will remember us. I am confident that we will all remember you. I beg to move the Motion for Adjournment.

His Excellency The Governor

Well thank you very much indeed for those kind words. Thank you all for your kind words. I would like to just say a few things since I guess this is my last appearance in Legislative Council which is a great sadness for me if I may say so, you probably don't believe me when I say that, but it is. Incidentally I wonder if I am a disappearing species, because I am at the moment the only remaining Governor of any British Overseas Territory who Chairs a Legislative Council. In all the other

territories I think there is a Speaker. There is certainly provision in your Constitution for a Speaker. I can't work out whether you think this is a sort of exquisite form of torture for a Governor, but you have left me in this chair during my tenure. I have to say I have thoroughly enjoyed it, and of course it is your right to have a Speaker and you can exercise it whenever you like, but in some senses I think it would be a passing of a rather good institution because I think it does enable a Governor to speak directly to you in this forum, and through you to the people of the Falkland Islands, rather than indirectly and in a more ceremonial way, but perhaps that is just the way history is moving.

Here we are in a Chamber where you can actually read your papers. I too would like to say that I didn't believe it would happen, but the new ceiling and the rearrangement of the Governors' mug shots on the wall is very handsome. I would like to congratulate all those who were responsible for doing it. I am terribly pleased to have seen it before I left. Thank you very much.

I am aware that we are having a bit of a bad day, as the Honourable Mike Summers has described it. A number of things have come together that are a bit unfortunate. On the airlink side of things there is not a lot I want to say. The predicament we find ourselves in now, has its proximate cause, the very unfortunate, extremely disappointing cancellation or at least cessation for the time being, of our very successful weekly Lan Chile service, the causes of which are way beyond our control, and obviously it must be hoped that we will one day see that restored though I have no idea when that might be.

There isn't a lot that one can say to the people of the Falklands at the moment, about where we are at on this whole question of air links - commercial airlines that is - except to say that we are more than considering and working the various options in the hope that something can be put in place without too much delay. Speaking personally, my conversations around the Islands with all sorts of people, doing all sorts of things, in all sorts of walks of life here, suggest that a lot of people came to very much value the existence of a commercial air service to the continent of South America, for all sorts of reasons. Certainly the British Government regards the disappearance of the Lan Chile service as a most unfortunate setback. I have the impression that that view is shared by quite a lot of people in the Falkland Islands.

I am not suggesting for a moment (nor, I believe, is anybody), that any further link should be an utterly unprincipled one if you see what I mean, but I do believe that life is a bit like that. One has to balance things, and I do have a sense that a lot of people here would be prepared to pay at least a small price in order to have some sort of link which really directly affects the quality of life of everybody here in the Falkland Islands.

On the Tristar and RAF links, the Commander has said all that I think I wanted to say and I think it was appropriate for him to say it. We don't quite know where we are at on this issue. The British Government is obviously seeking clarification. There is no need for panic, we will make whatever arrangements that we can to ensure life goes on with the minimum inconvenience, but the situation we find ourselves in at the

moment is a little bit troubling.

Fisheries, and particularly the poaching that is going on in our waters, is the other issue, and in a sense, the even more serious issue affecting the of the Islands at the moment. May I say at the outset in case there is any doubt in anybody's mind on this score, that the potential damage that this can do to the Falkland's economy, and therefore your prosperity and security and so on, is fully, repeat fully appreciated by the British Government, and I am very sorry if it doesn't look as though that is the case, but I have been asked to assure you that it is the case. Of course we probably could and should have done things sooner. Life is a bit like that at times. I am sorry that we have been overtaken by events a little bit.

What I can say though, as I said in my broadcast yesterday, is that anti-poaching measures are not quite as simple as some people might think. There are constraints on what one can and cannot do. There are legal constraints, there are practical constraints, and there are indeed constraints imposed by concern for the safety of the people who would be doing the fisheries protection work itself, and I don't think any of us want to put any of our brave lads and lasses if they're involved, in any unnecessary danger, however important the task of ensuring that poaching stops. We have various proposals for an action plan that is being very, very vigorously followed up, right now as we speak. The Commander mentioned some support that he is able to provide and I think I would simply ask you all, and everybody who is listening to believe me when I say that we are in top gear to try and deal with this problem quickly and I would like to second what the Chief Executive said directed at the miscreants out there - we will be coming at you.

I think that even before these two problems rolled over on us it already concentrated minds here on the need for husbanding our resources. It is something we have talked about publicly and privately many times and certainly Councillors have been spear heading this. Government have certainly been seized of the need to husband our resources to exercise maximum prudence in our spending and in collection of revenue.

It is a tough business. All Governments have a tough time with this. Nobody likes cutting back, because what is not too important for one person is terribly important for another person. It is the sort of 'not in my back yard' syndrome a little bit, but I would hope that everybody out there, public servants particularly, would understand that in a situation such as the one we are faced with at the moment, we do all need to pull together, or rather you all need to pull together, for the good of the entire community. I would just simply like to say that I very much applaud the general spirit which has imbued your hard work in this year's budget cycle, and I am very glad to see that you have managed to bring the arithmetic down in the right direction.

I am not going to say a lot on Argentina, but I would like to say one thing. I know that at difficult times like these people do get unsettled and they are perhaps impelled to question commitments and that sort of thing, so can I simply say that when the British Government says and has been saying for at least the last 16 years and actually

longer if you really look at the bottom line, that they have no doubts about their position on sovereignty in the Falkland Islands; when they say that respect for your right for self determination is a cardinal principle of their policy towards the Falkland Islands; and when they say that there will be and can be no change in the status of the Falkland Islands without your consent, they really do mean it. If this is a tough time as I understand it is, and in a sense almost a decisive moment, or it could be, because you can decide whether to go forward or whether to go backwards, or whether just to sort of stand pat, the one thing I think I would like you to believe is that you at least have confidence in those commitments - in the security and the political commitment here.

I think the Honourable Norma Edwards congratulated Dr di Tella on a successful strategy. I don't want to comment on that. Let's not confuse the cardinal issues of sovereignty which are the fundamentals of the situation with other related issues, those are to do with what relationship, if any, you should have with the South American continent and in particular with Argentina. This is a debate and I know it is an ongoing thing. I know attitudes vary and range across a spectrum from those who would have absolutely nothing to do with Argentina and just wished Argentina didn't even exist, to those toward the other end of the spectrum who perhaps believe that whether they like it or not it behoves people to have to work to struggle towards some sort of relationship.

It is not for me to say where you should come out on that. The British Government's position has been clear. They haven't wanted to bang on about it because the last thing any of us want you to feel, particularly at a moment like this, is that you are being bullied not just by people across the water, but by people to the north of you, because you aren't. You really are not being bullied or harried from that direction. What I want for you, and what the British Government wants for you and for the whole of the Falkland Islands, and everybody who lives here, is a good quality of life - a good life for you all. It is my impression that the Falklands have come a long, long way in the last 16 years, and I don't see any reason why you shouldn't go on in that direction. It may be that reality impinges, one is going to have to trim a little bit here and there, but as I say, I think you are at a decisive moment or a cross-roads and all I would say is that I am just willing you to make responsible decisions for the good, for the best good of the Falkland Islands. I was about to say in the best interest of the Falkland Islands but I know that is a heavily loaded term that I have long since learned not to use. I say that as a Governor, as a paid up member of the British diplomatic service, but also as someone who has lived here amongst you and with you for three years and has shared your joys and your tribulations, and I have to say I have come, I think, like all my predecessors to have a very, very strong fellow feeling if you like with you all, because after all you are British passport holders, many or most of you are British, at least by descent, and I don't think it is easy for anybody to come and live here as I have done and not feel these feelings for you. I do feel them and I personally want the best for all of you. That doesn't mean to say we have always agreed, because we haven't always agreed on things. I was very grateful for the comment on honesty, and I think that where we have disagreed, we have disagreed honestly and without rancour and that is the way it dam well should be, particularly in

this bright new era of partnership under the Dependent Territories or the Overseas Territories review.

Thank you very much indeed for the last three years. They have been the most fascinating and rewarding three years of my diplomatic service career and perhaps of my entire life really. It has been an extraordinary privilege to have been your Governor. As I say, it hasn't always been easy but it has been an amazing experience, and I have come out of it feeling tremendous strong support for the Falkland Islands, and I hope that has shown in my body language and what I say even if I sometimes try and ram decisions through in short order, and sometimes in long order in long meetings.

Thank you very much for the tie. I shall wear it with pride, and I am looking forward to wearing it at the annual reception at Lincoln's Inn when I shall be back. I thank you all for all your support, and may I just say on a personal note, for your support for me at one or two difficult moments for me personally, that matters to me a lot more than the support I have had just in the normal political and Governmental way, vastly important though that is for all of us.

I would like to take this opportunity to thank all the public servants of the Falkland Islands Government for all the support, because notimally at any rate I am supposed to be your boss, but I don't often think of myself in those terms. I think you all do a terrific job. No service is perfect, my service isn't perfect, far from it, but you all do a terrific job, you all lend your efforts for the betterment of the Falkland Islands.

I am not going to single out any particularly public servants because you are all excellent and you all do a wonderful job, and you have all been terrifically supportive of me. I would however, like to make a quick word about Jenny Luxton because I did indeed try to poach her from you, and you were good enough to lend her to me as a part-time social secretary. I think she managed to keep me from putting my foot in it too badly socially, in my entertaining programme at Government House and I am very grateful for that. She is a 'good egg' if I may say so, and I am very grateful for what she did for me too.

May I take this opportunity too though, since we are in Legislative Council, to say a big thank you also to Claudette Anderson (the Clerk of Councils) for the terrific job she has done in servicing this body, and in servicing the Legislative Council and indeed the Executive Council and I am most grateful for that.

Well one last point. Because of the difficulties that we find ourselves in at the moment over fishing particularly, but also to some extent over communications and this and that, I have decided to fall on my sword and not go exactly when I was going to go (which I think was probably going to be this weekend) I shall delay my departure by a little while so that I can help out in any way I can to sort of move us in the right direction on these things. So I think I shall be here a bit closer to the arrival of my successor. That doesn't mean to say that the party at the Town Hall on Friday won't go ahead, it will, and I am very much looking forward to it. It won't be

positively my swan song.

As my last point, could I just say how much luck I wish my successor in his time as Governor. I really envy him coming now, I wish I could do it all over again and I wish I was starting all over again. I know he is looking forward to it enormously because every fibre of his being shouted that at me when I saw him a lot last week at the Governors' Conference. He is looking forward to it and his wife is looking forward to it. If I may say so, I think it will be very good to have a Mrs Governor around again for all sorts of reasons, and I hope he has at least as interesting and rewarding and enjoyable time as I have had, because if so, he will be saying the same sort of things as I have said to you about the time I have had here.

Since I didn't detect any dissenting votes when you spoke on the Motion for Adjournment I take it that the Motion has been carried, and I therefore declare this, my last Legislative Council meeting, hereby closed. Thank you.

Completed this ~~30th~~ day of ~~July~~ August
1999 21st

Donald A. Lamont
GOVERNOR

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 21 AUGUST 1999**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 21 AUGUST 1999**

PRESIDENT

His Excellency The Governor
(Mr Donald Alexander Lamont)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

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

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

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

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

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

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

PERSONS ENTITLED TO ATTEND

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

CLERK: Claudette Anderson

PRAYERS: Monsignor Agreiter

APPOLIGIES

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

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

The Commander British Forces Falkland Islands
(Brigadier David Vernon Nicholls RM)

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RECORD OF THE MEETING OF LEGISLATIVE COUNCIL HELD ON SATURDAY 21 AUGUST 1999

PRAYERS

His Excellency The Governor

Honourable Members, Ladies and Gentlemen and those who are listening on the Falkland Islands Broadcasting Service, this is the first occasion in which I have had the privilege of presiding over a meeting of the Legislative Council since I arrived in these Islands. A body which manifests the degree to which the development of democratic practices has allowed Islanders to have democratic control over their internal affairs.

I don't propose to make a speech this morning, I want to get straight down to business. Before we get onto business though, I would just like to say that I am sure the thoughts of all Honourable Members here are with one of our colleagues (the Honourable John Birmingham) and his wife in the United Kingdom, where Sue is having medical treatment. Our thoughts are certainly with them today.

(Hear! Hear!)

May I first say that I must ask tolerance as this is my first occasion in the Chair of this body and that I shall probably be looking to my right and to my left for guidance as we go through the procedures. I am sure I shall be ably guided through them.

The first item is to address the records of the meetings, which you held on 24 March and 15 and 20 April. Are there any comments on the records of the meeting held on 24 March?

The Honourable MV Summers OBE

There is an amendment on page 48, second paragraph. The line that says "so many inaccurate resources" should read "so many inactive resources".

The Honourable Mrs JL Cheek

I also have a minor amendment in the record of the April meetings. On page 37, last paragraph, please replace the word "sea" with the letter "C" so that it reads "we must remember that the C in the FICZ and FOCZ is for conservation."

His Excellency The Governor

Are there no more amendments to those records?

Clerk of Councils

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

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

The Post Office (Amendment) Order 1999

The Fishery Products (Hygiene) (Designated Vessels) (No 2) Order 1999

The Buildings (Camp) (Paragon House) Designation Order 1999

**The Falkland Islands Pension Scheme (Amendment) Ordinance 1998
(Correction) Order 1999**

The Government House Designation Order 1999

The Registration of Marriages Regulations 1999

The Taxes (Recognised Stock Exchanges) Order 1999

**The Pedestrian Crossings Regulations 1996 (Ross Road Exemption) Order No 2
1999**

The Immigration (Visa Exemptions) (Amendment) Order 1999

**The Revised Addition of the Laws Commencement and Approval of Volume 3
Order 1999**

**The Revised Addition of the Laws Commencement and Approval of Volume 4
Order 1999**

The Immigration (Visa Exemptions) (Amendment) (No 2) Order 1999

The Falkland Islands Status (Form of Application) Regulations 1999

The Falkland Islands Status (Application Fee) Regulations 1999

The Honourable the Chief Executive

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

Clerk of Councils

QUESTIONS FOR ORAL REPLY

QUESTION No 14/99 BY THE HONOURABLE MRS S HALFORD

Can the Honourable Norma Edwards please advise when the King Edward Memorial Hospital plans to implement a safe means of transportation for compressed gas cylinders used by them?

The Honourable Mrs N Edwards

Over the past years, the Public Works Department or the Hospital driver has transported the medical gas cylinders from Mount Pleasant Airport to the King Edward Memorial Hospital. In recent months the Hospital driver has solely carried it out, as the Public Works Department have not always been able to provide a driver at short notice. Oxygen cylinders may be required at short notice, very frequently, and out of hours in the event, for example, of an emergency admission to the Intensive Care Unit.

The issue of the transportation of medical gas cylinders is at present being addressed urgently as part of the work of the critical systems of the Medical Department. However, there are no obviously satisfactory alternatives immediately available. In the meantime a further issue has arisen. Recently notice has been received, with effect from October 1999, that it will be no longer possible for Mount Pleasant liquid oxygen plant to supply MOD owned oxygen cylinders to the hospital. This problem is being urgently addressed, and alternatives identified. One possibility is a large number of cylinders would be available on the Islands under a commercial arrangement.

His Excellency The Governor

Any supplementaries?

The Honourable Mrs S Halford

No Sir. I thank the Honourable Norma Edwards for that reply.

QUESTION No 15/99 BY THE HONOURABLE MRS S HALFORD

Will the Chief Executive please advise whether FIG has carried out a risk assessment on any of its assets, and if there are any plans to secure all FIG assets by using burglar and fire alarm systems or CCTV?

The Honourable the Chief Executive

Mr President, Honourable Members. The assessment of risk is a complex and unusually professional activity. The Falkland Islands Government has physical assets, human assets and information assets, and they are at risk of theft, fire and damage. In order to allay fears, I think it is fair to say that anyone viewing this situation in general terms has thought risks to be generally low, and almost certainly not justifying full blown, state of the art protection. However, various studies have been carried out over the last ten years and I have summarised them in a current Executive Council paper to be before Executive Council next Thursday (26 August).

There have in fact been eight such studies on physical security. Five have been acted upon to varying degrees. There was also a major review of fire safety by Geoff Winkworth in June 1996. Many of the recommendations in that have not been acted upon.

In the current Executive Council paper, I recommend the setting up of a small and temporary Working Group to review all departments. I estimate that this should take about six months. I would warn Honourable Members that adequate security does not come cheaply. There are no allowances, as I understand it, in the current financial year for this kind of expenditure. Like all such things, decisions will have to be made balancing the risk and the expenditure.

I think Honourable Members will have to bite this particular bullet and hopefully, Mr President, it won't have been stolen.

The Honourable Mrs S Halford

I thank the Honourable the Chief Executive for his reply.

Clerk of Councils

ORDER OF THE DAY – BILLS

The Conservation of Wildlife and Nature Bill 1999

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

The Honourable the Chief Executive

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

The Honourable the Financial Secretary

I second the Motion.

His Excellency The Governor

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

The Honourable DL Clifton

Mr President, if I may, as the Chairman of Falklands Conservation declare my interest at this point.

The Honourable Mrs JL Cheek

I need to do likewise, as a trustee or rather a Director now of Falklands Conservation.

Attorney General

I think I should disclose that I am a member of Falklands Conservation.

The Honourable the Chief Executive

I am also, Sir.

The Honourable Mrs N Edwards

Who is going to pass this Bill?

(laughter)

Could I just speak on one point? On page 15, supplemental – 9F – which refers to previous serious damage to livestock, foodstuff for livestock, crops, vegetables, fruit and so on. This is the Clause, which caused a lot of problems last time in referring to the granting of licences to kill particular species of wildlife who do damage. Now I know that the feeling amongst conservationists is very strong on this point regarding the Striated Caracara and I hate to bring the Johnny Rook up again for another fight, but I have to put across the farmers' point of view. It is not necessarily my own but I would just like to say that I have to support, on behalf of the farmers who do get trouble from Johnny Rooks, the right to shoot them by licence if necessary.

Attorney General

Sir, may I say that the Honourable Member's point is noted? It is, though, in fact prematurely taken. The Bill has not yet been introduced as to its provisions.

The Honourable Mrs N Edwards

I beg your pardon.

Attorney General

She may wish to draw attention to those remarks, particularly in relation to the Clauses, in the Committee stage on the third reading of the Bill. I know that other members have it in mind to speak on issues related both to the Striated Caracara and perhaps also to the Crested Caracara.

The Honourable Mrs N Edwards

Okay I beg your pardon. I thought we had got to that bit.

His Excellency The Governor

May I take it then that there is no objection to the Bill being read a second time? If not, then on to the Clerk.

Clerk of Councils

The Conservation of Wildlife and Nature Bill 1999.

His Excellency The Governor

The Council is now in Committee.

Clerk of Councils

Clauses 1 to 18.

The Honourable the Chief Executive

Mr President, I beg to move that Clauses 1 to 18 stand as part of the Bill.

His Excellency The Governor

The Motion is that Clauses 1 to 18 stand as part of the Bill. Is there any objection to the Motion?

The Honourable Mrs JL Cheek

Your Excellency, Honourable Members, I would like to propose the deletion of Clauses 5(2) and 5(3).

Attorney General

Mr President, it may be helpful if I explain, for the benefit of members of the public who may be listening and may otherwise be mystified, that 5(2) is a provision that says

“A person in occupation of any farm, and any person in the employment of such a person, does not commit an offence if upon that farm he kills, injures or captures a protected wild bird which, at the time he kills, injures or captures it, it was engaged in attacking or feeding upon any livestock on that farm and he complies with subsection 3.”

Subsection 3 provides that there must be a notification to the Government Secretary within three months by any farmer or employee of a farmer who takes advantage of that Clause.

If I can tie in the remark which the Honourable Norma Edwards made on Clause 9(2)F on page 15 of the Gazette, that is a provision enabling a licence to be granted for purposes of preventing serious damage to livestock, foodstuffs for livestock, crops, vegetables, fruit growing timber or for any other property or fisheries. The difference between the two provisions is that the Clause 5(2) provision is an automatic licence if you like, and would enable a farmer to shoot a Striated Caracara that was attacking his sheep.

A point has been made by farmers on consideration of the Bill by the Farmers' Association, that that is well enough but it doesn't deal with problems in relation to the Crested Caracara (Carancho), where they would like a provision which enables them to be shot on sight, whether they are actually involved in attacking livestock at the time, as I am told they fly in flocks and attack sheep. That was the point that the Farmers' Association made and those are two separate provisions of the Bill. It may assist if people bear those two different provisions in mind.

His Excellency The Governor

Are there any further comments on the propositions that have been put forward?

The Honourable MV Summers OBE

Mr President, may I please seek a clarification? Clause F, which the Honourable Norma Edwards spoke about and to which the Attorney General has alluded, does it give the farmer the opportunity to apply for a licence in the anticipation that he will need to protect his wildlife, or must he rush home and apply for a licence when he sees a bird attacking his livestock?

Attorney General

It would be a strange provision that would not enable a licence to be applied for in advance if there was a real fear that it might be needed. It can be applied for in advance. I assured the Farmers' Association that a licence could be applied for in advance, and that a general licence could be granted. That is it wouldn't have to be an individual application, by individual farmers, it would be possible for a general licence to be given to farmers generally or to main farmers in relation to particular situations.

The Honourable Mrs N Edwards

Can I just clarify a further point, which is in 10(3) where it says-

“A licence, under section 9, which authorises any person to kill any wild bird or protected wild animal, shall specify the area within which, and the methods by which, wild birds or protected wild animals may be killed and shall not be granted so as to be valid for a period exceeding two years.” Is two years too long a period? I would say so.

The Attorney General

That is the maximum period for which it can be granted.

The Honourable Mrs N Edwards

Thank you. There is another point, supplemental again. In 5 which refers to licences being granted specifically for the collection of wild bird eggs, it says “a licence of a kind to which sub-section 2I refers” but there is no I.

Attorney General

Sorry this is the provision....

The Honourable Mrs N Edwards

This is a supplemental page 15, number 5. I can't see a 2I.

Attorney General

There seems to be an error there. It should be 2H.

The Honourable Mrs N Edwards

2H, right I see, okay. Thank you very much. My other query is again in 5 (9), C, where it says-

“The kind of licence which subsection 2H refers shall not authorise the collection for human consumption of eggs of any species of bird except the Gentoo penguin, Magellanic, Black Brow and so on. I don't know whether it is an omission, whether the Rockhopper penguin has been deliberately left off that list, or whether there is a reason those eggs should not be collected.

Attorney General

The omission of the Rockhopper penguin is a deliberate one.

The Honourable Mrs N Edwards

Yes right. Thank you. That's fine, so long as the public are aware.

Attorney General

The Honourable Jan Cheek had proposed an amendment, Sir, and her amendment requires a seconder.

The Honourable DL Clifton

I'll second, Sir.

His Excellency The Governor

Lewis Clifton seconds that amendment. Does the amendment thereby count? Are there any other views? The proposal was for – if I have noted it correctly – the deletion of paragraph 5(2) and (3).

The Honourable Mrs N Edwards

Can I just clarify that section 9 will be left in?

His Excellency The Governor

Shall we deal with sections 5 (2) and (3) first?

The Honourable Mrs N Edwards

Well it ties in with section 9.

Attorney General

Unless there is an amendment proposing the removal of Clause 9(2)F it would remain in the Bill.

His Excellency The Governor

Shall we deal with 5(2) and (3) first then? Do I take it there is no contrary view of that Motion to delete 5(2) and (3) having been seconded is?

The Honourable MV Summers OBE

No contrary view, Mr President, providing section 9F stays in.

The Honourable DL Clifton

That is correct.

His Excellency The Governor

Are there any Motions in relation to 9F other than that suggestion that it remain? It remains. A fair conclusion of the debate that we have agreed therefore to remove paragraphs 5(2) and (3) and have left 9F remaining in the Bill.

Attorney General

We now have to put the Motion for the Clauses. The Motion is that Clauses 1 to 18 stand as part of the Bill as amended.

His Excellency The Governor

Secunder?

The Honourable the Chief Executive

Well I move that Motion.

Attorney General

He moved that Motion so it has to be put to the vote.

His Excellency The Governor

We have to vote?

Attorney General

Yes. If Members say yea then that is fine.

His Excellency The Governor

On the Motion 1 to 18 as amended with the deletion of 5(2) and (3).

Everyone agrees

Clerk of Councils

Schedules 1 to 3.

The Honourable the Chief Executive

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

His Excellency The Governor

The Motion is that the Schedules stand as part of the Bill. Is there any objection to the Motion? No objections so the Schedules stand as part of the Bill. Council resumes.

The Honourable the Chief Executive

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

His Excellency The Governor

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

Clerk of Councils

The Conservation of Wildlife and Nature Bill 1999.

The Taxes (Amendment) Bill 1999.

This Bill has also been published in the Gazette and does not require a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to introduce new provisions into the Taxes Ordinance 1997 dealing with redundancy payments. The provisions are retrospective, having effect from 1 January 1997. In the main the provisions confirm the general principle that redundancy payments are subject to tax, but more importantly they introduce an exemption limit of £20,000. This means that genuine redundancy payments, which do not exceed that threshold, will be tax-free.

I beg to move the second reading of the Bill.

The Honourable the Chief Executive

Mr President, I second that Motion.

His Excellency The Governor

Does anyone wish to speak in relation to the Bill?

The Honourable DL Clifton

Mr President, as an employer may I have my interest registered in respect of this Bill.

The Honourable MV Summers OBE

Mr President, I am pleased to see this piece of legislation. I requested its consideration some while ago in respect of an instance that arose quite some time ago, in terms of redundancy. I just wanted to make it clear for members of the public who may be concerned about the introduction of such a piece of legislation that there is no proposal, no thought, no idea of having a programme of large-scale redundancies or even small scale redundancies in the public service. That isn't the purpose of this Bill. It is to correct what I think is an anomaly, which has existed for some while.

His Excellency The Governor

I believe that I have a procedural option which is to deal with this by short track procedure if the sense of that is possible, and I believe that I ought to enquire whether any amendments of the Bill are desired? Deep in the rolls of procedures, hence the silence. There are no desired amendments. That constituting a first reading would only move to a second reading so straight to the third reading. The Motion is therefore, that the Bill be read a third time and do pass. Is there any objection to the Motion? No objection so the Bill is read a third time and passes.

Clerk of Councils

The Taxes (Amendment) Bill 1999

The Supplementary Appropriation 1999/2000 Bill 1999

This Bill will require a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members. The purpose of this Bill is to authorise the withdrawal of the additional sum of £146,000 from the Consolidated Fund to meet supplementary expenditure approved by the Standing Finance Committee. The Bill

provides for the Contingencies Fund to be replenished to the extent of any advances made for urgent or unforeseen purposes. I beg to move the first reading of the Bill.

The Honourable the Chief Executive

Mr President, I second the Motion.

His Excellency The Governor

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

Clerk of Councils

The Supplementary Appropriation 1999/2000 Bill 1999

The Honourable the Financial Secretary

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

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to the Motion? No objection – the Bill will be read a second time. We shall go by the short procedure, which then means I ask if there are any amendments to the Bill desired. If not and if I am reading my procedure correctly – I am open to correction – I believe that I can move to proposing that it be read a third time and do pass. Is there any objection to the Motion? No objection so the Bill is read a third time and passes.

Clerk of Councils

The Supplementary Appropriation 1999/2000 Bill 1999

The Commissions of Enquiry (Amendment) Bill 1999

This Bill is being presented to the House under a Certificate of Urgency and requires a first reading.

The Honourable the Chief Executive

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

The Honourable the Financial Secretary

I second the Motion.

His Excellency The Governor

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

Clerk of Councils

The Commissions of Enquiry (Amendment) Bill 1999

The Honourable the Chief Executive

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

His Excellency The Governor

The Motion is that the Bill be read a second time. Does any Honourable Member wish to speak to the Motion? No objection so the Bill will be read a second time. I shall move again to the short procedure. Are there any amendments proposed?

The Attorney General

Sir, for the benefit of the members of the public, because this Bill has not been published in the Gazette and they have not seen it, with your permission I would merely take the opportunity of explaining. It would simply make a minor amendment to the Commissions of Enquiry Ordinance. It would enable, in effect, a Commissioner undertaking a Commission of Enquiry, to be remunerated, if Executive Council so approved, in the amount that Executive Council approved, instead of it having to come to the Legislative Council and remuneration not ordinarily being payable. This is all the Bill does and it is a minor technical Bill.

His Excellency The Governor

The Motion is that the Bill be read a third time and do pass. Any objection to that Motion? No objection, so the Bill is read a third time and passes. Should I sign now?

Clerk of Councils

Yes please, Sir.

The Commissions of Enquiry (Amendment) Bill 1999

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

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

The Honourable MV Summers OBE

Mr President, Honourable Members, I would first like to welcome you to this House, Sir. It is your first presidency of this Council, and we wish you good fortune in your time here as Governor. I would imagine you have already found it relatively interesting I hope it gets no more interesting during your time here.

I too regret the absence of Councillor Birmingham and I wish his wife very well in her medical treatment.

Sir, I am disappointed that the Land (Non-residents) Bill did not appear on the agenda for today's meeting. The purpose of having postponed this Legislative Council from three or four weeks ago was so that we would be able to take that Bill. We had expected that legal advisors at the Foreign Office would have completed their work and allowed us to take that Bill which we regard as an important piece of legislation at this time. I hope that the necessary work is being carried out now with all due dispatch and that as soon as it is completed and within a matter of a very few weeks, not a very few months, that we can reconvene this Council and pass that important piece of legislation.

I would like to congratulate the returnees from the Island Games. Not only those who won medals, but all those who competed and represented the Islands in a dignified and positive way as they always do. I thank them for that.

Now a few words about Foreign Affairs and the events of the last few weeks and days. This is the first meeting of the Legislative Council since the signing of the Joint Statement, and therefore the first opportunity for us to speak formally on the subject. I don't think that any of us were particularly comfortable with the speed at which the agreement was reached and the consequent lack of opportunity to present the completed package to the public as we had always promised. This has, I recognise, produced in some people, fear and suspicion. Fear of the consequences of actions taken in haste and suspicion of the motives of the British Government. I will try to address these today.

Let me say from the beginning that I think these fears and suspicions are unfounded or I would not have signed the agreement, or agreed with my colleagues, or the majority of my colleagues, that the Secretary of State should sign it. Let us be

perfectly clear that if we had asked him not to sign it he would not have done so. This clearly reflects the philosophy of the Secretary of State, requiring the Foreign Office to consult closely with us on all matters, at all stages, and only to accept what is acceptable to us. No back door deals, nothing forced on us which is not in our long term interest. So in taking on the responsibility on behalf of the Falkland Islands, in agreeing to the document without further formal consultation with the public here, we had to consider a number of issues which I would categorise under two headings – *reality* and *result*.

I would like to start by emphasising the first reality. It is that in the Falklands we are all on the same side.

(Hear! Hear!)

Our ultimate objective, as I have said many times in this House and elsewhere, and on which I know the whole population is agreed, is to rid ourselves forever of the unwelcome Argentine claim to sovereignty over the Falklands. On this there has been and there will be no compromise. For those who seek to promote their own agendas by suggesting that they are in some way more loyal or more patriotic than this Council, they are very seriously mistaken. There are, in this House, decades of dedication to the cause of self-determination and British sovereignty.

This brings me to the second element of reality, because we are not a sovereign nation we are a British Overseas Territory. We rely on the support of British Parliament. Many of us have fought for formal recognition of the right to self-determination from the British Government for many years. It has been recognised on an informal basis in the past, but only now is about to be enshrined in British Law. When the White Paper on the Overseas Territories passes into Law, the right to self-determination of all British Overseas Territories, including the Falklands, cannot be denied. This is fundamentally important, because this and future British Governments will not have the right to negotiate or alter the constitutional status of the Falklands without the approval of Parliament and the people of the Falkland Islands.

We are equally reminded in the White Paper, that with rights, come responsibilities and those who have met with the visiting parliamentarians will know that they found it increasingly difficult to support the philosophy of exclusion. Change to this policy at some time in the future was inevitable, so by dealing with it at the right time so that we extract the maximum benefit in return was always going to be important.

The next reality is to do with the long-term security of fish stocks, which underpin our whole economy. We all know of the poaching problems of last year and the threat to our economy that this presented. Either directly or indirectly fisheries income pays the wages, pays for a good standard of education and medical services, builds the roads, enables us to support the rural economy and fuels the whole economic engine. Those who would jeopardise this through inaction, lack of understanding of global

and regional changes or pure personal emotion, are taking a very serious risk indeed with our livelihoods and those of future generations. The consequences of untimely or no action at all, are also a responsibility to bear. Can those who oppose the Joint Statement guarantee your future economic and political security with equal certainty?

The final reality is to do with Argentina. No matter how angry many people still rightly feel about the invasion and the war; no matter how regretful it may be that Mrs Thatcher did not insist on unconditional surrender in 1982; and no matter how disappointing it is that President Menem still cannot bring himself to apologise to the people of the Falklands – that country has changed. The military are a spent force and the type of rabid nationalism that we witnessed under militaristic governance is fading. The Argentine Government is in its last few weeks. But with the agreement of all the other major Argentine political parties it has been ready to try to stabilise the situation in the South West Atlantic, which has been becoming increasingly uncertain and volatile. It was ready to try to reach an understanding on managing our differences. But why the haste? Well firstly because the impending election enabled us to drive a harder bargain than we would get for some considerable time in the future. Secondly, both the British and the Falkland sides believed that delay would result in withdrawal by the Argentines, with a serious risk of continued deterioration in relationships.

So what of the result? We have been able to restore the diversion rights and emergency flights for the RAF aircraft into South American countries. This relieves the major pressure that was building up on the Tristar and enables the MOD to continue to fulfil their duties effectively. The civilian link to Chile and the potential for other flights to third countries, further relieves this pressure and restores supplies of fresh produce and mail and enhances tourism prospects. We will, by October 9, have a long-term fisheries agreement, which acknowledges our administration over the Falklands' Zone, provides more effective measures against poaching and sets a regime to stabilise stock assessments and catches and harmonise licence fees. This will have the very positive effect of avoiding Far Eastern fishing companies playing the Falklands off against Argentina for their benefit and our loss, and more firmly protect stocks for the long term.

To achieve this we have conceded access to Argentine citizens again for the first time for 17 years with passports stamped - a further acknowledgement of our Government. Furthermore, the Argentine Government has been obliged to acknowledge, that many of the obligations under the Joint Statement are carried out by the Falkland Islands Government. Far from providing any threat to our sovereign status, this agreement sets us on the path to de facto recognition of Falkland Islands Government by Argentina and ultimately the recognition of our right to self-determination.

Let us just be clear about one or two things that are not in the agreement, and give you assurances that they are not foreseen. There will be no changes in medical or educational policy. People will not be sent to Argentina for these purposes. There are

no provisions to allow Argentine citizens to live, work or acquire land here and there are no provisions for direct flights. Nor, to my mind, will any of these provisions be made during the life of this Council.

(Hear! Hear!)

Nevertheless, we fully recognise that access still causes difficulty for some. I am reminded of the words of Denzil Connick, the Secretary of SAMA (The Association of Falklands War Veterans). Denzil visited the site of his crippling injury on Longdon recently, and in expressing his support for the Joint Statement he described hatred as a cancer which ultimately affects the whole being. Look at Ireland; look at Israel; look at Iraq. I don't think we want that. He supports mutual support and education of the former enemy into the realities of life here. Those people who suffered at the hands of the Argentines or witnessed brutality, still have reason to have serious misgivings and it is our responsibility to be understanding and to provide the reassurances which are necessary. But those who are more recently arrived, and who appear to have inherited their anger from others, and who indulge in violence and antisocial behaviour in our community, deserve no understanding at all. These people and others who seek to intimidate and bully people with whom they disagree will, I hope, be roundly condemned by the whole community. We have an agreement that enables us to move forward at our own pace and for the benefit of future generations. There have been no compromises on sovereignty – quite the opposite. We can look forward to an economically more secure future, and we can begin the long process of educating the Argentine people to understand us and our rights, because when the people respect those rights the Government will be free to respect those rights and withdraw their claim.

I do not ask anybody to ignore the lessons of history, indeed let us use them for positive purpose. Nor do I ask anybody to love thine enemy, but let us try a bit of mutual respect and good manners, state our case clearly and with pride and pursue our goal.

Most of all I would like to call on the whole community to recognise that if there are disagreements they are of tactics and not of purpose. Let us therefore stop talking of a split in the community and let us pool our energies together for the benefit of the people of the Falkland Islands. Sir, I support the Motion.

The Honourable JR Cockwell

Mr President, Honourable Members. I too would wish to welcome you, Sir, to your first Legislative Council and I hope they are all as brief as this one.

I also wish to associate myself with the remarks of the Honourable Mike Summers, particularly on the Land (Non-residents) Bill. I am extremely distressed that it was not brought forward to this meeting. I understand the reasons but I think we need to

bring that forward as soon as possible because it is vital to the present situation that we have.

I would also like to mention Sue and John Birmingham and their family myself and say that our thoughts and prayers go out to them all at this time. I wish them well.

In rising to support the Motion, I feel that the Honourable Mike Summers has really reflected the exact same sentiments which I wished to put forward, but maybe I should just enlarge on one or two matters, starting with the joint agreement between the British and Argentine Governments to which the majority of the Elected Councillors gave their support. Let us be absolutely clear about this, seven out of eight of the Councillors recognised that there was a need for it and so I believe that there was a very good reason for us to carry on with this. I believe that many of us, including myself, find parts of the agreement difficult. Also many, if not all of us realise that something had to be done to get ourselves out of the stalemate that we were in in the South Atlantic. This stalemate could only have resulted in a downturn of the prosperity of the Islands. This downturn would have resulted in cutbacks which would have been quite unacceptable to most people, the legacy of which, would have left future Falkland Islanders dependent on financial help from overseas (most likely Britain) and where young Islanders would have had to leave their homes to find work elsewhere. This would not have been acceptable to me, Sir. It is easy to say what should not have been done. However, during the very intensive discussions regarding the agreement, I was under a huge amount of personal stress myself. My easiest option would have been to say that I wanted nothing to do with the discussions and to have backed away from any decision. However, my conscience would not allow me to do so and I believe that I would have failed in my duty to the future of the Falkland Islands and the Falkland Islands people, if I had not given my support to this agreement.

As the Honourable Mike Summers has said, there seems to be confusion in some people's minds in as much as there is a belief that if you approve the terms of the agreement, you do not support either our sovereignty or our rights to self-determination and that you wish to see the Islands move towards Argentine domination. This could not be further from the case. Unless you do not wish the Islands to remain a British Overseas Territory. We are all on the same side. WE ARE ALL ON THE SAME SIDE.

(Hear! Hear!)

I honour and support everybody who in a quiet, firm and dignified manner in the last few days has shown Argentine visitors exactly where our loyalties lie. I believe that these people have done much to further a better understanding by the people of Argentina, and this is certainly the impression I got from the Argentines that I spoke to.

To be able to meet ordinary Argentines and confidently express one's point of view is a far better thing than doing nothing. Flying our flag is commendable and with dignity it has a far greater impact than hysterical outbursts or insults. I have to condemn the more violent and threatening undignified actions of a small number of people. These people have only played into the hands of the press who are looking for stories to sell their papers and their television coverage. This is how they make their money. At the same time these people have severely damaged the reputation of Falkland Islanders in Britain and other parts of the world, where stories of their actions have been reported as the true feelings of the Islanders. It is too late when bad or inaccurate headlines have been published. Any retraction will be in small print, lost in the back pages and the damage has been done.

Reverting to fishing, I firmly believe that there will be an agreement over fisheries matters by the beginning of October which will allow us to continue to build a fisheries regime, coupled with an industry which will support the economy until long after other revenue earning enterprises come into fruition.

Sir, it is my fervent wish that we can put behind us the divisions and disagreements that seem to be taking up too much time of all of us, and get down to building these Islands into a prosperous and respected nation that we deserve to be. Sir, I wish to support the Motion.

His Excellency The Governor

Before we proceed could I perhaps make two interjections. One is that I have had a request to seek your view on whether you would allow photographs to be taken during our current proceedings. I understand that there is something in the rules of procedure, which deals with that and precludes such happening without prior consent of the President. What is your view? Are you content for photographs to be taken or would you prefer not to?

The Honourable JR Cockwell

I have no problem, Sir.

His Excellency The Governor

No problem so the photographer may proceed. Perhaps if it is appropriate for me to deal or respond on one point without abusing my position I might do that. It is the question of the Land (Non-residents) Bill. Perhaps I should have taken the initiative to say something before it was raised but I do so now and I do so in apologetic terms. We had indeed hoped that we would have secured agreement with the authorities in London - predominantly the Foreign and Commonwealth Office but not necessarily exclusively them - about the legal drafting. The issues there are fairly complex, to do with the United Kingdom's obligations under EU legislation concerning for

enforcement provisions, and concerning certain aspects related to companies and how they are dealt with. I don't know whether the Attorney General wishes to say more than that. I think you have privately had explanations and I hope that my layman's compression of the difficulties was a fair one.

However, I would also say that in speaking to just one of your number indicated that indeed we would sustain the pressure on this. The Attorney General and I were discussing ways ahead on Friday and there is a substantial memorandum on its way from him to me to go to London in the nearest future. I have also indicated to the Honourable Member that, from my point of view, it would be perfectly appropriate to have a meeting of the Legislative Council when the lines have been cleared even if it were only to deal with this item given its significant importance. We are not obviously in total control of the individuals who deal with it, but I certainly say that as far as we have any influence we are certainly not talking in terms of months, we are talking in terms of weeks. I regret that we are not in better order and thank you for your understanding on that.

The Honourable DL Clifton

Mr President if I may, I will be brief. First of all a welcome to you and Mrs Lamont. I know you had a terrible baptism of fire during the first weeks of July but I would like to extend thanks from the House for your support and your dedication, your help and assistance during some very long hours in the middle of July. Thank you for that.

I would also like to be associated with the remarks, thoughts and our prayers to John Birmingham and his family at this particular time, Sue in particular.

Mr President, if I may just make a couple of comments about the Argentine-British agreement signed in London in July. I wish to extend a very public 'thank you' of appreciation to those members of the public who have confidently stood behind elected representatives during recent weeks (I underline the fact "confidently stood behind"). They have done so with remarkable sense of belonging and a firm faith in and commitment to their future and to future generations of Islanders in the British Falkland Islands.

The world is a changing place and the Falklands is not in a position to remain static while all around it changes. The Falklands relies heavily and continually on British public and parliamentary support. Without it we would be condemned. We cannot, indeed we must not, be seen by those who support us in the United Kingdom, as being the tail which wags the British bulldog.

Councillor Summers is to be applauded for his comments over Falklands radio earlier this week and the very masterly presentation he has made this morning. I doubt that there is anyone who would wish not to be associated with those statements. Promoting one's country is not about periodic flag waving; it is about consistency and

firmness of application. Flag and banner waving is good and I have done plenty of it in the past myself. As Councillor Cockwell has just said it sends a firm, very dignified message to our neighbours. But victimisation, intimidation and physical violence bear all the hallmarks of fascism. I will not tolerate it and for people who persist in this then they must accept that the law will intervene. Because I did not attend last Saturday's demonstration does not imply in any manner, shape or form that I am a traitor or that I have betrayed anyone as a small vocal minority is inclined to state. I have been committed to Falklands' politics since leaving school and I am unlikely to change, but as Councillor Summers has suggested there is much work to be done. In particular we will strive from our side to ensure that we uphold those parts of the agreement with which we are entrusted.

Fundamental to our future is a bilateral commitment on fisheries as stated in the agreement. The elements are there for all of us to see and there can be no question that members of the public, as implied on the radio last night and as again stated here this morning, can be involved in the negotiating, methodological tactics, or questioning what is right or wrong for our fisheries. We entrust that to the Director of Fisheries and his competent advisors.

If I may, Sir, thank you and I support the Motion.

The Honourable Mrs JL Cheek

Your Excellency, Honourable Members. I too would like to welcome you and your family to the Islands and join others in expressing appreciation for the support and help that you gave us during a few very busy days in July when your hours were as long as the rest of us.

I would also like to be associated with your remarks regarding the Birmingham family, and our prayers are with them at this moment.

Before moving on to the current main issue - that is the agreement - we shouldn't lose sight of the day-to-day running of our various institutions in the Falklands. From what I have heard in the last couple of weeks, I hope and believe that we have now cleared the way for the FIDF move, which in turn will permit us to get on with the substantial and very necessary expansion of the Junior School, including the much needed speech and language unit. I hope we can work over the next few months to speed that up.

In my last speech to a Motion for Adjournment, I spoke of the testing times we were in and it is worth reviewing the course of events which lead to our present policies. As those who attend and have attended our regular public meetings since the last election will recall, we have been discussing over a long period the means by which we can seek increased recognition of Falkland Islanders as of people with the right to self-determination. Yes I have been told we were under pressure. Yes we were under

pressure, but it was a self-imposed pressure. If we are to achieve what we want we must go out and work for it, not batten down the hatches and hope that the problems will go away, we take the opportunity to put our case where and whenever we can. All Councillors agreed to initiate exploratory talks with Argentine officials, and yes this was moving away from the policy which we had had before. We believe we did it with justification, and when you explore you may find something. We did. We found some common ground, some areas of mutual interest. More importantly, we found the good will on both sides to create a better future for all in the South Atlantic.

At various stages on the front page of Penguin News, on the radio phone-in and at a public meeting I urged individuals to phone their Councillors. Not just to phone me but to phone their Councillor with their views, because by now we were clearly involved in a negotiation and you do not want to air every aspect, every nuance of that negotiation on the radio. Nevertheless, we could discuss what we were doing and what our aims were privately with our constituents over the phone in much more detail. I am glad to say that a lot of people took that up, and from those people we have had steady support through a very difficult time. Without any compromise on sovereignty we have been able to reinforce our case for self-determination. Each Argentine citizen entering our country as a result of that agreement gets a stamp in his or her passport to show that they are in a separate country. By all means demonstrate peacefully to emphasise the point of our separateness. However, the few misguided fools should remember that obscenities, abuse, drunkenness and obstruction will bring ridicule and not recognition. These rash actions and some of the distorted reporting that followed from it have done the cause of the Islands no good at all.

The majority of the people here want to go about their lives in a peaceful and civilised manner without hindrance or threats. Some unease about the increased number of Argentine visitors is perfectly understandable but it is worth remembering, and a lot of people have taken this up, that it is an opportunity to tell them courteously that their continuing claim is the main obstacle to an entirely normal relationship. That message delivered quietly, firmly, even in a friendly way, is far more effective than some of the crazier incidents we have witnessed.

Let's work to make the agreement a success. Let's keep our part of the agreement and put Argentina in a position where they must show their democratic maturity in abiding by this international agreement, and ensuring that by a required date we have an agreement on fisheries which allows both countries (Argentina and ourselves) to fulfil our international obligations to protect and conserve the fisheries in the South Atlantic. Sir, I support the Motion.

The Honourable Mrs N Edwards

Sir, in rising to support the Motion for Adjournment I would just like to associate myself with the remarks made earlier by my colleagues to the Birmingham family and I wish them well. Our hopes and prayers are with them at this time.

Also to say welcome to you, Sir, to this first Legislative Council. It will come as no surprise to you I am sure that I don't share the rosy view of some of my fellow Councillors regarding this agreement. I don't propose to go on about it at length but it has been signed by Britain and Argentina, giving Argentine nationals free access to the Islands and a stopover in Argentina twice a month from 16 October, in return for the resumption of the Lan Chile flights and promises of a fisheries agreement which has yet to be sorted out. I would like it to be recorded in this House that I think that we will rue the day Mr Cook and Dr DiTella put pen to paper, to open wide the door of the Falklands to people who still claim our country and whose Foreign Minister is now saying that he fully expects that within the next two terms of Government in his country, Britain and Argentina will be discussing sovereignty of the Falkland Islands. You may all say that that won't happen but I would just remind you, Dr DiTella has always been honest with us. He told us some years ago now that he was going to charm us, and that before the end of his time as a Foreign Minister we would have direct flights from Argentina and that access for Argentines to the Islands was on his agenda. Well he wasn't telling porky pies was he?

Menem has said frequently that the Argentine flag will be flying in the Falklands by the year 2000 and I just hope that he will be far off the mark. Unless we constantly remind them that these Islands which we inhabit are British and that the inhabitants here are British and intend to remain so, then anything is possible. I just hope that by the 9 October we have a firm fisheries agreement in place. If we haven't then I sincerely hope that we do have the authority to say "no, the deal is off", bearing in mind that this is an agreement between Argentina and Britain to which we are witnesses. This is not our agreement.

I heard on the Falkland Islands Broadcasting Station news letter last night, Sir, that a second side letter has been sent by the Foreign Secretary to Dr DiTella and a return letter from Dr DiTella to the Foreign Secretary. I have not yet seen either of these letters and I understand that the Argentine Foreign Minister makes a more positive recognition of the Falkland Islands Government than previously. Would it be possible to make these latest letters available for the general public to read? I am sure it may go some way to reassuring them that there may be a little more of substance for the Falkland Islands in this agreement than just references, that the Argentineans are prepared to consider various Clauses.

Hearing various accounts of the demonstrations, which have taken place over the last few weeks, and comments that have been made, I wonder whether some of us are not forgetting, or not caring where our allegiances lie. People have demonstrated because they are concerned for their future. They want the Argentines to have no doubt about where their allegiance lies and I think, with one or two exceptions, they have done that, forcibly but with dignity and I am pleased that they have demonstrated their feelings. I would suggest that the reasons that some of these people haven't been politically active in the past is because they haven't, until recently, felt that the future

of the Falkland Islands is threatened by the presence of Argentineans in their midst again. It was an agreement that these people didn't want and they don't like. I can certainly understand that, but I think to suggest that they don't understand the current situation is demeaning and patronising and I think that the average Falkland Islander is more politically aware than the average Briton or Argentinean. I wonder, lately, if we are not practising to forget where our allegiance lies.

I was pleased to hear that freedom of speech is something that is appreciated and that the Government agrees to, but again there was an underlying statement saying that Government employees should watch what they say. Well that sounds like democracy with a touch of 'big brother watching you' flavour, and I find it distasteful for the Falklands. Most of the reporting from the Argentine press was as I had expected it to be, apart from one or two reports. One in particular by Diego Andrade in *La Nacion* is particularly distasteful, untruthful and scurrilous. This is the Government Broadcasting Officer he is telling hurtful lies about and I hope that this reporter gets an official complaint from our Government for the allegations he has made, and that the Falkland Islands Government asks for an apology from him. I hope too, that he will not be allowed to enter the Falklands again if this is the kind of rubbish he produces. Sir, I support the Motion for Adjournment.

The Honourable Mrs S Halford

Mr President, Honourable Members. Sir, I too would like to welcome you to this, your first Legislative Council, and realise that you have had a most memorable time so far during your tenure here, and I hope that the remainder of the time will be more enjoyable and perhaps less stressful.

I too would like to wish Councillor Birmingham and his family all the best at this difficult time for them.

Much has been said as I am kind of tail end Charlie today and I think Councillor Summers certainly summed it up very well. I was very pleased to hear Councillor Edwards say that she believed that Dr DiTella has always been honest with us, because in signing the agreement he did assure us that Argentina always abides by agreements they sign. Obviously time will tell.

As to flying the flag by the year 2000, recently we had a flag not actually flown, but a flag was put up – more than one I believe. They may not have been real flags but they were mock-ups of, and as one Argentine commented in London recently, he thought it was the first time the Argentine flag had actually flown in the Falklands since 1982 and it hadn't been put up by an Argentine.

What did surprise me prior to leaving the United Kingdom was to hear of the demonstration on Saturday. I was surprised; I had understood that the people

demonstrating hadn't actually wanted the Argentines here, but to try and hinder their departure really did surprise me.

Anyway, I shall proceed with other things. Having like others before me worked very hard to maintain our overseas friends and continued to encourage new friends for the benefit of the Falklands, I am saddened by the bad press we have recently received abroad. Demonstrations, when they get slightly out of hand, don't just send messages to Argentina, they send messages to the rest of the world and imply that we are what I had been advocating we are not. When promoting the Falklands at different venues I have continually advocated that we are not an insular inward looking society, as many people believe. I have taken pride in explaining how we have prospered and progressed since the war in 1982, a war which we will never forget. Many people suffered greatly between the 2 April and 14 June that year, and it did not end there. Many people have continued to suffer greatly ever since. As many of you will appreciate, that suffering has not been isolated to people within the Falklands. There are many people outside the Islands who had their lives turned upside down by the events of that war too; the troops and their families to name but a few. The troops of both sides who, whether invading, defending, or recapturing were merely following orders handed down from their respective leaders of the day.

Despite receiving some horrific injuries and living through some awful experiences, with time many of these people have learned to cope with their everyday lives and move forward. In doing so they have put the past where it should be – behind them. Events that are not forgotten but are in the pages of history. This together with the recent White Paper and the extremely strong support we currently enjoy from both the ruling and opposition parties in the United Kingdom, is the reason I was, after much discussion with other Councillors, prepared to go down the recent path we did with the United Kingdom and Argentine Governments. I believed that it was not only in the best interest of the Falklands but it was also time to move forward. We cannot live in the past forever.

I also realised that for a few people it would be very difficult to accept. Unfortunately it is not possible to please everyone when making any decision. I am sure that by now all of you who have wanted to read the recently signed agreement between the United Kingdom and Argentina will have done so, and will have appreciated that what was signed should, in the longer term, be beneficial to the Islands as a whole. We must also remember that this agreement had the support of the majority of Councillors, as would any other decision. Had the plan to kidnap me prior to my leaving for London last time come to fruition, you can rest assured that the outcome of the agreement would have been exactly the same. I alone do not make this type of decision.

I hope those of you listening who were thoughtless enough to contact my parents in this regard and ask after my movements prior to my departure feel proud of yourselves, and to those (I now realise with hindsight) who contacted me directly, thank you.

Councillors have been accused of many things recently, but I do not believe that we have deviated from what is required from all Councillors under the Legislative Council Standing Rules and Orders and I quote –

“The duty of a Member being to his constituents and to the Country as a whole, rather than to any particular section thereof.”

I applaud freedom of speech, especially when it is constructive and stimulates debate and freedom of action, provided it is peaceful and therefore within the law. On the other hand anonymity in letters and publications, in my view, shows insecurity and lack of conviction in one's actions. I would like to thank all of you who have written or telephoned stating your support for what has been achieved. I feel deeply sorry that you feel intimidated and therefore don't want to do it publicly for fear of becoming yet another victim of verbal abuse, vandalism or worse. It is indeed a sad day for any society when its freedom of speech would appear to be restricted by the actions of a very abusive minority and not, as has been suggested, by their employer or the state.

I noticed in Penguin News recently on the letters page that there was a call for unity within the community. This call appeared after much criticism over recent months of our business community and also much criticism over who is a Falkland Islander and who is entitled to voice an opinion within the community. We should be proud of our business sector and applaud each and every success within it. Many of these people are where they are today as they were prepared to take a risk and do their utmost to make it work. If it were not for their success and the taxes they pay, other businesses, (one example being farmers who are currently undergoing extremely hard times in relation to wool prices) would not enjoy the benefits and grants they currently receive. The trickle of immigrants to our community bring with them much needed, skills, trades, professions, and some set up new business ventures thus benefiting the Islands generally and should be welcomed.

Mr President, perhaps those who disagree with what Councillors have done should take a few minutes out of their daily routine, look about themselves, indulge in some personal reflection and ask themselves “What do we have? What hardships do we endure? What do we want for? What have we lost? What have we gained?” and most importantly “Where do we want to go? What do we hope to achieve along the way, and how are we going to get there?”

Although the choice of being a Falkland Islander was not mine to make (it was my parent's) I am proud of that status and I intend to continue to work towards progressing the security, the wonderful asset we all share, the Falkland Islands. Sir, I support the Motion.

The Honourable the Financial Secretary

Mr President, I join elected Members in welcoming you to this Council and in their message of support to the Birmingham family. I support the Motion for Adjournment, Sir.

The Honourable the Chief Executive

Mr President, Honourable Members. I too of course join with all the others in wishing you welcome to this august body. I believe you must already hold the record for the number of Executive Councils held in the shortest amount of time, you have even, Sir, been accused of being an Executive Council junkie. I can only hope that you don't become a Legislative Council junkie as well. I am sure that Councillor Cockwell speaks for us all when he hopes that this will not be the shortest but I suspect that it will in the fullness of time.

Also, on behalf of the whole Civil Service I would like to send our very best wishes, hopes and prayers to John, Sue and the children. I know that John is bearing up and he is in characteristic, robust spirits and long may that continue.

I also know that Honourable Members would agree with me that it isn't the role of the Chief Executive to comment on the broader political scene, and I don't intend to do so. However, there is one very positive element that I must highlight, and I think Councillor Edwards in fact touched on it, although slightly obliquely. It is the freedom of speech that we do have here which people are able to demonstrate and indeed many of them have demonstrated. There has been this question mark which has also been alluded to by Councillor Edwards, as to whether civil servants have the freedom to indulge in freedom of speech, both in the writing of letters, in demonstrating and in what they say. I can assure civil servants that very broadly they do. In fact, in the vast majority of cases they do. There are of course certain exceptions and there have to be, but they are a very small percentage and they are well defined in General Orders and you yourself, Sir, made comment on that in your recent Executive Council broadcast. So I would wish both the public and civil servants to be assured that freedom of speech does reign here and long may it remain.

Bearing that in mind and somewhat as an aside, if we wish for reciprocity and normality with Argentina maybe we should start a fund to sponsor the Editor of the Teaberry Express to go to Buenos Aires and take closer pictures of their Legislative Council in live session.

I can assure the Honourable Councillor Cheek that the FIDF move is being processed with all speed. The deal has been struck and I trust that within a number of days, maybe at the most weeks, we will actually see some evidence of that.

It has been a heavy morning even though it has been a brief one and I would like to just draw Honourable Members' attention and indeed the public's attention, although they can't see this, to a much smaller issue. Nevertheless, something that I think may be the thought to go away with. I am holding up a small brick and small things can be very important. This is not a brick to be dropped, nor is it a brick to smash people's windows with. To me at the moment this is a positive symbol of in a way, the future of these Islands – a promising economic future. It may come to nothing, but it represents a natural Falkland Islands resource, clay. You may all curse the clay at times but there are many different types of clay in the Islands and they have many different uses when used commercially. Although people have realised this over the years, it is only recently that proper research has been done. A number of different clays have been extracted and they have been properly fired and tested in the United Kingdom. It is not only bricks, floor tiles, roof tiles and pavers which can be made from local clay. Also quite high quality porcelain type pottery, stoneware and earthenware vessels can also be created, and there are local glazes too with very attractive local colours made of local ingredients that can also accompany these products. I would like to praise Emma Edwards and the FIDC for moving ahead with this project.

(Hear! Hear!)

I hope it has a bright future. It may well be that people in the Camp who are very hard pressed economically, can pick up this kind of challenge and run with it and I know that they would get help from the FIDC and I am sure from Honourable Members. But a brick, let us remember the economic future of the Islands. With that, Sir, I beg to move that this House stands adjourned *sine die*.

His Excellency The Governor

Thank you very much Chief Executive. You are a real brick, yes. I think I am perhaps permitted to make a few closing remarks in response to what has been said.

Picking up one or two individual points may I echo the tribute paid by the Honourable Mike Summers to those people who did so well at the Small Island Games, and also to the members of the Falkland Islands Defence Force who did outstandingly well in the Skilled Arms competition.

I think I would also like to pick up the comment that the Honourable Jan Cheek made about other institutions in the Falklands which are important and the life of the population here and of which you have every right to be proud. I think I would wish to say a word in that context in tribute to the Royal Falkland Islands Police. Individual Members of that force, I am sure, have their own views on what is happening politically and they have in recent weeks faced uniquely difficult situations and one has to admire the way that they perform under the kind of pressures that they have faced.

I don't think I want to deal with the substance of the issues on which Honourable Members have mostly spoken, partly because the views come more effectively from the elected representatives of the people of the Falklands, than they do in this context from me. I think it is an important part of the current process that the relationship between the authorities in London – the Foreign Office if you like, but it is not just the Foreign Office - and the authorities here, is a very different one from that which existed in the past. A former Councillor with whom I was talking to a couple of days ago recalled the pattern of the past, which was that the Governor if indeed he was told what was going on, would come and tell Councillors what had just been agreed between London and Buenos Aires. That, I am sure everyone on my left here recognises, is not the situation that we are in at present. The role, the influence that Councillors play is a very significant and positive feature of the present process.

In the statement that Councillors issued after the Joint Statement had been signed, they referred to the fact that some of these elements were very difficult for Islanders to accept. That obviously is the case. They also said that there was a need to respond to – as the Honourable Jan Cheek said – pressures, including the pressures of public opinion in the United Kingdom. Perhaps it would be legitimate for me just to say one or two words about that.

During the course of this week, I was reviewing some of the press commentary that there has been in Britain about the situation, and I think it is worth focusing on some of the key things that have been said in editorials. I go back to the piece written by Matthew Parris on 29 May after the talks, and I think that people say that Matthew Parris has not always been viewed as having a friendly attitude towards the Falklands, so it seems to me that his comments are particularly pertinent. He said 'it is important that people who, like me (Mathew Parris not the Governor) have argued for compromise over sovereignty, accept that no such deal is in prospect. The meeting this week was not intended to bring such an agreement closer, it was only through acceptance that sovereignty was not for discussion or looming for discussion later, that delegates felt able to discuss anything else.'

Then there is the editorial in the *Daily Telegraph* of 9 August. It said that the admission of Argentine passport holders to the Falkland Islands marked the 'overdue' normalisation of relations between the United Kingdom and Argentina. Certainly not everyone here would accept that description of 'overdue' but the *Daily Telegraph* is not a traditional supporter of Labour Governments, and I think that it should be expressing that view is worthy of note. It went on to say "The Islanders unease is understandable. Almost all of them lived through the occupation and as they point out Argentina still refuses to recognise their administration. The fact is that they will be the main beneficiaries of closer ties with their neighbour. Amity with their neighbour does not threaten the Falklands security – it reinforces it. We hope that after 17 years, Argentineans will at last find a welcome in Port Stanley".

On the same day, an Editorial in the *Independent* said "the presence of dozens of journalists amongst the 70 Argentines on the Chilean flight rekindled memories of the short-lived invasion of 17 years ago. It is true moreover that Argentina maintains its 160-year-old claim on sovereignty. Equally, however, Falklanders have not the slightest reason to suspect a deal is being done behind their backs. The Military Garrison at Mount Pleasant are a test to Britain's commitment. It is simply inconceivable, given the strength of feeling on the Islands that any Government in London, Labour or Conservative can hand them over to Argentina against the wishes of the 2000 inhabitants."

I have to say that the actions your Councillors took initially unanimously in terms of entering in dialogue, and then in large majority, in supporting the Joint Statement, have, it is clear, devoted a very positive resonance among key opinion formers in the United Kingdom, and that is important.

Then sadly there is the contrast. A damaging paragraph on the Internet by the BBC saying "Some 200 protesters jeered, spat and shouted insults waving banners reading don't come back."

There are two elements of damage it seems to be in that kind of reporting. The general one is the impact that it makes on public opinion in the United Kingdom. It is not the kind of reporting that gains the kind of support that we want here. But also what it does more insidiously, is cloud the genuine concern, the exercise of the genuine right of freedom of speech here.

Two hundred did not spit and shout insults, we know that. The vast majority who went to demonstrate were exercising the right to indicate clearly, peacefully, with dignity, a view which they are entitled to hold and to express freely. They did it effectively. Because the expressions of dissent which have been on display throughout the period that Argentine journalists were here, have made their impact, have been reported in the Argentine press, but those who express these views must be aware that the actions of a very small minority who indulge in loutish behaviour, who do jeer and spit and behave in the way that has been reported, that those activities are damaging to the interests of the Falkland Islands, are damaging to its reputation, are damaging to democracy, are damaging to the views of those who are legitimately concerned or oppose what has been signed up to. I hope that those who do continue to exercise the right to express dissent will ensure that they disavow the actions of those who behave in a way which brings no credit to themselves or to these Islands.

Two final comments. One is that I shall pursue with the Honourable Norma Edwards the reference to correspondence between Foreign Ministers. I am not sure whether this refers to the documentation that was exchanged at the time of the Joint Statement, because there were in fact two accompanying letters, which passed between the Foreign Ministers. These are already in the public domain. I am not aware of anything more recent but it may be that there is and I shall certainly establish it, but if

we are speaking about side letters it sounds like the letters which were issued in July as part of the documentation accompanying the Joint Statement. These are already in the public domain and I think were available at the public meeting at the Town Hall here, but I will check that is what we are indeed talking about. If there is something else I shall obviously pursue it.

I think my final remark is to say thank you for the words of welcome from you all. Linda and I are very happy to be here and to try to serve you as best we can. It may seem strange to use the word 'enjoy' but I have enjoyed working with Councillors, without exception, throughout the recent weeks. Politicians in any country are naturally, properly in a democracy subject to criticism. If that criticism is legitimate, is reasoned, that is part of the process. You all - those who are listening and others in the Chamber - disagree with Councillors collectively and individually on a variety of issues, but I hope I may allow myself to say that all my exposure to the arguments which Councillors deploy on various issues, show on their part, the deepest commitment to the people of these Islands and to the security of their future.

As the Honourable Sharon Halford said - when you have responsibility, when you have to take decisions, life becomes uneasy. Decision making when you are in possession of the facts and have to bear responsibility for a decision, is much more difficult than standing aside in opposition, whether it is an opposition in the House of Commons or opposition here, when you have a much freer hand to criticise, to dissent but not to have the responsibility for the termination and the implementation of policy. I have to say that I am full of admiration for the way in which all your Councillors have carried out their responsibilities through what have certainly been some very difficult weeks.

I think that is all that I wish to say. Perhaps I have spoken longer than I ought to have done. If there is nothing more to be said then thank you for seeing me through this first session of the Legislative Council for me, as it were, and the House stands adjourned accordingly.

Completed this 30th day of
October 1999

Donald A. Lambert

Governor
PRESIDENT

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 30 OCTOBER 1999**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 30 OCTOBER 1999**

PRESIDENT

His Excellency The Governor
(Mr Donald Alexander Lamont)

MEMBERS

Ex-Officio

The Honourable the Chief Executive
(Mr Andrew Murray Gurr)

The Honourable the Financial Secretary
(Mr Derck Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

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

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

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

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

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

PERSONS ENTITLED TO ATTEND

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

The Commander British Forces Falkland Islands
(Brigadier David Vernon Nicholls RM)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

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**RECORD OF THE MEETING OF LEGISLATIVE COUNCIL
HELD ON SATURDAY 30 OCTOBER 1999**

His Excellency The Governor

Good morning Honourable Members, Ladies and Gentlemen. I must first apologise to the Members of Executive Council for not being with you earlier this week having been held by a bug. The bug may still be audible in my voice, which means that I shall do more listening than talking today.

We have a relatively short Agenda, but important business to transact and I think we should get straight down to that. The first substantive item on the Agenda being the question of the election of Honourable Members to Executive Council.

ELECTION OF LEGISLATIVE COUNCILLORS TO EXECUTIVE COUNCIL

Unless there is any objection, I would like to appoint the Attorney General and the Honourable the Financial Secretary as tellers for this election. I believe that we have ballot papers already distributed. The first vote to take place is that for a Stanley representative on Executive Council. Can you please complete your ballot papers?

(Voting commences).

The result of that election for a Stanley representative on Executive Council is the Honourable Jan Cheek. May I now ask for you to vote for a Camp representative?

(Honourable Members begin voting).

The result of that vote is that the representative of Camp will be the Honourable Richard Cockwell.

May I now ask you to vote for the third representative, that being a representative of either Stanley or Camp, bearing in mind of course that the Honourable Jan Cheek and the Honourable Richard Cockwell have already been elected to represent you on Executive Council?

(The final vote takes place).

The result of that election is that Councillor Sharon Halford is elected as the third Councillor to represent you on Executive Council.

The result then of that Election is that the three Elected Members of the Legislative Council to be on Executive Council for the next 12 months duly elected are:

- The Honourable Jan Cheek;
- The Honourable Richard Cockwell; and
- The Honourable Sharon Halford.

I congratulate those who have been elected and may I say to those who have served in Executive Council, either as those three elected a year ago or those who have had to substitute from time to time, thank you for the considerable efforts that you have all made. It has been a year full of difficult business and there have been rather more meetings of the Executive Council than has been normal. We will see how matters go over the next year. There are certainly many challenges ahead. Thank you to those who have served over the past year, and I look forward to working with those who will be on Executive Council over the next year.

May I also say a word of welcome back to the several Councillors who have been representing the Falkland Islands at various conferences and meetings overseas since we last met here, whether in a Commonwealth context or the Consultative Council, meetings with Ministers. There have been a range of meetings, and it is important that these Islands are effectively represented as they have been in these varied fora.

Clerk of Councils

Confirmation of the minutes of the meeting of Legislative Council held on 21 August 1999.

His Excellency The Governor

Any comments on the Minutes?

I consider them adopted and shall sign them.

Clerk of Councils

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

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

- The Building Regulations 1999
- The Fishing Licences (Applications and Fees) Order 1999
- The Conservation of Wildlife and Nature Ordinance (Correction) Order 1999
- The Traffic Signs Regulations 1999
- The Conservation of Wildlife and Nature Ordinance (Correction) (No 2) Order 1999
- Rabies (Importation of Animals) Order 1999
- Annual Accounts and Auditor's Report in relation to the Media Trust, Penguin News for the year ended 30 June 1998 and laid on the Table pursuant to section 9 (2) of the Media Trust Ordinance 1989.

The Honourable the Chief Executive

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

Clerk of Councils

Orders of the Day - Bills

The Land (Non-residents) Bill 1999.

The Honourable the Chief Executive

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

His Excellency The Governor

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

The Honourable JL Cheek

Your Excellency, I wonder if this is the right moment to ask the Attorney General if he could just clarify, for members of the public who have been somewhat confused by it, 2(2) in the Bill, that is the companies regarded as being resident in the Falkland Islands?

The Attorney General

This matter is dealt with by Clause 2(2) b. A company incorporated in the Falkland Islands is to be regarded as being resident in the Falkland Islands if either –

- 75 percent of its share capital carrying voting rights (that is the voting shares) are individually owned, or owned by individuals who, under the provisions of Clause 2(1) are to be regarded as being resident in the Falkland Islands, that is to say either by people who have Falkland Island status or people who have Permanent Residence Permits; or
- If the company is – for the purposes of the Taxes Ordinance 1997 – to be regarded as resident in the Falkland Islands, by reason of its central control and management being in the Falkland Islands.

Therefore, there are briefly and simply two cases. There is the case of the 75 percent locally owned company. That will be regarded as being resident in the Falkland Islands.

There is the case of the company where there is less than 75 percent ownership of the share capital, but nevertheless, it is centrally controlled and managed in the Falkland Islands. That will also be regarded as resident in the Falkland Islands but a company which more than 50 percent or less of the shares are owned in the Falkland Islands, and even if the company is incorporated in the Falkland Islands, will not be regarded as resident in the Falkland Islands if its central control and management is not in the Falkland Islands because it is elsewhere.

There is, therefore, a link to the liability to tax in one sense, but there can be companies who are formed here and who have a shareholding, which the majority of which is here but is under 75 percent which will not be resident for the purposes of the Bill.

The Honourable JL Cheek

I thank the Attorney General for that reply.

His Excellency The Governor

Does any other Honourable Member wish to speak to the Motion at this point?

The Honourable MV Summers OBE

Mr President, I just wanted to welcome this piece of legislation and to thank the Attorney General for his strenuous efforts on our behalf, to ensure that the

provisions of forfeiture are retained in the Bill as a proper sanction against those who might be tempted to contravene the purposes of this Bill. It has two important purposes, which I think we should just mention for the benefit of members of the public.

They are –

- Firstly to ensure that the situation that the Falklands found itself in several years ago with a large amount of land owned outside of the Falklands, and a large number of ^{expatriate} ~~expatriot~~ landlords basically running business in the Falklands but without being here to feel the pain. Under the provisions of this Bill, unless the Government so determines, that cannot happen again. Of course the Government is free to licence the holding of land by overseas landlords, but at least the Government now has the ability to control that.
- The second important element, I think, is that it has the ability to control land speculation. We were always concerned in the run up to the opening of the oil exploration industry that there was the possibility for people from outside with stacks of money, to come in and snap up pieces of land in the Falklands on a speculative basis. We now have the ability, through Executive Council, to control that and therefore I thoroughly welcome this piece of legislation.

His Excellency The Governor

Does any other Honourable Member wish to speak to the Motion? No objection: the Bill will be read a second time.

Clerk of Councils

The Land (Non-residents) Bill 1999.

His Excellency The Governor

I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 to 10.

The Honourable the Chief Executive

I beg to move that Clauses 1 to 10 stand as part of the Bill.

Attorney General

Mr President, may I take this opportunity of inviting the House to allow the correction of Clause 4(4) d, the sixth line by the insertion of the word "any" between the word "and" and the word "company" so that it reads:

"... and any company in which an individual or his spouse, or both of them..."

There has been an unfortunate clerical omission for which I take responsibility.

His Excellency The Governor

There is no objection to that? The Motion is that Clauses 1 to 10, with that amendment just adopted stands as part of the Bill. Is there any objection to the Motion? No objection so Clauses 1 to 10 stand as part of the Bill.

Clerk of Councils

There is no Schedule.

His Excellency The Governor

In which case the Council resumes.

The Honourable the Chief Executive

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

His Excellency The Governor

The Motion is that the Bill be read a third time and do pass, is there any objection to the Motion? No objection, so the Bill will be read a third time and passes.

Clerk of Councils

The Land (Non-residents) Bill 1999.

THE MOTION FOR ADJOURNMENT

The Honourable the Chief Executive

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

The Honourable JL Cheek

I will try to be brief as I know some of my Colleagues are hoping to get back to Camp again.

Your Excellency, Honourable Members, following Thursday's public meeting featuring the economy I would like to make the following comments. We need to aim at building our reserves, not simply maintaining them at current levels. The interest in those funds, when invested, is a significant part of our income, and the assumption that we will receive £20 m per year from fishing licences, although it is a fair one based on averages in recent years, is not guaranteed. There are many factors influencing that income and two of them (the world market and climate fluctuations for example) are both outside of our control.

In parallel with maintaining revenue, we have got to look at all expenditure and control it. When it is unsustainable we should look for savings. One of the most striking points in the Honourable the Financial Secretary's presentation on Thursday, was the sharp rise in spending just over two years ago. Whilst some of that was clearly necessary to prepare for the oil exploration round, and some was linked to the extra costs of the Civil Service resulting from the Hay Review, the oil related costs have been somewhat scaled down, but those for the civil service are ongoing. Few could deny the right and even the duty of Councillors to seek ways of controlling the size of elements of the service that seemingly grew in anticipation of oil revenues. We may have stopped the rot for now but constant vigilance is necessary.

When discussing fishing, I must declare my interest in the business and of course I always do so. However, in the case of political agreements to safeguard our fishery, we all have an interest. It appears to me that there is still a misunderstanding of the nature of the agreements on fishing in the South West Atlantic. We have the ongoing work of the South Atlantic Fisheries Council which made very substantial progress at its last meeting, and should build on that when it meets again in a few weeks time. We have the commitments made in the July 14th agreement. These include the anti-poaching measures which, as I stated publicly over a month ago, will only be put to the test when the poachers arrive in the New Year. Until then we have to work hard to ensure that we are able to fulfil our side of that agreement. We have already committed money for extra training for the Falkland Islands Defence Force, and I urge the British Government to do their part in enabling us to fulfil our commitment.

We have experienced a great deal of frustration over more than a year in waiting for permission to do what is necessary while the matter is bounced between the Foreign and Commonwealth Office and the Ministry of Defence. I hope that now enough people are aware of the problem to get together and

get on with solving it. We have been trying to do it here but some of it is out-with our control.

While all this is going on we mustn't ^{lose}lose sight of the need for a multilateral, long-term agreement, which I believe is required under the UN Law of the Sea, to involve all the countries fishing in this area. This may take some time. It is simplistic to imagine we can seize a single piece of paper and say "This is it".

Moving on to my own portfolio – Education – I want to welcome the recent paper on qualifications for post-sixteen education which may have gone almost unnoticed, with other, more exciting things going on. This should ensure that more students do go on to do courses, particularly vocational ones suited to their abilities.

The policy has been shaped to give fairer emphasis to vocational studies, at the same time as making selection for A-levels more rigorous. Those vocational studies may take place here; they may take place overseas. Those with particular academic talents have been well catered for, but now we are in a position to ensure there is a welcome increase in the numbers of those able to pursue the vocational options.

At our last meeting we passed the Conservation and Wildlife Bill. Many will feel it is imperfect but it is a great deal better than what we have had previously. I am pleased that we have now agreed that licences issued will be published in the Gazette, so that people are aware of the kind of numbers of licenses being sought for the collection of eggs, for the destruction of rare birds like the Striated Caracara.

Finally, on a very happy note, I have a message that we received when we were at the Party Conferences. We had a very lively visit from Baroness Thatcher who is still deeply interested in everything going on in the Islands, and she wanted her love sent to everyone in the Islands. I support the Motion.

The Honourable JR Cockwell

Sir, having only returned to the Islands yesterday I really have not had time to catch up with matters that have been happening while I have been away. However, I think I should report that at the Party Conferences that the Honourable Jan Cheek and I attended, the strength of the support from both the Conservative Party and the Labour Party was very noticeable, for our attempts to reduce the tensions in this area and to persuade our next-door neighbours to treat us as good neighbours. That was very well received and there were people coming to see us who we have never seen before talking about this and being very supportive. They understand the problems just as

we do. They understand that we have our reservations and we have to be very careful, but there was virtually nobody who came along and said that they didn't think that we had done the right thing.

We managed to have about 40 minutes private interview with Mr John Battle, which was very useful. I am glad to report to this House that I believe that he is a man who we can work with, and who has a very good grasp of what our problems are.

I shall now move on to fisheries – poaching and anti-poaching matters. Amazingly enough, I actually had a phone call from the Foreign Office early in the morning of Thursday (the day I flew back) and to actually get a phone call from the Foreign Office is quite something. They said that the proposals that they would put forward regarding the armed unopposed boarding and matters regarding the gun had gone to the Minister. They then assured me that Mr Battle had read the papers, that he had a few queries, they were setting up a meeting and the date had been made. Also that they themselves were very cognisant of the urgency of the matter and that we had to get on with it and could not allow the same situation as last year to happen again, which I find quite encouraging.

The only other thing, which I feel that I should report about in this House is that I went to the United Kingdom Overseas Territories Association Meeting in the London Office on Monday. It was a very useful meeting but the thing that really struck me was the sophisticated relationship that we have managed to build up with the Foreign Office, which was only matched by Gibraltar. This was very encouraging. People were quite stunned as to how we actually managed our own affairs, and what influence we had on decisions made regarding our territory which I find was very encouraging, and I hope that this will continue.

Sir, other than to support the Motion I would like to say that I am very glad to be home again and I wish to thank the other Members who have elected me to remain on Executive Council for another year. I am not quite sure whether I wanted to, however, I am very cognisant to the honour. Thank you very much, Sir, and I wish to support the Motion.

The Honourable MV Summers OBE

Mr President, Honourable Members, there used to be a competition not to be last to speak in this House because there was nothing left to say, but it looks as though the rules have changed.

Sir, I just wanted to mention the sad loss of the crewman from the CFL Pioneer recently. There are fishermen lost in our fishery from time to time, and it doesn't always touch the community, perhaps in the way that it ought to because we rely so heavily on that industry for our wellbeing.

(Hear! Hear)

Of course the CFL Pioneer is wholly owned by a local company who have been struggling manfully to learn the business of fishing and I think it is probably quite a blow to them personally to have lost someone like this. I wish them well in their future business and I would to convey our condolences, from this House to the family of the gentleman who was lost.

I am very pleased that in the last meeting of Standing Finance Committee we managed to agree the Capital Plan for the next seven years. This is an important element of the Islands Planning process. I wholly support the comments of my colleague, Jan Cheek, that achieving a balanced budget is not adequate. We have to be achieving a position where we can contribute to the reserve year on year, because as we all know, keeping the same level of savings year on year, will result in a decline over time as additional costs come through.

I think the benefit of the long-term Capital Plan, is that we can and we must plan our resources looking forward over the next few years to carry out that Capital Plan. There should be no uncertainty about the level of resources required to execute that plan. I also think it should provide a number of elements of the Government with the opportunity to look for savings in the knowledge of the developments that are to take place in their departments over the next few years.

I also look forward to the sessions we are going to have with departments on a fairly in-depth basis in January/February (or the early part of the year anyway) to discuss their operational targets and how they plan to make more efficiency savings over the next few years. We know and we are well aware that making savings is not an easy task and it can sometimes be painful, but the previous Government did allow spending to rise and set a trend of rise of expenditure that has been difficult to curb. We have to continue to work for this aim to get ourselves back into a decent surplus for the remainder of our two years.

I am delighted to hear my colleague Richard Cockwell talk about our good relationship with the Foreign Office. Let it be a message to the Argentines that every time they talk about the British Government having forced the 'Kelpers' to do something else, they are wrong. They are blowing in the wind. There is no gap between the policies in the Falkland Islands Government and the British Government in matters of foreign policy, at least on the essential

fundamentals. I think there is still some work to do in relation to fisheries but I think that we should be clear that much of the purpose of the July Agreement has been fulfilled. The communications element is working well. I was interested to hear from a member of Her Majesty's Forces the other day who I was speaking to on the way down, that booking pressure on the Tristar is at last beginning to tail off. It is interesting that it has taken all this time for that pressure that had built up to begin to start to level out a little bit. You can look forward and see what might have happened had we not entered into this agreement and ensured that the Tristar operation did have the opportunity to divert into Uruguay and Brazil again. The Commander had said to us that it was becoming very difficult. I think then, that that is a major step forward and we mustn't try to set that aside in evaluating how far we have got on other issues. The implicit recognition of the Falkland Islands Government by the Argentine Government in the process has also been a major step forward. We must not give that up at any cost.

We have achieved a significant step forward on poaching in terms of our relationship and exchanges of information with the Argentines, and that is valuable. It is perhaps the one thing in the fisheries agreement that we most looked forward to getting and we have achieved that. Whilst I was in Brussels I was able to talk with a Director of International Affairs in Fisheries Directorate, about progress on a multilateral regime and he reports that the European Union will be making an unofficial visit to Argentina next month (November) to push this matter forward. So that too is welcome news.

On the question of relative stability, I look forward to the meeting of the SAFC in November very much, because I firmly believe that there is still some important business to be completed in terms of relative stability. We do have an agreement, a de facto agreement with the Argentines on levels of licensing and available biomass for next year. That of course is essential. We must define our jointly agreed conservation targets for the future and we must define the mechanisms for achieving those targets. I don't believe it is difficult; I don't believe it is a political matter; I believe it is a conservation matter that is in the interest of both sides. I call upon Her Majesty's Government to make all efforts to ensure that in the SAFC in November, that those final objectives are achieved and the fisheries agreement that we have been seeking is finally put to bed. It will not, as my Colleague says, be a single document, it never was going to be – it can't be. A multilateral fisheries agreement by definition, cannot be part of a single document.

We have made considerable progress and I think that the thinking members of the community do realise that and they appreciate it. For those who still keep pushing to suspend access or to suspend the stop in Rio Gallegos, I would just ask you this - Do you think that the achievements that we have made since July and in the July Agreement are worth giving up? I doubt it very much indeed.

I for one would not be prepared to give them up, at this stage, but I am prepared to give them up if we don't make the necessary progress on relative stability that we still wish to see.

A final word on the Consultative Council and a visit to the European Union. I am afraid I can't compete with Mrs Thatcher but we did have George Foulkes at the Overseas Territories Consultative Council for two days, and many people will be astonished to hear that George Foulkes is now a great Falkland supporter and sends us all his love. (Laughter). He congratulates us on our newly found prosperity.

The Consultative Council was a useful exercise. It is interesting to see that the Falklands is constitutionally well ahead of most of the other Overseas Territories, but I don't think that needs to be a matter for complacency. I think there are still a number of issues in the constitutional arena that we need to address. I did suggest to my Colleagues at the last General Purposes Committee, that we take some steps towards looking at the Constitution afresh and looking towards those issues which remain to be resolved whilst there is an appetite in the United Kingdom Government for constitutional reform. That is a statement that the Government has made.

Sir, on that note I will move on and I support the Motion.

The Honourable J Birmingham

In rising to speak to this Motion and in fact support it, on a personal note I would like to thank all the colleagues and people outside of this House, for their kind words and support to my family over the last few trying months.

Fishing, fishing, fishing surely has got to be the keystone to everything we do in the Islands and enough has been said this morning. I fully support what has been said by the three members who have spoken before me, so I am not going to say anything more on fishing and poaching, other than we do wait and we have been waiting a long time and we now have hope as Councillor Cockwell has had "the phone call" from the Foreign Office. So we do have hope.

I would also like to send my condolences to the family of the Chilean fisherman who lost his life.

Our neighbours across the water are always there and all the time they continue with their claim we have got to be wary. Over the last few months there seems to be a sea change in their attitude in that I don't know whether the Prince of Wales' visit to Argentina and to the Islands in March had anything to do with it. Maria Strange kindly dug out the piece from the *Daily*

Telegraph which reported what the Prince had said on 10 March in Buenos Aires. He said:

"My hope is that the people of modern democratic Argentina with their passionate attachment to their national traditions will in the future be able to live amicably alongside the people of another modern, if rather smaller democracy, living a few hundred miles off their coast, where there are people just as passionately attached to their traditions, and be able to do so in a spirit of mutual understanding and respect so that neither will again need to feel any fear or hostility towards the other."

I repeat that I think that we are moving towards that and I would like to tentatively welcome the new Argentine President, Mr De la Rúa who the Media is now saying is a boring man. Well I think that if he is that boring then surely it can't do us any harm at all.

Quiet diplomacy, as we know is the name of the game with the Foreign Office. Touching on quiet diplomacy, there does come a time when you start to think that perhaps the Mandarins in Whitehall should be given 'Inaction Men' for Christmas presents. If I can find one I might send one up.

Of course it is not all high politics is it? It is not all international affairs and fishing, we do have domestic problems here. As Chairman of the Housing Committee I know that housing is always a constant problem and I would like to extend my congratulations to the Attorney General for building a house, thus freeing up a house for somebody who requires accommodation, and also the Clerk of Councils. But with the Attorney General of course being a very senior and respected civil servant I think he has shown initiative and I hope that some of the other senior civil servants will take on board that they too are able to build houses and that they don't have to live in very subsidised cheap accommodation.

Year eleven left school yesterday and I hope that they are going to have a bright future. I think they are going to have a bright future.

I have been back five weeks and there seems to be a fair amount of doom and gloom. I hope that the weather is now changing that but as has been said by the colleagues before about the July Agreement, I think we have got to turn this into something good, and it is only good for the Islands in the future. We have got to have confidence in the future. I am not going to spend the rest of my days worrying about what may or may not happen.

Councillor Cockwell spoke earlier about managing our own affairs. We do tend to manage our own affairs and I know that the Foreign Office representative - yourself, Sir - is a continuation of Governors who have

allowed us to manage our affairs for the last two Councils (at least). Of course managing our affairs means all domestic issues and that is all the way from the education issues through to employment problems within the Civil Service. We can and should be able to manage our own affairs.

On the issue of Legislative Council, you do take on board the views of Councillors, Sir, I know you do. The view of this Councillor is that in the future I think it would be more appropriate if the stand-in for the Governor comes from within the Foreign and Commonwealth Office and not from within the Administration. With that, I think time is pressing and I would just like to say to the Honourable Lewis Clifton, don't forget the bolt. Sir, I support the Motion.

The Honourable DL Clifton

I think it is a key needed for that door rather than a bolt.

By choosing not to say very much, I would merely endorse what my colleagues have said about the need to be continually vigilant on the whole poaching question. Also the need for the anti-poaching measures to be in place, and for those measures to be rigorously enforced in the coming period, because the Islands rely almost entirely on a good income from fisheries. As we move ahead to put in place certain strategies that will provide for training of FIDF personnel, which will, in my view, create certain strains in other aspects of the public sector. So at this stage I would ask forbearance from members of the public as we meet those strategies in order to go forward to put in place the provision of armed boarding parties so that we may rigorously reinforce the anti-poaching measures.

The Honourable Jan Cheek raised the issue of the Nature Conservation Bill and I too, like her, have declared my interest. I continue to do so. I welcome the degree of transparency that will now be exercised in terms of eggs and eggling and other protected species, but I have to say that the burning of pastures seems to me to be a contradiction in terms. I suspect that a number of committees will need to look at this little point, in trying to preserve our environment on the one hand and the species that live within that environment on the other hand. The smaller and more out of sight species - the passerines in particular - are decimated through burning. I know that this is a contentious issue and I am sure that we will have to sit around a number of committees to address this.

At the same time I would also raise the question of the Upland Goose. It is becoming a real problem. The Director of Agriculture will certainly report to those Councillors who will undertake a trip to Saladero in the coming days, of the excessive damage that has been done to new pasture land and I know that some other farmers are also suffering from that. I suspect that as the

numbers go on to multiply (even in the Stanley vicinity) that there will be recurring problems there too. I suspect that is something that a number of Committees will need to look at.

Councillor Cockwell spoke of the support from within the British parliamentary system over our work towards the agreement of 14 July. I would simply say that in terms of the Commonwealth itself, where Councillor Luxton and myself had the opportunity to go to Trinidad and Tobago last month, there would seem to be fairly unanimous support from members of the Commonwealth to our work towards and the Agreement of 14 July.

I would also endorse what Councillor John Birmingham has said about the need to move ahead to see what we can do in terms of re-structuring and progressing the development of our Constitution. Councillor Summers has rightly said that the General Purposes Committee have taken a view and we would wish to move ahead on that, Mr President, I know there are some issues that you are already aware of, and the direction in which we wish to move.

As to the political future with our neighbours, I have had the occasion to be in Fernando De la Rúa's company on a number of occasions. He has been seen to be boring for a great number of years and not necessarily in the run up to the election. I suspect, however, that his boringness is something to do with not wishing to say anything that is too high profile (as President elect Carlos Menem did in 1989). Therefore, I suspect that there will be a willingness for the new Argentine Government teaming with us on a number of the issues that we are clearly asking them to move ahead with us on, because if we are unable to do that then clearly we are going to have a very difficult position come the New Year.

It would seem, or at least my view would be that De la Rúa has played a waiting game, not wishing to exercise too much political commentary on the Falklands issue and I suspect that he will adopt and take forward the agreement of 14 July. As soon as my analysis changes then I will give it due public comment but I remain reasonably confident at this stage, given that some of the former Argentine hard liners seem to be not moving ahead with the new Alliance Government. Mr President, I beg to support the Motion.

The Honourable Mrs N Edwards

Sir, I rise to support the Motion for Adjournment. I was thinking last night when I put some notes on paper just what momentous occasions have happened over the last few years. We have had the advent of a possible oil industry and of course, flights from Chile and Argentina. At times it seems like multitudes of journalists and as time goes on I am sure that we will have more and more visitors. We have had several Royal visits, with another one to

come. Lots of VIP visits over the years and we have also had the demise of farming which is a feature of the ever-changing scene in the Falklands during the last few years.

Of course we have had the Hay review, which I would say was not a historic occurrence but one that we won't forget for a long, long time. Perhaps when the Chief Executive departs the shores of the Falklands we will give him a few bags of hay to take with him, just in case he can't live life without it as it has been part of his life for so long.

Well we are at the start of a new fishing season and I agree broadly with what Mike Summers said, but you won't be at all surprised to know that I don't agree with it all. Yes I would have been one of the people who would have said "enough is enough. We are stopping the plane, you haven't come up with an agreement". That is partly the Foreign Office's fault as well. I don't think that they have worked hard enough at it. The talks in Madrid have progressed levels of co-operation with the Argentine Fisheries Department and with our Fisheries Department. John Barton is to be much congratulated for all the work he has done.

(Hear! Hear!)

It would be nice to see the Foreign Office chase up a firm Fisheries Agreement. I am not talking about a long-term, multilateral agreement which is some years in the future, I am talking of an agreement between us and Argentina which was, I understood, part of why we signed the 14 July Agreement. I suspect that we will still be looking for it well into the next Millennium. Let's hope that this new Argentine Government, led by Mr De la Rúa, will be sensible over matters which are in both our interests and will further the agreements that have been set up and are in place.

As the Honourable Mike Summers said in his letter to the Penguin News, now that Argentina have joined the peace-keeping force in East Timor to uphold their right to self determination, let's hope they can practice what they preach here in the South West Atlantic and recognise our right to self determination too.

(Hear! Hear!)

So long as we ignore the comments they make about their ultimate aims to take us over they won't even think about it. I am heartily sick of various Argentine politicians expressing in the press their views as to how they see themselves organising our future. Just as if the invasion of 1982, the occupation of the Islands and the loss of life to recover the Islands, was of no consequence at all. They seem to have just ignored all that since this agreement, and picked up where they were in 1982, after they were kicked

out. What really annoys me is it seems that nobody from our Government, or from our Foreign Office Departments, says a dickybird when these comments are made.

Just in case this new Government in Argentina intends to carry on in the same fashion, let us make it quite clear that the agreement between Britain and Argentina concerning the Falklands is not a means to condominium or any joint form of Government.

(Hear! Hear!)

I will repeat yet again, as far as I am concerned, Argentines will not be welcome in my homeland so long as they continue to claim it as theirs.

I know I am a lone voice on Government now and I have been accused of constantly saying no just for the sake of it and because it is the easy way out. Well let me tell you, it is far from being the easy way out. It would be far easier to say yes along with the rest of you. If I thought it was in the long-term interests of the Falklands I would have done so, but I don't think it is and I still don't think that what is being done is in the long-term interests of the Falklands.

If we can control poaching; if we can get relative stability in both fisheries; and if we can get a fisheries agreement that we can both live with and respect, it still doesn't guarantee our fisheries revenue. I hope people realise this. The history of fisheries throughout the world is a sorry story. It is a sorry story of depletion of fish stocks and greed. Let's hope that it will be different for us, but I suspect that whatever deals we do with Argentina they won't make an awful lot of difference in the long run.

I'll now go onto a few other things that are not concerned with Argentina. Let me just say that I am pleased to see that we are finally going to open up the access road to the East of Stanley again for the next couple of years, so that Snake Hill can be properly fixed and not have loads of stone lorries going over it again.

I have to comment, Sir, that after all the great expense and so on, which was put into the Government House/Triangle fence, the paint is now peeling. I really think they should have put dry wood up there before they painted it.

One small little thing that I have had comments about, is that they have dug a trench up on the bypass road to put some services in and removed the "Welcome to Stanley" sign. Unfortunately it moved just before the first plane from Argentina came in and people have been asking me if this is to make way for the "Puerto Argentino" sign. I have assured them that it is not. I welcome that sign going back in place as soon as possible.

(Laughter.)

For the farming community, as was mentioned, we have been looking at ways and means of not just making the budget balance, but perhaps putting some money in the reserves. Consequently of course, if the Capital Programme is cut and I am really sorry but the road programme will not be going ahead as quickly as we had hoped. There will still be money in the budget of course for roads, but not as much as I had hoped to see. I hope that the people in the Port Stephens direction can understand this. It won't make them happy, but there should be more in the budget next year than there was this last year.

Can I just say that the hospital, under the new General Manager, made leaps and bounds in lots of ways recently, not least in the tackling of all the problems that there were on the engineering side and the general safety procedures in the hospital as well. I would also like to publicly thank Mr Derek Muhl for all the hard work that he has put in since he has been here.

There is one other small thing, which I have to do. I promised I would publicly apologise to Mr Hugh Normand. He kept the FIDC Landrover in pristine condition for three years and I took a bit of paint off it recently.

(Laughter)

Sir I support the Motion for Adjournment.

The Honourable Sharon Halford

Mr President, Honourable Members, in rising to support the Motion I would like to endorse what Councillor Summers and Councillor Cheek said on fishing, especially when Councillor Cheek mentioned the measures on poaching and what needs to be put in place if we are to play our part in that.

Following on from that I would like to thank the FIDF Members for their excellent turn out in the recent annual major call-out last week. I would also like to thank all the employers who released them. Not just Government, as there were a number of people in the private sector too. Their tolerance is greatly appreciated.

If we get the training that we require for our FIDF Members for Fisheries protection, then we will need to call on these employees again. I hope that they will have the same kind of tolerance when some of their employers will be asked to go for training and perhaps deployment at a later date.

We have passed the Land (Non-residents) Bill this morning. Whilst I think it is necessary to have this kind of legislation, I hope that common sense will prevail in the future and that people wishing to sell will not be penalised in a way that they cannot sell in a competitive market (so to speak) and might have to go for less than they would otherwise receive.

I have had a lot of calls as well about the fact that we put a paper up to Executive Council this week about the rights to roam. Some people were expressing concern until they thought about it. I believe it is something that we do need, because at the moment we do have a problem which is growing.

(Hear! Hear!)

It has come about obviously by the building of our roads which, in a way, farm people have wanted, we have wanted and I think there would be very few people who would say they haven't benefited from it in one way or another. But at the end of the day this probably affects the East, at the moment, more than the West. We have a lot of people coming to the Islands – we have military personnel, we have tourists – they hire Landrovers or get into vehicles and they take off for a drive. When they go out on these roads they then jump out and go for a walk. At the moment they are in effect trespassing. I think it would be far better if they knew they could get out and go for a walk, but if they also knew that they couldn't get out for a walk where the sheep are with their baby lambs for one example. I think there needs to be some form of Country Code that could be given to people when they arrive. At the moment people drive along the roads we have and they have no idea whose land they are on, in fact I am sure that a lot of Stanley residents have no idea whose land they would be on when they are driving along the roads either, and I think if we have some kind of code, it would surely help the farmer as well as the visitor and also the residents.

Councillor Clifton mentioned the Upland Goose and the damage it is causing to pastures. Personally I believe the Upland Goose is becoming a menace on the roads as well. They are becoming so tame they are a menace.

Talking of menaces on the roads, I was horrified driving along the MPA road recently to count the number of freshly killed sheep. I could only assume that somebody had been along the road ahead of me, deliberately trying to see how many animals they could hit. I think that this kind of behaviour is absolutely appalling. There can be no need to see the quantity of dead sheep that were along the road on that particular day. I would hope that people would take a little bit more care when they are driving in future.

Sir, I support the Motion.

The Honourable WR Luxton

Mr President, Honourable Members, the vagaries of the alphabet and routine leave me the last Elected Member to speak. With reference to the agreement, I would endorse the comments made by Councillor Summers. I do have some reservation but I do believe that in the long run it will prove to have been the best thing to have done. I would appeal to the Foreign Office, the Ministry of Defence and the British Government, to expedite the means for us to protect the fishery ourselves with the boarding parties and the armament of the fishery protection vessel. I do feel there is some foot dragging there, and we are very anxious to have all that in place for the coming season.

Another one of my colleagues referred to fishing as the keystone and indeed as far as our finances are concerned it is. But there is another industry out there which didn't get a mention really until Councillor Edwards stood up.

Then there was talk of Upland Geese being a menace, and the burning of Camp, but there is another rare species out there and it is becoming rarer. It is the human beings that live and farm the land in these Islands...

The Honourable N Edwards

A most endangered species I would say.

The Honourable WR Luxton

...and they really are suffering. Incomes have dropped to perhaps a third of what they were a few years ago, and while there has been some very generous support from this Government, it has been on an ad hoc, piecemeal basis, throwing a life belt. There is a scheme to encourage people to reinvest but it is the day to day living that, at the moment, is a real problem for some people. A very real shortage of money, with the current wool prices, people are sheering a clip of wool, some of which simply won't be worth sending away. I myself recently sold some bales of wool in the United Kingdom, and what I got for those was less than what it cost me to ship them to Bradford. So I would appeal for the continuation for some sort of long-term assistance to those people who are really having problems.

Another thing of great interest to Campers and my constituents, are the roads. Unfortunately with the present financial restrictions that we have, the amount of money going into roads has decreased. But what really sickens me is the waste. On West Falklands some years ago we had probably the best road building gang in the Islands. They were actively discouraged from continuing, and went out of business effectively. They were replaced by Gordon Forbes who took a contract at that stage that was purported to be the best thing since sliced bread. I understand we are now facing claims over and above that

contract that would have provided sufficient money to Rodney Lee and his merry men to finish the whole damned thing on West Falkland.

(Hear! Hear!)

These claims of course are still to be substantiated, but you can bet your bottom dollar that we are not going to get the value for money that we were supposed to get.

Now Gordon Forbes is no longer the best thing since sliced bread, in fact the poor fellow is probably a dirty word almost, and we have a new gang coming in – Morrisons. Well I have had reservations about this but as part of this Government I agreed to the scheme, of course, because the arguments were persuasive. I just hope that all those arguments stand up and that this new scheme does produce value for money for this Government. Above all, I would like to see our road building schemes get back on track, that is a horrible pun isn't it? Let us have the people who are suffering in many ways including isolation, at least be able to move on the road system.

Mr President, I support the Motion for Adjournment.

The Commander British Forces

Your Excellency, Honourable Councillors, I would like to speak on two matters today. The first is the announcement in Parliament on 26 of this month (October) concerning the Force levels in British Forces Falkland Islands, and the second is the forthcoming low level, Anglo-Argentine search and rescue exercise. If I may turn first to the Force level reduction.

The Secretary of State for defence made the following Parliamentary written statement on British Force levels in the Falkland Islands on 26 October. I quote –

“The Government remains firmly committed to the defence of the Falkland Islands and the right of the Islanders to determine their own future. There are no plans to make changes to the strength of the front line forces stationed here. We have concluded, however, that minor adjustments can be made to some elements of the Falklands' garrison without diminishing our ability to ensure the security of the Islands. Those adjustments will reduce the number of servicemen and servicewomen stationed there by around 100. The first of these adjustments (the withdrawal of a contingent of Royal Engineers) took place in early September. The remaining changes will be implemented over the coming months. These changes are a further demonstration of this Government's efforts to ease the burden on the Armed Forces, where at all possible.”

If I may suggest, the key points to note are that first of all the greatest part of this reduction has already taken place with the withdrawal of the contingent of Royal Engineers. The remaining measures are minor and involve only a handful of personnel, so I do not propose to comment in detail on the nature of those measures. The changes are the result of work that was begun in 1998 and they are not connected with the United Kingdom/Argentine Joint Statement of 14 July. The withdrawal of the Royal Engineers does not affect my ability to ensure the safety of the remaining Argentine minefields on the Islands. Those Royal Engineers who are involved in minefield monitoring and maintenance will remain here.

The Government remains firmly committed to the defence of the Falkland Islands and the right of the Islanders to determine their own future, and these minor adjustments will not affect British Forces Falkland Islands' (BFFI) ability to ensure the security of the Islands. The front line capability of BFFI will not be affected.

If I may now turn to the search and rescue exercise. The forthcoming Anglo-Argentine small-scale search and rescue exercise was one of the items agreed at the Defence Co-operation talks held in London in November 1998. The exercise scenario follows an actual search and rescue incident in the South Atlantic last year, in which both our Forces and Argentine Forces worked together to rescue the crew of a vessel sinking south of the Islands. The exercise will take place in the period 1 to 4 November, in international waters, some 220 miles south east of the Islands. The exercise will involve the Falkland Islands guard ship, the SAR helicopter and the C130 (that is the Hercules) based at Mount Pleasant Airport. A similar level of forces will be provided by the Argentines, and it is not planned that any Argentine Military Forces or personnel will land on the Islands.

The exercise is seen as an important step in the United Kingdom/Argentine defence relations. It will promote trust and understanding and has a clear humanitarian and training benefit by preparing my Forces and Argentine Forces to deal more effectively with future combined search and rescue incidents in the South Atlantic. This is particularly the case in the view of the recent search and rescue incidents involving fishing vessels and of course the increase in the number of cruise ships visiting the South Polar region. It makes sense to use Forces drawn from British Forces Falkland Islands, as of course it would be those Forces, which would be involved in any genuine incidents as they were in 1998.

I would re-emphasise that the security of the Falkland Islands will not be compromised by this exercise.

Mr President, Thank you.

The Honourable the Financial Secretary

Mr President, Honourable Members, I welcome the comments by Councillors Cheek and Summers on the control and management of the public finances. I can confirm that the public finances are reasonably healthy and we can look forward with cautious optimism. But, to maintain and improve upon that position, vigilance and better housekeeping are absolutely essential, in particular, with regard to the way we budget and the control of public expenditure in order to obtain value for money. With the support of Honourable Members we are well under way in a process to achieving this end.

I support the Motion for Adjournment.

The Honourable the Chief Executive

Mr President, Honourable Members, I would merely report that there is a cure for logorrhoea and with the help of Honourable Members I believe I have found it.

(Laughter.)

I beg to move.

His Excellency The Governor

Thank you. If there is no one else who wishes to take the floor I will make just a few concluding remarks myself. No one else? I won't detain you long.

First of all, whilst I think that the company itself will have passed messages of condolence to the family of the fisherman who was tragically lost at sea, I will also make sure that that has happened on your behalf through official channels.

Touching on the question of the Force levels and the joint exercise to take place in a couple of days time, I think it is also useful to recall (as the Honourable Sharon Halford mentioned) that we had a major exercise conducted this past week, with the engagement of the Falkland Islands Defence Force. That, amongst other things, is a demonstration of the continued resolve, skill and effective presence of defence in the Falkland Islands.

I should say a few words on fisheries, though not to go on at great length. I think it has been useful, both that Councillors, several among you, have recently been in the United Kingdom, and have called including on Ministers, and that also you saw that officials not only from the Foreign Office but from

the Ministry of Defence were here more recently. I think all of that and the reporting done from here by the First Secretary, by myself, by our predecessors, have left London in no doubt that we need to work out satisfactory answers in what is a very complex area.

I will really say no more, other than to confirm, as the Honourable Richard Cockwell mentioned, that there is to be a key meeting this coming week in London and I look forward to communicating with Councillors about the outcome of that meeting.

Perhaps the only other item I would like to address, but not in great substance, is the question of what I suppose is Constitutional amendment (or maybe it is political development, political evolution). I think there are some changes that have been hinted at, which can be made without actual Constitutional amendments. On those I think we can develop quite quick, swift responses.

In my months here, it has seemed to me that our present situation is not the perfect one for the state of the political reality that we have reached and that there is scope for a discussion of the institutions that we have, how they might be adapted to the circumstances of today and of - if you will - the new Millennium. As Honourable Members have indicated, this is a process for which Her Majesty's Government is supportive. The term of the White Paper, of the policy, is one of partnership, that means that the relationship is a two way street, and we see in certain areas that the obligations which Her Majesty's Government has internationally, have to be dealt with in some of the legislation which might otherwise seem of a very domestic nature. It is, for example, the case of the Bill that we have adopted this morning and whilst I was, in a sense, on the defensive on that issue at the last meeting of the Legislative Council, let me again pay tribute to the work that the Attorney General has done to bring this Bill to the present, satisfactory state. Some of the difficulties that he was having to address were, some rather abstruse questions, but questions related to the United Kingdom obligations under international law. No more on that.

Thank you for the kind words that have been said about the Foreign Office. I think that those of you who have been in this business a bit longer than me, I hope that they do recognise the attitude of the Foreign Office is instinctively to forward your interest. That is the attitude, perhaps accentuated by the creation of an Overseas Territories Department. To have the will is not necessarily always immediated to be able to deliver the result, but the will unquestionably is there, and we will continue to work at it in areas that are particularly difficult, but which are particularly important for all of you here.

Thank you very much for your time this morning. If there is no other business, I declare the meeting adjourned.

Continued this 13th day of December 1999
Donald A. Lawson
Governor

**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 16 DECEMBER 1999**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 16 DECEMBER 1999**

PRESIDENT

His Excellency The Governor
(Mr Donald Alexander Lamont)

MEMBERS

Ex-Officio

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

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

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

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

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

PERSONS ENTITLED TO ATTEND

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

The Commander British Forces Falkland Islands
(Brigadier David Vernon Nicholls RM)

CLERK: Claudette Anderson

PRAYERS: Padre McHaffie

APPOLOGIES

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

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**LEGISLATIVE COUNCIL
HELD ON 13 DECEMBER 1999**

6

Prayers

His Excellency The Governor

Good morning Honourable Members, Ladies and Gentlemen and those who are listening on the radio. It is a pleasure to be presiding over this meeting of Legislative Council on a glorious Falklands morning. It is a pleasure not to be presiding on a Saturday; it is a pleasure not to have to issue a public statement of the state of health of the Governor on this occasion. I refuse to indicate that this will be the last Legislative Council of the Millennium, on the basis that I am one of that dwindling minority who believes the Millennium starts in 2001. It will, however, be the last meeting of the Legislative Council attended by the present Commander British Forces, Brigadier David Nicholls, more of that I am sure anon.

To business first. I would record that we have received appologies from Councillor Bill Luxton who cannot be with us this morning. May I hand over to the Clerk of Councils?

Clerk of Councils

Confirmation of the minutes of the meeting of Legislative Council held on 30 October 1999.

The Honourable Mrs JL Cheek

- On page five – second paragraph, third line – change the word “ex-patriot” to “expatriate”
- Page eight – second paragraph, first line – replace the word “loose” with the word “lose”.

His Excellency The Governor

Are there any other comments on those minutes subject to typographical corrections?

Clerk of Councils

Papers to be laid on the Table by the Honourable the Financial Secretary.

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

- **The Co-operative Society's (Audit) Order 1999**
- **The Animal Health (Additional Notifiable Diseases) Order 1999**

The Honourable the Financial Secretary

I beg to lay on the Table the papers named by the Clerk.

QUESTIONS FOR ORAL ANSWER

QUESTION No 19/99 BY THE HONOURABLE M V SUMMERS OBE

Mr President, Honourable Members, would the Honourable Norma Edwards please advise the current status of the abattoir project, including anticipated dates for conclusion of the price negotiation process? Could she also advise the anticipated start date for construction and how it is anticipated that farms from the West will be able to deliver livestock to the abattoir?

The Honourable Mrs N Edwards

I thank the Honourable Mike Summers for his question. Mr Ian Cox, acting on behalf of FIDC, met with Mr Mike Wilks of Tilbury Douglas on 21 November 1999 to discuss the approach to take, to achieve a reduction of the tender price of the proposed abattoir project. Mr Wilks had offered an open book on his tender and various aspects of buildings, equipment, machinery and excavation costs, together with risk factors. Fees and profit margins were examined and it was agreed that every aspect of the tender is to be examined for any possible downsizing of the whole project to be undertaken. Specification, reduction, use of local labour and craftsmen, to risk sharing and reduced margins all under the strict proviso that a revised design would comply in full with EU certification.

Various proposals have now been put forward for consideration. These are currently being evaluated by FIDC and their consultants Carl Bro. with the objective of preparing a response to these proposals. This will be tabled at a meeting with Tilbury Douglas in the week commencing 13 December 1999, which is this week. Unless it is felt that there are no grounds to continue discussions, it is expected that design modifications and other analysis work which may be required will take until the end of January 2000. If it is concluded at this point that Tilbury Douglas cannot achieve budget, and Carl Bro. insists the budget can be achieved, then we will have to go back to Brussels once again requesting that we be allowed to negotiate with a short list of firms to achieve our objective.

The General Manager FIDC will be meeting with Tilbury Douglas and Carl Bro. In January during his annual leave, to progress the project. It is not possible at present to give a start date for the project, but it is hoped that towards the latter half of summer this year work will begin. It is anticipated that sheep from the main Island, West Falkland, will most easily be transported from Port Howard to either Port San Carlos, Port Sussex or Brenton Loch, until such time as Newhaven has the facilities and a

road to cope with the handling and transportation of animals. Once landed on the East Falkland, it is anticipated that the animals will be transported by truck overland to the abattoir. The additional cattle handling facilities are in the process of being built at Fox Bay for the transportation of cattle and I have no doubt that it will be completed before the abattoir is.

FIDC and the Agricultural Veterinary Department intend to be in close consultation with Byron Marine regarding the collection and transportation of animals from the main West Island and the outer Islands, and to this end have funded the necessary matting needed for MV Tamar to be able to transport animals. If it is found necessary to provide more facilities to cope with animal transportation to the abattoir (i.e. more cattle yard sheep pens etc.) these extra works will be undertaken during the building of the abattoir, so that they will be completed before the abattoir is up and running.

The Honourable MV Summers OBE

I thank the Honourable Member for that response. Does she not agree that waiting until the end of January to see whether the price from the nominated contractor for negotiation is a little too long? Does she not agree that we should have some other contingency plan in place, and to be negotiating with other contractors in the meantime and making plans to change the funding arrangements for this important project, so that if the price doesn't come up to our expectations and the European Union do not agree to us negotiating with other contractors, that we have some other proposals in place? Most specifically that we might fund the project ourselves and use Stabex money for some other purpose?

Does the Honourable Member also not agree that the transport arrangements still sound a little vague considering the importance of this project to the people on the West?

The Honourable Mrs N Edwards

Yes I would agree with the points that the Honourable Gentleman has brought up and I will relay them to the FIDC board when we meet tomorrow afternoon. I have always been of the opinion that if it was too difficult to deal with at the EU, then we should fund this project ourselves. At the present time the cattle yards at Fox Bay are in the process of being built and Mr Nigel Knight undertaking this project is waiting for wood to be delivered. Now I understand that there are pens available at Port San Carlos for animals to be kept there before transportation if necessary, but again I will put your suggestions to the FIDC Board to hurry the project along as best I can.

QUESTION No 20/99 BY THE HONOURABLE M V SUMMERS OBE

Mr President, would the Honourable Sharon Halford please advise which of the major Capital Works Projects planned to be executed by, or under the supervision of the Public Works Department during this financial year, have commenced, and are there any planned projects which are expected to be delayed more than two months beyond their anticipated start dates?

The Honourable Mrs S Halford

Mr President, Honourable Members. It is assumed that for the purpose of answering this question, that major capital projects are those in excess of £250,000 in value.

The North Camp road has commenced and is on course to finish ahead of programme. East Stanley phase 5A has commenced and is on course to be completed on programme. Preliminary work, design work, procurement of materials etc. has commenced on the following projects:

- Expansion of the Infant/Junior School; and
- The Fisheries Estate infrastructure.

The Fisheries Estate infrastructure is scheduled to commence early in the New Year with completion this financial year.

As for the expansion of the Infant/Junior School, the architect has been appointed and his team visited the Islands in October and November 1999. Design is underway. Award of contract is currently programmed for June 2000, with an immediate start. A start on site cannot be made until the FIDF have relocated to their new facility.

It is not possible to answer the second part of the question as projects are not programmed in that level of detail prior to commencement on site. In addition, some parts of the project procurement process, for example site identification, feasibility and options studies, engineering appraisals and cost estimates are still underway, even though funding has been allocated this financial year.

The disabled accommodation is scheduled to commence on site this year. The site originally chosen was subsequently found to be unsuitable. An alternative site has been identified and was accepted by Executive Council on 25 November 1999.

The relocation of the Falkland Islands Defence Force is also scheduled to commence on site this year. This was not originally in the major project category, as provision had been made for temporary relocation only, with the new FIDF building scheduled for the financial year 2001/2002. Changes in plans have resulted in the new build being brought forward.

The new police station will probably be delayed this year. It was scheduled to commence this year with completion next financial year. Start on site is likely to be delayed. Completion next year remains feasible.

The Honourable MV Summers OBE

I thank the Honourable Member for that detailed answer.

Does she not agree then, that the programme of works for this year is bound to be considerably under-spent? We will have surplus funds in the Capital Programme that are not spent this year. Would she agree therefore that we should look urgently at any other projects that were postponed or curtailed this year, and see whether we can't allocate funds to those? Particularly, I have in mind the west road to Port Stephens.

The Honourable Mrs S Halford

I agree with the Honourable Member that that would seem a very sensible suggestion. I am sure, however, the Treasury would be involved in this as well, as various delays this year were caused by Treasury, who instructed that projects not already commenced should be reviewed. Therefore, I suspect anything that we suggest for this money to be spent on, the Treasury would also like to review that before we start. I do, though, agree that it would be a good idea to do so.

The Honourable JR Cockwell

In view of the fact the Honourable Sharon Halford talked about projects only over £250,000, could she confirm that both the work on the Fox Bay to Port Stephens road and also the Darwin to North Arm road have actually commenced?

The Honourable Mrs S Halford

The work on the road to North Arm has commenced, and I was speaking to the contractor the other day, who hopes to have it finished very soon. I believe the other work is due to commence on 14 of this month (December).

QUESTION No 21/99 BY THE HONOURABLE M V SUMMERS OBE

Mr President, Honourable Members, will the Honourable the Financial Secretary please advise when the tax regulations relating to businesses were last reviewed, and whether he would recommend a further review to ensure that favourable provisions designed to encourage capital creation and reinvestment are not being abused?

The Honourable the Financial Secretary

Mr President, Honourable Members. A special Committee was formed to undertake a detailed review of the Tax Legislation and Regulations in 1993. Its recommendations resulted in a new Taxes Ordinance in 1994. The prospect of oil exploration and

exploitation led to further amendments in 1996. That, along with several other minor amendments were consolidated in the Taxes Ordinance 1997.

Tax policy is continually under review and evolving to meet the changing economic environment in the Falkland Islands. The review in 1993/1994, incorporated provision designed to encourage capital investment and the creation of new businesses. At the same time it closed loopholes and generally made the tax system more equitable. Provision for the claw back of deferred tax on the sale of depreciable assets, or the closure of a business in an example of tightening up the previous possibility of tax revenue being lost.

The introduction of a pay and file system prevents companies from using tactics to delay the payment of tax. As a consequence, all companies have the same time from the end of their fiscal year, to file their accounts and pay any required tax.

The Taxation Office considers that the current tax system is consistent with the designed intent. No tax system is perfect and there will always be attempts to abuse the system. In addition to being a primary source of funding public expenditure, the tax system is also an economic tool to encourage and discourage activities to achieve public objectives.

As such, it should be dynamic and continually subject to review. It is considered that significant cases of abuse do not exist and therefore, a detailed review is not warranted at this time. Any anomalies that do come to the attention of the Taxation Office, can be considered under the ongoing internal review process and appropriate amendments recommended as required.

The Honourable MV Summers OBE

I thank the Honourable the Financial Secretary for that answer.

Could the Financial Secretary please confirm to the House that the Taxation Officer does not suffer from the same difficulties as the Registrar of Companies in terms of failure of companies to provide tax information on a timely basis?

The Honourable the Financial Secretary

Mr President, Honourable Members, I can confirm that those delays do occur but there are penalties for the late submission of information and those are imposed. It is hoped that the Company Law Reform will help in tightening up reporting requirements for the companies registrar and also for the submission for tax purposes.

QUESTION No 22/99 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members, can the Honourable Norma Edwards please explain the procedure for renewing temporary planning permission for portacabins?

The Honourable Mrs N Edwards

Mr President, the Honourable John Birmingham, permissions for the siting of portacabins and other temporary buildings are normally only granted for a limited period of two years in the first instance. If, however, the structure had been re-roofed and clad so as to turn it into a more permanent building, permission is not usually limited in that way.

When the application for renewal of temporary planning permission for the siting of a portacabin or any other temporary building is received, the Building Advisor or the Environmental Planning Officer inspects the structure and makes recommendations on the basis of that inspection, also bearing in mind the Planning and Building Committee's original reason for issuing temporary consent. If the structure has not been clad or re-roofed but appears sound, the proposal does not conflict with Government policy and no objections have been received in response to the publicity given to the application, the Planning and Building Committee will generally resolve to renew the temporary planning permission for a period of two years.

If the structure appears sound but would benefit from some maintenance or a coat of paint, a condition would usually be imposed on the renewal of temporary permission, requiring certain remedial works to be carried out within a specified period of time. On the other hand, if the structure appears to be unsound then planning permission may well not be renewed. When temporary planning permission has been renewed for two consecutive periods of two years it is normal practice for the Planning and Building Committee to advise the applicant that the next time the application comes up for renewal, the committee is not likely to renew that consent, instead it will require the unit to be clad and provided with a pitched roof within a specified short period of time of say six months. Thereafter, permission for sitings of any portacabin or similar structure would not normally be constrained by any time limit.

The Honourable J Birmingham

Mr President, Honourable Members, I thank the Honourable Member for that very full answer. I don't sit on the Planning Committee very often now, but I recall the last time I sat there, quite a few of the requests to the Committee were for renewal of planning permission for structures that had already been in place for some years and my real question is, at what time will a temporary building become permanent?

The Honourable Mrs N Edwards

Yes, well that is a question which is quite frequently asked at the Planning Committee and I think it depends largely on the advice from the Environmental Planning Officer and the Building Advisor. If they advise that it may no longer be a temporary building then the Planning Committee are perfectly happy to go along with that. As to the number of years at which it remains a temporary building is a movable feast.

The Honourable J Birmingham

Thank you. I still have a problem and I wonder if the Honourable Member could explain if the Committee are going to do anything about this problem, in that some temporary portacabins have been there for some ten years now and I wonder if in ten years time the Committee and the Environmental Planning Officer will still be churning out the same paperwork every two years for buildings that have been there for twenty years. On and on it goes. Does she think that something could be looked into to change this particular ruling?

The Honourable Mrs N Edwards

Yes I am sure that we could put a paper to Executive Council for approval to say at exactly what period in time a temporary building doesn't become temporary. However, I think we will still have the same problem, because if the planning permission is then required again by the owner and the Building Advisor or the Environmental Planning Officer says 'well no this really doesn't yet comply, however, it is in a fit state to remain but you must do the necessary business to make it permanent', then it may go on for a few more years. Some things take a very long time at planning and building as you well know, I think.

The Honourable J Birmingham

Thank you very much for that. So in effect, what we are saying then is that if at some point the Planning and Building Advisory Committee decide that a building is such now that it can become permanent, then it will get permanent permission, and there will no longer be all this paperwork churning out every two years for these dozens of portacabins that have been there for so long?

The Honourable Mrs N Edwards

I would think that that would be the right way forward, however, I think it would need approval from Executive Council to say that this has been a temporary building for X number of years, and it now may become permanent.

The Honourable J Birmingham

I thank the Honourable Member for her answer. I would just make the point that the house I am living in, which is 143 years old, was put up as a temporary building.

His Excellency The Governor

I was about to comment that I remember being educated in a corrugated iron hut that was put up as a temporary structure but it might be suggested that that was 143 years ago, so perhaps I should avoid the comparison.

The Honourable J Birmingham

Certainly not Governor.

The Honourable Mrs N Edwards

Can I just say to The Honourable John Birmingham that these buildings remain temporary for so long they will probably go under the historic buildings thing eventually.

QUESTION No 23/99 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members, can the Honourable Sharon Halford confirm that there is progress on the FIDF moving from the present location?

The Honourable Mrs S Halford

Mr President, Honourable Members, yes, I think I answered this question partially in the previous question I was asked.

Construction of the new FIDF Headquarters building has subsequently been considered, at the same time a number of alternative sites have been looked at. The identification of a site meeting the requirement of the force and capable of development in accordance with those requirements, at a price within the allocated budget, has resulted in a delay. Until this process of identification has been concluded it is not possible to provide a date for the relocation.

At the meeting of the Planning and Building Committee on 2 December 1999 they considered applications submitted by the Officer Commanding FIDF for outline planning approval for the erection of a new FIDF headquarters building on two sites. One site is adjacent to the proposed new police station on the east side of the Darwin Road, and the other is on the West of Lookout Lodge.

Approvals were granted in respect of both sites and the cost of the development of each to meet the requirements of the force is now being evaluated.

The Honourable J Birmingham

I thank the Honourable Sharon Halford for that answer. I wonder if the Honourable Member agrees with me that now might well be the time for somebody, presumably within Public Works Department, to look into the ways of disposal of the present FIDF Headquarters and not leave it until a month before they are deciding to go?

The Honourable Mrs S Halford

That is a very good point and I am sure they will take that on board.

The Honourable MV Summers OBE

Could the Honourable the Financial Secretary confirm to me that the removal of the FIDF, construction of the Junior School, construction of the new police station and none of the roads projects were ever subject to the Treasury delay for review that was referred to in an earlier question?

The Honourable the Financial Secretary

Mr President, Honourable Members, I can confirm that it was decided at Select Committee not to conduct an appraisal on those specific projects that the Honourable Member refers to, so there was no delay or no review.

QUESTION No 24/99 BY THE HONOURABLE JOHN BIRMINGHAM

Mr President, Honourable Members, can the Chairman of the Environmental Committee tell me what the view of the Committee is on the burning of white grass in the Camp in early spring?

The Honourable Mrs S Halford

Mr President, Honourable Members, I recently inherited this Committee. On 23 November 1998, members of the Environmental Committee voiced concern about the late burning of Camp, and the perceived threat to nesting birds. They considered whether measures should or could be produced to restrict the burning of the camp to the early spring, before the start of the main breeding season.

Members were opposed to a total ban on the grounds that when used wisely, burning can be a useful land management tool. For instance, controlled burning of small and well defined areas of white grass camp, both cultivated and uncultivated for the purpose of pasture improvement, is widely regarded as an acceptable and successful practice. It provides a means of removing a large proportion of the dead herbage and trash in the pasture and provides a suitable environment to the establishment of new pasture. After some discussion the committee agreed that one way forward might be to draw up a voluntary code of practice for discussion at a future meeting of the Committee. A first draft code of practice was discussed at the Environmental

Committee on 16 March 1999 but no agreement was reached on the exact wording. Instead, members agreed that it would be useful to flag the issue, and the proposed introduction of a voluntary code of practice for consideration by farmers and land owners possibly at a seminar arranged during Farmers' Week. However, the matter was not discussed during Farmers' Week, and at meetings of the Environmental Committee on 29 October and 23 November of this year, members again expressed concern about the continuation of burning into October and November.

Members considered that this activity would be better carried out before the end of September, because thereafter it poses an unnecessary threat to nesting birds and chicks. If it is not properly controlled, it can damage the soil and other vegetation. The preparation of an amended draft code of practice for consideration by farmers and land owners was recommended as the best way forward.

The Honourable J Birmingham

I do apologise for putting you in a position there. Mr President, I actually put this question in before the Chairman of that Committee changed over, and I know that Councillor Luxton was looking forward to answering that question but it was ably answered anyway by the Honourable Sharon Halford. It is a serious issue, and I think it needs more open discussion. I thank the Honourable Member for her answer.

The Honourable DL Clifton

Mr President, Honourable Members, the Honourable Sharon Halford has referred to a voluntary code of practice, can she give an assurance to this House that there will be such a code introduced before any burning takes place next spring?

The Honourable Mrs S Halford

I would certainly hope that that will be the case. Our next meeting is scheduled for January when this code will be before the Committee. Thereafter, I hope it will go out to the general public for a time for everybody to have a look and add their comments.

QUESTION No 25/99 BY THE HONOURABLE SHARON HALFORD

Would the Honourable John Birmingham indicate what measures are in place to ensure that any vehicle drawn from the FIG vehicle pool will be in roadworthy condition, and have with it a useful spare wheel and a working jack?

The Honourable J Birmingham

Mr President, Honourable Members, the tables have turned slightly here. The incident to which the Honourable Member refers and I think it is well known that the Honourable Member ended up hitchhiking on the MPA road some time ago. It was unfortunate but I would like to make a few points here. The lack of a spare wheel,

according to the police, does not make a vehicle unroadworthy. The vehicle did leave the Central Store without a spare wheel that was fully inflated. You could say it didn't quite have the right gear, but nevertheless it did. It was just an unfortunate mishap and over the period of the 18 months that the FIG vehicle pool has been in use, over 260 vehicles have been taken out, and that is the very first incident there has been. What is going to happen now, is that the pool vehicles will go to the Megabid workshops, where they will be inspected, cleaned, and then returned to the pool for hire. An incident like this shouldn't happen again.

On behalf of the Managers of the pool may I apologise to the Honourable Member for wearing out her shoe leather? By the way, the Police were asked who would be liable if the FIG were be put an unroadworthy vehicle on the road and it turns out that both the driver and the FIG as owners would be liable. Mr President, I hope that answers the question.

His Excellency The Governor

Thank you very much the Honourable John Birmingham. An apology with a sting in the tail.

The Honourable Mrs S Halford

I would like to thank the Honourable John Birmingham for his response but I would also like to assure him that that was not the only incident. I have myself seen letters of complaint about vehicles taken out from the pool. In fact, the day after that particular incident the same vehicle went out in the same state. I know that has now been corrected and I thank you for it.

The Honourable J Birmingham

Mr President, Honourable Members, obviously it is not in my nature to disagree with the Honourable Sharon Halford, but my information is that on that occasion following the day which she was going for a hike, there wasn't a vehicle leaving the pool that didn't have all the equipment on board, so perhaps we can discuss it later on. Thank you Mr President.

The Honourable DL Clifton

Mr President, Honourable Members, there is a serious side to this issue which occurred. That is that had that pool vehicle been passed out to a very unsuspecting driver in the middle of winter, without any sleeping apparatus, and if the vehicle had come off the road or indeed if it had had a puncture, the consequences may have been more dire than they actually were. I thank the Honourable John Birmingham for his assurance, but can he and the vehicle managers make sure, that future drivers, and certainly those who may be somewhat novice to driving circumstances in the Falkland Islands, are properly briefed on the 'dos and don'ts' of hiring out a pool vehicle? Thank you.

The Honourable J Birmingham

Mr President, Honourable Members, yes there is a serious side, of course there is, but could I just repeat that since the pool system was put in place they have hired out 260 vehicles and that is the first incident that has been confirmed to me. With regards to drivers who may be somewhat inexperienced, they themselves should be responsible enough to tell the people they are dealing with at the pool where they are going to, how long they are going to be, in fact their Heads of Department should make sure that they are aware and fully kitted out.

The Honourable DL Clifton

The issue is of course this – pool vehicles are hired out, they may travel long distances and if there is a single driver and an incident does occur, there is no form of communication. Will my Honourable Colleague look into the necessity of putting in two-metre radios at least into those pool vehicles so that there is a form of communication especially if they are going beyond the distance of Mount Pleasant.

The Honourable J Birmingham

Mr President, Honourable Members, if Honourable Members will give Central Stores the money they would be more than happy to have, on standby, a couple of two-metres for that very purpose.

QUESTION No 26/99 BY THE HONOURABLE LEWIS CLIFTON

Mr President, Honourable Members, will the Honourable Richard Cockwell make a statement on the outcome of the November meeting of the South Atlantic Fisheries Commission?

The Honourable JR Cockwell

Mr President, Honourable Members, the Joint Statement emanating from the 16th meeting of the South Atlantic Fisheries Commission has already been communicated to all Honourable Members so I will not read it out here. I personally believe the meeting achieved about as much as could be reasonably expected in view of the transitional phase in which the Argentine Government was at the time of the meeting. The 16th South Atlantic Fisheries Council built on the commitments made on the 14th July 1999 and the subsequent ad hoc SAFC. The changing Government in Buenos Aires had the effect of making the Argentine delegation rather cautious in their approach, but despite this, progress was made. There was a broad consensus among the scientists on the problems facing the Southern Blue Whiting stock, and work which needed to be done to improve the assessment of the Illex squid. Progress was also made on co-ordinating an effective approach to deter and prevent poaching. Reassurance was obtained on key fisheries issues set out in the 14 July Statement. Subsequently, however, there is still a requirement to translate this into a long-term commitment.

The Honourable DL Clifton

Mr President, I thank my colleague the Honourable Richard Cockwell for that reply. Given the somewhat cautious nature of the new Argentine Government, does he feel one hundred percent confident, that the measures that we had agreed up until now will all be in place, up and working for the commencement of the Illex fishing season which is the 15 February?

The Honourable JR Cockwell

Mr President, Honourable Members, it is very difficult to be totally confident about these things. However, all the arrangements are being put in place to have them established before the start of the Illex fishing season and I believe it is our intention that there should be another meeting prior to the beginning of the Illex fishing season, to ensure that the measures that were proposed and agreed at this last meeting are actually in place, but the date of that meeting is yet to be confirmed.

The Honourable MV Summers OBE

Can the Honourable Richard Cockwell advise whether the access conditions to the Argentine Illex fishery have yet been conveyed to the Falkland Islands Government? If they have, are they roughly similar to our own.

The Honourable JR Cockwell

Mr President, Honourable Members, this time I have not been informed whether the access conditions have been transmitted, although we are expecting them. They haven't been passed on to me but as soon as they are, I will notify the Honourable Member.

QUESTION No 27/99 BY THE HONOURABLE LEWIS CLIFTON

Mr President, Honourable Members, will the Honourable Sharon Halford make a statement on the 1999/2000 West Falkland road programme?

The Honourable Mrs S Halford

Mr President, Honourable Members, the programme for road construction this year on West Falkland includes installation of culverts at the Blackburn river crossing, repair of some section of the Main Point track and construction of up to 10 Kilometres of road from Fox Bay towards Port Stephens, funding permitting. Prior to commencement of these works, substantial repairs were required on the plant. The Public Works Department is carrying out all this work using directly employed seasonal labour. The construction works on the North of West Falklands and the repairs to the plant are substantially complete and work on the road from Fox Bay to Port Stephens is scheduled to commence 14 December. It is envisaged that the funds allocated to this project will be used during this construction season.

The Honourable DL Clifton

Mr President, I thank the Honourable Member for her reply. Will the Honourable Sharon Halford confirm that in so far as there has been a rough track cut out by Mr Porter, at some point down towards Port Stephens, that work will at least start beyond that point rather than to continue and make good for the moment? I deem it essential that the spine road, or something that resembles a spine road, is opened up rather more quickly than has been the case in the past, to Port Stephens. I look to the Honourable Lady's assurance that the Public Works Department will not go over what has already been done by way of a further delaying tactic. Thank you.

The Honourable Mrs S Halford

Mr President, Honourable Members, I am afraid that the Councillor is far more familiar with that part of the Falklands than I myself am. However, I would hope that any work that had been done would be added to, rather than rebuilt upon.

The Honourable Mrs N Edwards

I believe, well I know, that they will be building from the existing road around from Fox Bay East to West, across our big horse paddock, to meet up with the work that has been done by Mr Porter and his gang, but I believe it is intended to carry on, not to start beyond the point that Porter's repairs end, but to start out from the existing road. However, I will check up on that and let you know. It is happening in my back yard so I can easily do that for you.

The other thing is, could the Honourable Sharon Halford assure me that next winter, the Public Works Department will do the maintenance on the vehicles which are necessary to start the summer work, in the winter, rather than leaving it until the summer to go out and mend the vehicles?

The Honourable Mrs S Halford

Mr President, Honourable Members, strangely enough I had anticipated that somebody might just bring this particular point up and it was a question I myself had asked as well. I was told that the reason that the maintenance did not start in full scale in the winter was that there is a set amount of expenditure laid down for this season and a slightly delayed start would still enable all that expenditure to be spent. It will be a shorter season this year because of the amount of funding available.

The Honourable JR Cockwell

I too was going to ask the same question, but in view of the answer I believe that we should have an assurance that next season this will not happen, irrespective of how much money is made available, because if, as we have discussed earlier on today, there is surplus funds from other capital projects, these funds could be diverted to

ensure that we get the road programme completed as soon as possible because it is essential to get the road programme and the spine road down to Port Stephens, also other spine roads, completed as soon as possible. This sort of delaying tactic is not in the interests of the road building programme.

The Honourable Mrs S Halford

Mr President, Honourable Members, I will endeavour to convey all this to the Director of Public Works, and would sincerely hope that works will be carried out in the winter, as I said previously, I too did enquire into why the work hadn't been carried out in the winter, rather than at the beginning of the season.

The Honourable DL Clifton

On the same subject, Mr President, can I ask the Honourable Sharon Halford if she can assure this House that there is now maximum output from the labour force, which was previously going across to West Falkland on a weekly basis in order to do some days work and this has now changed and that the folk who do go from Stanley to work on the West Falkland Road are there for a longer period than part of a working week?

The Honourable Mrs S Halford

Mr President, Honourable Members. Yes I would confirm that they are now there for longer than a working week. I believe that they have a two and a half week period on the West, and then have a long weekend in Stanley. At least that is the information I have and I am sure that would work far better than coming home every weekend.

The Honourable J Birmingham

Mr President, Honourable Members, would the Honourable Sharon Halford agree with me that we all look forward to the day when the road system in Camp is completed?

The Honourable Mrs S Halford

I am sure we all do look forward to the day when the road programmes in Camp are completed, especially if we can all benefit from them.

(Hear! Hear!)

The Honourable Mrs N Edwards

There is no reason why you shouldn't.

QUESTION No 28/99 BY THE HONOURABLE D L CLIFTON

Mr President, Honourable Members, will the Honourable Norma Edwards advise what progress has been made in respect of the provision of residential off-street parking in Stanley? Could she also advise when the residents of John Street – that is between Villiers and Barrack Street, may expect to secure improved on-road parking arrangements?

The Honourable Mrs N Edwards

Mr President and Mr Clifton. A draft report on the introduction of a system of grants for the provision of off-street parking spaces is being prepared by the Environmental Planning Officer for consideration by the Traffic Management Working Group, the Planning and Building Committee and, thereafter, Executive Council. It sets out the scheme of grants under which domestic and commercial properties already affected by traffic congestion and lack of parking, together with those areas affected by the imposition of traffic restrictions under any Traffic Management Scheme would qualify for limited grant assistance. As part of a Traffic Management Scheme for Stanley, the report proposes the allocation of a modest financial budget for the operation of this scheme for an initial period of one year. At the end of the period, the effectiveness of the scheme and its value for money should be assessed before any other budget allocation is made. The report proposes that priority be given to streets which would benefit most from off-street parking and that these be targeted in turn on a street-by-street basis. This way the benefits will be greater and more immediate than if the grants were to be directed towards a random selection of sites scattered throughout the town. Applications would be processed by date of receipt, and provided the application meets the qualifying criteria, represents good value for money and the budget allocation is not exceeded, limited financial support towards the grant eligible costs incurred will be considered in accordance with an agreed level of grant assistance.

John Street is one of the streets proposed in the report for priority treatment for the provision of off-street car parking spaces. However, improved on-street car parking arrangements will only be realised once the proposed off-street parking spaces for school staff has been provided, and the FIDF Headquarters has been relocated. A decision has been made to provide the former on the eastern side of Villiers Street as part of the Junior School development and a decision to relocate the latter has also been made in principle as the actual site for that relocation is still to be selected. However, as the Honourable Sharon Halford has said, this may well progress a little bit more quickly now that the sites for the new FIDF building have been agreed.

The Honourable DL Clifton

Mr President, Honourable Members, I thank my colleague, the Honourable Norma Edwards for that reply. This question did of course have a slight sting in the tail. We have been talking about off-street parking and grants for nearly two years to my knowledge, maybe even longer. There is no provision there at all in terms of land for

off-street parking for the people who live on John Street, between the Studio and the rear entrance to the Police Station. On a daily basis they have all sorts of impositions placed upon them, of which I suspect no other resident in this town has. Given that the Honourable Norma Edwards' answer is one couched in a most certain further delay, will she take steps to ensure that the residents on John Street, who reside on the north side of John Street between the entrance to the Broadcasting Studio car park, and the rear entrance to the Police Station, are afforded fairly quickly, their own residential street parking?

The Honourable Mrs N Edwards

I can't assure the Honourable Lewis Clifton that this will happen. I will certainly undertake to push it forward as fast as possible. However, I think it also depends on the availability of the Public Works Department to provide the paving and what not that goes with off-street parking, and that may not be so simple to provide in a very short space of time.

The Honourable J Birmingham

Mr President, Honourable Members, just a couple of points there. On the potential grant system for people to build their off-street parking themselves, surely if somebody wished to have their vehicle off the road it would be far easier and there would be less bureaucracy, if there was a simple way of applying for a particular grant to build a concrete stand of a specification as laid down by the Public Works Department, rather than have an office, and some Government Officers going around deciding where this should go and that should go. I think that particular way is just putting things off.

I would like to scratch members' memories a little bit. Does the Honourable Member recall that there was a proposal 18 months ago to use the land behind the Upland Goose to which the Environmental Planning Office, FIC and certain members of Public Works Department were in full agreement. That proposal was turned down by this Council. That certainly would have eased the problem a fair bit, until the FIDF had moved. I just wanted to remind Members of that, thank you.

The Honourable Mrs N Edwards

Yes thank you Councillor Birmingham, but I think you will remember that it was decided at that time by this Council, that in the overall plan of things, we would like to use that particular area to the best of our ability in due course, and not to rush into any parking in that area at that time. If my memory serves me right, it was thought that the School may well have wanted that for other reasons.

The Honourable J Birmingham

Mr President, Honourable Members, the area that the Honourable Member is talking about doesn't belong to Government. It belongs to FIC and they were more than happy for that land to be utilised as a temporary car park.

The Honourable DL Clifton

The point that I was trying to make to my colleague the Honourable Norma Edwards was that for something like three houses that border this particular piece of John Street, is that they be provided with, by law if necessary, some qualification for residential, on-street parking. I raise this, because I am frequently asked by those residents what is going to happen. I think there was an FIDF exercise some weeks ago where one set of residents were unable to open their garage doors to remove their car without resorting to public announcements over the radio for vehicles to be identified, and to be removed. This clearly is a state of affairs that most of us around this Table would not put up with elsewhere. I am simply asking that there is some benefit provided for those three sets of houses on John Street, thank you.

The Honourable Mrs N Edwards

I certainly will push that ahead as far as I can, as quickly as I can and I apologise to those people that they had to wait too long.

Attorney General

I have noted the matter and will put a proposal before Executive Council.

The Honourable DL Clifton

I thank the Honourable Lady for her reply.

His Excellency The Governor

Any other questions? I think we have reached the end of the questions for oral answer.

Clerk of Councils

ORDERS OF THE DAY – BILLS

The Immigration Bill 1999. This Bill has been published in the Gazette and does not require a first reading.

The Honourable MV Summers OBE

Mr President, this Bill is a Bill to improve the Immigration Regulations in the Falklands in a number of ways. It reintroduces the requirement for work permits for all people without residence status wishing to work in the Falklands. It improves the management of visitors, workers and temporary permit holders to the Falklands and provides a set of regulations that are much more responsive to the workplace and the employment situation in the Islands on a general basis. I beg to move the second reading of the Bill.

His Excellency The Governor

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

Attorney General

The Motion will require seconding, Sir.

The Honourable DL Clifton

I am happy to second the Motion.

His Excellency The Governor

It has been seconded so does any Honourable Member wish to speak to the Motion?

The Honourable J Birmingham

Mr President, Honourable Members. Just as a matter for information to the general public, could the Honourable Mike Summers confirm that a work permit would not only be obligatory for people coming to work for the Falkland Islands Government, but also for the spouses of people working for the Falkland Islands Government?

His Excellency The Governor

I think if I am subject to correction on the procedure we have therefore automatically gone on to the proposition that we go into Committee, so someone would wish to.....

The Honourable J Birmingham

I stand corrected and I apologise, Mr President.

His Excellency The Governor

Well I am not an expert on the procedures by my seven months but I believe that is the correct reading of it. We therefore, I think proceed on the more protracted, as it were, procedure.

Clerk of Councils

The Immigration Bill 1999

His Excellency The Governor

I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 to 43.

Attorney General

May I then answer the question of the Honourable Member? Yes in both cases, subject to transitional provisions in relation to people already here.

The Honourable J Birmingham

I thank the Honourable Attorney General.

The Honourable Mrs S Halford

Mr President, I have a slight problem with this legislation. I have actually brought this up with the Attorney General prior to this meeting, that section 5(9) on page eight which says –

‘An Immigration Officer must not refuse permission to enter the Falkland Islands to a person who produces a United Kingdom passport describing him as a British citizen and as having being born at some place in the Falkland Islands.’

The point I would make is that in a British passport issued here, it does not state that you were born in the Falkland Islands. If you doubt that, I have brought my passport along so that you can check it. It merely states that you are born in Stanley. That could be Stanley in County Durham, it could be Stanley anywhere. I think that particular section is irrelevant.

Attorney General

I accept the Honourable Members' point. To cater for it I would suggest to Honourable Members that the sub-clause should be deleted, and that will consequentially mean that the subsequent sub-clauses will need to be appropriately renumbered and there will be appropriate renumbering of any cross reference in the

Bill. I can't at the moment identify them but if the House will leave it to me and the Clerk to correct the cross references.

His Excellency The Governor

Does that encounter any reservation or objection from others? You're all content with that?

The Honourable MV Summers OBE

Mr President I would seek an amendment to section 11(3) on page 12 of the Bill. The Section says that "An Immigration Officer may issue or extend a visitors permit first to authorise the holder to remain in the Falklands, for a period not exceeding four months, from the date he has entered in to the Falkland Islands."

I consider, and have considered during the course of considering this Bill that that period is too long and that it should be reduced to one month since there is provision for anybody who is here with a visitors permit, to have it extended by the Principal Immigration Officer for periods of up to 12 months. The Principal Immigration Officer can, of course, seek the advice of Executive Council in exceptional cases. I therefore propose that that period should be reduced from four months to one month.

The Honourable Mrs N Edwards

I second that.

His Excellency The Governor

Is that generally accepted? Any comments or dissent? That amendment seems to be carried unanimously. Are there any further comments or questions?

The Honourable Mrs JL Cheek

Mr President, Honourable Members, there is nothing I would wish to change, although I agree with that last amendment. I think we can't stress too much, the importance of controlling the numbers of people and the kind of skills they are bringing to the Islands. In a small society, there is a delicate balance to maintain, and I am not sure that we have got it absolutely right yet. Time will tell but I support the Bill.

His Excellency The Governor

Any further comments or questions at this stage? Then I take it that the Motion is that these Clauses stand as part of the Bill with the amendments to 5(9) – the relevant sub-clause being deleted - and 11(3) – four months is to be replaced by one month. If there is no objection, the relevant Clauses, as amended, stand as part of the Bill. No objection.

Clerk of Councils

Schedules 1 to 4.

The Honourable MV Summers OBE

Mr President, I would seek an amendment to Schedule 1, part 1(b) of the Bill, on page 35. As it stands, this part of the Schedule reads that the authorities of the following countries or parts of countries should not require visas (in the sense of it) and it goes on to say 'the United Kingdom and countries which, at the time in question are member states of the European Union or Mercosur.'

Sir, we have no relationship with Mercosur. We are not, I believe entirely familiar with the internal workings of Mercosur, and what they may or may not do in terms of Immigration or anything else, I therefore feel uncomfortable about including a blanket reference to Mercosur in this Bill. I would suggest, therefore, that it be deleted, and the countries Argentina and Brazil be added to the list of countries that follow that section. I deliberately did not include Paraguay which is, I believe a member of Mercosur since we have little or no knowledge of what is going on in Paraguay, nor do we have particular need of relations with Paraguay and therefore I suggest that only Argentina and Brazil for the present time are added to that list.

His Excellency The Governor

So the Motion is that the Schedule stands as part of the Bill with the Amendment we have just approved, there is no objection, then the Schedule stands as part of the Bill. Council resumes. Does somebody wish to move that the Bill be read a third time?

The Honourable MV Summers OBE

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

His Excellency The Governor

And a seconder? The Honourable Lewis Clifton seconds. The Motion is that the Bill be read a third time and do pass, any objection to the Motion? No objection, the Bill will be read a third time and passes.

Clerk of Councils

The Immigration Bill 1999.

The Taxes (Amendment) (No 2) Bill 1999. This does not require a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members, this Bill would make amendments to the Taxes Ordinance 1997, to reduce the allowance for earned income relief from 15% to 10% and to introduce a 40% income tax rate on chargeable income in excess of £35,000. The changes would take effect on income from 1 January 2000. It will be recalled that an adjustment to income tax rates and allowances was proposed by the Select Committee on 1999/2000 estimates. Subsequently, Executive Council considered two policy papers on the subject and decided upon the changes reflected in the Bill. Details of the proposed changes were published in the *Penguin News* on 6 August. It is anticipated that additional revenue of around £200,000 per annum will be generated. I beg to move the second reading of the Bill.

His Excellency The Governor

Does any Honourable Member wish to second that Motion? The Honourable Mike Summers seconds the Motion. Does any other Member wish to comment on the Bill or can we deal with it by the shortened procedure? No inclination, so we go to the short procedure. Are there any amendments desired to the Bill? No amendments are proposed, in that case I believe that I can now say that the Motion is that the Bill be read a third time and do pass. Is there any objection to the Motion? I see no objection to the Motion; the Bill will be read a third time and passes.

Clerk of Councils

The Taxes (Amendment) (No 2) Bill 1999.

The Land Acquisition Bill 1999.

The Honourable Mrs S Halford

Your Excellency, this Bill provides for powers of compulsory acquisition, which are wholly consistent with the Constitution. It seeks to make a provision which reflects adequately both public interest and the interest of a person whose property is the subject of a compulsory purchase order, or of a proposed compulsory purchase order. I beg to move the second reading of the Bill.

His Excellency The Governor

Does anyone wish to second that Motion? The Honourable Norma Edwards. Does any Honourable Member wish to raise any question or make any comment? In which case we go into Committee.

Clerk of Councils

The Land Acquisition Bill 1999.

Clauses 1 to 54.

His Excellency The Governor

I declare the Council to be in Committee.

The Honourable Mrs JL Cheek

Mr President, Honourable Members, may I please ask the Attorney General to outline the safeguards and appeal procedures that will be put in place by this Bill to safeguard landowners against arbitrary acquisitions, whether through FIG or FIDC via FIG for commercial purposes?

Attorney General

Mr President and Honourable Members. The Bill contains detailed safeguards in relation to the arbitrary use of power to compulsorily acquire land. First of all the Bill provides that there should be a general restriction on the exercise of powers of compulsory acquisition. Those are contained in Clause 3 of the Bill. Clause 3(1) states that –

“The Governor shall not exercise the power to acquire any land compulsorily unless he believes that:

- 1) it is not reasonably possible to acquire that land other than by the exercise of the power of compulsory acquisition;
- 2) the compulsory acquisition of that land is reasonably justifiable in a democratic society;
- 3) it is in the public interest that the land should be acquired by the use of the compulsory acquisition powers; and
- 4) arrangements have been or will be made for the prompt payment of fair and adequate compensation in respect of the land compulsorily acquired.”

That is the first and general rule set down by Clause 3 of the Bill. Secondly, the power to acquire compulsorily is subject to a number of stages being gone through. Clause 8 of the Bill provides that a draft Order shall be made. The draft Order of its own has no effect. That Order has to be published in the Gazette. The order must state the land affected and the public purpose or public purposes for which the land is required and it must also state the time within which objections to the making of the Order can be made. If any objections are made in principle to the making of the Order (that is the draft Order) that is to be referred to the Magistrate’s Court who, in effect, will hold a public enquiry. Objections and representations in relation to the making of the compulsory purchase Order will be noted, evidence will be taken down

by the Magistrate's Court, which will then report to the Executive Council. Executive Council will then have to consider, in the light of the report of the Magistrate's Court, whether they wish to proceed with the making of the Compulsory Purchase Order. If the Executive Council advises the Governor in the light of that report that the Compulsory Purchase Order should indeed be made, the persons affected will have a right of appeal against the making of the Order to the Supreme Court. That will be a formal appeal and that can be in relation to the acquisition ^{at all} ~~ator~~, the purposes for which it is acquired, and there is a separate right to make representations and have the Supreme Court fix the compensation.

Nobody, I think, really believes that compulsory purchase would ever be a totally welcome matter, although, in the interests of Government I think it is a power which Government must have. The Bill, however, provides checks, balances and safeguards for all those who are affected, in the nature of which I have just outlined.

The Honourable MV Summers OBE

Mr President, I am not yet wholly satisfied as to the provisions of this Bill. I think there are a number of issues that we need to discuss further and we should discuss further. I accept the advice of the Attorney General that the existing compulsory purchase legislation in the Falkland Islands is Draconian, probably non-constitutional, and needs to be replaced in some form. I don't believe that this Bill is especially urgent, and I think that we ought to take more time to consider its provisions and most particularly the provisions relating to the protection of the citizen and to ensure that the balance between the rights of the citizen and the public purposes are correct. I would, therefore, like to propose that this Bill be referred to a Select Committee of the Council to include all Members of the Council and the Attorney General, and that it be Chaired by the Chairman of the Lands Committee.

Attorney General

Sir, can I say immediately, in case anybody would think that I might be against that, I would welcome that course, and I would welcome the opportunity to explain in public all the provisions of the Bill which anybody might have any concerns about. I think this is an important Bill and I think it is right that it should be examined in detail.

The Honourable Mrs N Edwards

I would second that it goes to a Select Committee because I am concerned, not so much with the acquisition of land by Government if it is necessary, but the provision of taking that land and handing it on to another person which this Bill would allow for. I would want that explained to me in greater detail.

His Excellency The Governor

You second the Motion?

The Honourable Mrs N Edwards

I do second the Motion.

His Excellency The Governor

Does anybody dissent from that Motion? My sense is that it is getting nods all around and the Attorney General is content to do it that it should be that way. I don't think my route map tells me how to get to a situation where a Bill is not approved, but there is probably one here, and there is indeed provision in the rules – 'for this referred reference to a Select Committee the Bill shall not be proceeded with further until the Select Committee has presented its report to the Council.' So simple enough matter, as I understand it, I stop discussion there and this matter is referred to the Select Committee constituted as proposed. Thank you very much. Next Bill?

Clerk of Councils

The Supplementary Appropriation 1999/2000 (No2) Bill 1999. This Bill will require a first reading.

The Honourable the Financial Secretary

Mr President, Honourable Members, this Bill would authorise the withdrawal of the additional sum of £754,090 from the Consolidated Fund, to meet supplementary expenditure approved by the Standing Finance Committee. The most significant individual item included in this additional sum is £300,000 to meet the increase in demand for loans under the housing assistance programme, operated jointly by the Government and the Standard Chartered Bank. This increases the allocation for this purpose in the current financial year to £600,000. Another significant item is £123,000 approved to enable members of the Falkland Islands Defence Force to be professionally trained overseas in fisheries protection duties. This is another demonstration that Government takes its responsibility for protecting the Fisheries zone very seriously. A total of £193,000 is included to revote money to capital schemes. The funding was originally approved and expenditure committed in the last financial year, but for a variety of good reasons, was not spent. The Bill provides for the Contingencies Fund to be replenished to the extent of any advances made for urgent or unforeseen purposes. I beg to move the first reading of the Bill.

His Excellency The Governor

My understanding is that any debate would take place under a second reading. Does any Honourable Member wish to second the Motion for a first reading? The Honourable Mike Summers seconds the Motion. The Motion is that the Bill will be read a first time, any objection? No objection so the Bill will be read a first time.

Clerk of Councils

The Supplementary Appropriation 1999/2000 (No 2) Bill 1999.

The Honourable the Financial Secretary

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

His Excellency The Governor

Does anyone wish to second that proposal? The Honourable Mike Summers thank you. Does any Honourable Member wish to speak to the Motion? In which case we opt for the short procedure.

Clerk of Councils

The Supplementary Appropriation 1999/2000 (No 2) Bill 1999.

MOTION FOR ADJOURNMENT

The Honourable Mrs JL Cheek

Mr President, Honourable Members, in supporting the Motion and very quickly declaring an interest in fishing matters, someone mentioned earlier in proceedings today, the fact that poachers may be arriving in the zone on 15 February. With respect, poachers don't recognise seasons, and if the squid arrive in our zone any time before that period (it could be any time in January, or it might not be until March) we should be prepared in advance of that date.

Moving on, I would like to note a word of praise for the consistent improvement in the general appearance of the streets and other public areas in Staley. Summer days make us more aware of what a pretty town we live in (or what a potentially pretty town we live in). That improvement in the public parts of the town is being followed by many householders in the extra pride they are taking in the appearance of their properties. It is an enormous pleasure to see. I say all credit to all those who are responsible for it.

I would also like to give credit for the much safer, hospital car park. I no longer feel in danger of breaking my ankle when I park there.

Something else which I have meant to mention all year but there has always been something more urgent to bring up, is the provision by KMZ, via Radio Nova, of the continuous transmission of BBC World Service. As an addictive radio listener, who has spent the last 30 years struggling with short-wave radios to find World Service on a frequency where you can hear it, I find it an absolute joy to be able to switch it on to FM and even enjoy the music programmes, for example the Promenade Concerts. I would like to publicly thank Mario Zuvic for that.

(Hear! Hear!)

Sir, I welcomed the fact that there should not be an inordinate delay in the building of the new police station. You, Sir, are now as aware as I am of the shortcomings – particularly of the prison and the potential danger that that presents.

I shall now move on to two of the most important issues we dealt with over the year at almost every meeting. First is finance. There have been some very strange letters in Penguin News lately. The one which irritated me the most was the one that suggested that Councillors had just discovered the necessity for increasing our reserves. What absolute rubbish. Myself and others have been totally consistent throughout the life of this Council, in saying that we must cut expenditure and build our reserve. Not only live within our means, but put something by for the future.

Regarding the other very important issue - that is our acquisitive neighbour - we are all well aware of the need for vigilance. We all know the pitfalls, especially those of us who were here pre '82 and we won't be caught again as others were then. But it is important that we present a united front. Those eager to over-emphasise the differences in opinions would do well to remember that a divided community is weaker and more vulnerable. It is better to remember and point out on every opportunity, that we are the only people with a right to these Islands. That right has been earned by the seven generations, and very soon to be eight generations, who have worked, for well over a century and a half, to make the Islands what they are.

When we as a Council asked to talk to Argentina about ways of resuming a neighbourly relationship with them, it was in the secure knowledge that the Islands are ours. Implicit in the Argentines talking to us, was the recognition that Falkland Islanders will decide the future of these Islands. Like you Sir, I don't see this year as the start of the next Millennium or the coming year, it is the end of the last. But with every year that passes, the Argentine claim to our country becomes more irrelevant. How many people, when we enter the 21st Century, can take seriously a pretty shaky claim that dates back nearly 170 years? Let us hope that some time in the foreseeable future, Argentina can forget its obsessive preoccupation with our country, and concentrate energy on realising the great potential of its own.

I would like to say my farewell to our Commander British Forces, give warm thanks for his contribution to the work of the Council and the part that the men and women under his command play in the security in our Islands.

(Hear! Hear!)

Finally, as it is my last day as Chair of General Purposes Committee, it is my pleasure to present the traditional gift of a CPA tie. Now I regret that it is not as bright as your usual ties but I hope you still find an occasion to wear it to.

Commander British Forces

That is very kind of you, thank you very much indeed.

(Honourable Members applaud the Commander British Forces).

The Honourable JR Cockwell

Mr President, Honourable Members, I too would like to pass on my thanks to the Brigadier for the last twelve months. It has been a pleasure to work with him. We haven't always agreed on everything but we have been able to come to sensible conclusions to any differences that we may have. I would like to stress here that I believe that the working of the Falkland Islands Government and the Ministry of Defence at Mount Pleasant should be increased. There will be more activity as the development of the Falkland Islands increases, particularly with tourism and access. We have to work very carefully to make sure that whatever arrangements are made are in the best interests of both communities. I look forward to taking this further in the next twelve months.

When rising to support the Motion for Adjournment, I find that my mind is inclined to go blank and I forget very important things that I should say, however, I have two or three portfolios which I feel I should mention. If I have forgotten anybody, it isn't because I am not concerned about them, it is just that obviously my portfolios are the most important things.

Fisheries does continue to support the economy of the Falkland Islands. Investment by fishing companies which has a direct contribution, either to the infrastructure or by taxation into the Falkland Islands' economy, really must be recognised further. I think we have to be very careful that we do not continue in any way to support companies which purely buy licences, and are not putting money either directly or indirectly back into the Falkland Islands. I think we should remember that whenever we look at licensing or any other support for these companies.

There are companies now who have been established for some time. There are also some new companies who are very forward in their proposals for supporting the economy one way or the other and these people really have to be recommended and supported in the future.

Agriculture is obviously a matter of concern to all Councillors, in particular the Councillors for Camp. Assistance will have to continue for some time, but must be conditioned to the positive effort from the recipients for change rather than maintaining the status quo. Unfortunately, I think everybody recognises now that the status quo in agriculture cannot remain. So we have to support farmers who are looking to diversify, are looking to increase their income one way or another, but to maintain the status quo is going to be very difficult. Regretfully, although the way of life is something we have had for many, many years, we have to recognise that it has to change and we have to support change.

I have already made my point about road building, but I believe that the momentum of the Road Building Programme needs to be maintained to enable the agricultural community to diversify because it is going to be extremely difficult, until such time as the road programme is complete, for some farmers to make the best use of their land. We have already discussed, in this meeting, ways of actually getting produce across the Sound for people on the West and I think we are going to have to concentrate further on this one because it is vital to the people on the far West and the Islands, for their diversification to have means of getting their produce into the marketplace.

I fully concur and agree with all that my colleague, Jan Cheek said about our neighbours and our relations with our neighbours. Really all I should say is I am not going to talk about the Millennium, I don't care when the Millennium starts. As far as I am concerned, we are moving into the 21st century. What date it is, is up for argument. I hate to disagree with you, Sir, but I personally believe that the 21st Century will start on 1 January next year. Looking forward into the future, I believe the Falklands – at least I hope – will be seen as a self-supporting agricultural community with diverse products; the continuation of a sustainable fishing industry, expanding in various ways but making very careful measures to make sure that whatever we do is sustainable. Tourism, I believe is actually starting to expand and will continue to expand and generate significant sums of money into the Falkland Islands. People who say we spend more money on tourism than we actually receive have not done their sums right and I suggest that they go back and actually have a proper look at it.

I believe that the Falkland Islands have the potential to set up new industries and in the 21st century I would like to see that these new industries are developed, both in the export and import substitute areas.

We have to move towards renewable energy, even though we may or may not have an oil industry to reduce the amount of importation of fuels has to be an aim of the Falkland Islands as we move into the 21st century. We have to look at our economy very carefully and move forward in a way which allows us to balance our budget and put some money away in order to support that budget and to support us in times of difficulty which my Honourable Colleague has mentioned. The requirement is a positive attitude to the future. It is so easy to sit back and criticise what people are doing, what people are doing to try and take the Falkland Islands forward. It is easy to sit back and say 'I wouldn't have done that' or 'they've got it wrong' but unless people actually have a positive attitude, and if the positive attitude is the requirement of the future of the Falkland Islands. We have had a positive attitude in the past but at the moment there is a slightly negative way which is coming forward and I think that we actually have to try and persuade people that this is not the way to go, because we will not get anywhere.

My final point is that with all this there are two things, which will never, ever change. The first is that our right to self-determination is not subject to any discussion whatsoever, nor is the sovereignty of the Falkland Islands negotiable in any way in

the 21st century or the 22nd century. This has to be imprinted on everybody's minds because it is just not negotiable, Sir. Sir I beg to support the Motion.

The Honourable Mrs S Halford

Mr President, Honourable Members, as this is the last Legislative Council meeting of this century and also this Millennium, depending on one's opinion, I would like to take this opportunity to reflect a little on how we have progressed in one or two areas.

Falklands' farming has gone through a considerable change this century. Gone are the days when people living in outside houses on riding tracks were expected to accommodate travellers free of charge. They never always knew who was going to turn up when and certainly couldn't pull something out of the deep freeze for a meal. One year, living at the Malo, my grandma had an average of two and a half people pass through each day, and on one night had to provide accommodation for 28. Gone are most of the large farms and with them the landlords; or as we would call him – the boss. Gone too, are many of the settlements since sub-division. Instead we now have single family units scattered over the land. From good wool prices and rich farmers, we now have appalling wool prices and many struggling farmers. Diversification is the 'in' word for farmers today. In reality, often easier said than done.

There have been various schemes and grants put in place to try and assist farmers, some of which have been more successful than others. I take my hat off to those of you in the farming community who are working hard to maintain and improve your way of life. Equally, I would also congratulate those of you not in farming, who have taken risks and ended up with the many thriving businesses which are an asset to the Falklands today.

Where wool was once the mainstay for the economy, the fisheries sector has now taken over; but who knows for how long? Hopefully, with careful monitoring and rigorous policing, we will continue to conserve fish stocks for the future.

How far have we seen travel progress during this century? We have gone from foot and horse, through to wheels and wings, with sails along the way. I consider myself fortunate in that I can actually remember travelling by horse, being carried by my father. Not, I hasten to add, the most comfortable way to travel. It was far more comfortable when I learned to ride my own horse. I also remember travelling across the Camp in vehicles when there were hardly any vehicle tracks to be seen. A time when drivers tried to keep their vehicles clean and also tried not to get bogged down. A far cry from some of today's travellers. Who would have thought then, that we would end up where we are today, with roads to many places and ongoing roadworks to try and get all farms linked to the main road network? Travel to and from the Islands has gone from sail to flight, and in that respect, the world has become a much smaller place. Ever improving communications have also helped this, yet, even with all this progress, we still do not have a facility where visitors to the Islands can change their money on a weekend.

Whilst these communications have been of benefit to one and all, for many they have also had their downside. One example which springs to mind is our neighbours. Whilst the Argentine attitude towards the Falklands remains much as it was at the beginning of this century, we are now bombarded on a daily basis with all the rhetoric which emanates from that country. But are we not strong determined people who can cope with this irritant? We have moved on from our own colonial status to the internally self-governing state we find ourselves in today. We are no longer dictated to by outside powers. Our elections every four years allow us to determine what we think is best for the Falklands and their future.

We have had Constitutional change, and no doubt, as things move along, we will require more, but let us be cautious and not try to run before we can walk.

I was criticised the last time I spoke in this House for mentioning the Upland Goose as becoming a menace on the roads. What I was trying to highlight was the irresponsible attitude adopted by some drivers who deliberately drive their vehicles at and over these birds and also other animals. I know that accidents can happen, but I will once again highlight the numbers of dead sheep that can be seen lying at the sides of the roads and ask – is this really necessary? I am also aware that cows too have been hit and run down and recently a horse suffered the same fate. Surely we should try to afford all animals on the road the same respect as we ourselves would expect.

Because of the road network around the Islands, people are now able to travel out and about more easily, and enjoy the natural beauty of the Islands, if only from the comfort of their vehicles. Farmers have also benefited, and several have been able to diversify into other areas and projects, purely because they have a road. These roads have been costly, and even when they are all built, will continue to require funding as they will need to be maintained. I have always considered this cost to be a necessary cost, as ultimately, everyone should benefit from the end result in one way or another. However, if people are going to be denied the opportunity to get out of their vehicles and go for a walk, I for one will find it difficult to maintain this spending policy. The true Falkland spirit does still remain in several land owners, who are extremely accommodating in allowing access to people to roam over their land. Whilst there are many people who wish to continue to roam over the hills as they have in the past, I sympathise with the farmer who does not want his lambs mis-mothered. Perhaps a little more tolerance and respect all around would not go amiss. When driving along the roads, today's traveller has no idea whose land he is on. Perhaps a simple information board at farm boundaries would help, then he would know who to contact.

Our medical services have progressed in leaps and bounds. In the 'good old days' my grandfather had to put himself into debt to pay for a boat to collect him from a farm when he had a broken leg. What an outcry there would be if that were to happen today. We should indeed be grateful that we are able to afford the type of medical

service that is currently provided today. We should also be proud and grateful that our education system has progressed to the excellent facilities and opportunities available to our youngsters. Relatively speaking, it is not that long ago that children, especially in the Camp, had very little education and often had to go out to work at a very young age.

Many attitudes to work have changed over this century. People are often not prepared to turn their hand to anything in order to be employed, but instead prefer to wait until something specific turns up. On the other hand, all too often you see or hear of jobs being advertised that school leavers could easily be trained to do. These jobs are advertised as requiring someone with experience. Employers – if school leavers are not given the opportunity to work how will they ever gain experience? A little initial training at an early age could pay dividends later on.

Some members of the Falkland Islands Defence Force will be embarking on training early in the New Year towards deterring poaching within our fisheries zone. This training will cause a strain on certain departments within Government, and could also affect areas within the private sector. I hope we can be tolerant and put up with any inconveniences which may result from this, as at the end of the day it is vital that we do our utmost to protect the Falklands' main source of income.

As this meeting is the last for Brigadier Nicholls, I would like to wish him well in his final departure from the Islands. After our long association with the Royal Marines, it is perhaps fitting that we should have one in overall command of the Garrison at this particular time. But it is, nevertheless, sad that we will soon have to say goodbye.

Finally, to everybody listening to this broadcast, I would ask you to consider a little reflection of your own – do we truly appreciate what we have, or have we become complacent and now take things for granted? Whilst I suspect that we do not love thy neighbour, and doubt that we ever will, I do sometimes wonder whether we are still the open, friendly society that we used to be known as. Or has progress and the introduction of television changed us for the worse? I hope not. Whatever, it is up to each and every one of us to strive to improve what we are and what we have, and in so doing, secure a better future for those who follow behind us. Sir, I support the Motion.

His Excellency The Governor

Before I call the next Honourable Member, may I just say, to save myself writing little notes to the Brigadier on my left to indicate what I propose to do, is let everyone, except the Brigadier, have their say and then to invite the Brigadier to take the floor just before I close the meeting. I hope that is acceptable to everyone.

The Honourable J Birmingham

Mr President, Honourable Members, yes it is the last Legislative Council of a very significant year, and I also think it is worthwhile looking over a few items.

Not only have we had a change of Governor but we are also waiting for what I hope will be a new Chief Executive, who will be more of an administrator than what we have been used to of late.

One of the landmarks of this year has got to be the visit by the Prince of Wales. To me his visit was a solid sign that the sovereignty question is no longer even a talking point. The present British Government is as strong and solid on the rights of the Falkland Islanders to determine their own political future as any, since 1982. I believe that commitment gave this Council the confidence to make the decision to go for the July 14 Agreement, and politicians of all the major parties have shown support for and agreement with that decision, including the last two Prime Ministers.

The Argentines are not going to go away, but we have a chance now to put in motion our own charm offensive. Every Argentine that comes to these Islands, whether as a tourist or as the crew of an Argentine longliner with a rope around its propeller, and by the way I know the local diving team were criticised for working on an Argentine ship recently, but I fully support their action. I repeat that every Argentine that comes here and has their passport stamped, if treated with respect and the politeness that we are known for, will leave these Islands with the clear understanding that the Falkland Islands are historically, socially, culturally and linguistically totally different to their country. Surely the aim of us all is to change the mind of the Argentine. It seems to me that the only real difference we have is how we go about it, but surely time is now on our side. Let us not let the Argentine question detract us from issues that affect us day to day.

I know, Sir, how interested you are in local personnel matters, so after an incident last week of what I consider to have been blatant victimisation, I ask that the Human Resources Department look into the establishment of a Code of Practice or a set of procedures that can be followed by junior staff, if they feel they are being ill treated or victimised.

It is one hundred years since the introduction of Falkland Island paper money, and at that time in Britain coal was king; here in the Falklands wool was king. Now in Britain if you say coal to somebody and they are a football fan they will probably say 'ah Andy.'

In the Falklands wool is no longer the main source of wealth, and we often hear as we did earlier on the word diversification. This could be a buzz word in Agriculture.

A group of sheep farmers have shown an enormous amount of initiative and put a lot of time and effort into setting up the farm shop on Villiers Street. This is not often seen, at least not in Stanley, so they deserve all the support they can get, and I believe that, not only will they survive, but they will prosper and I wish them well.

(Hear! Hear!)

At the other end of the spectrum, there is the tale of the farmer, whose grasp of the seriousness of the situation in wool growing at the moment, is to go out and buy a race horse from overseas. If that story, and other tales are true, then I can see a time soon, when the rules that apply to Stanley for those who fall on hard times will apply Island wide.

(Hear! Hear!)

I would like to say a few words of thanks to all those people in the community, both local and on contracts who do voluntary work. I won't mention too many names as there are a lot of people, but there are two. One is Jean Smith, who has just left the Islands, who was not only Head Mistress of the Junior School for many years, but was also a leading light in the Guide movement.

The other one is Mrs Gilbertson, who for quite some time now has been heavily involved in the Beaver Scouts. I thank them both. Many other people give up their time for the community and that is what makes a community. I would like to extend thanks to all who do voluntary work.

The Public Works Department, that much criticised department, deserve a credit, and the men who have put in place the children's playground equipment and safety matting have made a lot of children happy this holiday. I thank you gentlemen.

As I am in a 'thank you' mood, I extend my thanks to Her Majesty's Forces here in the Islands and believe me, we don't take you for granted and the community fully appreciate what you do from the E.O.D all the way through to the R.A.F. medivac teams. Of course it is also farewell to the Commander. Thank you, Sir. It has been a pleasure to have a Royal here again and I wish you well for the future.

On that note I will end. The year has been truly historic, and we should and must learn from the past, but it is the future that we have to deal with, and there are some very real challenges ahead, not least my own hobby horse which is employment and opportunities for employment for both school leavers and returning graduates and trainees. Sir, I suggest that we go into the next century with confidence and purpose and I also suggest that the future is bright for the Falklands. I wish everybody a merry Christmas and a prosperous New Year. Sir, I support the Motion.

The Honourable DL Clifton

Mr President, Honourable Members, I will be brief. I will pick up on a couple of portfolios first.

On agriculture, the Honourable Richard Cockwell has spoken about the continuing and the future bleak prospects for wool. The day out at Saladero was perhaps not a full day, but repairs to Landrovers pertaining we got there, and Honourable Members attending were actually able to see what I was trying to highlight when I spoke at the last session of Legislative Council. This was the damage and destruction, which is

being reeked upon new pastures that have been laid down by all the folk at Saladero. If that is not a justification of the clear need to do something about the Upland Geese, then I don't know what is. It is clear from where I stand, that the Government cannot afford to put in place many tens of thousands of pounds of pastoral improvement to see it decimated over winter by Upland Geese.

Whilst on the subject of Agriculture I would like to pay a tribute to Sean Miller and the team at Saladero, and also to welcome, although he has not been a frequent visitor to Stanley, Jeremy Challacombe, who has succeeded Robin Thompson as the beef man, the cattle man who I think has taken forward, in a very fine way, the very good work that Robin Thompson laid down.

On Fire and Rescue I would like to congratulate David Ford on the successful passing out of his training and wish him well now in the substantive rank of Chief Fire Officer. Much is said about the voluntary service but I think that sometimes we pay insufficient detail to the voluntary firemen and women, and I would like to record that as we pass out of this century and into the next.

The Honourable Jan Cheek spoke of Argentina. It is most certain that we are to be on our guard for future years, I agree with her wholeheartedly, that as each year goes by, the Argentine claim diminishes. It is very clear also that Argentina and Argentines generally, will still be acquisitive and they will still seek to tweak whatever they can, particularly in whatever international fora. I think it is a little too early to tell at the moment, what will come out of the new Argentine Government, but I rest better in the evenings following the last two visits of Members of the House of Commons, both from one of our own visits and recently by the Defence Committee who speak well of the Islands and promote our cause at every opportunity.

On Argentina and fisheries, I am slightly concerned. We need to be perhaps a little bit more robust during the beginning of the year. I was not talking about the beginning of the fishery, the South West Atlantic fishery as 15 February but merely our own fishery because there are great numbers of vessels already arriving on the high seas. We need to be prepared for that. I endorse entirely what the Honourable Jan Cheek has said and I am convinced of the need of an ad hoc meeting of the South Atlantic Fisheries Commission in February, so that we can be sure that we have many of our ducks in a row and that we can be sure that the Argentines will commit purposefully to combat any poaching that may occur.

There is a very interesting paper out now – The Creation of Highways: Rights to Roam: Public Access to Camp and Beaches. I would endorse what the Honourable Sharon Halford has said, insofar as the Government is paying out large amounts of money, perceptively and otherwise, to improve the Agricultural Sector. The more people and the more residents we have in Stanley, the greater the demand for access to the countryside. Somewhere I think there has to be a striking of a balance between the benefits that accrue to agriculture and the benefits that also must accrue to the social habits of the Stanley citizenry.

Mr President, we spoke at the last session of certain amendments to the Constitution. I believe that Councillors are going to take this forward a little this week, but I look forward to your assurance that future Chief Executives will not be future Acting Governors.

I would just like to pick up on one point that arose at a recent public meeting. That was the displacement of many cubic meters of tar at Mary Hill Quarry. Public meetings, whilst they may appear boring to some, do bring forward little snippets of information, and all the information seems to lead to the point that there was a quantity of tar dumped at Mary Hill Quarry, and there was some attempt to cover it up. Clearly if the Government is in a position of having spare tar then it needs to be made available to whoever at the close of a day, rather than to see it an asset wasted on a tip.

Finally, Sir, I would like to join my colleagues in wishing Commander British Forces well. Wishing him well for the remainder of his tour here but also well in whatever new position he will aspire to. I am not sure that the tie that we have passed him this morning will be conducive to a city appointment, but whatever vocation he takes up, I wish him well for the future. Mr President, thank you, I support the Motion.

The Honourable Mrs N Edwards

Sir, in rising to support the Motion, like the Honourable Lewis Clifton who said he would be brief, I will actually be brief.

(Laughter).

May I also wish the Commander British Forces well for the future, and say thank you very much for the interest you took in the murals at Ajax Bay. That has been a great help to us on the Historic Buildings and the Museum Committee. We were at sixes and sevens as to how we were going to preserve them. Then luckily you came along with the foresight to see exactly what to do with them. For that we will be eternally grateful.

(Hear! Hear!)

Whilst on the subject of good works which deserve our thanks, may I make mention of the engineering staff at the KEMH. Steve Tildsley and Johnny Halford have been working extremely hard updating and renewing many of the systems in the hospital to comply with the Health and Safety rules and regulations. Also in the recent case which we are now dealing with at the moment, of the installation of our own oxygen plant which is needed now because of the result of the civilianisation of the KEMH, which is going to take place.

The Engineering Department is a very small department, and they have done sterling work, mainly which the public will never be aware of but which is, nevertheless, very essential to the every day running of the hospital and the comfort of the patients. Their diligence and hard work, I can assure you, is much appreciated.

We are soon to go into the new Millennium, or not as the case may be. Hopefully, without any troublesome bugs or troublesome Argentines too, we will eventually get some kind of fishing agreement out of this joint venture which was signed last July. Talks about fishing go ahead, more and better communications between our fisheries have been undertaken, ways of dealing with poaching have been discussed, and I think the progress has gone on reasonably well. Isn't it ironic that the first two longline vessels to be chased out of South Georgia waters this year, suspected of poaching, are Argentine flagged vessels. All I will say, and I take on board everything that you Ladies and Gentlemen have said, while we are busy turning the other cheek, let's make very sure that we keep looking carefully, out of the corner of our eye, all the time just in case, we get our head bitten off like we did last time when we weren't watching carefully enough.

There have been comments about the proposed memorial at Darwin, and I would just like to take this opportunity to assure the public, that when the plans come to the Planning and Building Committee we will ensure that there is ample time for public comment and suggestions that people may wish to put forward.

The Honourable Richard Cockwell and the Honourable John Birmingham commented on agriculture. Yes it is a hard time in agriculture and yes I agree that perhaps a few people are not taking on board that the days of wool are over. Most of us are trying very, very hard to find a way forward. I am still waiting to hear from the Agricultural Department whether they approve of our plans or not. If they don't I would love to hear so that we can start thinking about something else. That is one of the big drawbacks. Please don't think that we are all sitting back contentedly pocketing all the money that comes our way. It isn't all that much, I have to say, but we do appreciate it and even if we diversify into other things, there is still the problem of what do you do with your sheep? They have still got to be fed, they have still got to be looked after, or else knocked on the head. It is not something you can change from overnight. It is not going to be a quick change, and I hope that you will support us through whatever changes have to be made.

People have heard about the Right to Roam Bill, and are wary about it. They have been ringing me up. I have never refused anybody access to my land, ever. Not since the time we've been to Fox Bay. However, I would wish to keep the right to refuse access to people if I so desire to. I think you will find that a lot of the farming community feel that way. Nobody has any objection to people going over their road, or their land, generally speaking, but there will be some that they will not wish to go over their land. Sir, with that I support the Motion for Adjournment.

The Honourable MV Summers OBE

Mr President, Honourable Members, I offer my farewell to the Commander British Forces. Thank you for your time and effort here, and I too would like to take this opportunity of thanking all your support staff for their work over the time that you have been in command. We all know, of course, that it is not the boss who does the work it is the people underneath. That is what the people underneath know, but thank you for your efforts.

I am not yet convinced that there is enough interaction between the Military command and the Members of Executive Council on long-term planning for opportunities to co-operate in the Falkland Islands. I look forward to encouraging that further.

I can positively put an end to the dispute about when the end of the Millennium is, because the way to find out is to discover when the Stanley Sports Association is holding its joint sports. It is next year.

(Laughter).

The Honourable Mrs N Edwards

Too late to get it organised this year, was that the problem?

The Honourable MV Summers OBE

Not at all. In this last Millennium the majority of our history has been crammed into the last 160 years or so, although we were known about, a little, from a territorial point of view, for the last 400 years of the Millennium, but if there is a time for reflection, it is a time for reflection on the end of the century and the significant things that have happened in the Falklands in that time.

There have of course been two world wars, and we made a small contribution from the Falklands side. Some people gave their lives – the ultimate sacrifice as we know. We have to be grateful, going years back, to the British Navy for maintaining the status quo in the South Atlantic and maintaining the British presence in the Falkland Islands.

The opening of the Panama Canal was perhaps one of the biggest jolts to the Falklands in the last century. It was the wool price crash of its time. We dealt with that.

On a more positive note, I think the introduction of air transport to the Falklands both internal and external has had as much effect as anything on the Falklands over the years. How that will continue to develop will be instrumental in the way that the Falklands develop, whether it is tourism or other businesses.

I think that the advent of education in this last century, has been crucial. I think many of us will know of the active policy in times gone by of the so-called 'good citizens', in actually denying education to people of the Falklands on the grounds that we might get above ourselves. Well sorry chaps, we slipped past you somewhere and we are doing a little better.

We will, when we reflect on the Falklands' history, I have no doubt whatsoever, regard the land reform programme as one of the most significant things that happened in the Falklands. I don't think, like most of us, that we got it all right. I still think there are some things to be done, but it, along with the 1982 war and its effects, signalled the end of feudalism in the Falklands. For that, I think, we can be eternally grateful. Of course the advent of fishing licences may well be seen as the other significant turning point in the last century. The challenges for the new century are clearly, to revitalise the Camp: this is critical. I won't repeat the comments of my colleagues but suffice it to say that I am wholly behind the revitalisation of the Camp. It is crucial to the future of the Falklands.

In considering the shortcomings, if you like, of the land reform programme, I regret the absence of public land in the areas away from Stanley. I think there is scope in forthcoming considerations of how we look after the Camp and how we assist development in rural areas, for finding ways of providing public land. It will contribute to the whole question of the right to roam; it will contribute to the question of people being able to get out and do other things in the Camp. I don't think it should really be necessary for a Stanley businessman to rely on an existing landowner to be able to set up a business in the Camp. We need to give some thought to that. I think, in parallel, it should be a philosophy that there should be no difference in the provision of essential infrastructure outside of Stanley as inside Stanley. I hope that we will be able to bear that in mind and I hope we can bear the expense of that, because I think it is correct.

We are entering a new era of commercial activity, I have no doubt at all. We have companies growing here at quite a fast rate and long may it continue. I think we will have to give serious thought though, to how we properly support, control and regulate business in the Falklands so that it is largely for the benefit of the whole community and not just for the few.

I guess our biggest challenge for the next century will be conservation and stability of natural resources. Whether it is land or the natural environment, or wildlife, or minerals. All of those things are critical to future generations of Falkland Islanders, and how we manage them in our short time on the Council, will have an effect on how they are managed for the future. We must never, never lose sight of that in any decision we make.

I vehemently hope that we can maintain family values and a cohesive society in the Falklands. I think given the advent of transportation and mass communication even, leaving aside television, we have managed relatively well to maintain family values and a cohesive society. It is easy to look back and say things are not what they used

to be, they probably are not, and long may it continue. There is a balance to be had between taking advantage of the progress to be had from other people's experience and holding on to history. We have to deal with the great threats to the world in the next few years and the next few decades, and from the Falklands' point of view I think the two greatest threats, but perhaps opportunities, are globalisation and hydrocarbons. In globalisation we have the activities of the WTO, the European Union, the OECD and many others, who seek to control the ways that societies behave themselves and conduct business in the world. But they are dominated, and heavily dominated by the big industrialised countries and we will have to kick and scratch, shout and fight to protect our corner, to make sure that in this process of globalisation, we are not marginalised; we are not made to do things just because it is convenient for somebody else. We also have to take advantage of the power of the big countries in globalisation.

I won't dwell on hydrocarbons. I simply think it is an issue that relates to family values and cohesive society that we will have to be extremely careful about when we come back to the next round. I think, as we all know, money has the power to destroy. We will have to deal with the greatest hindrance and the greatest hindrance to our development is undoubtedly Argentina. I think Dr DiTella actually had it right when he said to us as at Chevening that there is a legitimate place for a British European presence in the South Atlantic. I wish he had had the power and authority while he was still in the Government to push that through, because it would have made quite a difference to this part of the world. I hope he won't stop trying.

It is interesting that Argentina has always sought to seek parallels between what is happening in other parts of Britain and the Falklands. They made great play about the handover of Hong Kong to the Chinese Republic. They made great play a while ago of the developments that were going on in Northern Ireland. But there has been a resounding silence since the Irish Government withdrew their claim to the sovereignty of Northern Ireland. They don't appear to have drawn any parallels at all there. I wonder why.

Nevertheless, I think it is true, and I think we will see in the forthcoming decades, that the notion of a territorial claim has passed in this world. For that we have to thank the likes of the United Nations. It is the people who matter, and it is the people who live and work and have lived and worked in these Islands that deserve the consideration of the developed nations of the world when it comes to dealing with the Argentine claim. It is not a matter of land. It is a matter of people. I am delighted to see the Argentines working in Bosnia, Kosovo, Cyprus and especially in East Timor, to uphold the rights of self-determination of those peoples. It is a clear sign that the society is maturing and in due course, I believe and I hope, that they will be able to come to terms with the fact that they have to take the same view of the Falklands, that they will have to accede to the inalienable right of all peoples to determine their own future.

I would just like to wish a happy Christmas and a happy new century and a happy new Millennium to all those people lucky enough to see the end of the next one. Sir, I support the Motion.

The Honourable the Financial Secretary

Mr President, Honourable Members, in rising to support the Motion for Adjournment, I would just like to say on behalf of my colleagues in the Falkland Islands' Civil Service, thank you to the Brigadier for his valued contribution and we wish you well in the future, David.

His Excellency The Governor

Thank you very much. Well before I ask the Commander British Forces if he wishes to say a few words to us, perhaps I might just make one or two points but I will be brief.

One relates to Agriculture, not a subject in which I often say much, as it is a subject on which I don't know much so it would be arrogant to pretend otherwise. I was speaking recently to the Director of Agriculture (and I am sure he won't mind me recalling this conversation) he said that one of his problems was that he was telling people that the state of the wool market and so on, meant that the plane was crashing and that they had to take action to find another option. He had a range of parachutes on display. People turned and said 'well will you guarantee that the parachute will work?' There was the rub. The options cannot be guaranteed. So people who, as the Honourable Mike Summers has said, have, in a sense been emerging from a dependency culture, are faced with even newer and more difficult challenges of management, of entrepreneurship if you will, and they deserve great credit for the efforts that they have been making in that direction. An effort that was noted by the group of Members of Parliament who visited here under the auspices of the Falkland Islands Government, and who were struck by the willingness of people in Camp to address new opportunities and to tackle the problems in a positive way. That sort of message is a much more positive one than is often reflected in the United Kingdom media, or on the comments of United Kingdom parliamentarians. I think that that was a good thing to hear and a justified thing to hear from the visiting Members of Parliament.

On the question of Argentina, I don't think that I would want to say very much here, except to say that the initiative taken early this year by Councillors has borne considerable fruit. It is certainly right to make clear that we adhere firmly to basic principles on sovereignty, on self-determination, and on the security of these Islands. On these bases, my experience elsewhere which indeed has been in the Irish context (and I recently visited Berlin where certain of these principles also apply) dialogue does not mean defeat; dialogue does not mean conceding principles; dialogue can indeed bring positive results with a speed which may surprise.

I turn now to Commander British Forces, and I am going to speak first, David, because basically I like dictatorship. I shall thank you for the relationship that I have been able to enjoy over the seven months that we have been here. I was struck in the early days by the complexity of the operations over which you have command, and

we live in a world in which the pressures on you, from many quarters are significant and are not easy to deal with. They include – let us be blunt – financial pressures back in the United Kingdom with the increasing demands which are placed on our Armed Forces, because of the skills and the success with which they have operated in very difficult environments. I saw it myself in Bosnia; we've seen it in Kosovo; we're seeing it in East Timor. You have coped with these pressures in a way which has enabled us to have a dialogue and as the Honourable Richard Cockwell has said, we have found ways ahead. So where the pressures have existed, there has been no area in which the situation has developed into any kind of personal difference between you and me. I am very grateful to you for that.

You'll be embarrassed by the word 'vision' won't you? But the way in which you can look beyond shall we say, the narrow Military, to put it in another sense, even goes into the area mentioned earlier about diversification of the Falklands' economy. Aberdonians tend to think that Dundee shouldn't exist or we are puzzled by its presence. It just seems to be a bump on the way to Edinburgh. Our Principal Auditor is sitting here and he will endorse it if he is listening.

(Laughter.)

But I was delighted to visit Dundee following in your footsteps, and to get glimpses there of the sort of support and co-operation that we might be able to develop in certain areas, on the basis of what you have set in train. There are, for example, competencies in the University of Dundee in the area of ceramics, in the area of jewellery which that University is willing to put at our disposal, in order to co-operate in areas which may be worth developing in Camp and may bear fruit in the future. But even if that is rather hypothetical in the future, what you have achieved at MPA through the co-operation with Dundee, is as Councillor Norma Edwards remarked, very worthy of praise. It is something that brings pleasure to Islanders in general and clearly does a great deal for morale at Mount Pleasant. So I reiterate to you my thanks and give you the floor.

The Commander British Forces

Your Excellency, Honourable Members. First of all may I say thank you very much indeed for your kind and generous words? Your Excellency, thank you very much for those last comments that you have given me. I thank you also for this tie which, despite its colour, I will wear with pride, I assure you.

It seems like only yesterday I was being introduced as the new Commander British Forces, and today my time is almost up as I leave the Islands in early January and my successor Brigadier Sheldon takes over.

I thought in this last address to Legislative Council I would cover three areas:

- 1) your security;
- 2) your relationships between British Forces Falkland Islands and the people of these Islands; and
- 3) a few words of personal public farewell.

British Forces Falkland Islands has undergone a slimming-down exercise this year when the Royal Engineers left and other smaller and less significant reorganisations are taking place. My philosophy this year has been one that if a British serviceman or woman is not essential here to maintain the security of the Falkland Islands, South Georgia or South Sandwich Islands, or the territorial sea and air space which surrounds them, they should return to the United Kingdom. Indeed it is my duty to Her Majesty's Government and our taxpayers, to take such an approach. This reduces the cost of the garrison and of course helps to relieve a little of the current burden of overstretch being suffered by our service men and women.

Understandably, there is some disquiet about the future; that if the trend of efficiency cuts continues it will go too far. Well, let me reassure you all that HMG has no intention of compromising the security and the defence of these Islands on the anvil of efficiency. Indeed the recent visit of the House of Commons' Defence Committee has underlined the strength of Her Majesty's Government commitment to ensure the rights to British citizens are protected, and that you are able to live as you wish.

From a military point of view, what is important is not a crude head count of people at MPA to determine the joint defence capability, but it is the maintenance of sufficient air, sea and land defence assets. I can assure you that you have an extremely powerful and capable defence force on these Islands. It is maintained at high readiness to react at a moment's notice. There is no intention to reduce that impressive capability in the present circumstances.

Turning to relationships between the British Forces Falkland Islands and the people who live here, when I arrived I was told that more had to be done to strengthen mutual relationships. Every relationship needs to be nurtured and this one is no exception. We have worked hard over the past year to develop and improve, where possible, our relationships. The list of achievements is impressive and I will highlight some of the significant ones.

- There continues to be numerous charity events to raise money for good causes on the Islands;
- Our SAR helicopter and medical evacuation teams which have already been mentioned have already been busy this year on a number of emergency call outs; and
- The Joint Service Explosive Ordnance Disposal people have also been busy. Their most recent call out was to rescue Mimi the pedigree springer from a minefield.

The FIDF, working with BFFI have produced some impressive results this year and we have also provided support and advice on the thorny issue of fishery protection, which culminated in the deployment of HMS Dumbarton Castle on fishery protection duties for a limited period, while Dorada's 20 mm gun was fitted.

HMS Somerset's visit to Stanley last month, when she took over seventy Islanders to sea for the first time in their lives was a notable success.

At MPA we service the weekly Lan Chile flights and some other agreed commercial Sunday flights, which has required my people to work extra hours at weekends. Despite the new security arrangements at MPA Islanders continue to be welcome, and life carries on very much as it has done for the past 15 years or so. This weekend I open the new bowling alley and leisure complex which, combined with the recent achievements of the Dundee artists which have already been mentioned, have helped to transform our lives and our living areas into something more like home up at MPA. I am also pleased, as a result of the artists' visits which has been mentioned by His Excellency, that we have agreed to share our efforts through the Shackleton Trust, to bring additional culture to the Islands and if it also offers business opportunities, I am delighted.

We in turn up at MPA have enjoyed your hospitality, not only in Camp, but also here in Stanley itself. I am extremely grateful for that. I have not been able to mention all the numerous contacts that exist but suffice it to say that we enjoy a remarkably healthy and happy relationship together.

Finally, I hesitate to use the word 'Millennium', but we are running 'Millennium' Families Day at MPA next Sunday, and I hope that many Islanders will be able to come and join us there on that day.

To conclude with a personal note, my time here as CBF has been an enormous honour for me. To return as CBF after having served in the 1982 task force as a Royal Marine Captain and travelled north over San Carlos through Teal Inlet to liberate Port Stanley, was an opportunity not to be missed. Not only has it presented many challenges, it has also been a most enjoyable and professionally rewarding experience.

In particular, I have enjoyed the sometimes healthy and energetic discussions we have had in Executive Council and the openness extended to me by you all. This is my last appointment before retirement and I could not have asked for a better one. I am extremely grateful to you all for your generous hospitality, warmth of friendship and shared values. Thank you.

(Honourable Members applaud Commander British Forces' speech.)

His Excellency The Governor

Brilliant timing; bang on 12. If there is no other business the House stands adjourned accordingly.

Confirmed this 11th day of April 2000

Donald A. Lewis
GOVERNOR