



**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 28th JANUARY 2005**

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HELD IN STANLEY ON 28 JANUARY 2005**

MR SPEAKER

(Mr Lionel Geoffrey Blake OBE)

MEMBERS (Ex-Officio)

The Honourable the Chief Executive
(Mr Christopher John Simpkins)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

The Honourable Roger Anthony Edwards
(Elected Member for Camp Constituency)

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Stephen Charles Luxton
(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)

Chief of Staff
(Group Captain Gordon Moulds MBE)

CLERK OF COUNCILS: Claudette Anderson MBE

PRAYERS: Reverend Paul Sweeting

APOLOGIES

The Honourable John Richard Cockwell
(Elected Member for Stanley Constituency) } absent through illness

The Commander British Forces Falkland Islands
(Air Commodore Richard Howard Lacey, MA, CBE, RAF) } absent Overseas

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Written instructions are in place for the provision or denial of permission to pass through the Narrows into Stanley Harbour and/or dock at FIPASS during adverse weather conditions?

**Record of the
Meeting of the Legislative Council Held on
Friday 28th January 2005**

PRAYERS

Mr Speaker

Honourable Members I bid you good morning.

Clerk of Councils

Confirmation of the record of the Legislative Council Meeting held on 26 November 2004

Mr Speaker

Honourable Members, is it your wish that I sign these minutes as being a true record of that meeting? Agreed.

Clerk of Councils

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

Copies of subsidiary legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and laid on the table pursuant to Section 34.1 of the Interpretation and General Clauses Ordinance 1977.

- Stanley Common, Commonage Fees Amendment Rules 2004
- Dogs Amendment Rules 2004

Pursuant to Section 57 of the Finance and Audit Ordinance for the year ended 30 June 2004:

- Falkland Islands Government Financial Statement, Currency Fund, Pensions Old Scheme Fund, Insurance Fund, and the Sinking Fund.
- For the year ended 31 December 2003, the Retirement Pensions Equalisation Fund.

The Honourable Chief Executive

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

Clerk of Councils

Questions for Oral Answer

Question number 1 of 2005 by the Honourable Ian Hansen

The Honourable Ian Hansen

Mr Speaker, Honourable Members, I am sure the Honourable Jan Cheek is aware that many people have been unable to obtain a dental appointment for over a year. Can she give an indication as to when there will be a resumption of a regular dentistry service and advise what measures have been taken to cover emergencies and routine dental checks for people in Camp?

The Honourable Jan Cheek

Mr Speaker, Honourable Members, I was not actually aware that people had been unable to get appointments for over a year, although at one time I was aware the wait was several months. And, I thank my Honourable Colleague for giving me the opportunity to update members and the public on the current position on the provision of dentistry to Camp residents.

The Honourable Member will be aware that the last Camp Dental visit took place in October 2003 and the routine visit scheduled for 2004 had to be cancelled because of prolonged illness amongst dental staff, which affected not only appointments of Camp residents but also those for Stanley residents. At the same time, the dental surgery in the former Doctor's house at Fox Bay and the dental equipment in it had deteriorated to the extent that it was regarded as no longer safe to undertake dental surgery there. That has led us to undertake a fundamental review of how we provide dental services to Camp residents. That review has suffered a delay in obtaining information from overseas but is now nearly complete. And, I expect the conclusions of the review to be discussed at the Health and Medical Services Committee meeting in February 2005, before referral to Executive Council.

I am currently not in a position to advise what the outcome of the review will be and therefore cannot, at this stage, advise the shape of the future dental services in Camp. In the meantime, services to Camp residents have been provided at KEMH and dental staff have made every effort to accommodate the special needs of Camp residents by providing longer appointments so that treatment can be done at the same time as a check up.

The Honourable Ian Hansen

Mr Speaker, Honourable Members I thank the Honourable Member for her answer. May I enquire if she can give any assurance that those people that will not be able to attend appointments will not be subjected to any fee if or when regular services are resumed?

The Honourable Jan Cheek

I think I can safely say that if the failure to get an appointment was outside their control then they should not be charged.

The Honourable Norma Edwards

Could I ask the Honourable Jan Cheek how it came about that the equipment at the dental surgery at Fox Bay, which was supposed to be checked regularly, has suddenly become unusable?

The Honourable Jan Cheek

That, I cannot tell you in detail. All I know is that a decision was taken by the dentist that the equipment was unusable.

Mr Speaker

Does any other Honourable Member have a supplementary?

The Honourable Ian Hansen

I'd like to thank the Honourable Member for her answer and her support on this matter.

Clerk of Councils

Question number 2 of 2005 by the Honourable Mike Summers

The Honourable Mike Summers

Would the Honourable Stephen Luxton advise what steps have been taken to respond to petitioners asking for a change in the route of the road to the Murrell and what is the likely cost in meeting the changes?

The Honourable Stephen Luxton

Mr Speaker, Honourable Members, If you will bear with me, I would like to use my answer to this question as an opportunity to give the House a comprehensive update on this matter, which is of considerable public interest. I apologise in advance for the fact it will make us late for lunch.

The steps taken to respond to petitioners asking for a change in the route of the road to the Murrell Farm have been as follows:

An in-house review was conducted by the Public Works Department for the original reasons of recommending the current route, which would cross at the Mastin's Point, which specifically included reconsideration of the availability of materials to construct the crossing and the likely impact on the cost, technical

issues relating to the likely impact on Sea Trout, and the crossing at various locations where crossings might be made and the environmental and visual impact of the various potential routes, including the site chosen by the Environmental Planning Officer.

A meeting chaired by myself and including Councillor Cockwell, representatives from the Public Works Department, Fisheries and the Environmental Planning Department was held with a representative group of the petitioners on the 14th of January to discuss the various impacts and the specific points made in the petition statement. Views and information were shared and this was followed by a site visit later that day to view and discuss options. An undertaking was made to evaluate the cost of the alternative route, viewed by the petitioners as offering less impact on fish, fishing, and amenities in the Mastin's Point crossing, following which the matter will be reconsidered by Councillors. The petitioners were also concerned that a management plan be prepared and implemented for the Murrell area ahead of any further work being undertaken. As part of this management plan, restrictions on the number of people fishing and locations permitted and the level of take will have to be considered. It was agreed that this would be raised as a concern.

Costing that had been prepared for the routes identified during the site meeting still show the original approved crossing at Mastin's Point as being the least cost option. However, it is least favoured by the petitioners in that it dissects the tidal estuary and impacts heavily on an area that is offering an unspoiled amenity, including Sea Trout fishing and, I believe, a holding area for Trout waiting for conditions favourable to spawning run up river. An alternative option seems to literally offer some middle ground, is that of crossing east of Black Point at the Lower Pass. This is more expensive and will be more visible in the lasting point route that would offer no impact on Mastin Point itself and less on the area considered by the petitioners that offer both the best fishing and forms part of the Sea Trout habitat.

As a result of the discussion with petitioners the Public Works Department prepared outline estimated costings for six possible alternatives. In increasing order of costs, these are:

- Option A Mastin Point - This is the original route proposed and already approved. This remains the preferred engineering solution. It is the shortest route and suitable materials for the river crossing can be procured en route. The cost of completing the road with this option is estimated at £100,000.00
- Option B East of Black Point - This is the second shortest route and a longer haul than route A, particularly (Farmer) Rock a quarter mile from Wireless Ridge. It is viewed more favourably by petitioners because it has it does not mar the visual impact. The cost of this is estimated at £110,000.00
- Option C is the west of Black Point, which is marginally longer than B with the added difficulties of greater route length on the north side of

the Murrell River. It is preferred over Option B by petitioners despite the rather higher visual impact. The cost of this option is estimated at £120,000.00.

- Option D1 would have the road crossing the Drunken Rock with the road terminating just north of the river, therefore the farm access would be made via the existing Camp track. This is the shortest option but may not be acceptable to whoever farms it must have lorry access to wool sheds and road construction. Despite being the shortest option, it will require long hauling of rock. It is the preferred option of the petitioners, other than not making a river crossing at all. The visual impact of the road is estimated to be similar to the visual impact of the crossing would be had with the Mastin Point option. The cost is estimated at £120,000.00.
- Option D2, which would be crossing at Drunken Rock and routing to the house along the north bank of the river. This involves hauling of rock and very long hauling of general fill all down the north side of the river. It has the highest visual impact in the estuary. And, road to the north of the river would be highly visible from anywhere. The cost of this is estimated at £150,000.00
- An additional option was considered, which is crossing at Drunken Rock and routing to the House via the north of the river. This has much the same as the advantages with full distance as Option D2. It is the highest cost option has the least visual impact when viewed from the estuary, as the road would be north of the ridgeline behind Murrell House. The cost of this is estimated at £200,000.00.

Regardless of the crossing point, it's accepted that the exact design of any crossing, which will not be constructed until next road building season in any event, will need to be the subject of future work, as will the management plan. It should be noted that no single option will satisfy fiscal, environmental and recreational priorities.

I hope the answer to this question will satisfy all concerned parties that all of the issues will be properly considered and discussed and continue to be until the matter is resolved.

The Honourable Mike Summers

I thank the Honourable Member for his extremely comprehensive answer, which, I am sure, will be helpful to members of the public and this Council alike. Could he just confirm to me that this issue has at least served to satisfy one point, which was apparently unclear, and that is that Executive Council does have the right to deal with an issue raised by an objector to a planning issue, we will regard that that be the case, so that Executive Council will take this matter in hand and will resolve it to its satisfaction.

The Honourable Stephen Luxton

I am sure the legal position with regard to the Planning Ordinance and appeals against the Planning Ordinance – it is my understanding that Executive Council has the right to change the decision on the current road route. So, effectively, there is a route of appeal through that mechanism.

Clerk of Councils

Question number 3 of 2005 by the Honourable Mike Summers

The Honourable Mike Summers

Will the Attorney General please advise what work has been done to date to meet the concerns previously expressed in this House – perhaps some time ago – about the safety of Public Service Vehicles? And, is he aware some vehicles plying for public trade are in apparently a very poor state of repair?

Attorney General

The Road Traffic Bill has been in the course of preparation for some time and in accordance with Executive Council decisions, it is intended to incorporate more extensive provision in relation to public service vehicles, hire cars and taxis than is contained in the present law. The preparation of the Bill, which commenced over a year ago, has been delayed by the need for me to undertake other pressing work. But I hope to complete it within the next few months.

I am not personally aware of vehicles plying for public trade being apparently, at present, being in a very poor state of repair. I was concerned about two and a half years ago about this. I have spoken to the Chief Police Officer, who tells me that he is not aware of any present problem of any vehicles plying for public trade being in a poor state of repair. And, if any instances come to him or are brought to his notice, he will exercise his existing powers to have them examined by a Motor Vehicle Examiner.

The Honourable Mike Summers

Thank you.

Clerk of Councils

Question number 4 of 2005 by the Honourable Mike Summers

The Honourable Mike Summers

Can the Chief Executive advise this House what are the next stages in reviewing the Cable & Wireless telephone and monopoly service, and

particularly the Camp telephone service? Has the report from Dr. Chris Doyle been a helpful review and when will it be made public?

The Honourable Chief Executive

Mr Speaker, Honourable Members, Dr. Doyle's report on Telecommunications in the Falkland Islands was received last month. This followed his visit to the Islands in September 2004. The report was submitted to Executive Council yesterday, following which, with the deletion of certain commercially sensitive information, the report is to be published on the 4th of February 2005. The report has been the subject of initial discussions with a representative of Cable & Wireless. The Chief Executive of Cable & Wireless in the Falkland Islands, Mr. Rick Hall, has advised that technical improvements are to be made by the end of 2005, which will, among other things, extend the life of the existing Camp Telephone System, enable broadband services to be delivered to customers in Stanley and double the Satellite Bandwidth. Cable & Wireless are also considering the introduction of a mobile cellular service.

Executive Council has asked Cable & Wireless to publish a progress report on their proposals to coincide with the publication of Dr. Doyle's report. The current telecommunications licence granted to Cable & Wireless expires in November 2010. The Government will almost certainly serve the required 5 years notice of termination on Cable & Wireless in November 2005, so as to preserve the Government's negotiating position in regard to the possible issue of a new licence and the improvement and costs of services for the future. In the meantime, Cable & Wireless are to be invited to submit firm, costed proposals for the future provision of telecommunications services. These will then be carefully evaluated by the Government, with advice from Dr. Doyle.

So, in conclusion, Dr. Doyle has indeed been helpful in the on-going review of telecommunications services. Contact has been maintained with Dr. Doyle in order that we may continue to provide the Government with independent technical advice during the discussions and negotiations with Cable & Wireless.

The Honourable Mike Summers

Mr Speaker, that is very helpful. Can I ask the Chief Executive whether, in the course of his report, Dr. Doyle commented in particular on the retail price of telephone services in the Falklands? And, whether any changes to those might be possible through negotiation with Cable & Wireless prior to renegotiating the whole licence?

The Honourable Chief Executive

Yes indeed. Dr. Doyle does comment and remarks that he regards the scale of charges as somewhat high. And, certainly when I referred in my earlier response to the costing provision of services from Cable & Wireless, the

costed proposals I would expect that we would be inviting them to pay direct attention particularly to the scale of charges.

Clerk of Councils

Question number 5 of 2005 by the Honourable Jan Cheek

The Honourable Jan Cheek

Mr Speaker, Honourable Members, will the Honourable Mike Summers please state the total consultancy and legal costs incurred by FIG in relation to the negotiated re-organisation of Stanley Services Limited? And, how much of those costs will be on-charged to Stanley Services Limited and to the other shareholders?

The Honourable Mike Summers

Mr Speaker, Honourable Members, expenditure incurred over the past three financial years amounts to £316,212.74 in total to date. The transaction is not yet complete, although it's very nearly complete and further expenditure will be incurred of £15,096 committed to the 14th of January. There is a balance of £26,000 remaining in the Attorney General's budget for this purpose. At this stage it is estimated that this will be sufficient to complete the transaction.

I am unable to state how much SSL are prepared to contribute towards the costs because that is a Company decision and is being negotiated in the Board of Stanley Services. Once total costs are known, our Legal Advisor, Charles Russell, will be asked for their advice as to what level of contribution should be sought from SSL in respect of these costs in so far as they relate to the remit to which SSL are a party.

There has never been any attempt to seek a contribution from the other shareholders. The other shareholders are bound to have incurred their own costs. And they would most likely participate to the same or greater extent in the event that FIG still want contributions.

The Honourable Jan Cheek

During the protracted negotiations, that as you say, are still on-going, many points were raised on more than one occasion by other shareholders, so should they not be liable for debts incurred because they were repeating issues that we thought had already been dealt with?

The Honourable Mike Summers

Mr Speaker, there will be undoubtedly a negotiation between the shareholders of Stanley Services about how the costs should be allocated. As with all negotiations of that sort, I dare say that various points will be made by one side or the other and some kind of compromise will be reached. This has

been a very protracted negotiation and I am sure that none of us are entirely happy that it's taken so long. But I think the process of allocating blame to one party or another would be pretty invidious and would end up probably costing a lot more money than we currently have spent already, so, there will be a negotiation. On behalf of the public purse we will be trying to recoup what we can from the company. The reality of the thing is that the Falkland Islands Government will be the beneficiary of the sale of shares of Stanley Services to well in excess of £1.5million. So we are very well in pocket from this exercise. But we will make every effort that we can to recover costs where we can.

Clerk of Councils

Question number 6 of 2005 by the Honourable John Birmingham

The Honourable John Birmingham

Mr Speaker, Honourable Members, can the Honourable Roger Edwards explain to this House how footpath widths are decided?

The Honourable Roger Edwards

Mr Speaker, Honourable Members, I thank the Honourable John Birmingham for his question on footpaths. Footway widths are decided after taking into account various criteria. The target width is between 1.2 and 1.5 metres. But sometimes due to physical constraints, even the lower figure is not achievable. And, in a number of locations, width is as little as 800mm and others are even less. With new developments, the main criteria is the likely level of use. There are normally few, if any other constraints other than cost. However, where footways are to be created adjacent to existing roads, or these roads are being upgraded, achieving the target dimensions may not be possible due to insufficient physical space being available to provide a normal width carriageway and footway. This is particularly the case in older parts of Stanley. And, in such cases, the benefits and risks of giving one width over the other are balanced. It may also be, however, that there is adequate physical width apparently available but that existing underground services are placed in such a way that without significant expense to relocate these, the footway can be made as wide as would be ideal. Cases in point are at the eastern end of Fitzroy Road East and Davis Street East.

Although services are commonly placed under footways, existing services may be too shallowly placed to allow this where the footways are being installed at a later date. The width of existing sections of footways to which the new footway will link, may also be affected.

The Honourable John Birmingham

I thank the Honourable Roger Edwards for his full reply.

Clerk of Councils

Question number 7 of 2005 by the Honourable John Birmingham

The Honourable John Birmingham

Mr Speaker, Honourable Members, will the Honourable Jan Cheek tell this House the procedures that are followed when there is a medical emergency in the Camp that requires an evacuation via private aircraft?

The Honourable Jan Cheek

Mr Speaker, Honourable Members, I thank the Honourable Member for the opportunity to explain how aero-medical evacuation by FIGAS aircraft is conducted.

Typically a patient or relative will phone the Hospital and the duty nurse will phone the duty Doctor. As with any emergency call, the Doctor will phone back, if appropriate, to assess the need for evacuation based on the information provided. If evacuation to KEMH is deemed necessary, the Doctor will then decide how, whether by air – FIGAS or helicopter, whether accompanied on a normal seat or on a stretcher with a nurse and/or a Doctor in attendance. Our first choice for air evacuation is FIGAS but at night, or in difficult weather, or if there is no landing strip, a helicopter may be requested.

If FIGAS is being used, the KEMH contacts the General Manager of FIGAS with details of the location, of any requirement for a stretcher and of accompanying medical staff or relative. There are then two possible procedures. Firstly, if the call is out of normal working hours, the General Manager of FIGAS notifies the standby pilot, engineers and air traffic control staff, who in turn notify the standby firemen. If the flight is viable, timings are established and KEMH advised accordingly. Once the aircraft is airborne, Air Traffic Control works in liaison with KEMH regarding arrival time. Secondly, if the call is in normal working hours, the Hospital assesses if the patient can be collected by an aircraft as part of a routine flight or if a dedicated flight is required. If the former, an aircraft in the vicinity will be tasked to collect the patient and/or divert to collect medical staff. If the latter, subject to availability, a stand-by aircraft and pilot will be tasked. If all serviceable aircraft are operational at the time of the medivac request, the medivac will proceed on the return of the earliest aircraft. At the close of play each day an aircraft is located appropriately in the hangar and fuelled for a possible medivac request.

During Camp Sports Week, or other times of increased potential for physical injury, an aircraft is fitted with a stretcher as a stand-by. But otherwise, a stretcher is fitted only when specifically requested. I am advised that a stretcher can be fitted into all four passenger aircraft.

The Honourable John Birmingham

Mr Speaker, I would like to thank the Honourable Jan Cheek for a very full reply.

Clerk of Councils

Question number 8 of 2005 by the Honourable John Birmingham

The Honourable John Birmingham

Mr Speaker, Honourable Members, would the Attorney General confirm or otherwise that the emergency service vehicles when either on call or on training, are subject to all traffic regulations including speed limits?

Attorney General

I thank the Honourable Member for the opportunity to make clear what the position is. It is that Police, Fire, Ambulance and other emergency service vehicles and drivers are subject to the same road traffic law as other vehicles and drivers. Police, Fire and Ambulance drivers are therefore liable to prosecution, for example, for reckless or careless driving or for breaking the speed limit.

However, in the event of a case file being submitted to my department alleging an offence by the driver of an emergency service vehicle, the evidence and background circumstances will be fully and carefully considered before reaching a decision as to whether or not to prosecute in a particular case.

The Honourable John Birmingham

Mr Speaker, Honourable Members I thank the Attorney General for his reply

Clerk of Councils

ORDERS OF THE DAY: BILLS:

The Electoral Amendment Bill 2005. This bill has been published in the Gazette and does not require a first reading.

The Honourable Chief Executive

Mr Speaker, this Bill amends certain provisions of the Electoral Ordinance so as to widen the qualifications for entitlement to be registered as an elector and to make it easier for electors, who are temporarily in the United Kingdom, to register their vote. Provision is also made for a polling station to be provided in Stanley on the occasion of a by-election in the Camp constituency and when there is no election in Stanley.

Currently the present ordinance provides for the Registrar to be the Returning Officer. The Bill before the House will provide that in future, the Officer responsible for the conduct of the election is the Chief Executive, albeit that the Registrar will continue to manage all the administrative and operational arrangements in respect of the conduct of elections.

By way of further explanation, the current qualifications enabling a person's name to be included on the register of electors will, if the Bill is supported, provide a much more flexible approach to the determination of the issue of residence and permitted absences, which have to be counted as residents. If enabled persons temporarily living away from the Falkland Islands have qualified and are included on the Register of Electors, for example, it will enable people who are away from the Islands for an indefinite period of years whilst obtaining experience in their professional trade and before returning to the Islands, to be included in the Register of Electors and, thus given opportunity to vote at elections.

The questions to be asked under the new provisions will basically be:

- Why is the person away?
- If he or she were not away, would he or she be living at a permanent address in the Falkland Islands?
- And, does the person intend to return to the Falkland Islands?

The Registration Officer will decide, on the basis of the answers to these questions, whether a person's name should appear on the Register of Electors. An appeal will be available to the Senior Magistrate against the Registrar or the Registration Officer's decision.

The Bill also introduces what is better known as a rolling registry. At present, the qualifying date on which a person must satisfy the residency tests is the 15th of March in the year in which the Register is published. The effect of this is that if a person is not qualified on the 15th of March, his name will not appear on the Register of Electors until the next Registry is prepared and comes into force.

The effect of the provisions in the Bill before the House will enable a person to apply for their name to be included on the Register of Electors at any time. This would enable, for example, people to apply for immediate inclusion on the Register upon reaching the age of 18, whereas, at the moment, they have to wait until the 15th of March following their birthday.

There will, however, continue to be an annual canvass conducted by the Registration Officer for the purpose of ascertaining the persons who are, for the time being, entitled to be, or to remain registered as electors. The canvass will continue to be conducted by reference to residents on the 15th of March but will explain that a person whose name does not appear on the Register by reason of the annual canvass, can make application for the Register to be altered to include his or her name.

A new Register will, of course, continue to be published each year. It will include all the alterations made as a result of the annual canvass and any alterations made as a result of applications made and approved since the previous canvass. Public notice of alterations to the Register made between annual canvasses must be published by the Registration Officer so, in certain limited circumstances, when, for example a new Register following a canvass is to be published within two months.

There are other, less complicated provisions in the Bill. Under the new section 17 the Governor is empowered to give directions to the Registration Officer in relation to the carrying out of these functions under the ordinance. For example, this provision will enable the Governor to issue directions in relation to the maintaining of the Register with the assistance of a computer, including the software, which is to be used for that purpose.

The new Section 23A enables the Governor by Order, to make provisions enabling an elector to make an application to be registered as a postal voter at an address in the United Kingdom to which the postal ballot papers for completion by the elector may be sent. In such circumstances, the Falkland Islands Government Office in London will be the place to which postal ballot papers must be sent when completed. Arrangements will then be made for those ballot papers to be counted in London but be included in the counted ballot papers conducted in Stanley.

Mr Speaker, I beg to move the second reading of the Bill.

The Honourable Financial Secretary

I second the Motion.

Mr Speaker

Does any Honourable Member wish to speak to the Bill.

The Honourable Roger Edwards

Mr Speaker, I have a question on the Bill, which should be of interest to people listening in. Does this amendment to the Bill, I know it was stated that there will be a ballot box in Stanley for by-elections for members in Camp voting, but please confirm that those members on the Register for Stanley and those members on the Register for Camp will be able to vote in either area during a general election. It is well known there are quite a number of people registered in Stanley who are actually working full time in Camp during the period of the next General Election. And, likewise, Camp Members will be working in Stanley. Please, can I have that assurance that that is covered in this Bill?

The Honourable Chief Executive

Mr. Speaker, Honourable Members, I can provide that assurance.

Mr Speaker

Are there any amendments to the Bill?

The Honourable Chief Executive

No Sir.

Mr Speaker

In that case I think we can use the short track and go straight to the third reading.

Clerk of Council

The Electoral (Amendment) Bill 2005.

The Honourable Chief Executive

Mr Speaker, Honourable Members I beg to move the Bill be read a third time and do pass.

Mr Speaker

The Motion is that the Bill be read a third time and do pass. Does any Honourable Member wish to object? The Bill will be read a third time and passed.

Clerk of Council

The Electoral (Amendment) Bill 2005.

The Motion for Adjournment

The Honourable Chief Executive

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

The Honourable Jan Cheek

Mr Speaker, Honourable Members I think I must be sitting in the Honourable John Birmingham's chair because I have this almost overwhelming inclination to reply to something in Penguin News this morning. In fact I have to. I'm

alleged to reiterate time again that legislation would have to be changed in order to meet the concerns of an individual at the public meeting the other day. Just to set the record straight I did say once in relation to appointments to the Education Board that if we were to change the people who were eligible for such appointment we would have to change legislation I did say it again so I reiterated once I think, in relation to the appointments of school managers for the Secondary school. Further, given the available resources I believe that the services provided by the secondary school and the Leisure Centre to the community are most praiseworthy. However, constructive suggestions are always welcomed by the Education department and Councillors and I am quite sure that we would try to accommodate reasonable requests particularly if they appear to have broad support.

The second issue I wish to speak on relates in a way to the Honourable Stephen Luxton's reply on the question of the Murrell road. I'm pleased that my plea made several meetings ago that interested parties be consulted about the route of that road has now been answered. It seems that sensible dialogue has taken place and I sincerely hope that an equally sensible conclusion may be reached. Of course, we are all aware of the financial uncertainty caused by the unpredictable fluctuation of fish and squid catches and we are conscious of the need for fiscal responsibility but I would not like this Council to be remembered, to use a rather hackneyed saying, to be remembered as one who knew the price of everything and the value of nothing. The Murrell area is an important leisure amenity within walking distance of Stanley and therefore needs careful management if it is to be enjoyed by future generations. This issue has highlighted and fortunately resolved the difficulty people have in getting any kind of hearing, if there are legitimate objections to a development that cannot be taken into account by the Planning Committee because of the structure of Planning legislation.

Finally, I would like to congratulate all those involved in the hard work in the recent visit of the Canadian Parliamentarians particularly the Clerk of Councils, Claudette Anderson and the Honourable Richard Cockwell and the Honourable John Birmingham who were instrumental in getting them invited here. I believe the visit was a great success and it shows again that anything we or any of our friends can do to propagate accurate information on our right to self determination is invaluable. I support the Motion.

The Honourable Ian Hansen

Mr Speaker, Honourable Members I will be very brief. I would like to begin by congratulating the people of the Falklands on their generosity concerning the Tsunami Earthquake fund. This proves again that the contribution we make per capita compares more than favourably with other countries.

A couple of brief comments I guess are leading to the forthcoming budget. Several years ago before a particularly difficult budget session I remember an experienced Councillor who represented the Camp constituency saying to me, we have to apologise for living in Camp a good piece of advice I think. I think

it appears that the Camp is more heavily subsidised at times than anywhere else but I believe we still have every right to make representation if we feel for instance, freight rates are too high, if we feel health services aren't adequate or if we just feel the budgets are unkind to us. So, I've never apologised for living in Camp.

The second point, budget submissions from Government departments are already being scrutinised. I recognise the difficulty that departments have in trying to achieve the required savings. I have to say the majority are getting along with this and doing it in a way that probably won't affect the services that they provide and I think these government departments deserve a bit of a thank you from Councillors as it makes our part of the budget procedure so much easier. However, I also believe we have to be careful about which services may be affected – Health and Safety are the obvious ones. So, perhaps should we be slightly concerned that all the time that town is expanding the Fire Service appears to be shrinking. Sir, I support the Motion.

The Honourable John Birmingham

Mr Speaker, Honourable Members I'm not going to apologise for living I can assure you of that. Following on from something Councillor Cheek said earlier on, I'm pleased that she is happy sitting in the seat that I was in for a couple of years there – I kept it nice and warm for you. I have to also say something about the Penguin News. We all dearly love the Penguin News and I think it is interesting that we organise to have these meetings on a Friday so it's still hot. What I was going to say about the editorial this morning, by the way I bought my Penguin News from the Editor first thing this morning on this bright sunny day and I know that she doesn't take things personally and I certainly don't, none of us do, but I'm not going to pursue any kind of a personal agenda, dare I say like some at public forums. I'm just going to make one point and that is about the evening classes at the Community School. The number of evening classes that are now being run are in direct relation to a decision made by this Council, by us and that we would cease to fund those evening classes and they would have to be self funding. That I suggest is the main reason why there are not as many evening classes at the moment.

I would also support Councillor Cheek's comment on the running of both the senior school and the junior school, also the Leisure Centre which over the last 18 months, 2 years has really pulled it together and it is very well used – you can hardly book anything in there at the moment because everything is used up.

Mr Speaker, you will be aware, and it has already been mentioned; the visit by the Canadian Parliamentarians went very well and we've seen the proof of that in the press that we're seeing from South America. I hope that as in the editorial this morning as the editor was saying this is the first of a few that we will be seeing from other parts of the world. The Canadians in particular do not take kindly to bullies and I think we've found ourselves some very useful

friends there and let's appreciate what's being done. I would like to thank Councillor Richard Cockwell publicly, he's not here at the moment, he's not very well, I hope he feels better shortly but he is the man that really should be thanked for bringing those people down here.

At these meetings we have these questions and some seem slightly off the wall, some people may ask what on earth is he asking about the width of footpaths for. I walk around on occasions and you see in various parts of the town that the widths are different. The Honourable Member from Fox Bay has now given us an answer as to why, but I do question the width and I do question whether sometimes it isn't just to do with money when you see a woman or a man with a pram with a child in and a younger child and the younger child has to walk in the road, you may well think should we really have saved that kind of money but I know it is taken seriously and I hope in the future we will be able to maybe think of the kind of people who are using the paths. These questions are about public information. My other question there about speed and emergency vehicles was purely for public information.

Regarding the expansion of the town and the Fire Service, which was mentioned this morning, was spoken about this morning at Standing Finance and I do take on board the remark by the Honourable Member from the West but of course we also have to appreciate with modern building techniques and if you look at the statistics thankfully we find that there are fewer and fewer incidents regarding fire. The growth it would appear is in road accidents and we will keep an eye on that I'm sure. Mr Speaker I support the Motion.

The Honourable Norma Edwards

Mr Speaker, in rising to support the Motion of Adjournment, if I may, I will just comment on the proposed Murrell road, where its gone, as Councillor Cockwell is ill and he is Chairman of the Planning Committee, may I just say that the Planning Committee did not make a decision lightly with regard to the route of the Murrell road and we made a decision on the advice that was provided for us. We had an environmental assessment done of the area and on that advice we made the decision of the route of the Murrell road. I am very pleased now that it has been spelled out that there is a route for appeal and if people are concerned that they do not like the route that the Murrell road is taking, and I do agree that there needs to be a management plan but I also have to point out that we have an obligation in these times to make sure that we get the best deal for our money and we don't overspend unnecessarily.

I unfortunately was not able to meet the politicians from Canada, the weather didn't permit us getting into town but I understand it was a very successful visit and I congratulate those who organised and I wait with interest to see if it makes any difference to the attitude led by Canada regarding the Organisation of American States, if they attend it would be nice to have some support from that region in that forum.

Just one other thing I would like to mention is the Post Office, quite often you get complaints from the customers, some of them justified, some of them not, lately of course we have had difficulty getting our mail from England which hasn't been our Post Office's fault. May I just say that over the Christmas period they worked extremely hard and they do work hard in the Post Office, people go in there they see them sitting behind the counter and they think they don't do anything, that is not true. There are things that go on in the background and the extra hours that they do probably the one department that puts more into getting the mail to the general public and working in extra hours to do so than perhaps any other department would. Sir, I support the Motion for Adjournment.

The Honourable Roger Edwards

Mr Speaker, Honourable Members, I only had a couple of points to make but I've got a third after what Councillor Hansen had to say about apologising for living in Camp.

Firstly, the telephone network, I was one of the hosts of Chris Doyle when he came round to Camp and I must admit that I was delighted to see the turn out at Fox Bay, all the people who bothered to turn up to speak to him. I was even more delighted to see his wide ranging report which I thought was a very sensible and practical report, however, by a few bits of rearranging and find a few more bits of kit to keep the Camp telephone system as we have been told by Cable and Wireless, I think that it is a short term stop gap rather than a solution and I hope that Cable and Wireless or others are seriously looking at the long term future of Camp telecommunication systems.

My second point that I wish to make was Falklands Conservation. Conservation I know does a very good job and they are actually subsidised by the Falkland Islands Government, they are not universally trade, I know even at this very moment they plan for the Farmers Conservation group to get together almost in opposition to the Falklands Conservation. The reason I raise it today because it was brought to my notice recently when one of the farms on West Falklands was for sale and Conservation was rumoured to be involved in purchasing part of that farm and I can remember saying in a private conversation that Conservation would need to get permission to buy agricultural land, to buy farm land and so on, and I got the message back quickly to say no they don't, they don't need any clearance, they can buy whatever land they like. I thought this was wrong and I must say so do an awful lot of my fellows in Camp, other farmers around the area also thought it was wrong. I would like to see Falklands Conservation, if they intend purchasing land, go through Executive Council to get permission to purchase land. I know under the Ordinance there were three separate organisations that are entitled to purchase land anywhere in the Falklands without licence, I would like to see Conservation being one of those organisations that do need to go through Executive Council. I'm sure 99 times out of 100 it would be nodded through with no problem, but it may well be the case one day, one of the bits will come up and Government and Council might decide that it would

be better kept as a farm or that island would be better kept in the farming area rather than turned over and be purely used as a conservation area, so I intend to have raised or raise a paper to eventually come back to Council on that matter.

I wasn't going to mention anything else but Councillor Hansen mentioned about don't feel sorry for living in Camp and Camp subsidies. The other day, I turned the tap on and no water came out so I thought I would go and pump water, we have an electric pump, I couldn't produce any electricity, I had to sort the problem out. How often in Stanley do people turn the tap on and no water comes out, turn the switch on the wall and electricity doesn't come out. I think Camp subsidy is open and above board and people can see where and who gets it in every case, but when you think about it and I know they pay for their water, their fuel and so on, but I bet you if you looked at the infrastructure costs of maintaining Stanley the subsidy per capita in Stanley would be every bit as high as those in Camp so I don't feel sorry about living in Camp and accepting some subsidy along the way nor should anyone else. The Falklands is much bigger than Camp is of course, it is Camp and Stanley combined so we shouldn't bicker about who gets what. Mr Speaker, I support the Motion.

The Honourable Stephen Luxton

Mr Speaker, Honourable Members a couple of my colleagues have already mentioned this morning the visit by the Canadian delegation of the CPA. I guess there will be people out there who are saying that in times of financial belt tightening, we shouldn't be doing this sort of thing and that it's all a bit of a jolly but I've actually been surprised and pleased to hear most comments from people on the street that are being positive and in fact suggesting that we should do far more of this sort of thing far more often. It isn't cheap of course but in my view such visits are an invaluable contribution to strengthening our position in the world and educating our friends wherever they may be from on what the Falklands is all about, the threats that are still lurking from those who would seek to subdue our freedom and way of life.

This brings me neatly onto the lurking threat. I think an interesting theme was developed in discussions here recently particularly last week with the Canadian delegation that is the theme of the restrictions that have been placed by Argentina that amount to no more than illegal economic sanctions. I think those of us who have lived here for most of our lives have perhaps settled into a frame of mind where we tend to regard the Argentine government's disjointed antics perhaps as being on the same level as a horrible little boy throwing rocks at your window. That horrible little boy fortunately can't throw them far enough, isn't a very good shot anyway and occasionally drops a rock onto his own foot into the bargain. It is interesting to see how people from outside view the situation far more seriously than perhaps we do, the term economic sanctions is one that would arouse fury in most nations affected by most things but it is actually a perfectly valid description of the efforts of the Argentine government to harm the Falkland

Islands economy by disrupting tourism and communications. Our past, present and future vigilance in not allowing Argentina to become involved in any key services to the Islands has and will continue to serve us well, but the extent of which Argentina continues to try and influence our external communications would anywhere else in the world cause absolute outrage and I'm sure it will be an issue raised in the United Nations and beyond. The actions of the Argentine government can only really be described as despicable and for as long as they are pursued deserve the widest possible condemnation from all free and democratic countries worldwide. Perhaps, it is time the Argentines took a look at what is happening in Gibraltar and ponder why Argentina is one of the few countries left in the world today with a foreign policy still firmly entrenched in the 19th Century.

Finally, I would just like to close with the observation that if Councillors get paid over £100,000 as we hear in the news there ought to be a queue right the way around the town hall and onto Ross road come November. Sir, I support the Motion.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I only have a couple of things to talk about. I thoroughly enjoyed the public meeting the other evening, I thought it was quite good fun, there were some interesting discussions, leaving aside the one that seems to have created a controversy there were some other interesting discussions and I hope that if public meetings can be like that in the future more people will come and join in.

There was one point raised with which I think I really ought to take issue and it is that individual members of the public are perfectly entitled to have their own agendas and they can be in a minority of one if they wish, they don't require public support in the way that we do and they are not required to declare interest in particular subjects in the way that we do, we have a different type of position to maintain; so I thoroughly encourage people to come along and have their say and if they are in a minority of one I dare say they will find out in due course, in the meantime we can look for the pearls along the way.

I wish to support my colleagues in congratulating the public of the Falkland Islands in being astonishingly generous in terms of raising well over £20,000 now getting on for £4 per head for the Tsunami disaster. I actually lived in Thailand for a couple of years many years ago so I sort of know and understand what the Thai people are going through but I'm equally confident that they will get through it because of the type of people that they are, but they will require assistance from the world community. I have more concern, I have to say, about the people in the Maldives and in Sri Lanka who are being really badly hit. It is none of my business where the money goes, it is a community project and the community will decide but I do hope that if there is an option to choose then folks will think about the people in the Maldives in particular whose complete islands have been destroyed in the same way that Grenada was almost completely destroyed earlier in the year. In other bigger

countries it is less of an issue, there is a small coastal belt, but it is an important matter.

The budget process is well under way, that has been mentioned and I would like to thank and congratulate those government departments who have now just about met their target savings from last year with a few months to go. Thank you for that, that is not the end of it you will be asked for another lot next year. However, the Illex season so far doesn't look as dire as it did this time last year, there is some Illex on the high seas we are not entirely certain whether it will migrate into the Falklands or not but there is some possibility, there are always rays of hope but of course the budget process is going to tight and there are always going to be difficult decisions to be made about where public expenditure sits and whether there are arguments about Fire stations or numbers of policemen or Stanley or Camp or whatever, it is all public expenditure and it all has to be properly applied and properly justified and don't regard any public expenditure at the present time as a subsidy. We are a nation and we apply the public funds to the whole nation where it is most required and that is the right thing to do.

My final comment is about a visit that is about to take place of some Argentine next of kin, this was not supposed to be in the public domain yet, but it is because the Argentines put it in the public domain and I believe that the Governor will be talking about the matter at lunch time today on the news, at least I hope he will. There is a visit planned from a relatively small group of Argentine next of kin in March, they will come on the scheduled Lan Chile flight and that is good, they'll stay for a week. I hope when they come here people will respect the fact that despite Argentine politics, they are all people who lost sons and daughters, brothers and sisters, whatever, in that unnecessary war and treat them accordingly. It has been a long time since we've had a next of kin visit, this country has always welcomed next of kin both of Argentina and the United Kingdom so I hope that we will respect and welcome them when they come. Sir, I support the Motion.

Chief of Staff

Mr Speaker, Honourable Members, I'd like to take this opportunity to remind you and members of the public that British Forces Open Day at Mount Pleasant Airfield and Mare Harbour takes place this Sunday between 11 am and 5 pm, I'm pleased to report that there is no admission charge and this would be an excellent opportunity for all Falkland Islanders to come and see all the military assets up close. You will even be able to get to sit in the Tornado F3 which you are aware continues to provide the sound of freedom over the Falkland Islands.

Mr Speaker

Honourable Members the House stands adjourned accordingly.



**QUESTION NO. 01/04 FOR WRITTEN ANSWER BY THE HONOURABLE
MIKE SUMMERS OBE**

Would the Honourable Richard Cockwell please advise what written instructions are in place for the provision or denial of permission to pass through the Narrows into Stanley Harbour and/or dock at FIPASS during adverse weather conditions? Is it clear who is actually responsible for the provision or denial of such permission? What enquiries have taken place since the grounding of the tanker "Centaurus" and what lessons have been learned and/or modifications made to instructions as a result?

ANSWER

The Ports and Harbours Information Brochure, which is published annually and distributed to all ship masters and yachtsmen, contains instructions on harbour safety and reporting. It does not however deal specifically with provision or denial of permission to pass through the Narrows or dock at FIPASS.

The FIPASS Manager and Marine Officer have powers under the provisions of the FIPASS Ordinance 1989 to regulate shipping within FIPASS waters, which are defined as those waters within one nautical mile from FIPASS. The Marine Officer also has certain powers within the harbours under the provisions of the Harbour Ordinance, though these are barely adequate in view of the fact that the principal Harbour Ordinance was drafted in 1902. Requirements for harbour reporting are contained in the fisheries legislation, so strictly speaking they only apply to reefers and fishing vessels.

It is not wholly clear under the Ordinance as to whom the power to control berthing and unberthing is delegated to. It is intended to clarify this issue in a proposed new berthing policy.

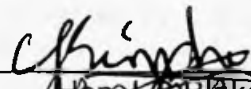
The master and pilot concerned in the "Centaurus" incident have been interviewed and a report will be issued shortly.

The "Centaurus" is an elderly product tanker with a single fixed pitch propeller and on turning in Stanley Harbour, even with her starboard anchor deployed was unable to turn up into the wind.

A berthing policy document which defines the parameters for the denial of permission to berth at FIPASS has been drafted and is being distributed to shipping companies, agents and interested parties for comment.

As soon as this Berthing Policy is agreed it will be made available to the public. It is intended that this will be within the next month.

Confirmed this 24th day of May 2005



~~Hon. E. H. A. OBE~~
~~Speaker of the House~~
Hon. the Chief Executive
Ag. Speaker of the House



**RECORD OF THE BUDGET MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 24TH AND 25TH MAY 2005**

**RECORD OF THE BUDGET MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 24TH AND 25TH MAY 2005**

MR ACTING SPEAKER

Mr Christopher John Simpkins
Chief Executive

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 Lynda Cheek
(Elected Member for Stanley Constituency)

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

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

The Honourable Roger Anthony Edwards
(Elected Member for Camp Constituency)

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Stephen Charles Luxton
(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
(Air Commodore Richard Howard Lacey, MA, CBE, RAF)

CLERK OF COUNCILS: Claudette Anderson MBE

PRAYERS: Reverend Paul Sweeting

APOLOGIES

MR SPEAKER
(Mr Lionel Geoffrey Blake OBE) - Overseas

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That it be resolved from midnight tonight the 25th May 2005 customs duties payable in respect of tobacco products and alcoholic beverages under the provisions of the Customs Ordinance 2003 are increased

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Progress of Reindeer imported from South Georgia six years ago.

**BUDGET MEETING OF THE LEGISLATIVE COUNCIL
HELD ON 24TH AND 25TH MAY 2005**

Prayers

Mr Acting Speaker

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

Clerk of Councils

His Excellency the Governor

His Excellency the Governor's address to the Nation

His Excellency the Governor

ADDRESS TO THE LEGISLATIVE COUNCIL BY HIS EXCELLENCY THE GOVERNOR

Acting Speaker, Honourable Members of Legislative Council, Commander British Forces, listeners to FIBS, Community School pupils from the Year 10 Citizenship Class, Ladies and Gentlemen:

I start with the good news: my annual address will be a good deal shorter this year. Having consulted widely following last year's address, I have decided to focus my remarks on some personal impressions of the events of the last year and the prospects for the next twelve months. This means that I shall omit the traditional department by department report on the activities of Government.

This does not imply that these activities are any less important than they have been in the past - very much the reverse, but I have agreed with Councillors and the Chief Executive that the report should be made available in written form only. This should make it more digestible. Anybody who would like to see the full report should apply to the Government Secretary. For those of you who were looking forward to listening to my voice for the hour or more that this speech has traditionally occupied, I apologise for disappointing you. But I suspect that the majority of you will be relieved!

I open by paying tribute to our public servants. It is easy to take them for granted. We are often quick to criticise and slow to praise, and of course we always think we know better. One only has to cast an eye over the columns of the Penguin News each week to see that. But my role enables me to gain special insights into the work of the public service. Our community may be small,

but it is remarkably complex, and so likewise is the task of providing it with the full range of modern public services. Small may be beautiful but it is not necessarily simpler - sometimes the reverse – and it certainly militates against the economies of scale and breadth of choice which larger communities enjoy. Of course there are things which could be done better, and like the rest of us our public servants have to be prepared to embrace change, but I have frequently been impressed by the quality, skill and commitment which they display. So to all of you, from labourer to Chief Executive, to teachers, police officers, nurses, pilots, firemen, painters, plumbers and every other member of the public service, I say a very big thank you on behalf of the Falkland Islands community. I owe a particular debt to my Government House staff, for whose loyalty and hard work throughout the year I am immensely grateful.

This is the moment to bid farewell to some of those who have left us during the year. Norman McGregor Edwards, who departed just a few weeks ago, as Director of Health and Social Services occupied one of the most testing and high profile roles in Government. He was deeply committed to his work, and we owe him a debt of thanks for presiding over a period when resources were under especially heavy pressure and the Department was undergoing a period of difficult change. His achievements include the renegotiation of the Memorandum of Understanding with the Ministry of Defence, a lengthy and complex process, and its successful conclusion owes a great deal to Norman's skill and determination. We wish him and Jane all the very best for the future, and look forward to welcoming his successor, Nikki Osborne, in July.

My thanks too go to Tony Lancaster, who left us after a valuable stint as Environmental Planning Officer. I welcome Dominique Giudicelli as Tony's successor. Dominique is already well settled into her new job. We have also recently bid farewell to Andy Douse, who has done a great deal to raise environmental awareness in Government and for whose work on conservation strategy we are very grateful. I look forward to seeing this incorporated into a new strategy document very soon.

On the legal side, Clare Faulds has taken over as our new Senior Magistrate, and Melanie Chilton as Principal Crown Counsel. The extent and variety of legal work in the Falkland Islands is expanding all the time, and both Clare and Melanie are clearly relishing the challenge.

The Commander British Forces, Air Commodore Richard Lacey, will also be leaving us shortly. He is the first CBF to have served for a full eighteen months, and we have all benefited from the greater continuity which the extended tour length has made possible. Two years would be even better! I have greatly appreciated Richard's wisdom and advice, and I know that Islanders have welcomed his and Cate's enthusiasm for island life and the trouble they have taken both to entertain Islanders at Mount Pleasant House and to travel widely around Camp. We shall miss you both. We wish you well as you move to Mons

in Belgium to take up a senior NATO appointment. As the new CBF we welcome Commodore Ian Moncrieff and his wife Marion. They arrive at the very end of May. As a former Captain of HMS Endurance, Ian already knows the Falkland Islands well, and he is delighted to be returning here in his new role.

This gives me the opportunity to underline how grateful we continue to be for the essential work of British Forces South Atlantic Islands in ensuring the security of the Falkland Islands. The continued assertion of the Argentine claim to the Falklands demonstrates the need for the Islands to be properly defended and for Islanders to be reassured of the UK Government's military commitment to the South Atlantic. We welcome the close involvement of many members of BFSAI in the Falklands community, and especially their excellent working relationship with the Falkland Islands Defence Force.

In my address last year I anticipated that the failure of the illex squid fishery and the deterioration in relations with Argentina would together make for a challenging period for the Islands. So it has proved. Although the illex fishery has not been quite as catastrophic this year as it was in 2004, it has nevertheless been pretty bad. The consequential reduction in Government income means that once again Councillors will have to take some tough decisions about Government expenditure in the next few days. It is impossible in the present state of knowledge of the fishery to make any confident prediction about catches in future years, but it would be foolish to assume that there will be a return to the bumper catches of a few years ago. The contrasting success of the first loligo squid season this year has provided some compensation, but cannot make up for the continued failure of the illex.

We may therefore have to face a long term reduction in Government expenditure. This means that Government cannot afford to maintain all services at their current levels, and that hard choices will have to be made. High spending services, such as Health and Education, cannot necessarily be immune. The temptation during an election year is to avoid painful decisions. It is true that Government's substantial reserves provide a cushion. But it would be irresponsible to spend capital to meet a shortfall in running costs for more than a very short period. This year's budget round will therefore require further steps towards a lower level of expenditure in the medium to long term. The whole community - electorate, public service and Councillors - has a role to play in bringing this about.

This has a number of implications for the future:

- First, Government has to be rigorous (but fair) in collecting the money which is owed to it. In this connection I should like to commend the success of the Taxation Department over the last 12 months in reducing the level of tax arrears from just over £600,000 to £90,000;

- Secondly, there are implications for the nature of capital expenditure. Some capital expenditure - for example on new roads - increases running costs for Government, in the case of roads because of the increase in the annual maintenance burden. Such proposals need to be looked at with particular rigour. But other types of capital expenditure can reduce running costs, sometimes significantly. The proposal to build a modern administration building to house all Government Departments falls clearly into this category;
- Thirdly, the community needs to be both imaginative and courageous in looking at new ways of doing things. The work on a transport strategy currently being undertaken by Government is a case in point. A radical look at current transport arrangements could well reap substantial dividends, but will require a readiness to accept change;
- Fourthly, diversification of the economy becomes even more important. Falklands Tourism are already hard at work on developing new opportunities, particularly in the realm of land-based tourism, and I commend their efforts. This will also require some imaginative investment from the private sector. There are new possibilities in the realm of aquaculture, which will again require some substantial investment. The recommendations of the consultants' report on mussel farming are currently being studied. The work undertaken by the Agriculture Department, FIMCO and the farming community has demonstrated the scope for moving into new products, and some of our more progressive farmers have shown what can be achieved to improve the quality and thus the value of the traditional wool product.

I cannot leave economic issues without saying a word about minerals development, both on and offshore. I should say at the outset that, unless and until a commercial resource is found - whether gold onshore or hydrocarbons offshore, the prospects remain by definition speculative. There is no case yet for counting our chickens. That said the companies have been much encouraged by the survey work they have undertaken so far. Exploratory onshore drilling for gold is already underway. Following some positive results from their seismic work, Desire Petroleum are hoping to bring a rig down here early next year to drill exploratory wells to the north of the Islands. Falklands Oil and Gas Limited will be undertaking a substantial further tranche of seismic work in their blocks to the south and south-east of the Falklands to define further the prospects in that area, with a view to drilling in due course. A commercial discovery of offshore hydrocarbons could have exciting and far-reaching consequences for the Islands. It is not too early to be thinking through some of the implications.

This is perhaps the right moment to touch on relations with Argentina. Sadly, there is little I can say which is positive, at least in terms of relations with the Argentine Government. The South Atlantic Fisheries Commission continues to

meet periodically to discuss the management of the south-west Atlantic fisheries, but the quality of the cooperation we have received from the Argentine side has been disappointing. Their refusal to discuss cooperation on a high seas fisheries agreement for the region on terms which the UK and Falkland Islands Governments could accept has been particularly regrettable, despite there clearly being a mutual interest in improving the quality of regional fisheries management. There has been some progress in discussions between the UK and Argentine Governments on a feasibility study concerning the removal of mines from the Falklands. On the issue of charter flights, there has been no movement, and there is currently no sign that the Argentines are prepared to discuss it on terms which would be acceptable to Falkland Islanders.

More positive, however, was the visit to the Islands in March by representatives of the Argentine Families Commission, in order to see at first hand the new Memorial at Darwin following its completion last year. They went out of their way to include in their visit the cemetery at San Carlos and the Liberation Monument in Stanley, to pay tribute to the Britons who died in the 1982 Conflict. I have no doubt that we were right to welcome these visitors, all of whom had suffered profound personal tragedy through the loss of family members during the Conflict. They were visibly moved by the way in which they were received in the Islands. I know that some Islanders were not comfortable with the visit, and I can understand their reasons, but I believe that the majority accepted the need for it and felt the compassion for the visitors which their personal tragedies deserved.

Meanwhile, the commitment of the UK Government to Falkland Islanders' right to self-determination remains as strong as it has ever been. The Argentine Government has no excuse for misunderstanding: Falkland Islanders wish to remain British and there is no prospect of their changing their mind on this point in the foreseeable future. I have no doubt that the new UK Government will be as unequivocal on this issue as its predecessor. I welcome Lord Triesman to his new appointment as Minister in the Foreign and Commonwealth Office with responsibility for the Overseas Territories, and hope that we shall have the opportunity of welcoming him to the Falkland Islands in due course. We look forward to enjoying as close a relationship with the new Minister as we did with his predecessor, Bill Rammell.

Councillors are right to take every opportunity to put the Falklands' case for self-determination to the international community. The meeting of the Committee of 24 every June in New York provides an annual opportunity to do so. It is important that the Falkland Islands should continue to be represented at conferences of the Commonwealth Parliamentary Association, at meetings with other EU overseas countries and territories, and in international organisations at which issues of interest to the Falkland Islands are on the agenda. It is equally important to welcome as wide a variety of overseas visitors to the Islands as possible. As well as the annual group of MP's from the UK, we were also able

over the last year to host a lively group of Canadian politicians and the Red Ensign Conference.

As I draw to the close of my address I should like to say a few words about a topic discussed at the annual conference of Governors of UK Overseas Territories, which I attended in London in the early part of this month. It is also an issue which is raised here from time to time. It concerns the nature of the relationship between the Overseas Territories and the UK Government.

The white paper "Partnership for Progress and Prosperity", published by the Foreign and Commonwealth Office in 1999, contains the most authoritative recent statement of the UK Government's position on this subject. Describing the relationship as a "new partnership", it bases it on four fundamental principles:

- self-determination;
- mutual obligations and responsibilities;
- freedom for the territories to run their own affairs to the greatest degree possible;
- a firm commitment from the UK to help the territories to develop economically and to assist them in emergencies.

The white paper states that the UK Government is committed to ensuring good government and sustainable political, economic and social development in the Overseas Territories and to guaranteeing their security and defence. In return the UK Government expects high standards of probity, governance and adherence to the international agreements to which the UK and the Overseas Territories are a party; and expects to minimise the extent to which the UK is exposed to contingent liabilities.

In the Falkland Islands these principles work well. There is close consultation between the UK and Falkland Islands Governments on relevant issues of foreign policy and international relations. Falkland Islanders run their internal affairs to a very large degree. Thus, although the Constitution allows the Governor the power, subject to certain conditions, to overturn the recommendations of Executive Council, I have never once exercised that power during my two and a half years here, or even come close to doing so. This is in itself a tribute to the standards of decision-making and governance achieved in the Islands. But in addition to the provisions of the Constitution, the UK Government needs to be able to protect its position, particularly with regard to its international obligations, through the occasional inclusion in certain key pieces of legislation of powers enabling it to act through the Governor. Such powers are already provided for in certain items of Falklands legislation, although they have in practice rarely been exercised, and are likely to be required from time to time in appropriate pieces of

future legislation but this does not in practice derogate from the principle that Falkland Islanders are responsible for running their own affairs.

For its part, the UK Government fulfils its obligation to uphold the wishes of the Islanders, in particular by supporting them in their relations internationally, and to defend the Falklands through the presence of British Forces South Atlantic Islands, a responsibility which involves a substantial cost for the UK taxpayer.

I believe the partnership works well and, for most of the time, smoothly.

The white paper invited the Overseas Territories to consider whether they wished to propose changes to their constitutions to keep them in tune with modern requirements, including those of more open, transparent and accountable government. Councillors have been considering a range of proposals which will, I understand, be finalised soon, so that, following the general election in November, they will be ready for consideration by the incoming set of Councillors and, thereafter, for discussion with the UK Government.

The November elections will provide an opportunity to demonstrate that democracy is alive and well in the Falkland Islands. It is important that the electorate should be provided with a wide choice of candidates. I hope in particular that some younger members of the community will stand. The role of Councillor is demanding and time-consuming, but immensely rewarding. I look forward to a lively campaign.

I should like to end on a personal note. The last year has been one of the most extraordinary and wonderful of my life. My marriage to Caroline at Christchurch Cathedral on 21 October last year was a joyful and deeply moving occasion for both of us. We were delighted that so many of you were able to share our happiness, and our crowded party at the Town Hall was one of the highlights of our wedding day. I should like to use this occasion to thank Falkland Islanders for all your kindness, generosity and support. The Falkland Islands will always occupy a special place in both our hearts as the place where we met and married.

The next year promises to be an equally special one for us. As most of you will already know, Caroline is expecting our first child, with arrival scheduled for late September! Caroline will be returning to her home in the Netherlands for the birth, but we are both delighted that our son or daughter will spend the first few months of life in the Falkland Islands, and will thus always share our special link with this community.

I hope you will allow me to take a moment to pay tribute to Caroline. I have admired enormously the way in which she has thrown herself into the role of Governor's wife with such energy and commitment. This is not an easy role, and

one which she had never expected, yet without the years of Diplomatic Service experience which my predecessors' wives have enjoyed Caroline has taken to it like a natural. I know that I have benefited enormously in my professional role - as well as personally - from her support.

It only remains for me to wish Councillors success, both in the difficult decisions they have to take this week on the budget and during their remaining months in office, and to wish the Falkland Islands prosperity and good fortune in the year ahead.

Mr Acting Speaker

Thank your Excellency, could you remain in the Chamber please for the Motion of Thanks.

Clerk of Councils

The Motion of Thanks to His Excellency the Governor on his address to the Nation.

The Honourable Ian Hansen

Your Excellency, Mr Acting Speaker, Honourable Members in rising to support the Motion of thanks, I would like to begin by expressing my gratitude to you Your Excellency for that very comprehensive address. This is normally the time of the year when Councillors speak about their responsibilities, their portfolios, and departments. I actually only hold the portfolio for one department so I shall be brief, I hold the portfolio for the Fire and Rescue and I have a few brief comments to make on this department. There has been questions of late as to whether the Fire Service can operate with the seemingly limited manpower that they have and the answer appears to be yes they can, callouts are attended to professionally and proficiently. We must not forget that sometimes people still manage to achieve things even when they are perhaps a little bit stretched. For instance, I know for a fact that maintenance takes up a huge amount of time, I believe that there are some fifty three pieces of equipment ranging from the biggest fire truck through to breathing apparatus to fire extinguishers and they are all maintained in house by full time on call firemen but they are managing and they deserve to be congratulated, we must keep in mind that they are perhaps operating at a minimum.

It does seem slightly strange to me that there is no committee just four lay members to contribute to what has to be one of the top three core services, I believe at one time Fire and Rescue was incorporated with the Police Committee and I do believe that we should perhaps be thinking of going back down that road.

I would also like to mention briefly, if I may, tourism, the tourism industry (and I apologise in advance to Councillor Birmingham if I am stealing his thunder as his portfolio). The tourism industry is one of our growth industries and perhaps our main growth industry and I believe we do have to if we can invest as much as we can into that industry. Of course the political situation with Argentina doesn't help in any way at all in any of our economy and our financial situation and that always has to be borne in mind.

As I said I will be very brief and I'd just like to mention once again the Falkland Islands Government Office in London who I believe do a sterling job and in the light of the latest General Election of course there will be new Members of Parliament, new shadow cabinet members and they will be kept up to date and they will know exactly why we're here in the Falklands, what we want and why we wish to remain British and they will be told exactly all that because of the efforts of those of the team in Falkland House.

Mr Speaker, I beg to support the Motion.

The Honourable Richard Cockwell

Your Excellency the Governor, Mr Acting Speaker, Honourable Members in rising to support the Motion, I note with pleasure that you haven't given us the long detail which was imposed on you traditionally. I believe that it is encumbered on myself possibly others to try and be as brief as possible ourselves I have not intention of extending the time in discussing lots of items at this stage. I think it is very natural that when you rise late to reply to the speech you will find that everybody has spoken on the things you wish to speak about and when you rise early everybody speaks about the things that you wish you had mentioned and forgot to mention so I trust you will forgive me.

I think we have to recognise that this is a budget session and it is always a very difficult session that we have to go through now especially when income is as tight as it is now. You mentioned it is an electoral year but I am certain that this will make no effect on Councillors' determination to make the right decision; I certainly won't allow it to affect my approach to the budget. I support your comments regarding all Government employees, I think they have done some sterling work this year and I think it is very evident, particularly in Stanley when you go around the town things are actually looking brighter, the roads are improving within budget, I think they have done a sterling job and I would like to congratulate them. It must be very difficult for them when Councillors are urging saving all across the board and yet they are still expected to deliver and I think they have done extremely well.

I don't want to go into details of my portfolios but perhaps I should mention Fisheries which has had a very busy year in particular the closure of the Illex fisheries. It is disappointing that the Illex has not returned to its old level of

catches, I do personally believe that things may well improve but most probably not to the level that we have had in the past but we have to not leave conservation to chance, we have to be very vigorous in making sure that we do not allow the fishery to become over fished in our waters and we have to press for a high seas agreement. I think all the involved countries recognise that and unfortunately it appears at the moment there are political issues which are colliding with this development and we have to try and find ways with the British Government and the other countries to find ways to actually achieve a high seas agreement because this fishery is a very important one for the world in general.

The draft Fisheries Bill will soon be gazetted and it will be subject to consultation and I look forward to this because I feel it is long overdue and we need to actually let the industry and everybody have a look at it and come and make comments on it. It is quite a controversial Bill, I believe that the basis of it is correct, there may be details which people want to change or look at but the basic policy which we agreed some time ago is encapsulated in the Bill and I think we need to make sure we take that forward.

I have just two other departments which I have fairly close relationship to that I feel that I should mention, the Environmental Planning office, I'm not sure that people realise how stretched this office is, it is very easy to say the Environmental Planning office will deal with this, they deal with a huge amount of work and I look forward to the development of this office with possibly a little bit more staffing in there just to help out because they are grossly understaffed, but also I would like to see some office rearrangement, the offices themselves certainly do need looking at and made much more user friendly for the staff who are working there and I look forward to that.

The FIDF, it was a pleasure last Saturday to go and see the new recruits passing out, unbelievably dreadful weather for their last exercise last week, they came through with flying colours and I congratulate all the new recruits and I also congratulate the old members who are doing sterling work and I believe are symbolic of the Falkland Islands determination that we should always maintain our right to determine our own future and I think that is very significant. Sir, I will have more to say in the Motion for Adjournment, I wish to support the Motion.

The Honourable Jan Cheek

Mr Speaker, Your Excellency, Honourable Members, in rising to support the Motion of thanks, I welcome the new and more concise format of your speech, I look forward to reading the departmental reports and I reserve my comments upon those departments until I have done that. I would like to endorse your tribute to the hard work and dedication of Norman McGregor-Edwards in the difficult and often thankless job that he had to do, I do wish Jane and Norman all the very best for the future.

All Councillors are acutely aware, not this year but the last several years for the need for careful budgeting however, we have to take care that we don't sacrifice valuable services for relatively tiny saving, of course, many small sums add up to larger ones, but we have all been guilty at times of spending an inordinate amount of time wrestling with a small amount of hundreds and then seemingly nodding through tens or hundreds of thousands. There will be measures in this session that will hit hard, but I hope we can minimise the effects that those measures on lower income groups. We have to think long term so we can't always make the capital savings that some would like because of the effect that such cuts would have on employment, unemployment would in turn increase the cost of social services. You can be reassured that we are accustomed to making difficult financial decisions on a most daily basis and in an election year it does not change that. I am even more aware than most of the fluctuations in fisheries income and declaring my interest in most fisheries matters, I know given the right legislative structure we can increase the already substantial proportion of fishery income brought in as new money to the islands, increasing corporation tax and enabling local investment to further contribute to the economy. Of course, it is in my interest in the fishing business, but I honestly believe it is an economic necessity for the islands that Government's role is reduced and the private sector is increased, that is the way countries make money and exists.

Turning to your remarks on the White Paper, custom and practice over many years have enabled internal self government to develop, it would be very disappointing to see any reversal of that, it is implicit in our right to self determination that we can determine the way our country is run. The powers retained for the Governor, should, as you have said, only be used in the most extraordinary circumstances; we have always welcomed the spirit of partnership and are I believe ready to uphold our obligations under that partnership. I welcome very much your firm reiteration of the position regarding Argentina, their failure to understand the psyche, if you like, of the people in the Falklands is huge. My family has been here now for eight generations but whether people have been here for one generation or eight we're the people who make up this community, we're the people who work for it, this is our country, self determination is our right as it is our right to live peacefully without hindrance or interference. I have a message for Argentina, that the best they can hope for from us is a good neighbourly relationship; at present they show no sign of wanting that relationship. Until they have the political maturity to recognise our rights progress is unlikely. I support the Motion.

The Honourable John Birmingham

Mr Acting Speaker, Your Excellency, fellow Members, in speaking to the Governor's Address, I like some of my colleagues will be very brief. I would like to begin by thanking Ms Nelson for bringing the students here today we haven't had any students for some time I hope we will see some more in the future and I hope they don't get too bored. I have only a few comments, certainly would be

that this Council is able Sir, and willing to make difficult decision and I believe that we have learnt a lot we've learnt a great deal from watching how the Foreign and Commonwealth Office reacts when a difficult decision arises, a difficult situation arrives and a decision has to be made. We do need and will need to be looking at reducing the overall Government spend but not at the cost of ignoring opportunities to grow in areas where there is truly room for growth, with real returns to the islands. Following on from my colleague Councillor Hansen when he mentioned Tourism, that surely is one of those areas. Sir, I don't have sleepless nights worrying about how we are going to spend all of the oil revenue we have been down that particular road before and although there is confidence that something is out there time will certainly tell on that and I wish them well next year when they do drill those three holes. There is going to be a lot more said between now and tomorrow when we sum up after the decisions that are made at the budget and I support the Motion.

The Honourable Norma Edwards

Your Excellency, Acting Speaker and Honourable Members, in rising to support the Motion of Thanks I too would like to add my welcome to Dominique Giudicelli she is a very welcomed member of the Environmental Planning organisation, she is a very down to earth lady who I think is very hard working, but as Councillor Cockwell said the department is very overstretched and I hope that we don't put so much work on the poor lady that she can't cope, I'm sure that won't be the case, but they really do need some extra help in that department at the moment.

You mention the departure of Andy Douse, I haven't yet read his report, I think there is a draft around and about the bazaars at the moment but he has done some sterling work whilst he was here and I look forward to seeing the finalised report.

May I add my good wishes to Air Commodore Lacey and his wife, it's been a pleasure knowing you, sir and I wish you all the very best for the future.

The service at Blue Beach brought home to me yesterday, or whenever it was that we were there, Saturday, just the sacrifice that was made for us and we tend I think now, the new generation can't even remember the conflict, weren't even born when the conflict happened, tend to think well what are we doing here or some people do every year. It is always to me, a very moving and important service, I still find it unbelievable the Argentines invaded us and I still find it unbelievable that they still can't understand to this day that the Islands are nothing to do with them and as you say sir, relations are not good, I can't see them ever getting any better with the attitude of the Argentineans as they are and as they have been over the last, well in all my memory which is going on for, I remember from when I was three so I reckon, 60 years (a long time).

I just felt that perhaps the service now, because we have these services every year scattered around the Islands and soon, and there has been talk in the past of no let's not just have all these services, let's have one big one, but all these places mean something special to various people in the community and I do feel that perhaps it is just not given as much profile as it used to be. But, may I just take this opportunity to thank the military for their very kind services out there in supplying us with hot coffee and tea and a sandwich, they always look after us very well and we are very grateful for it and truthfully, it is one of the coldest places on earth, Blue Beach on a bad day.

You mentioned relations with Argentina and their discussions with Britain about mines and mine clearance, I will just reiterate what I have always said again and again, I sincerely hope and have been assured so far that the Argentineans will have no part in clearance of minefields in the Islands, if they want to pay for it fine, but I don't particularly want a bunch of Argentines trying to lift mines at any time, not around my farm anyway.

You mentioned also Lord Triesman Sir, I welcome him too, I don't know the gentleman, I have not met him but I look forward to meeting him in due course and I hope he will continue the support that we have had from Bill Rammell in the past who has been a staunch supporter and friend to the Falklands and I am very sad to see him go but I wish him well in his new post in Education.

Can I just finally say, we've talked about the fish not being as good and all the rest of it, and that we're going to have to be careful with the budget and I agree with all these things, but can I just say that when I first sat at a budget session we were talking about a lot less money than we are now and the budget is in better shape than it was in those days, we aren't yet on the bones of our backside and I think if we are careful we can weather this storm, there might be oil out there goodness knows but I wouldn't like to think that we are looking to planning our future finances on the strength of drilling a few wells, if there is wealth there it will be a long time coming yet so we still got an interim period of difficulty which we will have to handle. May I mention too, as we are talking of finances today, wool prices, we tend to forget now that farmers do produce wool and the wool prices are bad and that has a knock on effect on all the rural community. It is very difficult to persuade people that this is a good way of life now because it is a hard task to make ends meet for the farmers, although people think we're all sitting out there rotten rich, if you only have the money from farming to rely on then it is a pretty poor due and the youngsters are not going into farming we are an ageing population, the farmers of the Falkland Islands and we have to constantly remember that we have to encourage people to farm our Islands in future and they will only do that if there is a decent return to be had. So, while I welcome the agricultural input into farming please don't forget about wool, that has been the backbone of our economy for many, many years before fish or oil or anything else that poked its nose over the horizon and it will probably still be there when all those things have gone so let's not neglect our wool industry.

Can I just finally say, thank you to the road gangs round and about the Islands it is important that we can continue with our road programme, I think we have nearly finished building our roads and it would be sad because of state of our finance that we suddenly brought the thing to a halt and I am sure we won't do that and I would like to see it finished shortly and when it is finished let's not forget that they need maintenance and in hard times those are the people that you keep occupied otherwise you've got a clear choice, you either pay the dole or you pay somebody to do the work and in hard times those kind of jobs are the ones that provide the most work for the most people. Sir, thank you.

The Honourable Roger Edwards

Your Excellency, Acting Speaker, Fellow Councillors, Members of Legislative Council, it is indeed good to see so many young people here in the Chamber with us this morning and I hope in a few years time we will see them sitting around this table in our place. In no particular order some of the points from your speech to the Nation, the Illex income is down again, but people tend to forget that our economy isn't actually alas that bad, Government income might be down but the private sector seems to be doing fairly well, I think this year for the very first time ever taxation at around six million pounds is actually the second most lucrative form of income for Government, that may change of course in the future, but it is interesting to see that we still have such a good economy running within the Islands.

You mentioned the transport strategy, it was a good piece of work, it points out all the defects, the faults and the costs of subsidising it but very few of the answers, and it is those answers that we have to decide in the not too distant future that is going to be the real problem and I do hope that people will come along with us while we make those difficult decisions.

My next point is farming, my wife has already mentioned it, wool prices are down there are problems with the beef industry, thousands of cattle across the islands but we have problems in getting them to the right place where we can eat them. We thank FIDC for taking the initiative earlier on this year in getting farmers, producers, the retailers and so on together to try and solve that problem and we look forward to that continuing. We must also remember some of the farmers who have made great strides in trying to improve their lot in the Camp but even so there are lots of areas in Camp where that cannot be done, what suits one will not suit another, farming is still difficult and we must be seen to be doing all we can to support that industry and maintain the levels of population in Camp.

Oil, it's certainly right not to count our chickens; there were high expectations over the last drilling round but sadly the bedrock was found to be infertile, let us hope that it is not so in this next round and that we do find oil or gas of sufficient quantities to make it worth their while to exploit.

I too, welcome the continued support of the military and indeed the support of the United Kingdom Government, I welcome Lord Triesman and I hope he can make the same contribution and I would like to say a special thanks to Bill Rammell, because I don't think we've had a Minister who has gone out of his way to be so robust in his support of the Islanders. I wish also the two Councillors who are shortly going off to New York to the Committee of 24, success in their discussions maintaining our right of self determination and it is the wishes of the people that we wish kept up.

Portfolios, I wasn't going to go through my portfolios today but I would like to thank Councillors Cockwell and Edwards for mentioning PWD, I think the road gangs have done well and I have actually had some complimentary remarks from members of the public around Stanley in the last year over the improvements around and about, I get an awful lot of negative comments but I think it is very good when you actually get some complimentary ones at the same time. I know FIGAS is going through a hard time at the moment with both maintenance and availability of airframes and we wish them well and soon back on their full mobility. I also feel sorry at the moment for the CAA or the DCA who sits there in the tower with all the changes being imposed upon it and indeed other overseas territories with the introduction of yet another level of regulations it seems. I have been in the flying industry all over the military for an awful long time, 40 years it is now and I really don't know now who we have to look for, we've got the CAA, the JAR, the JAAs the ASSIs and where they all blend in I'm at a loss to know.

I too would like to thank FIDF for their smart turn out this morning and congratulate their new recruits and indeed all those who have been in there for years. I think they do a good job, they are supportive of the military and they have been complimented by the present CBF on the assistance that they give to the military in running exercises and indeed being too good an enemy at times.

The Financial Secretary has a whole host of skeletons ready and waiting but I would like to remind members of the public and I have all sorts of rumours about what we're going to cut and how we're going to cut it and whose job is going go and whose job isn't going to go but I would just like to remind them all that actually nothing is over yet and until tomorrow afternoon and the seal goes on the papers no decision is final. Sir, I support the Motion of Thanks.

The Honourable Stephen Luxton

Your Excellency, Mr Speaker, Honourable Members, there are just a couple of things you touched I would like to respond to. I too am not going to go through all my portfolios in turn. We are in budget week of course, it has been an interesting and difficult year since have last sat here. On one hand we face a need to seriously cut back on our budget and on the other there might, and I emphasise might, be considerable wealth and security just around the corner.

For the time being we and I think quite rightly, are not assuming anything with regard to the offshore and onshore minerals industry so we will spend the next day or so putting the finishing touches to a budget that is mostly going to be about cutting things and putting up prices. I believe in the prevailing circumstances it is sensible that we should be taking a pessimistic view of the future, it is better to be pleasantly surprised than to be caught financially napping. The truth is all the signs look extremely good, nobody actually knows if there will be a drop of Falklands oil ever sold as there is still a lot that could go wrong, meanwhile as the hunt narrows down we remain with fingers crossed that we are still planning for the level of income that we might have to live with but I think our chosen course of action, to hope for the best and plan for the worst, is the right way to deal with it. I believe by the end of tomorrow it will be fairly clear that we have avoided succumbing to temptation.

I hope everybody in the Islands is reassured by your words on the subject of Argentina in the face of the continued economic regression for Argentina, it is a good thing to reiterate the statement you made regularly and robustly in order that there can be no doubt in any quarter that the Falkland Islands always have been, are and always will be British. There doesn't seem to be much of a weakening of the resolve of the Argentine Government to be downright unreasonable when it comes to the Falklands so let there be no doubt that there is no weakening resolve on this side of the water either. Sir, I support the Motion.

The Honourable Mike Summers

Mr Speaker, Your Excellency, Honourable Members I commend the revised format of the Governor's Address if for no other reason, it gives me much more opportunity to speak at great lengths, people being very brief. The Public Service, I believe has done remarkably well in the last couple of years (3, 4 years), we have been putting the squeeze on, we've been cutting public expenditure, year on year by 3%, 5% and a number of people have responded to that very positively and I wish to thank all the members of the public service, not only the leaders but also the people in the middle and lower ranks who contributed positively to this process. There is still a need however, to improve productivity in some areas and it is interesting how many people will come and tell you where they are, they tend not to be in their own areas, they tend to be in somebody else's but nevertheless there are still opportunities and I hope everybody will take them where they can. It is after all at the end of the day for everybody's benefit. I would like to commend the work done in his recently short career so far by the new Director of Public Works, Manfred Keenleyside, I think he has done a remarkably good job and I hope we will all give him our support for the future and congratulate him and his team.

I too wish to commend the work of Norman McGregor-Edwards, this has been a particularly difficult time for any Director of the Health Services, there have been

a number of issues, a number of pressures that have made that job almost impossible to do, I think he has done remarkably well and I thank him for his resilience and his contribution to both developing the Health Service and controlling the cost of the Health Service and I wish his successor well.

Argentina is always mentioned in this House and rightly so, but sometimes I think that the number of times that we mention it gives it a prominence frankly that it doesn't deserve. Argentina is an issue in the lives of the people here but it is not the biggest issue really and they are running their best attempt for an economic blockade of the Falklands, frankly it is not having a great deal of effect, it has some effect on Tourism, it certainly has some effect on communications but it is not the biggest deal and frankly they do not have us under their thumb so let's not when we talk about the Argentine issue give them overly much prominence.

The role of the Ministry of Defence of course here is a great comfort and we are always grateful for the work that they do not only in their official duties as protectors of the Country on behalf of Her Majesty but in their role as contributors to society and I thank them for that.

There will be a number of issues to be discussed this week in terms of the budget and the economy as a whole; we will still be looking to reduce public expenditure, that is just inevitable, because public income is reducing, however as others have mentioned there is increased income in the private sector, the gross national product is increasing, the economy is not in dire straits. The difficulty with the Illex fishery is largely a difficulty with Government income not a difficulty with the economy overall. We are also fortunate that the stock markets in other countries are doing rather better particularly in the United Kingdom, there is also therefore increased income from our reserves and our reserve fund remains very healthy indeed and if there is a need to take small amounts from the reserve in difficult times that of course is what we will do. This Council collectively has no problem whatsoever in making difficult budget decisions, it never has and I don't think it ever will and whether it is an election year or not an election year we will make the decisions that are required this week.

Bill Rammell has done a fine job for us but like all politicians that come and go he has now gone to another job; we hope he will still be a supporter and after the UK general election we will have a lot of supporters still in the House. Happily Councillor Birmingham, Councillor Luxton and myself will have an opportunity we believe to meet the new Minister Lord Triesman when we are in London next month, we will be talking to him about a number of issues of course including the issue of self determination, I have no doubt whatsoever that he will be positive on the subject but there are some things we need to discuss, clearly the issue with communications between the Falklands and the outside world is going to be on the agenda, clearly the issue of high seas fishing is going to be on the agenda. There will also be constitutional development issues and I think it was helpful for your Excellency to have reiterated in this House today the principles that were

set out in the White Paper that underpin the partnership between the United Kingdom and its Overseas Territories. Interestingly enough, there is no hierarchy in those aspirations they are simply set out as sometimes competing sometimes complementary aspirations that have to be achieved. Yes there is a need sometimes for the United Kingdom Government to be involved in decisions made here because they have international implications, they have foreign affairs implications and other implications that the British Government has to be aware of. Yes, there is a need on occasion for the United Kingdom government to act through the Governor, but let me say, I think there is no place in the Falklands for legislation that excludes or purports to exclude Executive Council from the overall management of any piece of the Falkland Islands and the Falkland Islands management. The primacy of the Executive Council is a fundamental principle of our internal self government and indeed the way the Overseas Territories have been governed in years past and any attempt to suggest that Executive Council should not be the prime manager of any piece of Falkland Islands business, I think is a very serious mistake, I think it undermines the notion, the concept of internal self government which itself undermines the principle of self determination. So, in our deliberations on particular pieces of legislation or in our deliberations on future constitutional developments that is an issue that I think we should bear very firmly in mind.

I too am looking forward to the General Election, I think it is going to be a great opportunity for a number of people to say a number of things they otherwise perhaps wouldn't have said, I'm not sure if I'm into this age issue, but since I'm on the wrong side of 50, I don't see why young people should be any more encouraged than old people but there you are, never mind. I do have a concern about candidates however in the General Election and I think either wittingly or unwittingly we as a community have got ourselves into a position where it is now quite difficult for certain sectors of the community to stand for election for the Legislative Council, that cannot be a good thing, that can only be a bad thing and I think we have to give serious consideration in our further deliberations on how we organise the Government and on how we take care of those people who are Members of the Legislative Council that we don't, clearly not deliberately, but simply by process, exclude significant sections of the community from being part of the democratic process I support the Motion of Thanks.

Mr Acting Speaker

The Motion of Thanks is unanimously approved.

Clerk of Councils

Confirmation of the record of the Legislative Council Meeting held on 28th January 2005

Mr Speaker

Is it Members' wish that I sign these minutes as being a true record of that meeting? Agreed.

Clerk of Councils

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

Copies of subsidiary legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and laid on the table pursuant to Section 34.1 of the Interpretation and General Clauses Ordinance 1977.

- Fishery Products (Hygiene)(Revocation of Approvals) Order 2005
- Merchant Shipping (Registration of Ships)(Fees) Regulations 2005
- Capital Equalisation Fund Order 2005
- Fishing Licences (Application and Fees) Order 2005
- Coins Order 2005
- Fishery Products (Hygiene)(Designated Vessels) Order 2005
- Coins (No 2) Order 2005
- Fishing Licences (Applications and Fees) Regulations order 2005

The Honourable Financial Secretary

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

Clerk of Councils

Questions for Oral Answer.

Question number 9 of 2005 by the Honourable John Birmingham.

The Honourable John Birmingham

Mr Acting Speaker, Honourable Members will the Honourable Mike Summers inform this House on the progress of the reindeer imported from South Georgia six years ago.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I commend the Member for his keen interest in this subject it has been only a few months since I last addressed this issue. I could be pedantic and say that there were no reindeer imported six years ago, but I won't do that. 59 Reindeer arrived in the Falkland Islands in February 2001 following capture and transportation from South Georgia. The animals were

taken to the Department of Agriculture's quarantine unit at Saladero and comprised 26 females and 33 males.

By August 2001 the herd numbers had reduced to 41, (15 females and 26 males).

The herd was first mated in 2003 and in November of that year the first fawns were born. 11 fawns, 6 female and 5 male were produced bringing the total herd to 51.

In the summers of 2003 and 2004 the veterinary officers castrated a number of male animals.

In 2004 the Falkland Islands Development Board agreed a recommendation to privatise the management of the National Reindeer Herd and to sell some of the castrated animals for venison or tourism purposes. Expressions of interest from farmers were sought and the Board accepted bids from two farms on West Falkland to manage the herd. The terms of the agreement require farmers to maintain a core breeding herd that remains in FIG ownership while excess progeny revert to the farmer.

The breeding herd was shipped to West Lagoons Farm on West Falkland in August 2004 and has remained in the care of the farm owner for the first year.

21 castrated males were tendered separately in 2004. Three were sold as venison in Stanley while the remaining deer were bought for tourism or venison purposes.

The breeding herd has adapted to its home at West Lagoons and 12 more fawns were born in November 2004. The Veterinary Officer will be visiting the herd on 17 May to sex, tag, weigh, castrate and remove antlers. To date the breeding herd comprises of 37 reindeer.

Half the breeding herd is expected to be transported to Albemarle Farm at the end of May. The Department of Agriculture will continue to monitor the progress of the two herds and mark and tag the stock each year.

The Honourable John Birmingham

Acting Mr Speaker, Honourable Members, I thank the Honourable Mike Summers for his reply, heaven forbid that he would ever be pedantic. I do apologise for getting the year wrong. I would just like to say that the reindeer as we know are alive and well and not some kind tetradactyl that may have been roaming the lands some millions of years ago. Could the Honourable Member tell me how many full stags there are – did I miss that.

The Honourable Mike Summers

I'm not sure if you missed it or not or if I told you or not I can always scan through here and see if I can find it but it doesn't come immediately to hand but I'm prepared to provide that information at some point in the future.

The Honourable John Birmingham

Thank you very much for that and I also don't recall and then again although I am far younger than the Honourable Mike Summers I don't recall this issue coming up in a public debate recently but I do thank him for his reply.

Clerk of Councils

Question number 10 of 2005 by the Honourable John Birmingham.

The Honourable John Birmingham

Mr Acting Speaker, Honourable Members, with the increasing birth rate, will the Honourable Jan Cheek tell me if the Education Department has plans being drawn up to accommodate the extra children?

The Honourable Jan Cheek

Mr Speaker, Honourable Members, may I begin by saying that if anyone said three years ago that the birth rate would have almost doubled by now, they would have been laughed at in this House, but now it has happened. The Camp Education Supervisor and the Headteachers at Infant Junior School and the Community School have already spent time addressing this issue.

Camp Education would welcome an increase in birth rate in the Camp! Within their current capacities at the settlement schools and considering the Travelling Teacher resource, such an increase could be accommodated unless the locations were so diverse that Travelling Teacher hours were over-stretched.

The Infant Junior School has considered this scenario as part of planning for the future. In the 2005-06 academic year, the two present Pre-school groups will enter Reception as one group. In that year Years 3 and 5 will be single-class year groups. As a result of this there is flexibility. In the future, two-class year groups can be accommodated without any problem until the 2008-2009 academic year. This would cater for all children not yet in school, and also, those yet to be born in the coming two years and I'm not going to risk predicting what kind of numbers those are likely to be.

In 2009-2010, should there be no additional accommodation forthcoming, and if every year group has two classes, then Music would be taught in the Hall, as it was until three years ago.

The biggest challenge lies in the present accommodation at the Community School. Councillors will know that it was designed for two-form entry but because of cuts made by the Council of the day, it was built with 4 classrooms less than its original design, I should add at almost the same cost as if those extra classrooms and the hall had been there. The existing school has, it is recognised, about 50% 'wasted' space (although the atrium is aesthetically pleasing and adds to the openness of the school).

The Community School is short of classroom space and recently the ICT room was divided to create extra teaching space. Without this space, FICS could not offer its existing timetable, at the same time as accommodating those pupils who are required, by law, to stay on at school for an additional term between September and December, that is something that will gradually be phased out as now each year group started its school life in September.

Any increase in student numbers would need to be accommodated in the existing two-form entry classes. Any increase to three-form entry would have significant accommodation and staffing implications. Existing tutor groups have approximately 2 x 20 students in each year. In most areas of the school, expansion would be possible by restructuring the space in the rooms, with modifications to storage space and the addition of extra furniture. This would include the rooms used for History, Geography, ICT, Maths, English, Art and Spanish.

In a number of rooms more extensive alterations would be required e.g.

- (i) Home Economics – the room would need to be extended and additional cookers could be installed.
- (ii) Science labs – these would need to be redesigned. They could then, possibly accommodate 25/26 students.
- (iii) Design Technology – the room would need to be reconfigured to fit in more workbenches.
- (iv) Music - the existing room is far too small. The removal of the wall between the Music room and the large practice room would create further space to accommodate more students.

It is, therefore, not impossible to provide extra space but there would be costs attached. Numbers of pupils at the Community School have increased from 160 to 180 in the past 3 years, of course that is not down to the birth rate that is down

to incoming families. The key fact here is that FICS does not have all the classrooms which were in the original plan and the pressure on space is increasing with the numbers.

A final point to bear in mind is, that an increase in the birth rate could result in an increase in children with special educational needs and in the number of pupils wishing to study overseas all of which carry extra costs.

The Honourable John Birmingham

Mr Speaker, Honourable Members, I thank the Honourable Jan Cheek for a very full reply and ask her that she passes my thanks to the Education Department and those people who drew up that reply. I am happy with that.

Mr Acting Speaker

Does any other Honourable Member wish to speak? No.

Clerk of Councils

ORDERS OF THE DAY: BILLS

The Appropriation Bill 2005.

The Honourable Financial Secretary

Mr Speaker, Honourable Member the purpose of this bill is to authorise the withdrawal of £39,581,470 from the Consolidated Fund for the service of the financial year beginning 1 July 2005. The schedule to the Bill summarises the appropriation under three headings:

- £31.7 million is allocated to the operating budget, which represents estimated expenditure net of internal charges of £1.1 million and capital charges of £3.3 million.
- £4.1 million is allocated to fund transfers and
- £3.8 million is allocated to transfer payments.

The Draft Estimates for 2005/06 reflect the budget strategy and policy approved by Executive Council. This followed a comprehensive budget process. Honourable Members have examined budget submissions from managers in detail in two separate meetings of the Standing Finance Committee and amendments have been incorporated at each stage. As a consequence the budget figures have been condensed into summary format in one document. The document includes extracts from the annual accounts for information and a copy of the Appropriation Bill and Capital Equalisation Fund order for ease of reference.

At this stage I should draw attention to the budget strategy which was approved by Executive Council in September of last year. This included the following elements:

- target surplus of £ ½ million
- inflation, including any pay adjustments, to be met from efficiency savings whilst maintaining services broadly at existing levels.
- to scrutinise more robustly the transfer payments budget with a view to a reduction of £300,000.
- to continue the review of charges in accordance with the approved user-pay policy.
- the transfer to the Capital Equalisation Fund to be confirmed as projected at £4 million.
- net capital expenditure to be limited to £12 million in any rolling 3-year period, that is a reduction of £3 million.
- the Consolidated Fund balance to be maintained at a minimum of 2.5 times annual operating expenditure.

Following another extremely poor illex season this year, and the likelihood of only a partial recovery next year, it was clear that the budget surplus target set in September was unrealistic. It was reluctantly accepted that a deficit result in both this year and next year was unavoidable but it was agreed that measures should continue to be introduced in a phased approach to minimise the extent of the deficit and the negative impact on the economy.

As usual, before dealing with the detail of the 2005/2006 budget, I will briefly review the current Financial Year. The Draft Estimates show that the out-turn at 30 June 2005 is expected to result in a budget deficit of £1.4 million compared to a deficit of £3 million forecast a year ago. The reason for this £1.6 million improvement is due to a net increase in revenue of £3.9 million, mainly from taxation and investments, partly offset by a reduction in fisheries revenue, and reduced by additional expenditure of £2.3 million.

At this time last year it was forecast that the balance of the consolidated fund at 30 June 2004 would amount to £80.5 million. The actual balance of the Consolidated Fund as at 30 June 2004 amounted to £81.6 million, a slight improvement of £1.1 million.

At 30 June 2005 it is estimated that the balance of the consolidated fund will amount to £80.2 million. This remains close to the budget strategy target of 2½ years worth of operating expenditure, and is an appropriate point to start the report on the 2005/2006 budget.

Following the recent budget meetings of the Standing Finance Committee, operating revenue for 2005/2006 is forecast at £43.5 million and the submissions for total expenditure are inserted at £44 million. This results in an estimated budget deficit of £½ million. Clearly the main aim of the budget strategy, to produce surplus of £½ million, has not been achieved. This is mainly the result of an estimated £2 million reduction in illex licence fee revenues. Had this reduction not been necessary, a substantial budget surplus would have been estimated. However, it should be noted that the estimated deficit at this stage of £½ million is an improvement on the deficit originally projected this time last year of £847,000.

As just mentioned, operating revenue is inserted in the Draft Estimates at £43.5 million which shows an increase of £3.1 million on the original estimate for the current year. The main variance relates to additional taxation revenue. This revenue forecast includes fisheries licence fee income inserted at £16 million. This figure, which is the best estimate at this time, is £4.5 million more than the revised estimate for the current year but £2 million less than the longer term forecast. After the poor results of the last two illex seasons there is a view that such forecasts are over ambitious. Such a view might prove to be correct but it was agreed to plan ahead on the basis of a continuing illex fishery with phased but modest recovery and taking due account of historic trends. Achieving the forecast income next year and thus limiting the deficit position to £½ million very much depends on what the fishery produces and in particular the illex fishery. Once again we are reminded of the fragile nature of the fishery and the need to continue to adjust our aspirations and plans downwards.

This brings me to the Draft Estimates of operating expenditure where a total £36.2 million is inserted. Following adjustments made at the recent budget meetings of the Standing Finance Committee this figure is £1.2 million more than the original estimate for the current year. This is the net result of a long process of discussions between Treasury and managers, management meetings and several days of debate by Honourable Members at the Standing Finance Committee. During this process efficiency savings amounting to £1.5 million in total were accepted and additional spending proposals of £1.6 million were approved subject to confirmation by budget select committee. It will be recalled that no cost of living award was approved for government employees last year. The retail price index increased by 2% in 2003 and by 5.6% in 2004. It is apparent that the recent fuel increases have, to an extent, distorted the retail price index calculations. The increase in 2004 excluding fuel was 2%. In view of these factors, the additional spending proposals include a provision of £200,000 to allow a small cost of living award of 1.5% to be paid to government employees from 1 July 2005. The ongoing need for making efficiency savings to minimise unavoidable growth in expenditure caused by imported inflation will continue to be a challenge to the managers involved as the year progresses.

Fund transfers of £4 million are included in the Draft Estimates. This is £300,000 less than the original estimate for the current year and is the result of a reduction in the contribution to the Capital Equalisation Fund following reductions made to the capital programme. It will be recalled that the Capital Equalisation Fund was established last year by a redesignation of the former Sinking Fund. The purpose of the redesignated fund is to smooth out the peaks and troughs of capital expenditure over the longer term. Although there is a strategy to limit capital spending to £12 million net of capital receipts in any rolling 3 year period, currently the net capital programme for the next 3 years totals £11.4 million. As a consequence the contribution to the Capital Equalisation Fund has been reduced accordingly.

The Draft Estimates for transfer payments amount to £3.8 million. As approved as part of the budget strategy, this is £300,000 less than the original estimate for the current year. This is mainly the result of agreed changes in camp assistance and subsidies, the impact of the reduction agreed last year in the holiday credit scheme, partly offset by the inclusion of an operating subsidy for Falkland Landholdings.

The proposed capital expenditure for 2005/06 to be met from the new Capital Equalisation Fund is £4.7 million. This is £1.1 million less than the original estimate for the current year and is the result of substantial adjustments made at the recent budget meetings of the Standing Finance Committee taking into account proposals from the Public Works Committee. In addition to this £4.7 million allocation it is anticipated that underspends of £800,000 from the current year will need to be carried over to keep the capital programme on track. As mentioned earlier, the projected capital programme over the next three years, net of capital receipts, is within the maximum of £12 million approved as part of the budget strategy. It should be noted that greater effort has been dedicated to establishing the 2005/06 estimate than to subsequent years. The projections are shown for financial planning purposes only. They are not approvals to spend at this stage and further work will be required to firm up the projections.

When I report back from Select Committee I will provide an overview on what the capital programme for next year contains.

Turning now to revenue measures:

- the tax system was extensively reviewed recently and a simplified, new tax regime was introduced from 1 January 2004. It is therefore not considered to be appropriate at this time for structural changes to be made, nor to amend the tax rates currently in operation.
- a principle adopted by the approval of the taxation policy framework was to keep user pay charges under review and to expand that concept in preference to adjusting existing taxes or introducing new taxes. Although it may prove necessary to increase revenue from taxation at some point in

the future, for the forthcoming year the budget proposals are focussed mainly on the user pay principle.

- it is proposed to increase customs import duty on cigarettes by 15%, and on alcoholic beverages by 5%. In line with the Health Of The Nation Strategy. These increases would, for example, add an extra 30p on a packet of 20 cigarettes and an extra 33p on a 75cl bottle of spirits. This would raise additional revenue of £76,000. No increase in duty is proposed on other tobacco products, as it is considered that it is already at an appropriate level.
- embarkation tax was originally introduced at a rate of £10 per passenger with effect from 1 January 2000. The rate was increased to £20 with effect from 1 March 2002 to recover the additional costs of airport security. The tax has been the subject of criticism from visitors and efforts continue to include the tax in the cost of Lan Chile air tickets. It is recommended that this charge remains unaltered.
- an increase in the passenger levy of £5 per passenger to £15 was agreed last year to fund additional port security measures, together with an introductory fee of £5 for vessels previously exempt. Bearing in mind the ongoing increases in fuel prices and the weak dollar, no increase is recommended for the forthcoming year.
- harbour dues were increased by 3% from 1 January 2004. Executive council agreed to a review of charging arrangements in respect of customs fees and harbour dues as part of the 2003/04 budget process. However, it was recognised that the issue could be clouded by the potential creation of a port authority. As the review should concentrate on making charges fairer, it is proposed that no changes be made to harbour dues until that review has been carried out.
- vehicle licence fees were last increased by 12% with effect from 1 July 2004. A further 3% increase is proposed from 1 July 2005 as follows:

Motor vehicle not exceeding 500 kilos	From £39.00	To £40.00
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Motor vehicles exceeding 500 kilos but not exceeding 3,400 kilos including those designed and constructed as agricultural tractors.	From £90.00	To £93.00
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Motor vehicles, other than	From £142.00	To £146.00
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agricultural tractors, exceeding
3,400 kilos.

Trailers to be drawn by vehicles From £33.00 To £34.00
exceeding 3,400 kilos.

this proposed increase would raise additional income of around £5,000.

- the introduction of a fee of £25 is proposed for carrying out police checks on individuals for employment vetting. The charge would not be applied to Falkland Islands government personnel since this would be an administrative burden only. This fee will raise an additional £5,000.
- in view of the fact that house rents are lower in the public than in the private sector, the policy in recent years has been to increase rents by more than the rate of inflation. A review was carried out in 2002 and all properties were assessed, using a points-based system, to determine their relative rental values. Overall rents were increased by a maximum of 10% but the increases were staggered, depending upon current rent levels compared with assessed relative rental values. Utilisation of this staggered approach has caused rents to gradually migrate to the points-based level other than for two properties. It is therefore recommended that the rent for these properties be increased to the full level on 1 July 2005. It is further recommended that a general rent increase of 3.5% be applied to the government housing stock. This will raise an additional £24,000. It should be noted that this increase will not immediately apply to sheltered housing, which is already subject to a staged increase. To ensure that tenants on low incomes are afforded consistent protection, the allowances and thresholds under the rent rebate scheme will be adjusted by the same percentage as the rent increase.
- the principle adopted when determining electricity charges is that the service should break even. The Draft Estimates for 2005/06 indicate a significant deficit on the power station mainly as a result of increasing fuel prices. It is therefore recommended that the current charge of 13.5p per unit be increased to 15p from 1 July 2005. This will result in a small deficit of £7,850. An increase to £15.5p per unit would produce a surplus of £55,000.
- it is also proposed that a standard £50 fee should be introduced for making electricity connections to new properties or for disconnecting and reconnecting existing supplies. There is an average of 80 requests of this nature per year and additional revenue of £4,000 would result. For reasons of simplicity a standard fee is preferred rather than the recovery of individual costs. This mirrors the practice of other service providers.

- in the absence of a private sector initiative, due to the small economies of scale, the undertaking service continues to be performed by the PWD. The cost per funeral is estimated at £850. The charge per funeral was last increased from £550 to £600 with effect from 1 July 2004. To continue the move to full cost recovery the Director of Public Works has proposed that the charge be increased to £660 with effect from 1 July 2005. This would generate an additional £950. However, it could be argued that, since the funeral charge is a one-off rather than a recurring charge, there is no need for an incremental approach to increases. It is therefore recommended that funeral charges be increased to recover the full cost of £850 in line with the user pays principle. It should be noted that this final contribution to the public purse has no effect on the cost of living.
- at this stage, no adjustments to water charges for non-domestic users are proposed since the section is showing a near break-even position. Water charges for residential properties are covered by the service charge, which was introduced last year.
- a separate refuse collection charge for non-domestic properties was introduced last year. A charge of £90 per year is currently payable for each domestic wheelie bin or £270 per annum for each large bin. As these charges recover the full cost of the service there is no proposal for adjustment at this stage.
- the domestic property service charge of £250 per annum (£125 for pensioners) was introduced with effect from 1 July 2004. In the first instance, the aim was to amalgamate the former water charge and a new refuse collection charge. Unlike the former water charges, the service charge is also payable by tenants of government housing. It should be noted that the charge was not intended to relate only to these areas in perpetuity. The potential for including other 'community' services received by domestic residents in the future was realised from the outset. It is proposed therefore that the costs associated with electricity for street lighting and the costs of street cleaning should be recovered by the charge. As there has been a saving in refuse collection costs and a near breakeven position reached for water supply, there is no proposal to adjust the level of the charge at this stage. However, this would set the principle for cost recovery of these services in the event of overall cost increases in future years.
- postal charges have been reviewed once every two years since 2000 with the last changes implemented in July 2004. However, UPU Regulations have altered the way in which mail charges are levied between postal administrations and these have increased charges for Falklands mail despatches. This is because Falklands mail contains a far greater number of items per kilo than the world average due mainly to the fact that large numbers of postcards and letters are involved. The postmaster considers

that it would be appropriate to raise charges for these items in isolation from the normal review with the user pays policy in mind. It is therefore recommended that charges for first stage airmail letters are increased by 5p to 55p and charges for postcards are increased by 3p to 45p from 1 July 2005. This would generate an additional £3,000.

- the post office currently provides a mail forwarding service for persons permanently leaving the islands free of charge. On average 15 such redirections occur annually. It is recommended that a fee of £50 per surname for 6 months redirection of mail be introduced from 1 July 2005. This is in line with the user pays policy and will generate no additional administrative costs since the service is currently provided anyway.
- a full review of Health Service fees and charges was carried out last year as part of the move towards the user pays principle. At this stage no further proposals have been received from the Health And Social Services Department. However, it is planned that the Health And Medical Services Committee will discuss where revisions may be appropriate and make recommendations accordingly.
- in line with the agreed policy of moving towards 'user pays' for services, the Director of Education has proposed an increase in the accommodation fees at Stanley House. Last year it was proposed that the fee be increased from £1 per day to £2 per day. In the event, it was agreed to implement this in two phases; an increase of 50p per day from 1 September 2004 and a further 50p per day increase from 1 September 2005 per first and second child of a resident family. Boarding would remain free of charge for third and subsequent children of the same family. It should be noted that the level of tuition fees for non-resident families was not reviewed last year when the accommodation fees were increased. The Director of Education intends to submit a proposal on tuition fees to the next meeting of the Education Board.
- the current passenger and freight charges for FIGAS were set several years ago and it is evident that they are in need of revision. However, since there is currently a comprehensive transport review underway, it would be inappropriate to review charges generally on a unilateral basis. It is therefore suggested that, whilst the principle for a need to revise charges is accepted, the transport review should accommodate any relevant changes in these areas. Notwithstanding the foregoing, a number of proposals were put forward by the General Manager of FIGAS to address specific anomalies in the current charging structure. These are recommended for approval with immediate effect as follows:
 - a) An increase in charges for engineering services on private aircraft to a realistic level. This will require a 50% increase to £30 per hour and will raise an additional £2,600.

- b) To require adults accompanying children to pay the full fare rather than the "Round Robin" fare. This will raise an additional £1000.
- c) To limit pensioner concessionary rates for residents only. This will raise an additional £800.
- d) To apply the excess luggage allowance to all sectors of the journey rather than only the first sector.
- e) To allow the subsidised rate of only 10p per kilo freight for resale in Stanley only if the aircraft is calling to embark or disembark passengers otherwise the full rate of 30p per kilo be applied.

It is proposed that fees in a number of registries administered by the Registrar General should be increased from 1st July 2005, these include fees associated with the registration of land, companies, patents and marriages. All the revised fees are set out under the Finance Bill which is the next Bill on the Order paper to be considered today. It is estimated that the increased fees will generate additional revenue of £6000.

It is proposed that Stanley Airport landing and associated charges are increased from the 1st July 2005 to bring them in line with those charged by the Ministry of Defence at Mount Pleasant Airport. The revised charges are also set out under the Finance Bill and it is estimated that they will generate additional revenue of £2000.

Turning now to pension benefits contributions and social payments. The last discretionary adjustment to Old Scheme Public Service Pensions was a 3% increase from the 1st July 2002, it is now proposed that pensions payable under the 1979 and 1965 Ordinances and the former Falkland Landholdings Scheme be increased by 3% from the 1st July 2005. These service pensions are payable from the "Old Scheme Fund" and funding implications for the Old Scheme Public Service and Falkland Landholdings pensions are kept under review by the United Kingdom Government's Actuaries department. Retirement Pensions and Contributions were last increased from the 1st January 2004. it is proposed that contributions should be increased by approximately 5% as follows from the 1st January 2006:

- The employer and the employee rates from £9.50 to £10.00 per week
- The self employed and the voluntary resident contributor rates from £19 to £20 per week
- Voluntary overseas contributor rates from £22.40 to £23.50 per week
- Assisted contributions payable by the Government otherwise known as Contribution Credits from £19 to £20 per week and
- The Earnings Limit Threshold from £160 to £165 per week.

Following last year's budget process contribution credits for students have been discussed on several occasions. Initially it was proposed that such contributions be discontinued providing an annual savings of £45,000 to the Education budget. Executive Council did not agree to the proposals at that stage since the reduction in the level of student grants had just been announced. Instead, the proposal was to be revisited as part of the 2005/2006 budget preparations. As an alternative to a complete discontinuation contribution credits could be paid for older students only. To become entitled to a full pension at pensionable age of 64 a contributor must have paid at least 2200 weekly contributions out of a possible total of 2444. If contributions credits begin at 17 and the individual retires at 64 a total of 2444 will have been made. It is therefore apparent that unnecessary contribution credits are being paid in respect of students. A full pension would be payable if contribution credits were to be paid from the age of 21. It is therefore recommended that contribution credits for students be paid from the age of 21 rather than 17 with effect from the 1st January 2006.

It is also proposed that Retirement Pensions should be increased by approximately 3% as follows from the 1st January 2006:

- Standard rate from £102 to £105 per week
- Married couple supplement from £57 to £59 per week
- The ex gratia payment from £92 to £94.50 per week in order for it to remain at 90% of the standard rate pension.

Retirement Pension Contributions are paid into the Retirement Pensions Equalisation Fund and retirement pensions are paid from that fund. The funding implications for these pensions are also kept under review by the United Kingdom Government Actuaries department. Provision of a subsidy of £300,000 per annum continues to be included in the Draft Estimates as a fund transfer to the Retirement Pensions Equalisation Fund. This subsidy is necessary to make up the funding shortfall caused by the full Resident Rate of contributions of £20 per week being £3.50 less than the actuarial rate of £23.50 per week.

It is proposed that Welfare Allowances and Attendance Allowances are increased by approximately 3% from the 1st July 2005 at an estimated additional cost of £2400.

Following a 35% increase in the price of Kerosene since the £200 winter fuel allowance was approved in 2002 it is proposed that this allowance be increased by the same percentage to £270 for the 2005 winter. This will cost an additional £6000.

It is proposed that the Fostering allowance should remain at £20 per day.

The Child Allowance is currently £53.50 per month per child. It was last increased from £51 with effect from the 1st January 2003. If the status quo on eligibility is continued and a 3% increase to the £55 per month is applied this

would cost an additional £11,000, however Executive Council previously reviewed the eligibility criteria for Child allowances and two changes to eligibility were agreed for forming part of the budget policy for 2005/2006:

- Firstly, to reduce the upper age of children in fulltime education from when they attain they age of 19 to when they attain the age of 17 and
- Secondly, to further limit eligibility for the allowance so that it shall not be payable to a person who does not hold either Falkland Islands Status, or a Permanent Residence Permit except if the child concerned has Falkland Islands Status.

Although there has been no increase in the amount of child allowance from January 2003 it is not considered that there should be an increase this year when eligibility is being restricted. Assuming that the amount payable continues at the present level, confirmation of these changes in eligibility with effect from the 1st January 2006 should produce an estimated annual saving of £46,000.

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

Now, to sum up unfortunately due to matters outside our control and for the second year running I was unable to present a balanced budget. It is clear that when revenues have once again reduced to the extent that we have just experienced sensible adjustments must be made to the way Government operates in order for it to remain solvent. With the reserve balances built up over years of surplus budgets we can afford to take a phased and balanced approach. Hopefully, this is what has been achieved this budget. It is comforting to report that expenditure reduction targets were met overall so that inflation can be absorbed. The three year capital programme is within the agreed limit and the Consolidated Fund balance remains at the approved strategy ratio of around two and a half times of revenue expenditure. With reduced revenues projected for the future and the pressure of ever increasing expenditure there is a need to continue rigorous budget processes. Despite this interim deficit budgeting situation there is evidence of a vibrant economy with or without the Illex fishery or the co-operation of the Argentine Government. I even have to mention that dreaded name.

For example, the increase from revenue from Corporate taxation, the continuing investment in housing as assisted by joint Government and Bank Mortgages, the ongoing investment in Tourism industry and other new businesses generally as assisted by the Tourist Board and the Falkland Islands Development Corporation and the increase in activity in minerals and exploration both onshore and offshore. It appears that the public sector can make the necessary adjustments without a detrimental effect on the economy. It is the private sector, which generates the wealth of the nation

facilitated by the political, and defence security that we enjoy. This wealth continues to be generated in the face of negative factors such as high energy costs caused by the increased cost in imported fuels and the ongoing need for assistance to the farming community while wool prices remain low and the meat industry is in its early development stage. I am confident that with the Government providing sound stewardship of public funds and sensible management of the economy the well-being of the Falkland Islands can be assured.

The budget process demands a great deal of time and effort from managers, Treasury staff and Honourable Members alike, in particular I must thank my deputy Keith Padgett who prepared all the policy working papers and crunched the numbers and to my PA Helga Burroughs for all her hard work in providing secretarial support. I am grateful to all those who contributed to the process. I see that my budget presentation was two pages longer than His Excellency's address to the Nation; I will leave it to you to judge the value for money aspects. Mr Speaker, this concludes my budget presentation and I beg to move the first reading of the Bill.

Mr Acting Speaker

Thank you Financial Secretary, the Motion is that the Bill be read a first time, are there any objection to the Motion?

No objection, the Bill will be read the first time.

Clerk of Councils

A Bill for an Ordinance to provide for the service of the Financial Year commencing 1st July 2005 and ending 30th June 2006.

The Honourable Financial Secretary

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

Mr Acting Speaker

Financial Secretary, the second reading.

The Honourable Financial Secretary

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

Mr Acting Speaker

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

Clerk of Councils

A Bill for an Ordinance to provide for the service of the Financial Year commencing 1st July 2005 and ending 30th June 2006.

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Bill and the Draft Estimates be referred to a Select Committee of the House and that the Honourable MV Summers be appointed Chairman. Are there any objections to the Motion? None.

The Bill is now referred to a Select Committee of the House.

Clerk of Councils

The Finance Bill 2005. This Bill is being presented under a Certificate of Urgency.

The Honourable Financial Secretary

Mr Speaker, Honourable Members the purpose of this Bill is to give effect to the amendments to charges, allowances, pension contributions and benefits regulated by legislation which I proposed in my budget presentation as follows:

- In clauses 2 to 7 an increase in Registry Fees.
- In clause 8 introduction of a standard £50 charge of electricity supply connections to new properties or for disconnecting and reconnecting of existing supplies
- Clause 9 an increase in postage of airmail letters and postcards and the introduction of a mail forwarding fee of £50 per surname for up to 6 months redirection of mail.
- Clause 10 an increase in vehicle licence fees.
- Clause 11 an increase in Retirement Pension Contributions, the Earnings Limit Threshold and Retirement Pension Benefits. Also in clause 11 to limit the payment of assisted contributions by Government otherwise known as Contribution Credits in respect of students or training to those aged 21 or over.
- Clause 12 to reduce the eligibility upper age of children in fulltime education for the Child Allowance from 19 to 17 and to further limit eligibility for the allowance so that it shall not be payable to a person who

does not hold either Falkland Islands Status or a Permanent Residence permit except where the child concerned has Falkland Islands Status.

- Clause 13 the introduction of a £25 fee for carrying out police checks on individuals for non Falkland Islands Government Employment vetting and
- Clause 14 an increase in Stanley Airport landing and associated charges.

I should also explain that Clause 15 of the Bill is required as a technical amendment to section 45(a) of the Finance Ordinance 2004, to enable the formal notice of commencement date of the establishment of the Capital Equalisation Fund which was published in the gazette on the 23rd May 2005, to be deemed to have been published on the 31st March 2005. I beg to move the first reading of the Bill.

Mr Acting Speaker

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

Clerk of Councils

A Bill for an Ordinance to increase existing fees in a number of registries administered by the Registrar General, to increase existing fees of Commissioner for Oaths, to increase a number of existing fees in relation to marriage, to introduce a new Electricity mains connection standard charge, to increase certain postal fees and vehicle licence fees, to increase retirement pensions, to alter payment of assisted contributions for retirement pensions, to increase retirement pension contributions and the earnings limit threshold, to amend eligibility criteria for family allowance, to introduce a fee for police vetting, to increase a number of fees at Stanley Airport and to make provision for the commencement of the Capital Equalisation Fund.

The Honourable Financial Secretary

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

Mr Acting Speaker

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

The Honourable Mike Summers

Mr Speaker, just a query, I notice in my copy of the Bill Clause 15 doesn't include the date of 23 May 2005, does it require an amendment to the Bill to put that date in?

The Honourable Financial Secretary

Yes, it will require an amendment.

The Honourable Mike Summers

I move that amendment.

Mr Acting Speaker

Does any Member wish to speak to the amendment?

The Honourable John Birmingham

I'll second the Motion.

Clerk of Councils

A Bill for an Ordinance to increase existing fees in a number of registries administered by the Registrar General, to increase existing fees of Commissioner for Oaths, to increase a number of existing fees in relation to marriage, to introduce a new Electricity main connection standard charge, to increase certain postal fees and vehicle licence fees, to increase retirement pensions, to alter payment of assisted contributions for retirement pensions, to increase retirement pension contributions and the earnings limit threshold, to amend eligibility criteria for family allowance, to introduce a fee for police vetting, to increase a number of fees at Stanley Airport and to make provision for the commencement of the Capital Equalisation Fund.

The Honourable Financial Secretary

I beg to move that the Bill as amended in Clause 15 be referred to the Select Committee on the Estimates.

Mr Acting Speaker

The Motion is that the Bill as amended be referred to the Select Committee on the Estimates. Are there any objections to the Motion? No objections, the Bill is now referred to the Select Committee on the Estimates.

The Council is adjourned until 2:15 on Wednesday 25th May 2005.

COUNCIL RESUMED ON WEDNESDAY 25TH MAY 2005

Clerk of Councils

The Speaker of the House.

Mr Acting Speaker

Good afternoon Honourable Members, please be seated.

I declare this session of the Legislative Council open.

Clerk of Councils

ORDER OF THE DAY: BILLS

The Appropriation Bill 2005

Mr Speaker, Honourable Members, this report covers both the Appropriation Bill and the Finance Bill referred to the Select Committee on the Estimates yesterday morning. Following the detailed and lengthy considerations at that special budget meeting of the Standing Finance Committee, proceedings of the Select Committee were completed yesterday afternoon. In any budget sessions there are always choices to be made and priorities to be determined as was the case last year: the choices were not easy ones due to the impact of a much lower level of fishery licence fee income. Only one adjustment was made to operating revenue resulting in a small decrease of £1750. Two adjustments were made to operating expenditure amounting to a net decrease of £43,000. Despite another tight budget round all essential services are maintained broadly at existing levels, for example, in terms of expenditure as would be expected in having regard to its wide range of responsibility, the Public Works Department is allocated the larger slice of the cake at £8 million, next is the Fisheries department which is allocated £6.6million, this level of expenditure is necessary for conservation and management purposes and represents 36% of the estimated direct income to Government from the fishery. Health and Social Services are allocated £5.3 million and the Education and Training £5 million. This will enable the essential services under these areas to continue to be delivered to a high standard for the benefit of all of our citizens. £3.3 million was allocated to central administration this includes the services provided by the Secretariat, Treasury, Printing, Broadcasting, Computer Section and the Taxation Office. Also included is a provision of £200,000 as a central reserve for the cost of living pay award of 1.5% for the public service which the Committee approved. Aviation which covers both Civil Aviation and FIGAS is allocated £2 million and the Department of Agriculture is allocated £1.1million. These examples are just those Heads of Services where expenditure exceeds £1 million. Details of the approved revenue and expenditure for all departments will be shown in the Approved Estimates document. This will be available shortly from the Secretariat for members of the public at the bargain price of £20 per copy.

The Committee also agreed that the Councillors' Allowances for the new Council should be increased by 7%, this represents the total increase in the Government salary scales over the four-year life of this Council and reflects the principle adopted several years ago that Councillors do not approve adjustments to their own allowances.

The budget for transfer payments was increased by £52,400 as a result of four adjustments. The transfer payments budget of £3.9 million includes the following allocations in the form of assistance to non government organisations, social payments and programmes for the purpose of helping the economy to develop and grow.

- £150,000 for building a further two houses at Mount Pleasant.
- £156,000 for air terminal, live TV and Met services supplied by the Ministry of Defence.
- £450,000 for the Holiday Credit Scheme to allow accruals to continue at 50p per day.
- £419,000 grant in aid to Falkland Islands Development Corporation was approved in order to support its budget of £950,000. This grant has been reduced by £50,000. FIDC may need to review its budget or revert to Executive Council for further justification.
- £220,000 grant in aid to Falkland Islands Tourism was approved to support its budget of £387,000. This grant is £50,000 more than what was provided last year as Tourism is recognised as a growing industry and Members are keen to invest in it. As a consequence the Tourist Board is to be invited to present a fuller case to Executive Council for additional support for the forthcoming year and for projected investment for future years.
- £152,000 was allocated as an operating subsidy for Falklands Landholdings. This subsidy is necessary to help finance the recovery plan over the next 3 to 4 years.
- £252,000 was allocated to support other agencies and trusts.
- £70,000 was inserted for donations and subventions to support youth, sports and other charitable organisations.
- £342,000 was allocated for Family Allowances.
- £1.5 million was allocated for direct and indirect support to the Camp community in the form of assistance with retirement pensions contributions, coastal shipping services, a subsidy to the Falkland Islands Meat Company, energy grants, agricultural business development, labour scheme and livestock improvement scheme.

The capital budget was reduced by £146,000 to £4.6 million and as a consequence the transfer from the Consolidated Fund to the Capital Equalisation Fund was reduced correspondingly. The Capital budget includes allocations for the following schemes:

- £880,000 for continuing the building of Camp roads both on East and West Falklands. This includes £150,000 for the replacement of the Chatres River bridge.
- £327,000 to continue the programme of upgrade to Camp jetties and ramps.
- £950,000 for major repairs to roads in and around Stanley, including a start on the Bypass road and the reconstruction of Sapper Hill road.
- £100,000 for continuing the backlog of public building maintenance.
- £350,000 for the first phase of continuing the pump sewage disposal system. A further £530,000 is projected for 2006/2007 to complete this project.
- £195,000 for a waste heat recovery system, the plan is that this will utilise waste heat from the power station for heating the Community School and possibly other buildings in close proximity.
- £50,000 for further improvement to facilities at FIGAS.
- £310,000 for improvements to Stanley's water supplies.
- £75,000 for improvements to Stanley's power supply.
- £50,000 for improvements in waste management and disposal.
- £125,00 for the first phase major repairs to Stanley Airport runway, a further £665,000 is projected in the following two years to complete the repairs and resurfacing.

It is considered that this mix of Capital construction schemes together with the more minor works will keep the in-house labour teams fully occupied and take up any slack in the private sector contracting business. As well as construction schemes the Capital budget includes the following investments:

- £330,000 to finance housing mortgages provided under the joint Government/Standard Chartered Bank Scheme.
- £225,000 for the purchase of plant for PWD
- £100,000 for the purchase of vehicles, for all government departments.

- £40,000 for a new non-directional beacon and standby generator at Stanley Airport.
- £250,000 for new and replacement medical equipment. It should be noted however, that £170,000 of this sum will need to be used to cover the increased cost of care of the Elderly Ward project which is planned to be completed next year.

Turning now to the revenue proposals made in my presentation, the Select Committee approved the following:

- An increase in Customs import duty on cigarettes and alcoholic beverages. A Motion is on the Order paper concerning this.
- An increase in vehicle licence fees. Subject to a further report on implementation, the committee approved in principle a proposal from the Chief Police Officer for authorising the fitting of private number plates at a charge to be determined.
- The introduction of a £25 fee for the Police vetting of non Falkland Islands Government employees.
- A general 3½% increase in house rent and properties below the points based rent and increase to the full rent.
- An increase in the electricity tariff from 13½p to 15p per unit.
- The introduction of a standard £50 fee for electricity supply connection, disconnection and reconnection.
- An increase in the charge for funerals in Stanley to £850
- An increase in postage on airmail letters to 55p and on postcards to 45p.
- The introduction of a mail forwarding fee of £50 per surname for up to 6 months redirection.
- An increase in the FIGAS engineering charge to £30 per hour.
- To require adults accompanying children on FIGAS flights to pay the normal adult fare.
- To cease concessionary pensioner rates on FIGAS flights for overseas citizens.
- To apply the excess baggage charges for all sectors of FIGAS flights.
- To allow the subsidised rate of 10p per kilo of freight for resale in Stanley only if an aircraft also embarks or disembarks passengers, otherwise the full rate of 30p per kilo will apply.

- An increase in registry fees and in Stanley Airport landing fees and associated charges.
- The proposed increase in accommodation charges at Stanley House from £1.50 to £2.00 per day per child of resident families were not approved, instead an increase of 10% to £1.65 per day was approved by a majority of Members as was the principle for incremental increases in future years. The Committee noted that the level of tuition and boarding fees for children of non resident families would be reviewed at the next meeting of the Education Board and that any proposed increase would need to be approved by Executive Council and the Standing Finance Committee before coming into effect on 1st September 2005.

The Select Committee agreed that there should be no change at present to the following revenue charges:

- Income and Corporation tax rates and allowances
- Embarkation tax
- Passenger tax
- Customs fees and Harbour dues and
- Water, Refuse and Service charges

The Committee approved the following proposals on Pension Benefits, Contributions and Social Payments:

- An increase of 3% in public service payments payable under the 1979 and 1965 Ordinances and in pensions payable under the former Falklands Landholdings Scheme.
- An increase of 5% in the Retirement Pensions Contribution and in the Earnings Limit Threshold
- To limit the payment of pensions contribution credits to students aged 21 or over.
- An increase of 3% in Retirement Pensions and Ex Gratia pensions.
- An increase of 3% in welfare allowances and the attendance allowances.
- An increase of 35% to £270 in the Winter Fuel allowance.
- The Fostering Allowance to remain unchanged at £20 per day.
- To reduce the eligibility upper age of children for the Child Allowance from 19 to 17 and to further limit eligibility for the allowance so that it shall not be payable to person who does not hold either Falkland Islands Status or

a Permanent Residence Permit except where the child concerned has Falkland Islands Status. The level of Child Allowance to remain unchanged at £53.50 per month per child.

- To continue to pay a Christmas bonus of one week's pension to resident pensioners in receipt of a retirement or an ex gratia pension.

To recap on the financial position, I am pleased to report that following all adjustments the estimated deficit has been reduced by £135,000 to £393,000. The estimates now that they have been approved form a series of promises in financial terms to the general public. The job of the public service is to deliver those promises and obtain best value for money for the benefit of all residents. As usual Honourable Members will be able to monitor progress through the monthly meetings of the Standing Finance Committee. A paper summarising the adjustment made to the draft estimates at Select Committee was presented to Executive Council early this afternoon. I can now report that the Executive Council recommends to Legislative Council the amendments to the Appropriation Bill necessary to accommodate those adjustments.

I would like to thank all officers and Honourable Members who took part in the budget process; in particular I thank my PA Helga for keeping my papers in order and once again to my Deputy Keith for his support and hard work. As this is the last budget session of this Council I would like to say how much I have enjoyed working with Honourable Members. There is a fair share of banter but without it the work would be boring. On the serious side I hope it is fair to say that there is mutual respect despite the different approach of individual members. I am confident, certainly on behalf of both Elected and ex-officio Members that our main aims and objectives in setting the budget are in harmony and have been met at least most of the time. The reduction in the forecast deficit in the face of much lower revenues and many cost pressures was an achievement to be proud of. From the legacy of this Council the new Council can continue to build from a firm financial foundation. To take a leading role in the business of Government is demanding and to chair official meetings is even more so. There is no doubt that Councillor Summers as Chairman of both the Standing Finance Committee and the Budget Select Committees over the past four years will be a hard act to follow, unless of course he follows it himself.

At this time of the year my memories of my mentor the late Harold Rowlands are more acute, I know that Harold didn't like a deficit budget and it was a much harder task in his early days to find ways to balance the budget but with Treasury's slighter hand he did and he kept the public finances in the black. Following the budget sessions of recent years and surplus balances I'd get a phone call from Harold with positive comments and congratulations on boosting the reserve funds, I'm not expecting any phone call this year, but trust that Harold wherever he is can rest assured that the public finances remain in good shape even in an interim deficit budget situation and that the prospects for continued economic growth are sound. This concludes my report of the proceedings of the Select Committee on the Estimates.

Mr Acting Speaker

Thank you, Financial Secretary, is the reported accepted.

The Honourable Mike Summers

Mr Speaker, Honourable Members I am happy to propose that the report is accepted.

The Honourable Richard Cockwell

Seconded.

Mr Acting Speaker

I declare the Council to be in Committee.

Clerk of Councils

Clauses 1 and 2.

The Honourable Financial Secretary

I beg to move that Clauses 1 and 2 stand part of the Bill, but that the consideration of Clause 2 be left until the Schedule has been considered.

Mr Acting Speaker

The Motion is that Clause 1 stands part of the Bill. Any objection? No objection, Clause 1 stands part of the Bill.

Clerk of Councils

Schedule.

The Honourable Financial Secretary

I beg to move that the Schedule stands part of the Bill with the amendments as shown in Executive Council paper 143/05 which has been circulated to Honourable Members.

Mr Acting Speaker

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

Clerk of Councils

Clause 2

The Honourable Financial Secretary

I beg to move that Clause 2 as amended stands part of the Bill with the following amendments:

- Delete the words and figures £39,581,470 and insert £39,444,870

Mr Acting Speaker

The Motion is that Clause 2 as amended stands part of the Bill, are there any objections. No objections, Clause 2 stands part of the Bill.

Council resumes.

The Honourable Financial Secretary

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

Mr Acting Speaker

Honourable Members the Motion is that the Bill be read a third time and passes; are there any objections? The Bill will be read a third time and passed.

Clerk of Councils

A Bill for an Ordinance to provide for the service of the financial year commencing on the 1st July 2005 and ending on the 30th June 2006.

The Finance Bill 2005 remaining stages.

Mr Acting Speaker

Financial Secretary do you have anything to add to the report previously given?

The Honourable Financial Secretary

No Mr Speaker, I included the decisions on the provisions of the Finance Bill in my report back from the Select Committee on the Estimates. I can confirm that the Select Committee approved all those provisions as proposed in my budget presentation yesterday.

Mr Acting Speaker

Thank you Financial Secretary. Approved by the Honourable Mike Summers Seconded, The Honourable John Birmingham. Does anyone wish to speak to the Motion? No, Council is in Committee.

Clerk of Councils

Clauses 1 to 15.

The Honourable Financial Secretary

I beg to move that Clauses 1 to 15 stand part of the Bill.

Mr Acting Speaker

The Motion is that Clauses 1 to 15 stand part of the Bill. Are there any objections to the Motion? No objections, Clauses 1 to 15 stand part of the Bill.

Clerk of Councils

Schedules 1 to 5.

The Honourable Financial Secretary

I beg to move that Schedules 1 to 5 stand part of the Bill.

Mr Acting Speaker

The Motion is that Schedules 1 to 5 stand part of the Bill. Are there any objections to the Motion? None, Schedules 1 to 5 stand part of the Bill.

Council resumes.

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Bill be read a third time and do pass. Are there any objections to the Motion? None, the Bill will be read a third time and passed.

Clerk of Councils

A Bill for an Ordinance to increase existing fees in a number of registries administered by the Registrar General, to increase existing fees of Commissioner for Oaths, to increase a number of existing fees in relation to marriage, to introduce a new Electricity main connection standard charge, to increase certain postal fees and vehicle licence fees, to increase retirement pensions, to alter payment of assisted contributions for retirement pensions, to increase retirement pension contributions and the earnings limit threshold, to amend eligibility criteria for family allowance, to introduce a fee for police vetting, to increase a number of fees at Stanley Airport and to make provision for the commencement of the Capital Equalisation Fund.

MOTIONS

Motion number 1 of 2005 by the Honourable the Financial Secretary.

The Honourable Financial Secretary

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

The Honourable Mike Summers

I'm happy to second that.

Clerk of Councils

The Motion is, that it be resolved from midnight tonight the 25th May 2005 customs duties payable in respect of tobacco products and alcoholic beverages under the provisions of the Customs Ordinance 2003 are increased as follows:

- On beer from 23p to 24p per litre
- On wines from 60p to 63p per litre
- On fortified wines from 71p to 75p per litre
- On spirituous beverages from £4.84 to £5.08 per litre
- On spirits from £8.83 to £9.27 per litre
- On cigarettes from £132.20 to £152.03 per kilo

Mr Acting Speaker

Does any Member wish to speak to the Motion? Financial Secretary do you wish to sum up at all?

The Honourable Financial Secretary

I have no need to sum up.

Mr Acting Speaker

Any objections? No, the Motion is carried.

Clerk of Councils

The Supplementary Appropriation Bill 2004/2005 Bill 2005. This Bill is not required to be published in the Gazette but does require a first reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, this is the second Supplementary Appropriation Bill presented this financial year. In addition to the sum of £39,575,600 already appropriated, the purpose of this Bill is to authorise the withdrawal of £1,069,450 from the Consolidated Fund to meet supplementary expenditure approved by the Standing Finance Committee. The Bill provides for the Contingencies Fund to be replenished in respect of any advances made.

Under the Operating Budget, £680,450 was approved to supplement the Health and Social Services Budget. From this sum, £350,000 was provided to cover salaries for locum clinical staff, who had to be employed due to illness and unavoidable delays in recruitment. Extra funding of £294,450 was provided to cover the increased costs of medical treatment overseas. And, £36,000 was provided to cover additional expenses incurred overseas in connection with the rehabilitation of a prisoner.

Also, under the Operating Budget, £9,000 was approved for Police and Prisons to cover unforeseen investigation expenses.

Under the Transfer Payments Budget, £30,000 was approved to reimburse FIDC for costs associated with the repair of the bow thrusters on the MV Tamar FI and £350,000 was approved for the first instalment of the operating subsidy element of the Falkland Landholdings Corporation Recovery Plan. In all cases, the Standing Finance Committee were satisfied that the supplementary expenditure was necessary and that savings were not available.

I beg to move the first reading of the Bill.

Mr Acting Speaker

Is that seconded? Yes, I assume there are no amendments? No Member wishes to speak to the Bill? We move to the fast track procedure. The Bill will be read a third time and passed.

Clerk of Councils

The Supplementary Appropriation (2004/2005) Bill 2005.

The Falkland Islands Pension Scheme Bill 2005. This Bill has been gazetted and we go to a second reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, the purpose of this Bill is to amend the Falkland Islands Pension Scheme Ordinance 1997. The principal amendments are concerned with the benefits, which are payable to Government employees Members of the Pension Scheme with an employment start date after 31 December 1996, including re-joiners who become permanently incapacitated through ill health or disablement and have to retire before they reach normal retirement age. As amended by Clause 5 of the Bill, the incapacitated member will be able to choose to receive certain pension benefits as from the time of such early retirement.

Other minor amendments to the 1997 Ordinance are also made in the Bill. The reasons for all the amendments are covered in the Explanatory Memorandum to the Bill.

The opportunity has been taken in Clause 7 to amend Section 31 of the 1997 Ordinance so as to improve the position of dependants of Government employee members who die after retirement. At present the dependants' payments only come into force if there is no surviving spouse. The Amendment will change this so that dependants' pensions will come into payment upon the death of a member, even if the member leaves a surviving spouse. This follows UK best practice.

Please note that the main provisions do not apply to private sector employers and their employees, who are free to make their own arrangements for early retirement benefits under Section 29 of the 1997 Ordinance as amended by Clause 6 of the Bill. In the private sector, alternative provision can be made without recourse to legislation. Although in so far as comparable provision is required for the Private Sector, the opportunity has been taken to amend the legislation accordingly on account of equity under Clause 4 of the Bill. This amendment will allow early access to benefits to any member of the scheme

subject to the pensions board being satisfied that the member is permanently incapacitated by a certificate to that effect from the Chief Medical Officer.

The Bill and Explanatory Memorandum were drafted by Legislative Draftsperson, Lesley Furlonger, who produced the Principal Ordinance and all subsequent amendments. The drafting of the Bill followed a series of policy decisions taken as far back as February 2003. The amendment legislation has proved quite difficult to draft and has taken a considerable time to conclude and adds complexity to an already complex Ordinance. The complexity is due to the introduction of an optional early defined benefit on account of ill health or disability for a particular group of Government employee members in a defined contribution scheme.

Please note, however, that the purpose of the amendment legislation is to give effect to policy approval in order to achieve potential cost reductions of 1.3% of pay in respect of staff subject to the new benefit.

I beg to move the second reading of the Bill.

Mr Acting Speaker

This is seconded. Does any Member wish to speak? We'll move to the short track procedure. The Bill will be read a third time and passed.

Clerk of Councils

The Falkland Islands Pension Scheme (Amendment) Bill 2005

The Employment Protection Amendment Bill 2005, published in the Gazette and we go to the second reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I should be grateful if the Attorney General would explain the purpose of this Bill and I beg to move the second reading.

Attorney General

Mr Speaker and Honourable Members, the proposed Bill would repeal the provision of the existing Ordinance, which excludes Public Officers from the provisions of the Employment Protection Ordinance 1988. It would replicate the provisions in respect of United Kingdom civil servants in that public officers here would continue to hold office during Her Majesty's pleasure as is required by Section 76 of the Constitution. They would not be entitled to statutory minimum periods of notice. However, Honourable Members will know that the Management Code makes provision for periods of notice for Public Officers.

The Bill would exclude Officers employed under a fixed term contract from access to the redundancy provisions of the 1988 Ordinance and unfair dismissal provisions of that Ordinance merely by virtue of the end of their contract period. Otherwise, they would be entitled to claim unfair dismissal under certain circumstances or to claim redundancy.

It would make provision in respect of compensation awards to encourage the use of internal appeals procedures before application to the Court. In other words, the Court can take into account that internal appeal procedures had not been used when deciding on the amount of compensation, which should be paid to an officer for unfair dismissal.

The Bill would exclude Police Officers from a range of provisions, which are inappropriate by virtue of their status as members of a disciplined force. And, in that respect, it would replicate the situation in relation to United Kingdom Police Officers, who are also Crown Servants.

Mr Speaker and Honourable Members, the Bill is one, which very much alters the present situation, which excludes Public Officers from the benefits of the Employment Protection Ordinance.

Mr Acting Speaker

The Bill is seconded. Does any Member wish to speak to the Bill? No, then we'll move to the fast track procedure. The Bill will be read a third time and passed.

Clerk of Councils

The Employment Protection (Amendment) Bill 2005

The Falkland Islands Pension Scheme (Amendment)(No 2) Bill 2005. We go to the second reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, the purpose of this second Bill is to further amend the Falkland Islands Pension Scheme Ordinance 1997. The main purpose of the Bill is to allow for compulsory contributions to be made by Government employee members.

At present pension arrangement for Government employees are non-contributory, although they may make additional contributions. The Bill proposes to change the situation so that all new pensionable Government employees will have to make contributions to the pension scheme of 5% of basic salary. Minor and consequential amendments to the legislation are also included in the Bill.

This Number 2 Bill and explanatory memorandum were also drafted by Miss Lesley Furlonger. The Bill follows the approval of policy recommendations by Executive Council on the 27th January 2005.

It is intended that the new policy should take effect from the date that the Ordinance is published in the Gazette as provided under Clause 1 of the Bill.

I beg to move the second reading of the Bill.

Mr Acting Speaker

The Motion is seconded. Does any Member wish to speak to the Bill? No, then we'll move to the fast track procedure. The Bill will be read a third time and passed.

Clerk of Councils

The Falkland Islands pension Scheme (Amendment)(No2) Bill 2005.

The Immigration Amendment Bill 2005, second reading required.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, again I should be grateful if the Attorney General would explain the purpose of this Bill and I beg to move the second reading.

Attorney General

Mr Speaker and Honourable Members, the Bill would make two amendments to the Immigration Ordinance. It would replace Section 18 Subsection 4 Paragraph (b) of the existing Ordinance, with a new provision, which would provide that a Permanent Residence Permit should not be granted to a person unless he or she shows that he or she intends that; in the event of a Permanent Residence Permit being granted to him his home, or if he has more than one, his principal home, will be in the Falkland Islands. That would replace the preceding – the provisions of the existing paragraph (b) and would, in fact, allow a person to clarify the situation by making it clear that a person could have another home outside the Falkland Islands, provided he intended that his principal home, if he were granted a permit, would be here.

The second amendment, which would be made by the Bill, would be an insertion of a new section 18(a) in the Ordinance, which would enable the Government, if there were need for any reason of financial or economic circumstances of the Falkland Islands to suspend for the time being the issue of Permanent Residence Permits. There is no provision for that in the existing provisions of the Ordinance. I should, perhaps, take this opportunity of making it clear that there has been no decision taken to bring any such suspension into effect at the present time, nor has Government considered that it is necessary to do so.

Mr Speaker and Honourable Members, those are the provisions of the Bill.

Mr Acting Speaker

The Motion is seconded. Does any Member wish to speaker to the Bill?

The Honourable Mike Summers

Mr Speaker, can I seek a small clarification from the Attorney General? He mentioned under Clause 18(a) that the circumstances might be the financial or economic circumstances pertaining at the time. Could he confirm that that was just by way of example because it doesn't actually say that in the text and, there might be other circumstances in which Permanent Residence Permits could be suspended?

Attorney General

Mr Speaker, Honourable Members, it was envisaged that those would be circumstances, which would justify the use of Section 18(a) if the Bill were enacted. The text of Section 18(a) is, in Subsection 1, "If the Governor considers that circumstances have arisen or may arise within the next 12 months in which it is not or may not be in the interests of the Falkland Islands for the time being that any further Permanent Residents Permits shall be issued, he may by Order under this subsection, suspend the operation of Section 18. It is Section 18, which authorises the grant of Permanent Residence Permits.

I merely used the example of financial circumstances because I thought they were the most obvious ones. There are others, for example, there could be a natural disaster, which had caused the disruption of a great number of homes in the Falkland Islands and, until those homes had been replaced, it might not be in the interests of the Falkland Islands for the time being that any permanent Residence Permits shall be granted. Those are not the only circumstances and nor does the Bill seek to limit the circumstances in which it might be in the public interest to suspend the issue of Permanent Residence Permits.

The Honourable Norma Edwards

Mr Speaker, can I just ask that the Attorney General clarify in Section 18(a) where it says "if the Governor considers". Presumably, this is the Governor in Council.

Attorney General

It is the Governor advised by Executive Council.

The Honourable Norma Edwards

Thank you.

Mr Acting Speaker

Does any other Member wish to speak? The Motion is that the Bill be read a second time, any objections to the Motion? No objection, the Bill will be read a second time.

Clerk of Councils

The Immigration (Amendment) Bill 2005.

Mr Acting Speaker

The Council is in Committee.

Clerk of Councils

Clauses 1 and 2.

The Honourable Financial Secretary

I beg to move that Clauses 1 and 2 stand part of the Bill.

Mr Acting Speaker

The Motion is that Clauses 1 and 2 stand part of the Bill. Any objection to the Motion? No objection, Clauses 1 and 2 stand part of the Bill.

Clerk of Councils

No Schedule.

Mr Acting Speaker

Council resumes.

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Bill be read a third time and do pass. Are there any objections to the Motion? No objections, the Bill will be read a third time and passed.

Clerk of Councils

The Immigration (Amendment) Bill 2005

The Firearms and Ammunition (Amendment) Bill 2005, second reading required.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I would be again grateful if the Attorney General would explain the purpose of this Bill and I beg to move the second reading.

Attorney General

Mr. Speaker and Honourable Members, under the present provisions of Section 18 Subsection 3 of the Firearms and Ammunition Ordinance, any member of a youth organisation, approved by the Chief Police Officer, who is over the age of 12 may use a firearm in the presence and under the supervision and office of such an organisation for target practice at a place approved by the Chief Police Officer. That provision is found to be too limiting. It is suggested and proposed in the Bill that Section 18 Subsection 3 of the Ordinance be amended so the category of approved organisations would be widened to include the Falkland Islands Defence Force and any association, club or body of persons approved by the Chief Police Officer. In other words, it would not be limited to a youth organisation but could include the Falkland Islands Defence Force and the Rifle Club and any other responsible organisation approved by the Chief Police Officer.

Mr Acting Speaker

The Motion is seconded. Does any Member wish to speak to the Bill? No, the Bill will be read a third time and passed.

Clerk of Councils

The Firearms and Ammunition (Amendment) Bill 2005.

The Mining Bill 2005, second reading required.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I would like to ask the Attorney General to explain the purpose of this Bill also and I beg to move the second reading.

Attorney General

Mr Speaker and Honourable Members, the Mining Bill seeks to repeal and replace the existing Mining Ordinance, which was first enacted shortly after the First World War and has been amended in small respects since that time.

As is the case with the present ordinance, the Bill would only relate to minerals owned by the Crown in the Falkland Islands. It would not extend to offshore minerals nor would it extend to Minerals in private ownership. However, as Honourable Members will be aware, there are few places in the Falkland Islands where minerals are in private ownership. This is because for many years the Land Ordinance has required that every grant of land by the Crown must, unless otherwise specifically stated, reserve all minerals from the land to the Crown.

The Bill is one of 85 Clauses and a Schedule. Honourable Members will, I believe, have seen the Explanatory Memorandum in relation to the Bill, which was published in the Gazette on the 18th April. I therefore restrict myself to dealing with the main features of the Bill and that may relieve Honourable Members to some extent.

As is the case under the existing law a licence will generally be required by any person who wishes to prospect for, explore for, or mine any mineral belonging to the Crown. There is a minor exception to this not appearing in the existing law in relation to fossicking activities and a more important exception that the owner or occupier of any land, who wishes for the purpose only of using the same on his own land, to mine, quarry or take stone, flint, gravel, sand or calcified seaweed. That reflects an exception in the present ordinance, which is somewhat extended.

In general, a person wishing to undertake mining activities will also need planning permission under the Planning Ordinance. Where a licence is required by the Bill, in some cases, the consent of the Secretary of State will be required for the grant of a licence. That should be contrasted with the position under the present Ordinance where, in all cases, the consent of the Secretary of State is required.

The Foreign and Commonwealth Office have, however, agreed that such a stringent requirement shall not apply where the five criteria set out in Clause 11 Subsection 3 of the Bill are satisfied. Every licence granted will be required to contain the model clauses which must to be laid down by regulations, unless they are specifically excluded by the licence.

In considering the grant of a licence, the Crown would be required to refuse to remit any activity, which would have an unacceptable degree of environmental impact. That will be something for Executive Council to consider whether the activities had an unacceptable degree of environmental impact or not. Importantly, the Crown would be required (and that would mean Executive Council would be required) so far as possible to secure economic and other benefits to the residents of the Falkland Islands as a result of the activity permitted. That is to say, in addition to the revenue which the Crown might expect to receive by virtue of a grant of a licence.

The grant of the licence would be a matter for the Governor after consultation with Executive Council but applications for licences would have to be made to the Director of Mineral Resources.

A major defect of the existing law is its omission of any satisfactory provisions requiring compensation to be paid to the owner or occupier of land on which mining operations take place, in relation to anything which may happen to his land as a result of those mining operations. This Bill would forbid any mining operations to take place until the licensee has paid or tendered to the owner and occupier of the land the amount of compensation, if any, that the licensee is required to pay under and in accordance with the provisions of the Bill, or until the licensee has made an agreement with the owner and occupier as to the amount, times and mode of payment of compensation.

While no compensation is payable for minimum impact activity (a phrase defined in Clause 2 of the Bill) it will be required in relation to more intrusive mining activities including, of course, extraction of minerals. It is a principle of the Bill reflected in its provisions that wherever possible the licensee and the owners and/or occupiers of the land affected will negotiate an agreement in relation to access and ancillary rights acquired by the licensee to undertake his mining operations.

It is, of course, possible that agreement might not be reached. In that event, the Bill provides that the licensee could make an application to the Director for a declaration to be made by the Governor, that is to say, on the advice of Executive Council that the making of a compulsory rights order would be in the public interest. However, the Governor could not reach a decision on such an application without considering in Executive Council any written representations he might receive from the owner or occupier of the land affected.

If the Governor is advised by Executive Council that a compulsory rights order would be in the public interest, then, under Clause 44 Sub-Clause 5 of the Bill, the Governor would be required to refer the matter to the Legislative Council. Only if the Legislative Council agrees that the making of a compulsory rights order would be in the public interest, could the Governor proceed to make a

declaration. That is to say, the making of such a declaration will be subject to the approval of the Legislative Council as well as approval of the Executive Council.

If a declaration were made, every owner and occupier affected would have a right to petition the Supreme Court for an order that no declaration should be made. Then, only if the Supreme Court had dismissed the petition, could the declaration be made. When and if a declaration were made, the question of the compensation to be paid to the owners and occupiers would automatically be referred for determination to the Magistrate's Court. In other words, it would be determined by the Court in those circumstances. There are detailed provisions in Clauses 53 to 61 of the Bill in relation to the assessment of compensation. There is provided an appeal from the Magistrate's Court decision to the Supreme Court. In other words, the Bill contains complex, and I hope Honourable Members will feel satisfactory, provisions to protect the landowner and to arrive at fair levels of compensation and for any invoking of the compulsory procedure to require the assent of the whole of Legislative Council.

Mining activities inevitably raise health and safety considerations. For that reason, Clause 71 of the Bill, enables provisions for the Health and Safety at Work, etc. Act 1974 and regulations made under that Act to be applied by Order. It also enables an agreement or arrangement to be entered into with the Health and Safety Executive in the United Kingdom in relation to Health and Safety supervision and advice in relation to mining activities.

Honourable Members may recall that similar provision is contained in the existing Offshore Minerals Ordinance in relation to health and safety matters in very similar terms.

Mining activities can, of course, raise environmental concerns. It is envisaged that these will be dealt with in two ways. The first is under the Planning Ordinance as proposed to be amended by the Planning (Amendment) Bill, which is before Honourable Members today. The second is by applying the provisions of the Environmental Protection Act 1990 of the United Kingdom by Order made by the Governor on the advice of Executive Council under Section 73 of the Bill and enabling the Falkland Islands Government to enter into an agreement or arrangement with the Environment Agency of the United Kingdom for supervision and advice on environmental matters and conditions in relation to mining operations.

Honourable Members, I have restricted myself to explaining only the features of the Bill I regard as salient features in the light of the fact that there is a full Explanatory Memorandum published in the Gazette.

Mr Acting Speaker

Thank you Attorney General. Is the Motion seconded. Yes, does any Honourable Member wish to speak to the Bill?

The Honourable Stephen Luxton

Mr Speaker, Honourable Members, I wonder if the Attorney General could clarify, in respect to Section 44, if the matter of a Compulsory Rights Order is referred to the Legislative Council, whether the Legislative Council requires the approval of all Members or whether it means the majority. It's just he used the expression, "the whole of Legislative Council."

Attorney General

I use the expression, "the whole of Legislative Council" because I was talking in the context of it already would have had to have already been approved by at least a majority of the members of Legislative Council, who are on the Executive Council. What I should have said instead and I apologise for the slip, is "Legislative Council as a whole." It would ordinarily be under Standing Orders a simple majority of the Members present and voting.

The Honourable Norma Edwards

Could the Attorney General just clarify in Section 15, Conditions for Prevention or Reduction of Injury to Land, that it does say that they must make good any injury to the natural surface of the land. There is no time-scale on that as to when mining activities cease. I'm just worried that in the future, if there is open-cast mining, they may well go away for a long time without being bound to make good the injury to that land. Can you assure me that this will not be so?

Attorney General

The answer to that is in the satisfactory drafting of planning conditions and in relation to the satisfactory drafting of model clauses under the license. It would be my intention that an abandonment of mining activities for anything but a very temporary period would trigger the restoration provisions of the mining licence. I imagine similar care would be taken in the grant of planning permission, and, I should say that under the Planning Bill, the grant of Planning Permission would, although there would be consideration by Planning Committee, the grant of Planning Permission would be reserved, in effect, to Executive Council and, Executive Council would have the opportunity of tying in the requirements of the licence and the conditions of the planning permission. The restoration of land conditions would, of course, figure greatly in what the conditions both of the mining licence and the planning permission would be.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I would like to make two observations, if I may by way of further explanation for members of the public and will so put a question to the Attorney General. The two observations are, one to do with Compulsory Rights Orders and the other to do with the role of the Secretary of State. Compulsory Rights Orders, so far as they apply to this Bill are somewhat analogous to compulsory purchase legislation. The reason that in discussion on this Bill Legislative Councillors have requested that it should be the Legislative Council that has the final say on compulsory rights orders is the same thinking as took place when there were proposals before this House some while ago to introduce compulsory purchase legislation, which was, in fact, declined by the House. So this is analogous to that Compulsory Purchase Legislation, and, it will be the Legislative Council in all instances, who will make that decision. I think that's just worth clarifying to the general public.

Second is that some members of the public might wonder why there's a key role for the Secretary of State in this legislation. It is because there are clear international obligations on the United Kingdom and international implications for the United Kingdom in the extraction of valuable minerals from the Falklands. And, after lengthy discussion and much debate, Councillors have been persuaded that the Secretary of State should have a role in terms of the allocation of mining licences because of those obligations, be they international politics or environmental obligations that the United Kingdom has.

The other important point is that the role of the Secretary of State in that respect is reactive. It's the Executive Council who first decides that a licence should be issued and then the Secretary of State is required to give his permission. It doesn't work the other way around. The Secretary of State, I don't believe, cannot require the Falkland Islands Government to issue a licence to anybody. That, again, is by way of explanation to the public.

My third issue is a question to the Attorney General. Is this legislation in any way retrospective of any mining activities or mining exploratory activities that might currently be going on?

Attorney General

No. It does not apply to the exploratory activities which are at present going on, where there is a valid licence under the existing Ordinance, the provisions of which will be technically saved under the provisions of the Bill, if enacted. However, a new licence will be required under the Ordinance if the present licensees, or any successor of theirs seek to proceed to extraction activities. In fact they were told long ago at the time they applied for their prospecting licence, that an extraction licence would not be granted under the present ordinance because it did not give the Government what the Government see as satisfactory

control of mining operations. In particular it contained next to nothing in relation to environmental protection or health and safety considerations or satisfactory power to enable restoration to take place. That has been a trigger for the enactment, or at least the preparation of this Bill so that the Government would have satisfactory powers and might ensure a satisfactory mining regime being in place if, and it is "if" the present licensees under the exploratory licence desire and wish to proceed to extraction operations.

Mr Acting Speaker

Thank you Attorney General, does any other Honourable Member wish to speak? No, the Motion is that the Bill be read a second time. Is there any objection to the Motion? No, the Bill will be read a second time.

Clerk of Councils

The Mining Bill 2005.

Mr Acting Speaker

Council is in Committee

Clerk of Councils

Clauses 1 to 85.

The Honourable Financial Secretary

I beg to move that Clauses 1 to 85 stand part of the Bill. The Motion is that Clauses 1 to 85 stand part of the Bill. Are there any objections to the Motion? No objections, Clauses 1 to 85 stand part of the Bill.

Clerk of Councils

Schedule

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Schedule stands part of the Bill. Are there any objections to the Motion? None, the Schedule stands part of the Bill.

Council resumes.

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Bill be read a third time and do pass. Are there any objections to the Motion? No objections, the Bill will be read a third time and passed.

Clerk of Councils

The Mining Bill 2005

The Planning Amendment Bill 2005, this requires a second reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I would be grateful if the Attorney General would explain the purpose of this Bill also and I beg to move the second reading.

Attorney General

Mr Speaker and Honourable Members, this Bill seeks to amend the Planning Ordinance, first so as to clarify certain of its provisions, secondly so as to insert in it provisions replacing those at present appearing in the Highway Building Lines Ordinance and to repeal that Ordinance. Thirdly, so as to make provision in relation to the assessment of environmental effects and environmental impact statements, which are more satisfactory than those which are contained in the existing law, particularly having in mind, of course, that we may be proceeding to consider mining extraction operations. Fourthly, so as to enable certain applications for planning permission to be dealt with by the Planning Officer and to avoid a wait having to take place for them to reach the Planning Committee, those being applications with which the Planning Committee are content the Planning Officer should deal with. Next, so as to amend and strengthen the provisions of the 1991 Ordinance, that is to say the existing Ordinance, in relation to breaches of Planning Control. I would add, this is also necessary if there were to be mining operations or the extraction of minerals from land and so as to incorporate in local law recommendations made by the English Law Commission as to the improvement and clarification of Planning Law, which are relevant in relation to the terms of the existing Planning Ordinance.

Mr Speaker and Honourable Members, a consultation exercise was undertaken by the former Environmental Planning Officer in relation to the contents of the Bill and he reported to the Planning and Building Committee in April last year that no

formal comments had been received. The Planning and Building Committee itself was content with the provisions of the Bill.

An Explanatory Memorandum explaining the provisions of the Bill in more detail than I have done just now was published in the Gazette on 18 April. For that reason, I have restricted myself to explaining what I regard is the most important feature of the Bill, which is, of course, quite a lengthy and technical one.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I have two issues I wish to raise. One is to do with demolition. And, it says in the Explanatory Memorandum of this Bill that it would be necessary, in due course, to consider amending the provisions of the General Development Order as to permit the development. This is to do with the pulling down or removal of existing buildings and structures. Whilst I have no intention to oppose this Bill, I will be extremely unhappy to find, shortly after its introduction, that citizens were being hounded, harassed, encouraged for making relatively minor amendments to structures on their properties, such as small sheds, fences or the like. Can we be assured that whatever amendments may be necessary in due course will be made with dispatch and that those responsible for judging what should or should not be subject to a development order are given suitable guidance.

My second issue, and I don't wish to cause the Attorney General to repeat himself, and I'm sure he won't, but could he explain to what extent this new legislation applies to existing mining or aquaculture operations. Are they transitional or retrospective provisions?

Attorney General

There are two questions, let me deal with them in the order in which they were asked. Clause one of the Bill, Short Title and Commencement, provides that the provisions of the Bill may be brought into force by stages. I fully take the Honourable Councillor Summers' point in relation to the provisions of the Bill relating to demolition. Of course, it is not for me to dictate what is done but I can say what I will suggest. I shall suggest that the provisions of the General Development Order be looked at in relation to demolition requiring planning consent. In other words to exempt the whole lot of minor operations such as those which the Honourable Member mentions, before the provision of the Bill requiring Planning permission is brought into effect, that will have the effect that the other provisions of the Bill to be brought into force and if necessary that one can be delayed until a satisfactory situation has been reached and Councillors are satisfied that the law provides for the matter to be dealt with fairly and not to give rise to the sort of stupid situation, which the Honourable Member has mentioned.

Your second question, I'm sorry...

The Honourable Mike Summers

The application of this legislation to existing mining or aquaculture operations.

Attorney General

The existing operations, I think, have, so far as they require them under the existing law, the grant of planning consent. The Bill would make no difference to the law so far as it requires Planning Consent for mining operations. As to the future, they will have to make Planning application for anything, which constitutes development within the meaning of the Planning Ordinance. So that is for the future and that would have to be made in accordance with the new provisions of the Planning Ordinance, which aren't altered in any material way but they will find, I think, that provisions as to environmental impact assessments of environmental impact generally, which are stronger than those in the present Ordinance, and, of course, they will have to bear that in mind when making application for planning consent.

Mr Acting Speaker

Does any other Honourable Member wish to speak? No, the Motion is that the Bill be read a second time. Are there any objection to the Motion? No objection, the Bill will be read a second time.

Clerk of Councils

The Planning (Amendment) Bill 2005.

Mr Acting Speaker

Council is in Committee.

Clerk of Councils

Clauses 1 to 11.

The Honourable Financial Secretary

I beg to move that Clauses 1 to 11 stand part of the Bill.

Mr Acting Speaker

The Motion is that Clauses 1 to 11 stand part of the Bill. Is there any objection? No objections, Clauses 1 to 11 stand part of the Bill.

Clerk of Councils

Schedules.

The Honourable Financial Secretary

I beg to move that the Schedules stand part of the Bill.

Mr Acting Speaker

The Motion is that the Schedules stand part of the Bill. Are there any objections to the Motion? No objections, the Schedules stand part of the Bill.

Council resumes.

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Bill be read a third time and do pass. Are there any objections to the Motion? No objections, the Bill will be read a third time and passed.

Clerk of Councils

The Planning (Amendment) Bill 2005

The Sexual Offences Bill 2005, this requires a second reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I would like to ask the Attorney General to explain the purpose of this Bill also and I beg to move the second reading.

Attorney General

Mr Speaker and Honourable Members, the Sexual Offences Act 2003 of the United Kingdom forms part of the Law of the Falkland Islands under the provisions of the Interpretation and General Clauses Ordinance.

It is a Bill of 143 clauses and seven schedules. And, it is unfortunate to have such an important piece of legislation as part of Falkland Islands Law without detailed modification and without people being able to have ready recourse to it,

and, for that reason, this Bill has been prepared, the effect of which would not basically change the law because it has been the law since 2003 but to make adaptations to the law, which are necessary in local circumstances.

The Sexual Offences Act 2003 completely revised the former law on sexual offences and that includes the former law of the Falkland Islands on sexual offences, which had been described as archaic, incoherent, and discriminatory.

The Bill was introduced in the United Kingdom following extensive consultation. Part 1 of what is the Sexual Offences Act 2003 creates a new framework of sexual offences, setting out new categories of sexual offences, involving abuse of trust, care workers and people trafficking, among others.

It introduces new laws as to the presumptions regarding the Law of Consent, which had caused difficulty because defendants could raise as defence of sexual offences that they believed that the victim had consented. And, the Law is reformed by the Act, casting an evidential burden of proof on the defendant in circumstances where it is most unlikely that consent was, in fact, given freely by the complainant. An example of that is where the complainant is unconscious and asleep.

The protection of children was one of the primary objectives of the 2003 Act, and, therefore offences against children are a major part of its provisions. Children under the age of 13 are not, under the 2003 Act, and that is part of the present Law of the Falkland Islands, as I explained of giving consent to any form of sexual activity.

Developments in technology and the Internet are also dealt with. And, for the first time, under the 2003 Act, child-grooming, with a view to committing sex offences is a specific offence. This is based on increasing social fears of adults displaying inappropriate sexual behaviour by arranging a meeting via the Internet or text messaging with a child with an intention of committing a sex offence. The Act extends many existing offences and will encompass far-reaching situations. For example it is recognised that the majority of child abuse takes place within the family and sections 25 to 27 of the 2003 Act redefines family relationship to encompass anyone living in the same household as the child and assuming a position of trust or authority. That is whether the person living in the household is a relative of the child or not. If he is living in the same household he is regarded as being in a position of trust or authority.

Mr Speaker and Honourable Members, the Bill is one I believe is necessary to adapt provisions of the 2003 Act to the Falkland Islands. Subject to those adaptations I believe that the 2003 Act is the most welcome provision of legislation clarifying and extending the law in relation to sexual offences.

Mr Acting Speaker

Thank you Attorney General, is the Motion seconded? Yes, does any Member wish to speak to the Bill? No, in which case we will move to the fast track procedure, I assume there are no amendments. The Bill will be read a third time and passed.

Clerk of Councils

The Sexual Offences Bill 2005.

The Media Trust (Amendment) Bill 2005, this requires a second reading.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I would be grateful if the Attorney General would explain the purpose of this Bill also and I beg to move the second reading.

Attorney General

Mr Speaker and Honourable Members I could simply explain this Bill as being one which will make the necessary amendments to the present Media Trust Ordinance required in relation to the proposed transfer of the Falkland Islands Broadcasting Station to the Media Trust. I shall take this opportunity to make it clear, that it doesn't deal with any transfer of assets from the Government to the Media Trust because none is proposed; it does not propose that there will be any transfer of debts or liabilities to the Media Trust because no transfer is proposed, that the Media Trust intend to undertake a substantial restructuring of FIBS following the transfer, it is not proposed that members of staff be seconded by Falkland Islands Government to the Media Trust, it will employ its own employees and as a matter of law the contract of employment of affected staff will not automatically be transferred with the Broadcasting Station.

Mr Speaker and Honourable Members, the Bill is one which I believe to be fully necessary to effect the transfer on 15th August.

Mr Acting Speaker

Thank you Attorney General. Is the Motion seconded? Yes, does any Member wish to speak to the Bill?

The Honourable Mike Summers

Mr Speaker, this is an action that this Council has had as an aspiration for quite some time to take the Falkland Islands Broadcasting Station out of Government

control and put it into independent control, because we want to avoid the perceptions (not perhaps in reality) but the perception that the Government in some way can control this important part of the media it is after all (I have to be careful here as I was going to say the only radio station in the Falklands) the only civilian radio station in the Falklands that deals routinely with civil matters. There has been no evidence whatsoever of political interference or interference by officials in the activities of the radio station as far as editorial content is concerned but it is important to avoid the perception. Having said that, the effect of this Bill is to put the control of two of the key pieces of the Falklands media, the Penguin News and the Radio Station into the hands of one organisation, even though it is an independent organisation and it has trust status and has certain controls over it therefore, I wonder if the Attorney General could explain what protections of process there might be during periods of elections or other periods of public consultation to ensure that absolute fairness and equality amongst differing points of view or differing candidates, can be provided under this piece of legislation.

Attorney General

Mr Speaker and Honourable Members under section 5 subsection 1 of the present Ordinance there will be an obligation under the Trust that is without the amendments being introduced today to require that due impartiality is preserved on the part of persons providing the programmes in relation to any matter which for any reason is likely to be controversial. Further, that a sufficient amount of broadcasting time is afforded free of charge impartially between candidates at times of Legislative Council and other elections and elections to public bodies in the Falkland Islands. There are also of course, provisions in the Bill requiring independence from any political party so that there is an impartiality from political party and general provisions ensuring that the newspaper and the broadcasting station are informative of news in the current affairs within the Falkland Islands. Those provisions I might say of section 5 were borrowed from the Charter of the Independent Television Authority in the United Kingdom at the time the Media Trust Ordinance was first drafted with minor adaptations. I well appreciate however, the concerns that the Honourable Member has expressed and if it is felt that the obligations of the Media Trust are not sufficiently set out or in the Bill and need filling in as to how it is envisaged that those will be fulfilled, then I could suggest perhaps that a Memorandum of Understanding would be entered into between FIG and the Media Trust dealing with those matters. I think it is most important, and I express a personal view here if I may, that the Media Trust acts absolutely impartially and fairly in relation to broadcasting matters in the run-up to the General Election and at the time that the election is pending. This is not simply a matter of affording the same time to make a broadcast to the electorate but it is also a question of a fair balance of interviewing candidates for election at the time of election or matters which may be of current interest, otherwise an undue exposure of several to the exclusion of the majority of candidates without giving them an opportunity to speak in relation to a matter of controversy can

itself display bias, and, I think that might be a matter of concern if that were to take place. So that it may be, and it is not a matter and I'm only expressing a personal view that those matters if it is desired, be dealt with by a Memorandum of Understanding filling in the canvas so to speak of the provisions of the existing Ordinance on those matters.

The Honourable Mike Summers

I thank the Attorney General for that response, I have in fact spoken on this issue with fellow Councillors and with the Attorney General and the Chief Executive and I believe it is an important issue and I would like, or I would hope at least that the Executive Council would consider this issue in due course.

Mr Acting Speaker

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

Clerk of Councils

The Media Trust (Amendment) Bill 2005.

Mr Acting Speaker

Council is in Committee.

Clerk of Councils

Clauses 1 to 6.

The Honourable Financial Secretary

I beg to move that Clauses 1 to 6 stand part of the Bill.

Mr Acting Speaker

The Motion is that Clauses 1 to 6 stand part of the Bill. Are there any objections to the Motion? No objection, Clauses 1 to 6 stand part of the Bill.

Clerk of Councils

There is no Schedule.

Mr Acting Speaker

Council resumes.

The Honourable Financial Secretary

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

Mr Acting Speaker

The Motion is that the Bill be read a third time and do pass. Are there any objections to the Motion? No objections the Bill will be read a third time and passed.

Clerk of Councils

The Media Trust (Amendment) Bill 2005.

The Motion for Adjournment.

The Honourable Roger Edwards

Air Commodore Lacey, you have been a part of our Legislative Council for the past 18 months and have taken an active part in it and I would like to take a few moments to make a presentation of this fairly unique tie which is the Falkland Islands Legislative Council tie and I hope you will wear with pride.

Commander British Forces

Thank you very much indeed and I will do so indeed.

Mr Acting Speaker

Councillor Edwards would you wish to continue with your adjournment speech?

The Honourable Roger Edwards

Mr Acting Speaker, Members of the Legislative Councils, members of the public listening. I remember some time ago, someone commented what a wishy washy lot Councillors we are that we come here, Bills are read out, we knock them through, don't say anything and all is well. That does not reflect the amount of time and effort that has gone into the preparation of these Bills.

I would particularly like to say thank you to our Financial Secretary and his deputy for the hard work and patience that they have had in coming up with this final budget figure, I can assure the listeners that during our deliberations the milk of human kindness has not always flowed from this Councillor, I find it very

odd at times that we really do penny pinch and yet they're happy to pass on thousands. Councillor Cheek made that comment only yesterday, but sadly it does happen. I'm sure for the very best of reasons, but there we are.

I'm also minded of the fact that stamps are going up by 5p, this reminds me of an elderly lady some years ago who went out and cashed in her life savings to buy stamps at the present prices so she could make a saving in the future, but of course it is the postage that is going up and not the actual stamps themselves, stamps only reflect the cost of that postage.

I will be very brief and I will wish Air Commodore Dick Lacey and his wife Cate the very best for the future and say that I have enjoyed and shared their hospitality here in Stanley at MPA and indeed in Camp and I wish you well in your future in Mons. However, there is one little thing that I would wish to mention before you do go, Falkland Islanders do not like change and that applies to what has now become the traditional services in commemoration of various notable events of 1982, I know that the Landing Day ceremony at Blue Beach is a military event but many were upset by the fact that the National Anthem was not played last Saturday, I wish to respectfully request Sir, that you put in your handover notes to Commodore Ian Moncrieff that perhaps we could return to the longer traditional services in future years. I beg to support the Motion.

Mr Acting Speaker

I shall take each Member as they catch my eye as we have gone slightly out of order on this occasion.

The Honourable Ian Hansen

Mr Speaker, Honourable Members in rising to support the Motion for Adjournment, I would like to begin by also thanking our Financial Secretary, our deputy Financial Secretary and all at the Treasury for the vast amount of work they have done in preparation for this budget.

As with every budget, past and future there will have been decisions made that annoy people, decisions made that please people and decisions made that people really care about either way. So, in this context at least we will have achieved a balanced budget. I also feel that as my colleagues do, that it is frustrating that during budget process at times we try to gain pennies through small revenue increases and then appear to lose pounds immediately on areas of development, some of which yet aren't clearly defined. However, to be fair any form of development comes with a financial risk so there always will be times when it appears we are throwing good money after bad.

It pleases me that we are continuing with the road building programme in its entirety, we've been so far so close to finishing it would have been foolish even

to slow it down. I believe this is money well spent. Also, the fact that we can give to the farming sector with the continuation of the pasture improvement programme is a good thing.

It also pleases me that we have invested a little more in tourism though perhaps not as much as I personally would have liked. I hope that the savings made in departmental budgets do not affect services provided. It has been said before in this House that we can only go so far before there will be a noticeable effect in services and this is absolutely true and it is something the next Council will have to keep in mind.

To move away from the budget now, I would like to congratulate FIMCO on their achievements this year. However, movement of sheep and cattle cost effectively and quickly to the abattoir from both East and West is an issue we have to address. Yes, it does work now, but it has to become more efficient and less expensive if we are to realistically expect the abattoir to survive for many more seasons. I don't have a concrete plan as to how this should be done, I have ideas as I'm sure do many others but what is important is that we don't let things just get gradually worse, I think we must grasp the nettle and get something in place that benefits farms and the abattoir itself.

I would like to end by bidding Air Commodore Dick Lacey and his wife Cate farewell, it has been a pleasure to have known you both and I am delighted that my family and I were able to entertain you both out on the West Falklands even though it was only for a brief day visit. I wish both all the very best for the future.

Mr Speaker I beg to support the Motion.

The Honourable Richard Cockwell

Mr Acting Speaker, Honourable Members I think we all agree that this budget round has not been an easy one, but I think the result has actually been a lot better than most of us believed it would be at the beginning of the year when we started work on it. A lot of this is due to the hard work of Derek and his staff, Keith of course who seems to live the budget most of the year but also the Heads of Departments who have actually had to look at their budgets and come back with the savings that they have been asked to do because I think they are in fear and trepidation of Derek and would not have dared not come back with the savings that he had asked for, so I congratulate everybody.

I think while urging savings wherever possible we have tried not to depress employment especially in the private sector because this is something which would really start us going down the slippery slope which is difficult to come back from so we really have to try and keep employment going as much as we can. I'm glad to see that we've been able to approve a sum of money to FIDC to start work on producing plans to gradually replace FIPASS; I think we have to

recognise that FIPASS has a finite life; it keeps on getting extended by five years but sooner or later there will be a five years when it isn't there anymore, so it is necessary to start this process and I look forward to seeing how this comes about.

As the Honourable Ian Hansen has mentioned Tourism, we've managed to get some more money to Tourism; I think this is very important. Tourism is an expanding industry and a lot of people in the Falklands are involved in it to a lesser or greater extent and I think this is one source of income which we really must not ignore.

I'd like to express my gratitude and appreciation for the support and assistance that we receive from the military units at MPA. Their assistance is most appreciated and I think we must be careful not to presume on their willingness to help. We must if possible try and make sure that we do things ourselves and don't if we get into a tight corner immediately expect the military to help us out. We do appreciate very much the help that you give us.

I've got two farewells to make, first to Dr Michael Harte who has been involved very much in the new fisheries policy, his input into the fisheries policy in particular in the early times was absolutely invaluable because he had a lot of experience which we were able to draw on. Also, his input into the draft Fisheries Bill which at last should be gazetted in the near future.

Finally, I would like to say farewell to Commodore Lacey and Cate. I wish you all the best, I'll think of you in Mons when it is raining and also think of even happier times in Sutton Scotney which is very close from where I came from. Mr Speaker, I wish to support the Motion.

The Honourable Stephen Luxton

Mr Speaker, Honourable Members, I think this has been a pretty successful budget, as others have said, under the circumstances, and the bottom line that we have reached today is honestly far better than I thought was even possible following another bad Illex season. I too, would like to congratulate not only the Treasury but each and every department on doing their very best to find savings for yet another year. I'm also glad we've managed to include a cost of living wage increase, because the cost of living has risen quite dramatically over the last year. Speaking of the cost of living, LegCo is traditionally somewhere where one can have a bit of a grizzle about things and this time I'm going to grizzle about fuel prices. Many people will already know that this accounts for a very substantial proportion of the increase in cost of living over the last year. We all know that part of the reason is down to oil prices and part of the reason is down to increased transport costs, but I, and I believe that many others, remain not entirely convinced that this justifies petrol being almost double the price of what it was not very long ago. I think diesel has increased by around 25% in the same

period, so I assume the diesel increase reflects the effect of the inflated oil price. I personally would like to see something more substantial put in the public domain to explain how it is that the other increases are by such a large amount and more importantly whether the supplier is making active efforts to investigate alternative means of supply that may be more cost effective. It is not just a handful of people that this affects it also affects almost every single farm in the Falklands who rely on petrol for motorbikes and four wheelers to make a living and they are probably the ones who are least able to afford such an increase at this time.

I'd like to echo what others have said and wish the Commander and his wife all the very best for the future. His has been the first eighteen-month posting, a welcome move by the Headquarters which is very good for continuity but it still seems to have passed relatively quickly. I'd like to wish them the best for their next posting and we look forward to welcoming Commodore Moncrieff back to the Falklands in due course.

Finally, and sticking my tongue firmly in my cheek, I chuckled to myself when I heard the announcement the other evening about there not being a Councillors' Public Meeting this month, I thought to myself there will be folk out there saying "What are they trying to hide", well now you know we didn't want anybody to know about the invasion that seems to have leaked out anyway. Sir, I support the Motion.

The Honourable Norma Edwards

Sir, in rising to support the Motion for adjournment may I too thank the Treasury for all their hard work, Derek has done a good job, I think, and in particular Keith over the year keeps us well informed, he works tremendously hard keeping us up to date on the budget and exactly where we are. He does a tremendous amount of work which is good, unseen and uncommented on, so particular thanks to Keith, but also to Derek and to Helga. I think they are a jolly good team in the Treasury at the moment and the budget is not too bad considering. No doubt there will be people moaning about various bits of it but I don't think it is a bad budget. I am glad that we are going to continue with the road programme it would be really silly if we didn't at this stage of the game, but may I just flag up for the future, I won't be here, but the future government that once you have built your roads, you then have to keep them in repair and when times are hard, road building is an ideal way to keep a large number of people employed rather than on the dole. So, if we ever get to that stage where we are looking for work we can look to repairing the roads that we have now built very well. We originally said that we wanted high maintenance, low cost roads and that's what we've got basically, all weather tracks, I think we call them, not roads. The gangs who have been beavering away around the islands have done a tremendous job for us.

I'm glad too to hear that the ward for the elderly will finally be ready next year, that has been a long time in the making, it was badly needed years ago when it was first mooted so it will be a good thing to have it finally finished.

I suppose the next big issue will be the transport review which will impact on the Camp population one way or another, so that, although we have finished the budget now, no doubt the knock on effect of the transport review will have conversations reverberating around the Camp before too much longer.

May I just take this opportunity, I wished the Commander goodbye yesterday, but just to say that we do appreciate the military presence, we never say so properly but we do appreciate all that you do for us and the military presence at MPA, a lot of young men who would rather be elsewhere, I'm sure, but we do appreciate that they are still with us.

The Honourable Stephen Luxton mentioned the price of fuel, it is a constant mystery to me, I've looked at the fuel formula loads of time, and I really do think that may be it would be a good idea and perhaps we would understand it better if it was a simpler formula that we could follow and maybe Stanley Services could look again at the way they work out the price of fuel because it is very complicated and very hard to justify to people when they ask in the street why it is that fuel has gone up to such an extent.

Finally, may I say to Derek, he mentioned the late Harold Rowlands and how he kept an eye on the budget and congratulated you or not accordingly, I think he is still around, there is a "Carancho" down at B Slip which I think might be a reincarnation of Harold so he's probably still got his eye on you. Sir, I support the Motion for adjournment.

The Honourable Mike Summers

Mr Speaker, Honourable Members I regularly have the opportunity to be last in this session, so I'll avoid that pleasure today. Some brief reflections on the budget. I'm not sure that we can be happy about producing a deficit budget even though it is only about £400,000, but we've done I think, remarkably well and when I say we, really mean the folks in the Treasury because they have done the hard work. Yes, we've had to make some of the decisions on a formal basis and indeed push some issues on a formal basis but thanks to them as always for the very lengthy work they have done on the budget this year, Keith in particular and Derek, but to all the staff, and thank you, Derek, for your kind words earlier on.

A quick reflection on Illex because it's a key issue in the budget, we made a conscious decision the other day when we were considering the level of refunds necessary this year, to take the view that Illex is a continuing resource and the budget this year is set down on the basis that Illex is a continuing resource albeit with some peaks and troughs, however, whatever happens to the biomass of

Illex in the next two or three years and we really don't know, but even if it goes back up again to better levels it is not a foregone conclusion that we'll be able to sell licences either in the same number or at the same price as we have had to do in the past. So, we can anticipate I think, in future budget rounds more efforts to reduce Government expenditure, I'm afraid it doesn't stop here or at least I hope it doesn't stop here. The real issue in deciding the budget is about being fair and equitable to everybody, that is being fair and equitable in distribution as well as fair and equitable in the way that we collect the money to run the Government and whilst some folks may complain from time to time haggling over small amounts of money, we all know from our own experience that if you don't haggle over the small amounts from time to time and stick to the user pays principle some of the collections get way behind and you end up making big adjustments later on and that is much more painful. So we have tried to be fair and equitable to everybody in the budget. I love Councillor Hansen's version of the balance budget, I wish I had thought of that myself.

We've also tried to concentrate as far as we possibly can on investment in the future because that is what you have to do in a vibrant economy and we do have a vibrant economy. The reduction in government expenditure doesn't indicate a poor economy it is an indication of reduced government income, that is all. We have tried to keep investing in the future, in agriculture, tourism, in fisheries there are a number of things about, in minerals; we still have a substantial amount of money going into general development through the Development Corporation, we continue to invest in essential infrastructure and we continue to invest in education and in looking after the population in a health and social services manner. It is a good way to think of it as investment, I'm sure it makes everybody feel better. It has often been said in international forums that Falkland Islanders are supremely adaptable, well here's a great opportunity for everybody to be adaptable to having a little less money about and demonstrating that supreme ability.

It is 366 days since we last stood here, I was just looking back at some old papers the other day and I see that I mentioned that we'd all forgotten to celebrate the "veinticinco de Mayo (25 May)" we've all forgotten again today, what a shame.

I'm going to say a word or two about Dick and Cate in a moment but I want to say something about hooliganism first and the two things are not connected.

I was disturbed to hear the other day in Public Works Committee about a substantial amount of vandalism to street lighting. I was driving along Davis Street the day before yesterday and coming to the junction of Dean Street I see that the new mirror that was put there for the benefit of everybody to see down Dean Street is smashed, that is really unfortunate. There have always been rascals about, I know several of you have been rascals in the past, I'm sure that you have been and I'm sure that I never was, but it something that we have to be

very conscious of, it is an issue for parents for sure, and it's an issue for the education system. I constantly worry, I watch the United Kingdom television and see what is happening with hooliganism in the UK, there has been a lot about it recently, lack of respect both for adults and for other children, you see young people beating up other young people just for the fun of it. That is appalling, that is absolutely appalling and it cannot be allowed to happen here. The ways in which I think we can ensure that it doesn't happen here is to ensure that there is good discipline in the home and we hope that all parents will enforce good discipline in the home, and teach their children right from wrong, and we must also do it in the formal education processes. I worry immensely the extent to which school teachers in the United Kingdom have been emasculated in what they are now allowed and not allowed to do and it worries me that if we carry along that same road here and prevent our teachers from exercising the necessary discipline in schools that we too could see ourselves in that very unfortunate position in ten or fifteen years' time. So, I don't wish to be gloomy about these things but I do hope that within this small community we have enough vision and wisdom to understand that letting kids do what they want any time they want isn't actually a great way forward and didn't save any society anywhere.

So, having said that I do thank you Dick and your great support Cate and for all your work you have done in the past eighteen months, we wish you well in the future and we wish well to your successor when he arrives. Thank you very much, I support the Motion.

The Honourable John Birmingham

Mr Acting Speaker, Honourable Members in rising to speak to this Motion, not as a rascal I might add, I have a few words to say about the decisions made yesterday by the Council. Although I'm not as old as some of my colleagues, I can remember being young and I recall thinking that the word compromise meant actually giving in, I now know that is not the case and we made some decisions yesterday as has already been said, that were unpopular, but we also made some decisions that were exactly the opposite. To me, one of the successes of yesterday and indeed the budget, is that service levels of the two core sectors in the public service, that is health and education have not been hit. That should not be forgotten when later this week when people have had a chance to reflect, I believe the majority will accept that this budget has been a good one, as we have heard already, considering all of the pressures on the public purse and in fact it has been a compromise between what we would have liked to have done and what we were able to do.

I will also join my colleagues in thanking the Financial Secretary, Derek and his deputy Keith for all their work and the Treasury staff for all the work they've done. I would certainly like to thank Helga for taking the minutes. I'm sure that sometimes when she is taking minutes they must seem like hours. I'd also like to

thank my colleagues for their support for the one portfolio I have which is Tourism. That is a sector that has a real opportunity to grow and prosper if everybody decides that they can work together and there are signs of that.

Yesterday mention was made of oil exploration around the Islands, but there is of course other prospecting going on and that is on the land. We know of course in the past we have attracted gold diggers but the prospectors based at Goose Green at the moment are serious and even if nothing comes of it which I hope won't be the case, a lot of money will have been spent within the Islands.

I'll be going to the UN soon with Councillor Luxton and I would like the public to be assured that we will be speaking plainly and firmly on behalf of the islands as all Councillors have in the past talking to the Committee of 24.

May I also join the colleagues in wishing the Commander and his wife Cate well for the future and thank them both for all their kindness to me during their time here and for your help and advice, certainly at Executive Councils that I have sat at, if I did have a complaint it would be that you seem to have a liking for the cake that is served there.

There is a part of the Falkland Island Government that rarely gets a mention and that is within the PWD and that is the Housing and Dockyard sections. I'd like to thank them for their works because they just move around on a daily basis and nobody seems to take any notice, well I take a bit of notice and an example of what is being done, if anybody goes along John Street opposite the Infant/Junior School you will see that Lois Cottage which a year ago was in a tumbledown state is now looking pristine and it is a fine example of what can be done in the town.

I'd also like to thank those people involved in the missing persons search yesterday including personnel from MPA, there were a lot of people involved in that and I think that they deserve credit for going out and about and I'm only pleased that the day turned out well. If some of the mothers concerned were anything like my mother I feel sorry for the two who were the escapees when they got home.

I would like to say something following on the remarks of Councillor Summers about hooliganism, I too am concerned at the level of hooliganism around the town, the level of litter dropping that is going on and where I live on Drury street along from there on Allardyce street the amount of smoking in small groups that is taking place prior to going to school and at lunch times. We don't seem to be able to do anything about this, it is outside of school grounds and so it is actually nothing to do with the Education Department. There is a DARE project which works very well but I think what seems to happen is children become teenagers and they need to try things out, now in certain areas I can understand that but as adults we can't turn a blind eye and I have spoken to a couple of these

youngsters and on occasion I get a few words back but I feel that we can't just turn a blind eye and I would ask that those in authority who are able to travel up those particular roads at certain times of the day would do so on occasion. I really deplore the current level of hooliganism that is going around, some time ago it was letting tyres down, slashing tyres and we have now moved onto street lights and I hope that when somebody is caught they will be in serious trouble and we wouldn't go down the road as they appear to have in Britain which is being too, too lenient.

Now the building we're in at the moment, the Town Hall, we're all aware has got a new roof. I was told that it would be a new roof with no frills attached I now see that that is not now the case and if anybody listening would like to know how they came across that pattern I think they should phone up Mrs Norma Edwards at Fox Bay and she'll be able to give them that information.

The Honourable Norma Edwards

I'll tell you now if you like.

The Honourable John Birmingham

No, it would be against the rules of the House no doubt.

I'd also like to extend congratulations to those people who took the trouble today to take part in Challenge Day and I would like to thank the Leisure Centre Manager and staff for doing such a fine job co-ordinating. I've already been and done my challenge and I'm sure everybody around this table are itching to get out of this House so they can do theirs. Strangely enough imagine my surprise this morning when I had a fax from Beaver Island on the far west, Beaver Island has a private reindeer herd and the numbers are now at 61, we don't yet know how many full males on the national reindeer herd, but that will be forthcoming.

The Honourable Mike Summers

Point of order, it has been provided.

The Honourable John Birmingham

I haven't seen it.

The Honourable Mike Summers

That's your fault.

The Honourable John Birmingham

That's my fault and I apologise. I wonder whether the Honourable Member when he makes another point of order where it's been provided. There are 38 females and 23 males which quite possibly is approaching the population of West Falklands, I don't know. (I've just been handed the numbers). There are two mature stags, three eighteen month olds and an undetermined number of six month olds.

To finish, I noticed the Chair today has enjoyed his time in the "Big Chair", has kept the proceedings going smoothly and there have been a lot of Bills and I also thank the Attorney General and the Financial Secretary who have been bouncing up and down like yo-yos, but the Acting Speaker has enjoyed it; nobody could accuse him of being the grim speaker. I support the Motion.

The Honourable Jan Cheek

Mr Speaker, Honourable Members I had hoped to speak before the Honourable John Birmingham because I cannot match his humour. I'd like to say the farewells first, farewell to the Commander British Forces. As anticipated the longer tour has been a real success and I wish Dick and Cate very good luck for the future. It is always a good opportunity to place on record our appreciation of the work of all who defend us. Thanks to the members of the British Forces and to all the FIDF including the new volunteers who stand ready to play an active part if every they are needed. I'd like to join Councillor Cockwell in saying farewell to Dr Michael Harte who leaves shortly, his Antipodean forthrightness has been a breath of fresh air and thanks to Michael for bringing clarity to some difficult issues by a well informed and commonsense approach, good luck to him in his new appointment.

Just to briefly touch on some of the portfolios that I'm connected with. I always say that in connection with Education we always have a good system, well managed now and including many hard working and capable staff, however, we have to recognise that there is no room for complacency so in-service training and other staff development opportunities are an important feature of the school year. Following EXCO approval we've now released the inspection report which overall was good, recognising for example the heavy investments that have been made, with the agreement and understanding of all Councillors, in extra help for pupils with special needs. This has particular relevance as it is indicated in the report that in one unit up to 25% of the pupils have special needs of some degree or another. It is interesting in the context of the high profile attempts to improve nutrients in British schools which has resulted in anecdotal evidence of improved concentration and behaviour on those healthier diets. This is being reinforced by quite well documented scientific studies which demonstrated improvement in around 40% of pupils learning difficulties simply by them receiving regular fish oil supplements. I do hope that all parents and parents to be are well informed by

the way in which they can help their children achieve their potential, whether it is by ensuring sensible nutrition, not smoking in pregnancy, talking and reading to their children from an early age and encouraging the kind of constructive play which prepares for future learning. School can do a lot but the earlier years are equally crucial in a child's development.

My other portfolio, Medical Services have experienced a lot of problems in the last year, staffing problems, partly due to illness and special thanks need to go to all those whose remarkable efforts have kept the department running and the impact on patients minimal. Congratulations to the Social Services department for the role they play. A highlight has been as mentioned by Councillor Edwards the development within the hospital of special accommodation to give added privacy and dignity to those who for reasons of very poor health have to live there permanently. It has also been a delight to see the long awaited extra sheltered housing in central Stanley ready and occupied.

To mention a couple of other departments, FIGO too are working under strength through illness but they've maintained their usual level of high service and thanks to the Representative and her staff for that. An unsung department, I don't know if it is because they don't belong to anyone or because no-one ever thinks of them but the HR department have huge responsibilities in terms of overseeing staff and recruitment as well as in dealing with the innumerable staff problems as they arise as I said they are unsung and mainly invisible but incredibly important. I'd also like to commend the Police who try to maintain a good level of service in spite of taking the largest staff cut in percentage terms of all departments in recent years.

Finally, to the main business of the meeting, the budget, due to some increase in taxation and better performance of some of our investments the reserves have not had to take the great hit that we expected, however we cannot as others have said rely on the same every year, so great care must be taken not to let costs escalate. I congratulate all the departments who have worked hard to keep costs down and make the required savings and still keep services running and of course in particular our thanks to the Financial Secretary, his deputy and team for a thoroughly professional job well done. Thank you.

The Honourable Financial Secretary

Mr Speaker, Honourable Members in rising to support the Motion for adjournment I would just like to say that I am grateful to Members for their thanks to myself, Keith, Helga the rest of the Treasury team and Heads of Departments. The matter raised by Councillors Luxton and Mrs Edwards on the desire for wider transparency on the level of domestic fuel prices has already been taken up with Stanley Services Limited and will be followed up. On behalf of the public service I would also like to thank Air Commodore Dick Lacey and Mrs Lacey for their contribution to the Falkland Islands and to wish them well for the future.

Mr Acting Speaker

Before inviting Air Commodore Lacey to rise I would just want to take this opportunity to thank Honourable Members for the patience extended to me in trying to chair this meeting over the last two days and also add my personal thanks and a fond farewell to Commander Richard Lacey and his wife Cate. I have greatly enjoyed their company professionally and at leisure on a number of occasions over the last eighteen months and my wife and I will miss your friendship. Thank you very much indeed.

Commander British Forces

Mr Speaker, Honourable Members in rising to support the Motion may I first thank Honourable Members for their very kind and generous comments and for presenting me with this wonderful LegCo tie which I have to say I will wear with pride, thank you very much indeed for that. I feel actually that it should be I thanking you because I have had such a great time while I have been here. I feel very privileged to have sat on Executive and Legislative Councils, to learn something of the issues that you all face and to contribute where I have been able. If I may I'd like to say how incredibly impressed I am with the work that Honourable Members do on behalf of the community here and I think the community is extremely well served. I feel my participation has actually helped me to undertake my job rather better.

As Commander British Forces I feel I am leaving the military forces here in good order and well able to perform the tasks that they have been sent here for, I also believe that we have been able to generate an increase in focus on the Falkland Islands within the Ministry of Defence which has been welcomed but I have to say that it is not to the extent as was set out in the Sunday Express last Sunday and I'm afraid that it is business as usual up at Mount Pleasant, quite where some of those facts came from I have no idea but they are well wide of the mark.

I'd also like to pay a compliment to the Falkland Islands Defence Force, I have had the pleasure of observing them at close quarters, I have had the troublesome task of trying to keep them out of my complex during exercises and I have been extremely impressed with all that they do, I believe that the Falkland Islands Defence Force is a clear signal from Falkland Islanders that they wish to play a significant role in providing for their own defence, the quality of what they do is outstanding, the number of people who remain in the Defence Force for long period far exceeds anything that the reserve forces in the UK can expect and the commitment is unlike anything I have seen elsewhere. I have always been hugely impressed with them and long may they continue.

Now, Councillor Roger Edwards raised the question of Blue Beach and of change. Change I would suggest is probably inevitable in many walks of life and

actually Councillor Edwards, your experience is rather different from mine in that I and my Padre both had a number of people come up to us at the event and thanked us for making it mercifully brief given the weather. I will however, reflect your comments to my successor and perhaps it will change again for next year.

In all I just conclude by saying I have had a wonderful experience down here in the Falkland Islands without a doubt it has been the highlight of my career so far, Cate and I will miss very much all the people that we have met here and when we head north next week we will be taking, I hope a small piece of the Falkland Islands with us in our hearts, thank you all for making us so tremendously welcome and may I wish all of you the very best for the future. Mr Speaker, I support the Motion.

Mr Acting Speaker

The House stands adjourned *Sine Die*.



**Legislative Council
Question for Written Answer
Number 02/2005 by the Honourable John Birmingham**

In response to a supplementary question to the oral question number 9 of 2005 by the Honourable John Birmingham

"Will the Honourable Mike Summers inform this House on the progress of the reindeer imported from South Georgia six years ago." The following information has now been provided.

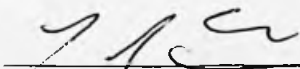
ANSWER

There are two mature stags, three 18 month olds and an undetermined number of six month olds.

Sue Harvey (Veterinary Officer) did not visit West Lagoons on 17 May due to the Tamar being delayed and will go when the herd can be split and half the breeding herd can be transported to Albemarle.

25 May 2005

Confirmed on this 26th day of April
2005


Mr. LG Blake OBE
Speaker of the House.



**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 26TH AUGUST 2005**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 26TH AUGUST 2005**

MR SPEAKER

(Mr Lionel Geoffrey Blake OBE) ~~← Overseas~~

MEMBERS (Ex-Officio)

Mr Christopher John Simpkins
Chief Executive

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

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

The Honourable Roger Anthony Edwards
(Elected Member for Camp Constituency)

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Stephen Charles Luxton
(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)

Chief of Staff
(Group Captain Gordon Moulds MBE)

CLERK OF COUNCILS: Claudette Anderson MBE

PRAYERS: Reverend K Biles

APOLOGIES

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

The Commander British Forces South Atlantic Islands
(Commodore Ian Moncrieff BA, RN)

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Record of the Meeting of the Legislative Council

Held on Friday 26th August 2005

PRAYERS

Mr Speaker

Honourable Members I bid you good morning.

Clerk of Councils

Confirmation of the record of the Legislative Council Meeting held on 24th and 25th May 2005.

Mr Speaker

Honourable Members, is it your wish that I sign these minutes as being a true record of the happenings of those two days? Agreed.

Clerk of Councils

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

Copies of subsidiary legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and laid on the table pursuant to Section 34.1 of the Interpretation and General Clauses Ordinance 1977.

- Currency (No. 3) Order 2005
- Coins (No. 4) Order 2005
- The Electoral (Amendment) Ordinance 2005 Correction Order 2005

The Honourable Chief Executive

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

Clerk of Councils

ORDER OF THE DAY: BILLS

The Fisheries (Conservation and Management) Bill 2005. This Bill has been published in the Gazette and therefore does not require a first reading.

Chief Executive

Mr Speaker, Honourable Members I rise to move the second reading of the Fisheries (Conservation and Management) Bill 2005.

In terms of potential impact on future economic vitality of the Falkland Islands and certainly the management of the fisheries, this Bill represents perhaps the most important single legislative provision that has been brought before this House in many years. The Bill represents the first major reform and restatement of law relating to fisheries resources and fisheries management since 1996 when the Fisheries (Conservation and Management) Ordinance 1986 was introduced (I should have said 1986, sir) to coincide with the introduction of the Falklands Islands Interim Conservation and Management zone. There have been significant developments in fisheries in the Falkland Islands in the intervening nineteen years, as well as a range of developments in the international level in that period. This Bill provides for updating the law to reflect these developments and, if passed, will stimulate the modernisation of the fisheries industry and the promotion of economic growth.

A major review of the fisheries policy was undertaken during 2002. It was a far-reaching review, which addressed fisheries policy, marine farming and port development. Whilst the fisheries policy focused on fisheries resource allocation issues, it also reviewed the mechanics of resource allocation together with other areas where the private sector interacts with the Falkland Islands Government as a regulatory authority.

The key outcome was the proposal to change from the current system of relatively short-term licences to introducing a system based on transfer or property rights in order to give fishing companies a long-term interest in the management and development of the fishery as a sustainable resource.

The Fisheries Policy Review provided numerous opportunities for comment by the fishing industry and the public. The process began with a discussion with the fishing industry early in 2002 in order to gauge the direction which the Review should take. A Policy Review Group, including representatives from the Fisheries Sector was established and a discussion document incorporating recommendations on future policy was prepared and published for public and industry comment midway through 2002.

The results of the consultation process were taken into account and policy recommendations were examined by Executive Council during a series of meetings between March and October 2003. Since then Executive Council has continued to oversee the preparation of this Fisheries (Conservation and Management) Bill, which incorporates all the policy proposals approved by Executive Council.

The most significant outcome of the policy review was the recommendation to introduce property rights in the fishery. The Falkland Islands has successfully met many challenges in the management and development of its fisheries

resources over the last 20 years. In order to meet a new generation of challenges, the current licensing system, which is based on the allocation on non-transferable variable duration licences to individual vessels is to be replaced by a system of long-term individual transferable rights owned by Falkland Islanders.

The anticipated gain is the enhanced economic performance of the sector because fishing businesses will have increased security and flexibility, which will encourage diversification from a simple harvesting process into value added activities. Increased international competitiveness will also be achieved and poorly performing companies will be able to sell rights to better performing companies, should they so wish.

Mr Speaker, implementing a rights based regime in a relatively small maritime state is challenging. Small markets for rights, a desire to maintain local control of fishing rights and a dependence on foreign investments in the fisheries sector are key considerations in the design of an effective and efficient management regime. Additional considerations include the trade-off between the economic efficiency gains derived from output control fisheries and the relative administrative simplicity of input control fisheries. Under the proposed rights based system, monitoring of economic performance, including the value of rights, trade and rents agreed, will be key performance indicators alongside traditional biological measures of management performance.

Falkland Islands' expectations of the new regime are based on international experience with rights-based systems over the last 30 years. These expectations help establish the basis or benchmarks against which the performance of a system can be judged.

First, overall performance of a sector is expected to be enhanced because fishing businesses have increased security of access to the resource and flexibility in the way they decide to structure activities to take advantage of the business opportunities.

Second, diversification should occur in the industry as companies look to investing value-added activities, such as processing and marketing.

Third, it is expected that seafood companies would invest more in research and development because long-term rights mean that they will benefit from their investment and where those investments have longer pay off periods.

Fourth, and as I have said, international competitiveness should also be increased as poorly performing companies sell rights to better performing companies. No longer will they be forced to stay in a fishery, unable to exit without losing everything.

Finally, and as the profitability of the domestic seafood sector increases, Government income from personal and corporation tax and resource rents should increase. Unusually, a win – win economic environment is created.

Fisheries in the Falkland Islands have traditionally been managed using effort limitation. This Bill has been framed with the flexibility to allow fisheries to be declared either in terms of total allowable effort, as now, or total allowable catch. In the first instance, fisheries will continue to be managed using effort controls. The terminology of individual transferable quota systems will be used and, whilst elsewhere these usually refer to catch, in the Falkland Islands, the quota will refer to a unit of fishing effort.

Companies awarded property rights or quota in a particular fishery will be awarded a proportion of the total allowable effort declared for that fishery. In due course, total allowable catch could be used particularly for the longer-lived species.

Property rights may also be allocated either as individual transferable quota or provisional quota. The nature of the fisheries will determine which type of right is used. This will be assessed, taking into account the levels of biological exploitation and the levels of local investment in each fishery. Both individual transferable quota and provisional quota generate an annual or seasonal catch entitlement at the start of each season or year.

Catch entitlements accommodate the joint venture arrangements, which currently abide in some of the fisheries but also serve to create a more robust market for trading rights. Catch entitlements are tradable but expire at the end of a fishing season or fishing year. Catch entitlements, rather than individual transferable quota, or as now the fishing licence, become the day to day currency of the rights based regime. Fishing vessels will still be required to have a fishing licence. The fishing licence is retained in the new management system to regulate fishing activity with respect to gear types and sizes and mitigation measures to limit the impact of fishing on dependent and associated fish stocks, on Marine Mammals, Seabirds and the Marine Environment. Conservation and sustainability of the fishery remain key.

Unlike individual transferable quota, joint venture companies can own catch entitlements even if Falkland Islands status holders have a minority share holding. The threshold for local ownership may be set at different levels in different fisheries. This allows existing joint ventures to continue with minimal disruption and leave the security of short-term access to fisheries to foreign investors. It is also expected that local companies will be more willing to trade short-duration catch entitlements rather than individual transferable quota because this trade does not affect the company's long-term access to the fishery.

In time the catch entitlement mechanism should see a faster rationalisation of the fishing fleet and effort than would otherwise have been the case if individual transferable quotas alone were to be implemented.

The Fisheries Ordinance has always covered main-stream fisheries management and conservation. In the current system, the issue of priority in licence applications and long-term licences has been a matter of policy rather than legislation.

This Bill incorporates the issue of access to resource into the main instruments of fisheries legislation. There are still issues, which will be the subject of policy decisions, but the process is set out much more tightly in this Bill.

The proposed property rights system entails significant change in the operating environment for the private sector. There are also significant changes in the administration of the fishery, particularly in relation to the process of creating, awarding and administering property rights.

The new system does not alter the Falkland Islands Government's powers to manage the fishery to achieve conservation targets. If anything, these provisions are strengthened. Similarly, the new system does not alter the Government's ability to raise revenue from the fishery. Fees for individual transferable quota and provisional quota can be levied in much the same way as licence fees are currently levied.

Property rights are not necessarily a panacea for fisheries development. Current Fisheries Policy, or what might more appropriately be described as Licence Allocation Policy has served well. However, current policy has run its course and is in need of major revision and development. Whilst a range of options were available for policy development, the property rights route was selected as the most appropriate.

The Bill before the House makes provisions for international co-operation in relation to information exchange and combating illegal unregulated and unreported fishing activity.

The Bill formalises existing procedures whereby any vessel fishery blacklisted by CCAMLR or other regional fisheries management organisations would not be authorised to fish in Falkland waters. Information including evidentiary material could be exchanged with other countries in support of the objectives of the agreement to promote compliance with International conservation and management measures by fishing vessels on the high seas and the agreement for the implementation of the provisions of the United Nations Conventions on the Law of the Sea, relating to the conservation of straddling fish stocks and highly migratory fish stocks.

Part 5 of the Bill provides for the establishment of a disputes commission. The purpose of the disputes commission is to review and adjudicate on certain matters, which may be referred to the commission. It provides a dispute resolution mechanism, which can focus on fisheries issues and deal with them in an expeditious manner.

It is expected that the introduction of property rights will see to greater engagement between the Government and Industry on some fisheries management issues. Experience elsewhere suggests that strong and dynamic industry associations are likely to develop. The Bill provides for the establishment of a Falkland Islands Fishing Companies Association. Additionally, provision is made for the application of a levy, which may, in turn, fund the activities of the association.

The provisions in relation to enforcement and penalties are substantially overhauled. The Bill proposes that the powers of fisheries officers in relation to offending vessels should be extended. The circumstances in which the Courts may order a forfeiture of a fishing vessel upon conviction for certain offences are also extended.

The Bill introduces a requirement that any overseas person in charge of a fishing vessel in Falkland Waters must be in possession of an Overseas Master Fishing Licence. The licence may be revoked if the holder is convicted of an offence under the ordinance or if the holder has been convicted of any offence involving violence towards or maltreatment of any member of a crew of a fishing vessel, of which he was, at the time, an officer.

The Bill also provides that, in these circumstances a person may be prohibited from holding an Overseas Master Fishing Licence for a period of up to five years, with a prohibition being published in the Gazette.

Finally, the Bill requires Executive Council to review the operation and success of the fisheries policy at least every 12 months. Executive Council will be required to examine whether objectives are being achieved in relation to the property utilisation, conservation and management of fisheries resources and associated issues in order to consider whether policies in relation to fisheries resources and fisheries management control and conservation should be changed.

Mr Speaker, Honourable Members, some three years have passed since the review of fisheries policy began. That alone indicates the process has not been rushed. On the contrary, consultation with all relevant interested parties has been extensive. An enormous amount of effort and time and energy has been invested in the process, which results in the Bill before the House today.

I would, in particular, wish to pay tribute to the Honourable Councillor Cockwell, the Attorney General, the Director of Fisheries and the former Economic Advisor, not least for their stamina throughout the process.

I beg to move the second reading of the Fisheries Conservation and Management Bill 2005. And, the Attorney General will respond to any particular legal points requiring explanation.

Mr Speaker

Thank you, do I have a seconder? The Honourable Richard Cockwell.

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

The Honourable Mike Summers

Mr Speaker, Honourable Members, in rising to speak to this Bill, I wish to declare an interest in the matter before this House under Section 18c(1) of Standing Orders. Section 18c(1) requires that, in certain circumstances, a more detailed explanation should be given. I propose, with your agreement, to do that a little later.

I think there are things that need to be said about the process of this Bill because if they are not, the opportunity will pass.

As the Chief Executive has said, the policy document that supports this Bill was produced in 2003. The Foreign Office signally failed to deal with the issues that they should have dealt with in terms of the policy at that time and held up this Bill for an inordinate amount of time.

When the Bill was finally drafted in its first stages, the Foreign Office again signally failed to deal with the issues that were put forward to them that they needed to deal with. Now, this put this Council and the Falkland Islands Government in a difficult position. We found ourselves in a position where we are passing, as the Chief Executive has said, at least one of the most important pieces of legislation to come before this particular Council, very near the end of its life. That is not really satisfactory. It doesn't mean you shouldn't do it but it's not satisfactory. It has also resulted in the fact that some of the discussion and some further consultation that, perhaps, should have taken place, had to be curtailed.

It has also meant that we have ended up having a special EXCO and special Legislative Council to deal with this piece of legislation. I don't think that's satisfactory. Probably not all of the blame for all of this can be put in front of the Foreign and Commonwealth Office but I think the majority of it can and, I think, therefore, it is appropriate that it should be recorded.

In terms of the content of this Bill, I accept and support the principles and the purpose of the Bill, including a number of things that have been raised by the Chief Executive that weren't previously contained in Falkland Islands Fisheries Legislation that deal with the protection of individuals on shipping vessels, fishing vessels and the exclusion from fishing in the Falklands of miscreants.

I believe that there is no loss of control by the Falkland Islands Fisheries Department over conservation management of the fishery under this new Bill.

Indeed, I agree that there may be an increased control and that can only be good.

I think the fact that the ownership of property rights in the fishing industry will be transferred to Falkland Islands' Companies, to status holders can only be a good thing.

It's taken a long time in the development to wrest control of the fishery from basically foreign interests back into Falkland Islands interests and I think we will see significant development as a result. Therefore, I support the principles of this Bill.

There are, however, issues of content with which some of us will feel unhappy. And, we will have to deal with that. It didn't become apparent from the production of the policy document for this Bill that it was intended by the Foreign Office and, indeed the Governor, that Executive Council should have a very limited role in the management of the items that fall under this Bill. It took a long time for that to be brought to the surface. In fact, it only really surfaced when the first drafts of the Bill became available. It was never discussed as a matter of policy, even though we were assured that all policy matters that are relevant to this Bill had been discussed in Executive Council. That had not. As I understand it, requests to have that policy reviewed by Executive Council were denied by the Governor. I think that is wholly inappropriate and, I have to say so in this House.

We did finally, at five to twelve, or even one minute to twelve in terms of the drafting of this Bill, get agreement from the Foreign and Commonwealth Office that Executive Council should have a role in the management of the fishing industry and that the Governor acting in his discretion, should not be the principal management role over the Falklands Fishery.

I think that says a lot about the current relationship between some of the parties. I am very happy that now Executive Council does have a role through an amendment that we have been able to make to Section 4 of the Bill. Had that amendment not been made, I would have voted against this Bill.

There is still a provision in the Bill, and there needs to be a provision in the Bill, for the Governor to be able to act in his discretion. The reason for that is that there are legitimate interests of the United Kingdom Government to deal with issues that involve international affairs, foreign affairs issues, on which they, on many an occasion, need to act and, I think that's quite right.

There is no provision in the Bill for the Governor to have to report to Executive Council any time that he acts in his discretion. I have objected to this but I do understand that there are Constitutional issues about doing this.

In the further review of the Constitution, I hope either this Council or the future Council will pursue this issue and ensure that not only in terms of the fishery but any other matter that involves the governance of the Falkland Islands,

when the Governor acts in his discretion, there is a duty and obligation to report the matter to Executive Council.

In terms of the content of the Bill at large, there will be and there has been comment on the issue of the sale or non-sale of Individual Transferable Quota (ITQ) and Provisional Quota (PQ). I know that there are some people who feel uncomfortable with the fact that ITQ is not being sold to companies but has been passed over for free. I was uneasy about this when we first started discussing the policy but I have been persuaded that it's not necessary to raise a fee for the allocation of ITQ and, the reason for it is that the Government will continue to receive income from the fishery and from fishing companies through licence fees and taxation. If the Government were to start charging what it regarded as the market value of ITQ to companies, then their ability to continue to pay licence fees to the extent that we may wish year on year might be curtailed and, that wouldn't be necessarily in our interests.

There are, perhaps, other issues in the Bill that might have withstood some more rigorous economic analysis and this may be one of them, but for the meantime I am satisfied that ITQ should not be sold.

I am not entirely happy and it goes back really to what I was saying earlier about the process and the timing of this Bill that there are some issues under the Bill that are critical to some people that are not yet defined and, in particular, criteria for licensing. It's not satisfactory that that isn't part of the Bill. Certainly not satisfactory that there aren't at least policy papers on what the intentions are in respect of the criteria for licensing and I think that's a serious weakness that, I believe may be dealt with before the end of this Council; I certainly hope that it will.

That's all I wish to say about the content. I will now mention my personal interest. I have a 25% interest in a trawler that works in Falkland Islands Waters fishing for Finfish. That, in terms of the Falkland Islands fishery is relatively small beer. I have no interest in Loligo and no interest in Toothfish. However, I understand that anybody who's involved in the fishing industry in the Falklands has the potential to be interested to a greater extent. I therefore accept that members of the public would expect me to declare an interest and do have a legitimate right to know what that interest is and to expect that it might grow in the future.

There is also the issue that, since I am involved in the fishery, other people who are involved in the fishery might expect that I might at another time have a different interest. That is equally legitimate. There will, therefore, be a perception amongst members of the public and members of the fishing industry that my interest is overriding. I don't believe it is but I accept that they have the right to believe that.

I therefore, Mr Speaker, wish to record the fact that I will abstain from voting in all and any issues that are before the House on this Bill.

Mr Speaker

Thank you. Does any other Honourable Member wish to speak?

The Honourable Roger Edwards

Mr Speaker, Honourable Members, I too, would like to declare my interest in the fishing industry here in the Falkland Islands. My particular interest at present is only in Toothfish, for which there is no provisional quota under this particular ordinance.

I am afraid I am not entirely happy with this Bill as it stands. Yes, I agree with the Chief Executive. An awful lot of work has been done towards this Bill. Much of the Bill was bits and pieces that were desperately required, here in the Falklands legislation was required looking after the safety of the vessels, the crews, and the personnel involved in the fishery etc, etc.

My prime problem with this Bill is the time-scale involved. Government gives these rights for a period of 25 years. During that period of 25 years, Government cannot be given those rights back. They may purchase them somewhere along the way but they have no rights to get them back. Yes we have heard that EXCO can sit and discuss to see how the companies are doing, those companies that have these rights. They do not have the powers to take those rights back. They can force a company to sell them on. Twenty-five years is an awful long time, if we think back 25 years, there was a group of people in these Islands from the Foreign and Commonwealth Office talking about lease-back to the Argentines. The Falklands War has happened. We didn't even have a fisheries zone. It wasn't until 1986 that the Falklands Interim Conservation Zone was brought into being. We had no licensing policies at all, there were no local fishing companies. Twenty-five years is an awful long time and my feeling is that it's too long to give these rights out without Government under any circumstances getting them back.

They claim, through this Bill, that conservation is going to be better controlled. Well, those fishing companies who now have these rights are going to be pushing like hell that the ITQ is never reduced to zero because that is all Government can do. I argued some time back within this body, within my fellow members of Council, that should ITQ fall to zero for a couple of years then Government should have the rights back, so they can properly oversee the conservation. That was refused. We couldn't do it.

Lastly, it is a matter of a level playing field for all the fishing companies. In the presence of members of the public only the other day, the Chairman of the Fisheries Advisory Committee, when asked about what criteria would be imposed he says we don't know because we don't know who is going to apply. Surely that must be a very, very odd response.

So, Mr Speaker, I will not be voting in favour of this Bill, even though my interests in fishing would be enhanced under this Bill. But I am afraid I cannot support this Bill as it stands.

Mr Speaker

Thank you. Does any other Honourable Member wish to speak?

The Honourable Ian Hansen

Mr Speaker, Honourable Members, in rising to speak to this Bill I will be brief because there are those who have far more experience in the fishing industry than I that have yet to speak. Much has already been said about this hugely important and complex Bill and there has been an awful lot of debate and discussion over the months, and we are all aware of its importance.

I have listened to views of all the fishing industry and, to the best of my ability I hopefully have an understanding of the different concerns that have been expressed and I hope I have taken note of those views.

The conclusion I have reached is that the advantages of this Bill for our fishing industry and for the Falkland Islands far outweigh the disadvantages. I believe the fundamental policy is right and correct. Therefore, Mr Speaker, I support this Bill.

The Honourable Norma Edwards

Mr Speaker, in rising to speak to this Bill I am afraid I too will be brief. But I will say as I have said at the outset that I would not support this Bill. I can't support it because I don't believe that we should be giving away our rights. The assets of a country shouldn't be there to be given away, that is my basic reason. I am sure the Bill and all the work that's gone into it is well written and so on. It is the principle that I dislike entirely and I am afraid I would not support this Bill.

The Chief Executive, when he spoke earlier said there must be economic vitality; we need to create economic vitality to the fishing industry. Well, I think there must be an alternative way to stimulating the fisheries into pursuing better economic growth. I don't think we've looked at any other ways of doing this.

I don't disagree that we shouldn't give comfort to the fishing companies, our local fishing companies, encourage them to pursue better business arrangements and all the rest of it. I don't think that Government should be giving away fishing rights.

Sir, I'm sorry but I don't support the Bill.

The Honourable Jan Cheek

Mr Speaker, Honourable Members, I declare my interest and refer people to the Register of Members' Interests, which has, in full detail, all my fisheries interests as a boat owner, as an operator and as a director of several fishing companies.

Over the years that this policy has taken to devise, there has been huge input from many members of the industry and many officials as well. It hasn't been undertaken lightly. Undoubtedly some companies, such as those I operate, will benefit from the added security, but that added security should encourage the kind of investment that will boost the Falkland Islands' share of the value of a huge fishery of which, at the moment, only a tiny fraction of that value comes ashore.

I am also in favour of this Bill because of the strengthening of the powers of conservation measures. The Director of Fisheries will be able to reduce any fishery by whatever percentage conservation requirements dictate, even to the point of reducing a given fishery to zero. I think this is incredibly important. Serious fishing companies and the Falkland Islands interests are served by long-term sustainability and I believe this Bill works very hard to strengthen it. Not only does it strengthen powers in terms of conservation measures but it extends the powers of enforcement of regulations for those who wish to poach or cheat in any way will find it much harder to get away with it on technicalities in the future. The powers of the Director of Fisheries are much strengthened.

I am especially pleased, as a responsible Councillor, individual human being, that there are additional powers to deal with the maltreatment of crews. We've been deeply frustrated in years past by our inability to deal with that problem. I am hoping that with the way that these can be enforced, vessel owners will think carefully about the kind of officers they employ and realise that in this part of the world, at least, maltreatment of crews is totally unacceptable.

I have declared my interest but I do support the Bill for the reasons I have outlined.

The Honourable Stephen Luxton

Mr Speaker, Honourable Members, as required, I also declare my interest and I shall just briefly elaborate on that, if I may. My interest in the fishing industry is somewhat indirect but I am a shareholder in a company, which is in turn a shareholder in Consolidated Fisheries. I believe that actually reduces my interest to the level where I consider that I can vote on this Bill.

It's possible others might disagree on that on the outside this House. I'll have a few words to say on the general subject of conflicts of interest in the Motion for Adjournment but I will leave those for the time being.

I think the important thing about this Bill is that it's about bringing control of the fishery of the Falkland Islands asset back to the hands of the Falkland Islanders and, it's about strengthening our domestic industry, more than anything else, perhaps, about bringing more money back to the Falklands. At the moment, we only have a very small proportion of the potential income from the Falkland Islands fisheries actually come back into the Falklands and I think this is a step in the right direction in terms of bringing those assets home, if you like.

I am not 100% happy with every single provision of the Bill, some of them, Councillor Summers touched on earlier on but as Councillor Hansen said a moment ago, I think the disadvantage very much outweigh, sorry, the advantages very much outweigh the disadvantages, I'd better get that right. So I am in support.

The Honourable John Birmingham

Mr Speaker, Honourable Members, I don't think anybody standing around this table can put their hand on their heart and say that absolutely everything in this document has their approval. There are certain aspects of this that I am a little bit concerned about.

I will declare an interest at the beginning as well, if I may. My interest is actually promoting and pushing forward the fishing industry of the Falkland Islands. That's the only interest I have. If I may with your permission, I will read out a letter that Councillors received the other week and it is to Councillors:

"The fishing law is a disgrace. The fishing rights are being given away. Most of you will benefit from this so you are giving the rights to yourselves. The rest of you are either too thick to see what's going on or don't care. Politicians lining their own pockets is the sort of thing that happens in Argentina and, now it's happening here. History will judge you for what you are self serving, greedy and corrupt.

Government sells everything by Tender so the rights should be tendered, too. If there is an honest one amongst you, you should stand up and be counted.

The way the Falklands is these days, I can't sign this letter as I will be victimised if I do.

I am sending this letter to the Governor so he knows what's going on."

Well, after this morning's Legislative Council session, I think people on the street will actually start talking about this Bill more than ordinary members of the public have been discussing anything to do with fishing over the last three years. I think that the comments made by Honourable Members and the Chief Executive will have certainly opened up their eyes to how important this Bill is.

Now, I am a supporter of this Bill. I have been convinced from some time ago that the way ahead for the fishery is to have such a Bill as this. We employed an economic advisor for two or three years, whose main concern was to formulate with the Director of Fisheries a way ahead for the Industry here.

I have to say there are some fishing companies that have been in existence for some years that appear not to be doing very well at all, and you have to question why. It's been mentioned here that we would like a level playing field. When the fishery opened, I would suggest that it wasn't a level playing field then because some people, who were in the "know", were able to start off their fishing companies, and life in general is not normally a playing field.

The Honourable Roger Edwards mentioned 25 years. It is true 25 years is a long time. I am convinced that there will be control. If anybody wishes to do anything illegal or dishonest I believe there are controls. There will be controls in place and the Director of Fisheries along with some of his colleagues and legal advice will be able to tackle that.

But 25 years ago, it is true that the situation in the Falklands was different. How many people owned their own farms 25 years ago? I would suggest not too many and, looking back, I would also suggest that some people may well think that they perhaps made the wrong decision for buying them. We have to move on. There is a risk to this Bill but there is a risk to everything. I think I am the third Member that echoes the words of the Honourable Ian Hansen when he said earlier on there that the advantages of this Bill weigh more than the disadvantages. I shall be supporting this Bill.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, on rising to support the Bill because as Chairman of the Fisheries Advisory Committee, I have been involved with the Policy and the Bill for what seems a very long time now, I won't go into all the details because the Honourable the Chief Executive has explained very clearly the advantages of this Bill.

However, there are one or two things which I would like to say. I, too, have shared the Honourable Mike Summers' concerns of frustrations over the time that this Bill has had to come through. I personally regret the fact that we are having to have a special Legislative Council meeting in order to pass it, or to discuss it. I think that is unfortunate. However, the Honourable Mike Summers has explained quite clearly what the problems were and hopefully this won't happen in the future. I think there is quite a strong understanding being built up over this period, but it has been very frustrating.

The Honourable Roger Edwards, who, I respect his concerns, however, I don't believe we can actually compare this Bill with the Stanley Fisheries issue. The Stanley Fisheries issue was a group of inexperienced people who decided they were going to set up and manage something which they had no experience in whatsoever, with a consequent disaster. We now have an

experienced fishing industry with experienced fishing companies, who are in a very different position. I don't think that the policy behind Stanley Fisheries was wrong, it was just the implementation was wrong.

If I could just correct him on one point, he says that the ITQ cannot be revoked. Clause 33 is grounds in which the grant of individual transferable quota provision may be revoked. So there are ways in which it can be revoked.

One thing which I regret is not clear and the Honourable Mike Summers raised the issue about certain things which need to be done. Some of this is to do with the protection of smaller fishing companies, who feel exposed because of the issues of eligibility and granting of ITQ and PQ, and I hope that this will be dealt with hopefully within the life of this Council.

However, I can give him my personal assurance that I do not believe that anybody who has been involved with the formulation of this Bill had any intention that they should be disadvantaged, if anything, the contrary, they should be encouraged to be able as long as they qualify, to obtain ITQ.

There is nothing else I wish to say at the moment other than to express my gratitude as someone who has been involved with it for a long time to the people who have actually spent many, many gallons of midnight oil producing this Bill and working on the drafting of this Bill, which has been very complex, one of the most complex Bills we have had for a long time. In particular the Attorney General and the Director of Fisheries and, of course, Mike Harte, who was the economic advisor at the time, and also the members of the working group, who went through every single clause. We went through every single clause, discussing the wording and, hopefully, we got it right.

There are things which possibly we would like to have seen go otherwise but I don't want to paraphrase the Honourable Ian Hansen again but this really is something, which I believe will make a big difference, not only to the Falkland Islands fishing industry but the Falkland Islanders themselves. There is not a Falkland Islander who is not touched and has not benefited from the fishing industry and the setting up of the fishing industry in the Falklands. This gives the industry a chance to develop and expand. As other people have explained, more of the money which has been generated by our industry, which we never see in the Falkland Islands, will pass through the Falkland Islands and we will see the benefit of it.

Sir, I beg to support the Motion.

Mr Speaker

The Motion is that this Bill will be read a second time, is there any objection? The Bill will be read a second time.

Clerk of Councils

The Fisheries (Conservation and Management) Bill 2005.

Mr Speaker

Council is in Committee.

Clerk of Councils

Clauses 1 to 224.

The Honourable Chief Executive

I beg to move that Clauses 1 to 224 stand part of the Bill.

Mr Speaker

The Motion is that Clauses 1 to 224 stand part of the Bill. Any objection to the Motion? No objection, Clauses 1 to 224 stand part of the Bill.

Clerk of Councils

Schedule 1.

The Honourable Chief Executive

I beg to move that Schedule 1 stands part of the Bill.

Mr Speaker

The Motion is that schedule 1 stands part of the Bill, any objection to the Motion? No objection, Schedule 1 stands part of the Bill.

Clerk of Councils

Schedule 2.

The Honourable Chief Executive

I beg to move that Schedule 2 stands part of the Bill.

Mr Speaker

The Motion is that schedule 2 stands part of the Bill, any objection to the Motion?

The Honourable Richard Cockwell

Sir, I move that Schedule 2 of the Bill before the House shall be deleted and replaced by the form of Schedule 2 I now lay on the table, which has been circulated to Honourable Members.

Mr Speaker

Do I have a seconder. The Honourable John Birmingham. The Motion is that Schedule 2 as laid on the table replace the Schedule 2 as published in the Bill. Does any Honourable Member object to that Motion. No objection, the Motion is carried so the amended schedule which is laid on the table

The Honourable Richard Cockwell

Mr Speaker, do we require an explanation?

Mr Speaker

Sorry, would you like to speak, Attorney General?

Attorney General

For the benefit of those who don't understand, Schedule 2, which now has been incorporated in the Bill, that is the Schedule which has been laid on the table is the form of Schedule 2 which appeared in the Bill as Gazetted in May. It replaces the form of Schedule 2 in the Bill as Gazetted about 10 days ago. The principal effect of that is that the new fishery of Hake that was proposed in the new Schedule has been deleted, at least for the time being, from being a separate fishery and that the new fishery of Scallop, for the moment, doesn't appear as a separate fishery.

It is intended that this Schedule 2, which has now been replaced, will be reviewed by Executive Council because some of the amendments, which were incorporated in the August version of Schedule 2, which has now been deleted, provided for a year-long fishery in certain of the fisheries and I believe that there may not be any great objection to that proposal. But for the information of the public and of Honourable Members, Schedule 2 is not cast in stone, deliberately not cast in stone, because the fishery will inevitably develop a new species and new exploitable species may be discovered.

So, the Bill provides for Schedule 2 to be amended or replaced by an Order made by the Governor on consultation with Executive Council and, it may be that some of the proposals which would be in the Schedule 2 which was published earlier this month, will be restored at a later date before the Bill comes into force as an ordinance.

Mr Speaker

Honourable Members I think I am now correct in saying that Schedule 2 as amended by Motion stands part of the Bill. Are there any objections? No objections.

Clerk of Councils

Schedule 3.

The Honourable Chief Executive

I beg to move that Schedule 3 stand part of the Bill.

Mr Speaker

Honourable Members the Motion is that Schedule 3 stand part of the Bill, any objections? No objections Schedule 3 stand part of the Bill.

Council resumes.

The Honourable Chief Executive

Mr Speaker Honourable Members I beg to move that the Bill as amended by the substitution of Schedule 2 be read a third time and do pass.

Mr Speaker

Honourable Members the Motion is that the Fisheries (Conservation and Management) Bill 2005 be read a third time and do pass. All Members in favour say aye, all members against say nay. We have five members in favour, two voting against and one abstention as stated during the debate, therefore the Fisheries (Conservation and Management) Bill 2005 will be read a third time and passed.

Clerk of Councils

The Fisheries (Conservation and Management) Bill 2005.

The Motion for Adjournment

The Honourable Chief Executive

Mr Speaker, I beg to move that this House stands adjourned Sine Die.

Mr Speaker

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

The Honourable John Birmingham

Mr Speaker, Honourable Members, I am kicking off today because I am conscious of the time with things moving on and I only have a couple of points to make and that is there is concern in the community in Stanley about the proposed telephone masts around the centre of town. One particular parent rang me up last evening to tell me she was worried about the proposed mast close by the St. Mary's Playground. I found out this morning, I confirmed this morning that actually there is only one mast that has been given planning permission so far and that is I believe around about Hillside. The one at St. Mary's has not been given planning permission yet. There is a planning meeting next week. Information received today by me is that Cable & Wireless may well be thinking seriously of putting their mast somewhere else.

The only other thing I was going to mention, Mr Speaker, was that tomorrow the Queen's Baton arrives in the Islands. For those who aren't fully aware, this is the baton that's going all around the Commonwealth. I think that the Falkland Islands are particularly honoured to have this baton here. It's here for a week and it's being carried from Mount Pleasant Complex next Friday by all sorts of individuals including school children, members of the public and I believe up to over 100 people will be carrying that baton.

I would just like to congratulate the organisers, the Falkland Islands Overseas Games Committee for pulling out the stops to get that baton here, in particular, Leisure Centre Manager, Steve Dent, who, I believe is the chairman of that group. I hope that when the baton does come into Stanley that anybody who is around at the time gives whichever runner it is a bit of a cheer.

Mr Speaker, I support the Motion.

The Honourable Norma Edwards

Mr. Speaker, in rising to support the Motion for Adjournment, there is just one thing that has come to my notice lately, which is really nothing to do with the great workings of Government today that we have been talking about but it has to do with lice. A lousy subject, I know but it's been brought to my attention recently that in England now you are no longer allowed to tell a child or a child's parent that they have lice because it is an infringement of the child's rights. I think it's a damned infringement to the other kids.

The Honourable John Birmingham

Mr. Speaker! Are we declaring an interest here?

Mr Speaker

Order!

The Honourable Norma Edwards

Not yet. I thought, well, thank goodness we are not that daft in the Falklands, only to find I met a lady the other day who had her grandchildren for the school holidays and they had lice and she was busy getting rid of this and, the same thing, I believe, applies here that you can write a parent and say there is lice in the school but you can't actually take a parent aside and say I'm sorry but your child has lice caught lice. I think this is terribly wrong. It's nothing to be ashamed of if you've got lice because lice like clean heads and we've had lice before and it's a fact of life that lice now are a big problem in the South of England and we travel a great deal so we are, from time to time, going to have lice here. I think it's only right and proper that we should take a more responsible attitude and not follow blindly in the footsteps of Britain on this front and make sure that those poor kids that have picked up some lice their parents are told, it's perfectly easy to get rid of it but if they are not aware of it then it's going to be perpetuated throughout the school for a long, long time. I think that's wrong. That's got that off my chest. I think it is so silly this attitude today of being so correct, so politically correct and so socially correct that we are not allowed to say anything. I think it's the world gone crazy. I can only say that thank God we haven't got horse chestnut trees here or we would be providing our kids with goggles in case they play conkers as they were in England not long ago.

On that subject, Sir, I support the Motion for Adjournment. Thank you.

The Honourable Jan Cheek

Mr Speaker, Honourable Members, I would first like to convey congratulations, and I am sure colleagues who have already spoken may want to join me, to those who have passed recently their GCSEs, their "A" Levels, obtained their degrees, obtained NVQs in certain subjects. It's always good news to hear when people achieve what they have aimed to achieve what has been predicted for them. For those who haven't quite made it this time, don't give up. There is often an opportunity for a re-take, to improve grades, and I would encourage all to pursue all the opportunities that are offered to them at present.

I wanted to speak on another issue, which has featured in various forum lately, and that is bullying; we've seen it mentioned in Penguin News, being spoken about. It's very difficult to define and I am reminded of very early in my 20 years of teaching a day I was doing a little supply teaching at the Junior School, the door burst open and a very tiny, very indignant child stood there in the middle of the staff room at break time, addressing all the teachers and said "they're bullying me". We said "oh dear", quite alarmed "what's the

problem, who's bullying you" and it turned out that a little girl, who shall be nameless, had said that she didn't like him and this was, in his view, bullying.

So, we've got to be very careful when talking about bullying, that we ascertain whether the behaviour that's being referred to as bullying really is bullying or whether, as the Chief Executive has been heard to say in the past whether it's stern management, there's a very narrow line between them. But I would like to assure people that whether it's an issue in the schools or in Government, bullying, when it's recognised as real bullying, is taken very seriously.

Finally, I just would like to say a word. I know this isn't the last chance that we get to speak as Councillors because there is another Legislative Council the scheduled one in September but I would urge people to think very hard about standing in the forthcoming elections, so that there is a decent competition both in Stanley and in Camp. It's no good sitting and saying I don't know who I am going to vote for and no one is standing. Well, think about standing yourself. Encourage people who you think would do well as Councillors to stand. It's my wish, I am standing myself so perhaps I shouldn't be saying this, but it's my wish that we'll see some really good younger candidates coming up this time. If we are not elected as a result, with really good younger candidates coming in, so be it. But I would say, don't sit moaning that you don't have a say in things. Put your name in the hat. Stand for election if you have strong views or you feel you can represent people.

I support the Motion.

The Honourable Ian Hansen

Mr Speaker, Honourable Members, in rising to support the Motion for Adjournment, I would like to begin by also adding my acknowledgement to the tremendous amount of work that went into the Fisheries Bill, in particular by the Attorney General but also the Director of Fisheries and Councillor Cockwell.

I think it was the last time in this House, Councillor Luxton mentioned this would be a good place to stand and have a whinge about things. We do complain about various things that we feel are not to our liking, low wool prices, high cost of fuel, the state of the MPA Road and many, many other issues that we think seriously affect our everyday lives. But since this House last met we must remember the horrific and cowardly bomb attacks in London's Underground plus above ground on the same day, something like that then puts all our complaints very firmly in the "not that important after all" category. I do hope that we can sometime just take a bit of time to forget all these minor problems once in a while and take time to reflect on what it must still be like for those who lost family and friends on that day.

Really one other comment I was asked the other day if I had the opportunity to read any of the official history of the Falklands War by Professor Freedman. I've only touched on parts of it and I was asked how controversial

was it. I believe that's in the eye of the beholder, if that is the right expression, obviously Argentina will milk it to the extreme as they do with anything they see as a window of opportunity where the Falklands are concerned. I hope that most people accept it for what it is. It's an official history based on fact. I guess even facts can be interpreted in different ways.

Incidentally, while reading a certain chapter of the book, I was reminded of a wonderful throw away line from Joseph Heller's "Catch 22," which was written in 1961 and that line went "Fortunately, just when things were at their darkest, war broke out." Perhaps applicable to us in 1982.

Mr Speaker, I support the Motion.

The Honourable Roger Edwards

Mr Speaker, Honourable Members, in rising to support the Motion for Adjournment, I would only like to say a few things. This will be my last Legislative Council within this present Council because I am off next week for meetings within the European Commission and then will be attending the Labour Party and the Conservative Party Conferences. So I will not be here at the end of September for the final Legislative Council. Unless something drastic happens, then that will be the last Legislative Council of this particular Council.

I would like to speak about the election as well. I do hope that we have a good turn-out of candidates and electors. I, too, like my colleague across the floor, would like to see some young members standing or young Islanders standing for Council and wish them the best of luck. I also hope that we have a good turn-out in those elections, I personally am a great believer that if you don't vote then you shouldn't whinge. When I hear some of the whingers that we have around presently, I am actually quite comforted because if that's all they've got to whinge about, by golly, we live in a very lucky society, when you see what else is happening around the world.

Following on from something the Honourable Norma Edwards was saying about lice and things, I remember nit inspections on a regular basis when I was at school. It didn't only look for lice but it showed up all sorts of other scalp problems. I believe when nit inspections happen here in the Falklands it also showed up all sorts of problems. At an early stage they can be treated quickly and efficiently. So, let's hope that they will come back (nits and inspections thereof).

I was going to say good-bye to the Chief of Staff but only in the last few days I learned that he's actually been told to stay on. So, I'm sorry I can't say good-bye to you at this stage but I hope I am in a position to say farewell to you at Legislative Council in the future.

I Support the Motion.

The Honourable Stephen Luxton

Mr Speaker, Honourable Members, the main subject that I want to talk about today is that of conflicts of interest. I think it's one that can be a bit sensitive and perhaps never more so than with the Bill that was before this House today. I normally don't pay that much attention to anonymous letters and Councillor Birmingham has mostly stolen my thunder, having read it out earlier on. But the one received at the Councillors' Office a couple of weeks ago made me think that perhaps I should mention the issue. I think there's probably a lot of misconception out there among the public. I quote the sentence from that letter, which said *"that most of us will benefit from this so we are giving the rights to ourselves and, the rest of you are either too thick to see what's going on or don't care."* I am not sure which of those three categories the writer thought I fell into. Because having thought about it in some detail I think there are, in fact, only two Councillors that can be said to have a close involvement in fishing although five of us declare an interest, but in some cases, it's a pretty distant interest and I would count myself amongst those, being a minority shareholder in a company, which is a minor shareholder in a fishing company. So I would personally strongly resent any suggestion that I supported the Bill because I am going to get a whole lot of money out of it. That just isn't the case.

This brings up a wider question, though. In matters where some Councillors may stand to benefit, should a decision be made not to proceed with something purely for that reason or, should the wider national interest be considered. I would say the latter because the important thing is what is necessary to secure the future of the Falkland Islands. This was reinforced by the Standing Finance Committee earlier this morning, where we learned that rather than being in a deficit situation of some £3million predicted at the end of June 2005, we are actually in a surplus position of about the same amount. I understand a fair chunk of that extra money – I think we are talking into seven figures was tax revenue from fishing companies, a source of income that we hope will increase as the industry gains the confidence and security to invest in its future and bring more money back into the Falkland Islands, instead of seeing it cruise off over the horizon.

It's an issue I suppose that is relevant in the forthcoming election and I can talk from a disinterested position because I think it's fairly common knowledge now that I am not standing for re-election due to other commitments. Sometimes it's inevitable that somebody on Council is going to benefit, whether directly or indirectly from a Government decision and, anything that's intended to develop the economy of the Falkland Islands is likely to have that effect. The more important question to ask is whether it will be benefiting a whole lot of other people in the Falkland Islands as a whole. Personally, I don't really believe that one of the things called "Mexican Crab Syndrome" should be the main guiding principle, either in making Government fiscal and policy decisions or in choosing the next Council.

I suppose one alternative would be to elect eight people who had no experience in business or management, didn't own their own business, didn't have any shares in anything and didn't work for any company or organisation who might stand to benefit from a Government decision somewhere along the line. But I really don't think that would help to enhance the future of the Falklands.

The Honourable Jan Cheek reminded me of something else I meant to mention in this House, which is in the run-up to the election, probably around the end of September, I intend to hold some kind of a session to try and give prospective candidates an idea of what may be involved in being a Councillor, right the way through the level of commitment, some of the subjects covered, and basically be available for any questions. Councillor Birmingham did that prior to the last election. I went to it and personally found it was very useful so I shall be doing that around the end of September probably and I shall ensure that it is suitably publicised in due course.

Mr Speaker, I support the Motion.

The Honourable Mike Summers

Mr Speaker, Honourable Members, I have only one subject to mention today and that is the issue of the Constitution. I spoke about the Constitution earlier on and there remain a number of important issues that we do have to deal with in respect of the Constitution. It, too, has taken an awfully long time and I am happy not to be able to blame, well, I might be happy not to blame the Foreign Office for it. It's a process that we have been going through and then trying to sort out for ourselves.

It has taken a long time. This is the second Council now that has been considering potential amendments to the Constitution, we have agreed that before the end of this Council, we will publish recommendations from this version of the Select Committee and have it available for people to discuss and debate over the election. I think that would be a useful thing. Certainly we were not able to do that at the last election.

I have started to draft the report of the Select Committee on the Constitution, I'm well through it. I hope to be able to have it to Members relatively shortly for comment and amendment and, we may need another short session before we can issue it but barring unforeseen accidents, it really should be out well before the next election.

Sir, I support the Motion.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, It seems I am coming last on the agenda again. However, it's not by design or anything else. It just happens to be the case.

I have a feeling that people don't really understand how successful the Falklands are and how well off we are; other Members have actually touched on this in their Motions for the Adjournment. It just brings to mind when Argentina the other day had a conference on the Falkland Islands and I think we were all very upset about it and quite rightly so, too. However, I think they should have a conference on the Falkland Islands to see how we actually make a success with the limited amount of natural resources we have and the limited amount of people and see if they can learn something because theirs is one of the most wealthy countries in the Southern Hemisphere in natural resources. And, if they just followed our suit instead of being jealous of us and try to take us over, they may do themselves a lot of good.

I would like to actually, I know occasionally we do this but I would like to give some credit to some unsung and possibly vilified in some ways members of the Community that's the people who look after the MPA Road, it must be so depressing for them to hear all of the ire and expertise, which is being thrown at them for the condition of the road. These guys work tirelessly and I think they have done a splendid job in very difficult circumstances and, we really should recognise what they do rather than always saying what a dreadful job they are doing. I think they have done a very good job and actually, except for the fact when it's wet, the road is not in bad condition.

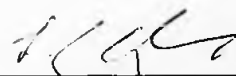
The only other thing on a lighter note and I hesitate to raise it but as the Honourable Norma Edwards did raise it, the issue of lice and people coming in from the South of England with head lice, is this a matter for the Bio-Security Officer?

Sir, I support the Motion.

Mr Speaker

The House stands adjourned accordingly.

Confirmed this 23rd day of September 2005



Hon. LG Blake OBE
Speaker of the House



**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 23RD SEPTEMBER 2005**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 23RD SEPTEMBER 2005**

MR SPEAKER
(Mr Lionel Geoffrey Blake OBE)

MEMBERS (Ex-Officio)

The Honourable Chief Executive
Mr Christopher John Simpkins

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

The Honourable John Birmingham
(Elected Member for Stanley Constituency)

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

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

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Stephen Charles Luxton
(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 South Atlantic Islands
(Commodore Ian Moncrieff BA, RN)

CLERK OF COUNCILS: Claudette Anderson MBE

PRAYERS: Reverend Paul Sweeting

APOLOGIES

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

The Honourable Roger Anthony Edwards
(Elected Member for Camp Constituency)

} Overseas

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Record of the Meeting of Legislative Council

held on Friday 23rd September 2005

PRAYERS

Mr Speaker

Honourable Members I bid you good morning.

Clerk of Councils

The Oath of Allegiance Commodore Ian Moncreiff BA, RN. The Commander British Forces swore the Oath of Allegiance.

Clerk of Councils

The confirmation of the record of the Legislative Council Meeting held on 26th August 2005.

Mr Speaker

Honourable Members, is it your wish that I sign these minutes as being a true record of that meeting? Agreed.

Clerk of Councils

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

Copies of subsidiary legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and laid on the table pursuant to Section 34.1 of the Interpretation and General Clauses Ordinance 1977.

- Capital Equalisation Fund (No 2) order 2005
- Employment Protection (Amendment) Ordinance 2005 Correction Order 2005
- Offshore Petroleum Licensing (Amendment) Regulations 2005
- Merchant Shipping Registration of Ships (Amendment) Regulations 2005

The Honourable Chief Executive

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

Clerk of Councils

Questions for Oral Answer

Question number 11 of 2005 by the Honourable John Birmingham.

The Honourable John Birmingham

Mr Speaker, Honourable Members, will the Honourable Jan Cheek please explain why it takes so long for test results (especially cervical smears) to be received back in the Islands?

The Honourable Jan Cheek

Mr Speaker, Honourable Members, I apologise in advance for the length of my reply, however, I think because of the anxiety caused to people who are waiting for results they are owed an explanation as to why these things can take so long.

Smears first, they are taken in clinic then sent to the pathology laboratory. They have to be entered onto the computer system, packed and paperwork completed. It is not cost effective to send individual slides through the post so they are sent in batches when there are about 10 – 15 slides: this is approximately once every 10 days. They are sent by registered post.

Most of the tests we send are performed at the military hospital RH Haslar. Smears, however, have to go to a different NHS hospital, which is a designated UK cytology-screening unit.

Most cervical cytology units in the UK have a backlog for a number of reasons:

1. It is a time/labour intensive test. A scientist has to view each smear individually under the microscope and count the cells remember that they are looking for not necessarily cancerous cells but abnormal cells which could lead to cancer at a later time. After the tests have been performed they may need to be reviewed by a consultant for comment or validation. Results then have to be reported before being sent back to us here.
2. There are shortages in the numbers of trained scientists able to undertake smears.
3. There have been incidents in several hospitals of significant quality problems with smear reporting. This has led to tightening up of the quality assurance processes and an increase in the numbers of checks and there is consequently an increase in the length of time taken.
4. Many UK hospitals are changing over to a new smear-taking procedure known as Liquid-based Cytology. This means that the staff are all undergoing training which is creating a further backlog.

Once the smear has been examined and the results reported, the results are posted in the normal manner to the Islands where they are received, checked, processed through our computer system and then given to the requesting doctor, whose job it is to inform the patient.

Smear results are now taking around 3 months to reach us. It should be remembered that the majority of smears are taken as part of our routine screening programme and there is no real urgency in getting back results. The laboratory does confirm, however, that positive results are received much more quickly than negative ones.

The staff at KEMH has spent considerable time thinking about how to reduce the delay in our end of the process, and put some administrative support into the laboratory as a result. The high "did not attend" rate at the routine clinic makes it more difficult to achieve the batch numbers that we need.

With regard to other laboratory tests, those that are sent overseas tend to be the more specialised and labour intensive tests. These are sent via Brize Norton to RH Haslar. We only send them on flights that will arrive in the UK on weekdays, as it is very difficult to arrange safe collection and delivery at weekends. This means in practical terms they are despatched every other week.

Although most of the tests we send are performed by RH Haslar, some tests will need to be sent by Haslar to other hospitals around Britain. Most laboratories will batch specimens and perform them once a week or when they have enough to justify use of the machine or reagents which again adds time. This may be as infrequently as once a fortnight. Some tests may take several days to perform, for example, where specimens have to be cultivated. After the tests have been performed they may need referring to a Consultant for comment or validation. If done elsewhere, they are then sent back to Haslar which then has to issue a report.

The results are then posted to the Islands where they are received, checked, processed given to the requesting doctor. If they just miss a flight, this takes another 5 days.

Some times results do get back to us fairly quickly but there are a lot of factors that can delay these. It is important for patients to note that if a sample is urgent then it is sent on the next available flight and taken to Haslar who process it as quickly as they can and fax the result. All samples that are urgent or show significant abnormalities are returned to us as quickly as possible for GP action. Antenatal Triple testing results are faxed through within 10 days.

It is correct to say that the time taken to get results back is increasing however we try to ensure that patients are told that **routine**, i.e. non urgent ones will take roughly 6 weeks and smears 3 months.

The Honourable John Birmingham

Mr Speaker, Honourable Members, I thank the Honourable Jan Cheek for that very well put together answer and I ask her if she sees any merit in that information not only being published but perhaps being handed out at the clinics at the hospital.

The Honourable Jan Cheek

Indeed I do.

Clerk of Councils

Question number 12 of 2005 by the Honourable John Birmingham

The Honourable John Birmingham

Mr Speaker, Honourable Members, would the Honourable Mike Summers explain to this House the difficulties the Public Works Department have experienced in renewing the culvert over Ross Road at the bottom or Reservoir Road?

The Honourable Mike Summers

Mr Speaker, Honourable Members, I am indebted to the Director of Public Works for a long and comprehensive answer. I will give you some parts of it and the full answer will be available in Gilbert House.

Ross Road was closed for bridgeworks on the 11th of July 2005 and opened again yesterday (22 September 2005). The reconstruction of the bridge has taken significantly longer than was originally projected. In terms of difficulties experienced, a number of factors contributed to the extended period working on the Ross Road Bridge. Initial construction plans included the possibility of re-using the existing sidewalls, should these prove adequate, once full inspection was possible upon removal of the roof slab. In this scenario the works would only require the casting of a new bottom to the channel and new roof slab. The walls proved inadequate and were removed. This had not only increased the work content from the minimum work scenario but also placed a significant amount of shuttering of concrete works in the tidal range.

It was necessary to delay concrete pours on several occasions due to forecasted overnight temperatures, snow, rain and tidal action. As well as works having to be scheduled around normal tide movement, the concrete pour for the roof slab was delayed on one occasion by a higher than anticipated tide.

A further factor in relation to the overall time needed for the works was the supply of concrete exactly when required. No criticism of the contractor is implied in this, who has co-operated very well with the Department of Public Works.

The final road concrete pour was completed on the 13th of September. The road and bridge remained closed until the concrete has cured sufficiently to allow traffic loading. The strength gain in the concrete has been determined and the compressor strength testing of concrete cubes sampled from the final pour.

It is planned to complete concreting of the footpath and curbs on the bridge shortly but this has not affected the road opening date. The Blacktop Gang work has been completed effectively to a high standard in exposed and often very difficult conditions. Although the period to completion was longer than projected, the down time in this project was used productively on other works.

The strength test undertaken on the concrete indicates a well-controlled quality product.

The Honourable John Birmingham

Mr Speaker, Honourable Members, I thank the Honourable Mike Summers for the very comprehensive answer and ask him if he would agree with me that the reasons questions are sometimes asked in this house about items such is not to stir up any criticism but purely as a method of getting information out to the public.

The Honourable Mike Summers

I naturally would agree.

Clerk of Councils

MOTIONS

Motion number 2 of 2005 to codify the role of the Speaker of Legislative Council.

That this House resolves that the functions of the Speaker of the Legislative Council should be as follows: -

- To preside over the business of the Legislative Council in accordance with the Standing Orders of the Legislative Council, and (so far as those Standing Orders of the Legislative Council do not make provision) in accordance with the practice and procedure of the House of Commons at Westminster;
- To uphold the privileges of the Legislative Council;
- At the request of elected members, to attend meetings and conferences of Speakers of Legislatures in the Commonwealth and that the Speaker should not otherwise attend meetings overseas in his capacity as such;

- To take a proper part at ceremonial occasions taking place in the presence of the Legislative Council;
- The advice of the Speaker in his capacity as such should not be sought or given save in relation to the effect and application of the Standing Orders of the Legislative Council or otherwise in relation to its practice and procedure;
- The Speaker in his capacity as such should not publicly express any view or opinion in relation to the merits of any matter likely to come before the Legislative Council for decision or the likely decision of the Legislative Council in relation thereto.

That Motion is proposed by the Honourable Mike Summers.

The Honourable Mike Summers

Mr Speaker, in rising to propose this motion I would say just a few words. It's slightly odd that we are virtually at the end of this session of this Legislative Council and the Speaker has been in place all of that time. But there have been a number of things to do and this is one of them that perhaps slipped by the wayside. However, it is entirely right that the functions of the Speaker should be properly codified somewhere in Government documents and, it is intended that this Motion, if passed, should go at the back of the Standing Rules and Orders of the Legislative Council, so it's a permanent record of the role of the Speaker.

I would like to say and make it absolutely clear that in bringing this Motion to the House, there is no criticism implied whatsoever of the way that the current Speaker has performed his functions. Indeed, he has performed them entirely within this code of practice. And, we thank him for that.

I would like to give my personal thanks to the Speaker for his work during the course of this Council. It's been a new expedition for the Legislative Council of the Falklands to have a Speaker presiding. It was the right decision for the Constitutional Review to have made. The Speaker, I think, was involved in the creation of that new Constitution. It was the right thing to do for the last Council to decide to implement it and for this one to actually do so. I am happy to see the Speaker in place and I am happy that he has performed his duties splendidly during the course of this Council and I thank him for that. I propose the Motion.

The Honourable Jan Cheek

I, too, welcomed the appointment of Mr. Speaker as the first Speaker as allowed by the last major Constitutional reform. The symbolism of the appointment by each Council of its Speaker is an important marker in the development of our Internal Self-Government. I hope that the new Council will take up Constitutional development and further develop our Constitutional maturity.

As to this particular Motion, it's important that the Speaker's role and impartiality be clearly defined.

I would very much like to thank Mr Speaker for agreeing to take on the role in this first attempt and for his performance of that role. Best wishes for the future.

I support the Motion.

Mr Speaker

Does any other Honourable Member wish to speak to the Motion?

The Honourable John Birmingham

I would like to rise to speak to this motion. Mr Speaker, you first sat in this House, I believe, in 1964 when, if I wasn't still a twinkle in my father's eye, at least I was still a memory for him. Over those years you have contributed a great deal to the Falkland Islands, this Council has gained a lot from your experience over those years.

It really does give me pleasure on behalf of this Council to present you with a book by Ian and Georgina Strange, as an appreciation of this Council for all the work you have done over the last four years.

Thank you very much Mr Speaker.

Mr Speaker

Honourable Members, I thank you for your gift and for your kind words. All those in favour of the Motion say "aye".

The Motion passed.

Clerk of Councils

ORDER OF THE DAY: BILLS

The Media Trust (Amendment) Bill (No 2) Bill 2005:

The Bill had been published in the Gazette and we therefore go to the second reading.

The Honourable Chief Executive

Mr Speaker, Honourable Members, this Bill seeks to modify the rules applying to the Media Trust in relation to the operation of bank accounts. It is required as a consequence of the transfer of the Broadcasting Station to the Media

Trust and makes provision for the opening and management of bank accounts.

I beg to move the second reading of the Bill.

The Honourable Financial Secretary

I second the Motion.

Mr Speaker

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

Are there any amendments since it has been published? No, in that case we shall go to the fast track procedure and the Bill will be read a third time and passed.

Clerk of Councils

The Media Trust (Amendment) Bill (No2) Bill 2005.

The Motion for Adjournment

The Honourable Chief Executive

Mr Speaker I beg to Move that this House stand adjourned *Sine Die*.

Mr Speaker

Does any Honourable Member wish to speak to the motion?

The Honourable Mike Summers

Mr Speaker, Honourable Members, I had anticipated today there would be an unseemly rush to speak last, but since Councillor Edwards has claimed that position already, I think that's quite right. I would have proposed it.

I would like to welcome the Commander British Forces South Atlantic Islands to the House for his first visit. It seems ages since he first arrived. Welcome anyway. We have already worked together with you and look forward to working with you and your staff in the foreseeable future.

I have just a few words to say in this last Legislative Council of this particular Government. As you look back through the last four years, you are bound to think about the relationship with Argentina. In an odd sort of way, although the relationship between the Falklands and Argentina and the United Kingdom and Argentina has deteriorated over the last 4 years, I am rather happy with it. I am happy with it because the Argentine Government in the last two to three years has tried quite hard to hurt the Falklands, to hurt the economy of the

Falklands; it has failed to do so. That, for us, is a good sign. It means that we are in good health from an economic point of view. We are in good health from a political point of view, with the support of Her Majesty's Government and, I remain confident that the Argentine Government and its petty antics cannot hurt the Falklands.

It would be nice to think that they could look to their old mother country, Spain, and see how the relationship between the new Spanish government and Gibraltar has begun to develop and how the Spanish government has finally realised after decades of trying to blockade Gibraltar that, in fact, the best way forward for all parties concerned is to co-operate. The Argentines might like to watch that for a few months and see how it works.

There are a number of important things that have happened during the course of this Government. To me the most important elements have always been the budget sessions and maintaining a strong economy. We have, in each of our four years, been able to maintain pretty much a balanced budget and, that has been through perhaps some of the worst economic times that we've experienced since the days of the arrival of fishing to the Falklands.

The loss of three Illex catches out of the last four years has put severe pressure on the budget but we have, nevertheless, been able to maintain good levels of expenditure and maintain the reserves at a sensible level.

I think it is a matter of great pride for all of us to note this year in particular that we have a very flourishing private sector now in the Falklands. The tax revenues have increased substantially, in part due to changes in the Tax Regime but also largely to do with an approach that this Government and its predecessors have taken to promotion of the private sector. We now have a very different sort of economy to the one that we had in the early/mid '80s. The fisheries industry is going from strength to strength, retail is very strong in the Falklands. You can just see it by going around the shops and looking at the diversity and the amount of people currently involved in the retail business. Tourism continues to grow and there is more confidence, more activity, more professionalism and more product in the tourism industry now and, it's good to see a great deal of excitement!

If there is one thing that I would have to be sad about, looking back, is that we have not achieved what we might liked to have achieved in terms of better economic performance in the Camp. The economics are not good. Wool prices are still poor and people are still having a difficult time. I am happy that we have been able to continue to invest particularly in the road programme, which is nearing its completion. In the Abattoir, which has given more opportunity to farms to find other ways to earn their income. In animal quality, both through continuation of stock improvement in the National Stud Flock and, more recently, in genetic improvements to AI and ET and in pasture improvement. There remains much to do in Camp and the next Council will need to be committed to making sure that Camp remains part of our One Nation Policy. I think there must be a One Nation Policy. We are the Falklands overall and not Stanley and Camp separate, divided, we are one

together. Our politics are the same; our economics should be the same. We must strive hard to bring the Camp up to levels of income and expectation that people enjoy in Stanley.

Sir, I support the Motion.

The Honourable Ian Hansen

Mr Speaker, Honourable Members, some of my colleagues have already acknowledged your part in this outgoing Council, Sir, but I would like to add my thanks to your contribution. In fact, looking around this House, I guess I probably have known you longer than anybody here. We both arrived in the Falklands in 1958, though, admittedly, our modes of transport were different. Since then I guess our lives ran pretty well parallel. At least our paths have crossed on several occasions. I doubt whether 5 years ago either of us would have envisaged that you would be Speaker of the House and I would be a Member of Legislative Council. So, I would just like to repeat that I would like to thank you for your contribution to this Council.

There are, of course, two other Councillors here today who have said they are not standing for re-election. I would like to briefly mention them. However, I am going to let them wait in anticipation while I mention one other issue, that issue is Tourism. The beginning of our tourist season is imminent. I think it's less than a month away. The first cruise vessel arrives here in Stanley on the 22nd of October.

I had a brief look the other day at the progress being made outside the Jetty Centre. And although it looks as though there's a fair bit to do, it should be ready for that date. If it isn't then there will be very little left to do to finish off. Our Director of Tourism seems content with what is happening. I would like to thank those involved in that work and getting it ready on time.

I had an interesting conversation while I was overseas recently with a couple of people from the Isle of Man and Guernsey. The Isle of Man is significantly decreasing their expenditure on promoting Tourism as they feel people know what to expect from the Isle of Man. They have nothing new to offer in the Tourist Industry as far as marketing goes. Guernsey, for the same reasons, are proposing an even more radical approach in suggesting that some land-based tourism infrastructure be converted into sheltered accommodation or such. That is where we in the Falklands differ because we do still have something different to offer apart from other countries. We do have a nice market, if you like, in tourism. I know tourism is and always will be a volatile form of economy, but, investment in promotion of our Tourist Industry, investment in infrastructure, investment in a system of operating accommodation island-wide, I believe is an investment that makes fundamental sense for our future economy. I would hope that the future Council takes this view.

I would also like to welcome Commodore Moncrieff to this Council and to say that I hope he has an enjoyable stay.

Now at the risk of being accused by the media in taking part in a backslapping exercise, I am going to briefly mention my two colleagues who are not putting their names forward for the forthcoming election. I would like to thank Councillor Luxton for his realistic and sensible approach over the last few years. In particular, that approach concerning the transport portfolio, which we worked on together since my election two years ago. I would like to wish him well in his new work commitment.

As for Councillor Edwards, I doubt I would even be here taking part today if it hadn't been for her encouragement and insistence that I should stand for Council. I remember when I was narrowly beaten in the general election four years ago when Councillor Edwards phoned me, not with commiserations or sympathy but with orders not to give up. I find it quite hard to imagine, whether or not I take part in the next Council, or just listening to Legislative Council that we won't hear Norma's voice. I do think the next Council should be warned that they will undoubtedly hear her voice on more than one occasion, as she has said that she has no intention of retiring her opinions.

Sir, I support the Motion.

The Honourable Jan Cheek

Mr Speaker, Honourable Members, I, too, would like to welcome the Commander. I won't attempt his new acronym I can never manage acronyms anyway. It's good to see you here. I know you've been in the Islands for many months but welcome to this forum.

I, too, would like to say farewell, temporarily I hope to the Honourable Stephen Luxton and to the Honourable Norma Edwards. It's hard to believe that it's 20 years since Norma was first elected. I think the 19 years she's served on this Council because there was a small gap when she moved to Camp must be close to a record of continuous service to the community. I know for a fact, that there are many constituents, not just in Camp but also in Stanley, who have cause to be very, very grateful for the tenacity with which The Honourable Norma Edwards will pursue their needs, their requirements, their problems. I remember when she was a Camp Councillor contacting her from town because I knew she would be one Councillor who would follow through with what I was asking her. Norma, you will be very, very much missed. I am sure, as Councillor Hansen says, we will be hearing from you often or whoever the next Council happen to be.

When Councillor Stephen Luxton stood for election four years ago I remember assuring people that he would be a very good Councillor. I think they were fearful of his youth. I don't know what it is about youth that worries people so much. After all, the younger people have more grey cells than we older ones. Ours have been decaying for years. I am glad to say he proved me right. It's been a pleasure working with him on several committees. He's been a hard working and conscientious Councillor. I sincerely hope that we have an opportunity in future years to vote for him in a future election.

An issue that's been talked about a lot recently is that of the problem of young people on the streets. As we are reminded in the newspaper today, it's a century old problem and, while we do have serious concerns about the well-being of some young people, it should be emphasised here publicly that we are talking about a minority, a minority whose parents are perhaps not as responsible as they might be, a minority who are disaffected for whatever reason and, I give every good wish to the Committee that are currently looking at the problem. I know some individual members are already talking to young people and I know that Committee intends in the future to talk to more young people, just to see if there is a way of diverting some of their energies into more useful activities than hanging around outside the Pubs.

I would reiterate what my Honourable colleague, Mike Summers has said about the economy. It's been a struggle over the last few years to keep things on an even keel and, many of us have had to give up treasured hopes, treasured projects, because of it. However, I am very happy that, in the life of this Council, we have seen the Junior School extension working really well, giving a whole, brighter and better atmosphere for our youngest students to work in. I have been delighted to see the completion of more sheltered accommodation in the centre of Stanley, where people with some mobility still have easy access to shops, Post Office, and where they are in the middle of things social, it's very important. I am also delighted that we have completed the special accommodation within the Hospital for those who are unfortunate enough to have to spend long periods hospitalised. The fact that we have been able to do those things (there has been some criticism of some of the expenditure) for my part I think it's been absolutely worthwhile.

Moving to the wider international political scene, I just have a simple question. When will Argentina and those who govern their country learn that a country that has to resort to threats, harassment, and attempts at economic warfare becomes less attractive, not more attractive to the people of the Falkland Islands? We are absolutely clear in our right to self-determination. It's reinforced by every year that passes, by things we do, by the way we are developing our Government and our economy and our people.

I support the Motion.

The Honourable John Birmingham

Mr Speaker, Honourable Members, I believe it is unfortunate that as soon as I get up to speak the Vicar leaves the room. I am sure there's some reason there.

In rising to speak to this motion, I most certainly will be brief. I also welcome the Commander British Forces, who has been in the Islands for some months but I only met him on Thursday.

I'd like to thank all of those who I have worked with over the last four years, especially the staff at Gilbert House, who put up with, if not necessarily shut

up with a lot. I think this has been an interesting four years and I hope that they enjoy the future; it's certainly never been boring.

There have been problems over the last four years for this Council and the community as a whole. But there have also been achievements and some of my colleagues have already spoken about those so I won't go into that.

I personally am proud to have been a member of this Council. We are losing two members who are not standing again. This has already been said. Councillor Luxton, I believe, has also done a very good job in his four years and I am of the opinion that he will be back in the future and I certainly wish him well with his new venture.

Councillor Norma Edwards, well, there you go. It is approaching 12 years since I was elected for the first time at a by-election, Councillor Norma Edwards was the only one in that Council who phoned me up on the day and said, "Congratulations John, I am sure we can work together." As time went by, we haven't always seen eye to eye.

The Honourable Norma Edwards

No, but sometimes we worked together.

The Honourable John Birmingham

Not at all, but I have always had a lot of respect for Councillor Edwards and what the Honourable Jan Cheek mentioned earlier, about the tenacity, there are many people in Camp and in Stanley who do have reason to thank Councillor Edwards, who, when she has taken up their cause, has certainly gone as far as is possible. Although we have had our difficulties and we've had our differences I think that at the end of any particular session, and experience has told me, that we can, if not have a beer, have a cup of tea. I also think that in the future there is no doubt that we will gain from the benefit of her advice, be it by telephone, e-mail and on those occasions when she comes into Stanley. I look forward to that.

On the Argentine question, the Honourable Stephen Luxton and myself went to the United Nations a couple of months ago, and we saw first hand the attitude of the present Argentine administration that continues to harden. The comments by Councillor Summers, were also commented on at the UN by us, was that the Argentine Government should take note of the way the Spanish Government has matured and is able to deal with what they see as a problem on their southern tip. The Argentines most certainly should, who knows, I am an optimist and I think that in the future, their attitudes will change perhaps when their administration changes. But up to now and at the moment, we certainly have to just tread water, I think.

The One Nation Policy that Councillor Summers mentioned. I fully support that. The Falkland Islands are the Falkland Islands. This Council has five Stanley Members and three Camp Councillors but decisions are made by all

eight and they have been made by all eight on all items for years. I am sure that, in the future, that will be the same. There is a perception that there is some kind of a Stanley-Camp divide. I don't think there is a Stanley-Camp divide, neither on the Council nor generally speaking amongst the population and there shouldn't be. I fully, fully support the idea of the One Nation.

I will be standing. I have been open about that for a long time. But I would say finally if anybody out there is thinking and is still undecided about standing, I suggest that you go for it, because for all the criticisms and the rough bits about being a Councillor, there is on various occasions a sense of achievement and with that, I support the Motion.

The Honourable Stephen Luxton

Mr Speaker, Honourable Members, I would also like to begin by welcoming our new CBF to this House and to these Islands. I think you are the third Commander I have welcomed, which makes me feel like I have been here a long time. But I think the Honourable Norma Edwards must be well into double figures by now.

Well, bang goes four years, aye? I don't know if I am getting old or what but it doesn't seem like that long. Four years, forty-six lots of monthly meetings, I think somewhere over 1,000 Executive Council papers, probably a 10 foot high pile of shredding each, and what have we achieved? There certainly have been some interesting challenges along the way. I guess it's caused most people to revise their ambitions downwards. Who in this room thought in November 2001 that we would be dealing with not one squid crisis but three, not me for sure. Some of the decisions that have been taken as a result of that have not been easy but they had to be made. I think, by in large, most people respected that it had been a difficult task and while not everybody agreed with the things that had been done, as is so often the case, it's a compromise. It hasn't all been bad, though. The other day I re-read my FIBS (Falkland Islands Broadcasting Station) log from four years ago. I said then that I would like to see a tax regime that took the lower paid workers out of the tax bracket completely. We now have that and I hope many people have felt the benefit of that by now.

As I am not going to be a candidate, I am going to dwell for a moment on what I'd like to see in the next Council. The threat from that lot over the water hasn't diminished in the last four years. In fact, quite the opposite and I take the point Councillor Summers made a moment ago about how it has not actually affected us that much. The next Council, I think, a strong line on Argentina is pretty much essential to defend our interests. As several squid collapses have shown, a pretty hard line on budgeting is likely to be essential and any candidates should be prepared to make tough decisions if they get elected. We might have oil. I believe we will, declaring an interest, I very much hope we do or I will be out of a job. But in budgetary terms at this stage, I think the Falkland Islands should treat it very much like a white Christmas. It will be wonderful if it happens. But I don't believe everybody should stand at the top of the hill with their sleigh waiting. Stuff like the

tarmacing of the MPA Road is fine. Everybody would like that but it's still got to be paid for, and, if there isn't any oil, and the Illex clear off permanently, then I really think it would be foolish to blow a heap of money for that, because quite simply, there are bigger priorities. Personally, if we had a bit of spare money to spend on roads, I would sooner it went on Ross Road than the MPA Road.

Important stuff like Medical Services and Education has taken priority in this Council. I sincerely hope they will in the next one, too. Camp roads have been a particular interest of mine and I hope the next Council will see them through to the point of conclusion. I am sad, in a way, that I won't be around to see the programme finished but I hope those that follow after November will give them some priority.

Something else I have always stood for is not regulating things that don't need to be regulated. On many occasions we have regulations forced upon us from elsewhere. There often isn't much that can be done about that and areas like conservation and our international obligations often become more complicated as a result. But for our own affairs, I think a sensible attitude must prevail. We don't need to designate camp roads. We don't need to clamp down on firearms. There isn't a problem with these things. Nor, as this morning's Penguin News editorial suggested, is there a problem with farmers hell bent on wiping out everything with less than four legs from their farms. But I think my hope is that future Councils will continue to allow people to do what they have always done and take a sensible attitude in such matters.

One endangered species that does concern me is the relatively small number of candidates that have so far declared that they are standing in the election, though I don't doubt that there will be a few more nearer the time. I'm not standing this time because I, regrettably, won't have the time with my other commitments. But I really would recommend anybody who thinks they might like to try it, to give it a go. At the very worst, it will only cost you £100. But I would go as far to say that everybody who can should try it at least once. Working as a Councillor gives you a degree of insight into what goes on and how the Country and the Government works. It is probably unmatched by any other job.

I may not be standing this time but I am certainly not ruling it out again for the future, as it's been a fascinating experience. Sometimes it can be boring, other times very rewarding but I have no regrets at all about doing it.

As I indicated last time, I will be doing some sort of workshop for anybody who is thinking about standing. Unfortunately, in fine Falklands tradition, it's going to happen a bit later than I thought due to some other commitments I have for the next couple of weeks. But some time in the first half of October, myself and I think the Honourable John Birmingham and the Chief Executive will be having a session one evening to try and let folks know what they may be letting themselves in for.

On to my thank-you and farewells, The Honourable Norma Edwards is also standing down at the end of this Council after 20 odd years and, nobody can question the enormous contribution you made over all those years. Norma, over the time I have worked with you, you stamped your own unique style on the discussions we have as Councillors and, most importantly, you have never compromised at all on the things you believe strongly in and I very much respect you for that. I would like to wish you all the best with your future. And, I hope for the sake of the next Council, if your husband brings cakes to GPC they are the ones you have cooked and not him.

I must also take the opportunity to thank all sorts of people, far too many to name individually but all those who put a great deal of work into committees and portfolios I deal with and generally made everything work over the last four years. I think the mark of a good portfolio is one that runs so smoothly that it needs little day to day intervention by the chair. I have been fortunate in having some of those during this Council. It makes you realise that whatever grumbling there is about FIG - and there can be quite a lot some times - at the end of the day there are some every fine and able people working for this Government and I thank you for making my life as a Councillor so much easier. That's particularly true for the ladies in Gilbert House, who are indispensable, I think.

I would also like to thank briefly those who voted for me last time, particularly the slightly lesser number who have gone out of their way to say they hoped I would go on to run this time around. It makes a nice change from the "What are you going to do about this?" phone calls. It makes you think that you get something right occasionally. Of course the only real way you know you got it right is when you stand for re-election. But I guess I will have to wait a while for that one.

Finally, I would just like to thank my colleagues for their kind words and that's about it for me so, I will be back.

Mr Speaker, I support the Motion.

The Honourable Norma Edwards

Yes, Mr Speaker, in rising for the final time to support the Motion for Adjournment, may I just say that 20 years ago, when we were around this table, you were a very senior Member of the Government of the day and I was a brand new Member of the Government of the day and, everybody else was male because I was the first female elected to the Government of the Falkland Islands.

I looked around at this lot and I thought, how I was going to cope with this and I thought about when I was nursing and in particular when we got a mad drunk running around the place in casualty and how we used to cope with it. We used to call in a couple of porters, grab him and de-bag him and put his trousers in the drugs cupboard and locked them away and, once he had a bare bottom it took all the steam out of him. I thought if I had to fight my

corner with this lot, I can't literally de-bag them but what I can do is psychologically de-bag them. I must admit that over the years I did indulge in that, sometimes, with some success, I might say. But never with you, of course, Mr Speaker, because you were always a perfect gentleman.

Now, 20 years on, this, for you is your last day serving this Council and mine and I wish you well for the future, for your future retirement. No doubt we will see each other about the place and reminisce from time to time.

It's been a bit of a roller coaster ride over the years, some good times, some bad but always interesting. During that time, great changes have happened to the Falklands. We are a richer country, much richer than we were when I first came to Council. I have to say, in my opinion, we are not really as content as we were. Riches haven't made us more content. We get more gripes and grumbles and all the rest of it but I suppose it's because the more you have the more your expectations rise and people expect more money and more for their money.

I do think that we have got ourselves so wrapped up in red tape and we live in fear of being accused of human rights infringements or racism or bullying or litigation for all kinds of things that we may or may not have said or done and that is one of the reasons why I am not standing for Council again; one of the reasons.

With me, what you see is what you get and I have to speak my mind. I feel the time has come now when you've got to be so careful each time you open your mouth you wonder if big brother is watching you and what am I going to say. Sooner or later I will not just open my mouth and put just one foot in it but both of them. So, I think it's time I went.

As I said, over the years on Council there have been many changes. The instigation of the Fisheries regime, of course, was the biggest one of all and that enabled us put all kinds of money into the infrastructure development and into reserves. It was very satisfying and still is.

Of course we are at a financial situation where it's not so good. But it's not disastrous. People in the Falklands are very resilient, very adaptable and I have no doubt at all that people and the Councillors of the day will cope with whatever is thrown at them and, whatever Argentina puts in the way of trying to put a spanner in the works. They will come out very well. I am sure of that. I think that future Councillors must take note of the fact that Argentina mustn't be allowed to continue to say "that these Islands are ours by rights" it's ours rights that we should be propounding all the time. We tend to say that they will never give up their claim to the Falklands. I don't look at it like that. I have said all along that when they give up their claim to the Falklands, that's when we should be talking to them, not before.

Of course, you wouldn't expect me to slope off into the sunset, would you or even into the midday sun, without saying something about Argentina and the 1999 Agreement. Over the years, over various terms of government that I

have been part of, I think I have managed to remain on amicable terms with all the Councillors I worked with, with exception of one, I think or two. Although I absolutely disagreed with them at times, we have always left our disagreements in Council. That has been so with this Council and I have to say that on a personal level, I feel we have coped very well after the disagreements of the 1999 Agreement. I do find it very difficult to accept the vitriolic comments of some of my colleagues at that time. They weren't just said but put an announcement on FIBS about how awful I was and I don't blame particularly the Councillors that are present around this table today. I think it was the ones that have left. I have to say thank you also to those who didn't put their name to that statement on FIBS and that was Councillor Bill Luxton who has now left Council, Councillor Summers, and Councillor Cockwell. But I did find it very difficult to cope with that. I am not the kind of person that goes off cringing and crying but I did find it was upsetting because those comments were particularly nasty and personal and, in my opinion, it was unprofessional way to behave towards a fellow Councillor, who happened to not agree with what had been agreed with Britain and Argentina. But, I put it behind me and I mention it only because I think, in the future, when there is another agreement talked about with Argentina I would hate somebody else to be vilified for not going along with the line that they want us to. If you don't agree with it, whoever you are around this table of the day must say so, in my opinion. I have put that behind me and I've managed, I hope, to get on with you during the term of this Council.

We were asked at the public meeting the other night what we thought we had achieved from the 1999 Agreement. I can remember as a great many people can being lectured by Lewis Clifton at the public meeting at the time and it was said it was absolutely essential that we approve the 1999 Agreement to safeguard the fisheries. It was the only way we would get an international fisheries agreement with Argentina. Well, that hasn't happened and it's not likely to. The only thing that the Agreement got for us was a scheduled flight from Chile, which we would probably have achieved anyway once the Brits had released Pinochet. I can almost see it, Councillor Birmingham saying that this is all water under the bridge and it is, but I hope in the future that when Argentina and the Foreign Office are trying to negotiate more agreements that it would be remembered that this 1999 Agreement brought nothing for the Falklands but the free passage of Argentines in and out of the Islands, which may or may not be a bad thing, depending on your point of view. Any agreement that Argentina signs is regarded by their Government as just a step up the ladder to the recovery of the so called Malvinas, that's about as far as they see agreements going. It's just a means to an end as far as they are concerned.

Anyway, I could go on and on about what's gone on over 20 years but I won't partly because my papers blew away and, true to form, it's all a bit of a muddle. However, one of the things I would like to mention and that is all the committees I have served on over the years and I think I have served on just about every one and just say a thank you to all the people who have helped me and pointed out things to me when I have been wrong. The administration over the years has been, they never get mentioned but they have been really

good. The girls at Gilbert House over the years various people that have been there. The Gilbert House Office was not even in existence for the Councillors when I first went on to Council. So, I have seen that grow and develop into the offices that it is today from just one room where we sat in there with just a few Councillors.

One of the Committees that I have been involved in, all the time, in fact before it was even officially a committee and we used to meet in Joan Spruce's front room was the old Historic Buildings Committee because some of us felt it was important to try and preserve some of the heritage of the Falklands as best we could. So that little committee, I have never, ever not sat on that and they have done a pretty good job quietly over the years in many ways, even to Councillor Birmingham's. Did we not help you a little bit at one stage?

The Honourable John Birmingham

I declare an interest here, yes, you did.

The Honourable Norma Edwards

So there we are, you see. So, whoever gets on the next Council because that was instigated very early on in 1985, I think, or 86, please don't neglect it too much. Look kindly on it and help it on its way.

The Transport Review, which will be published before long so that people may comment on it and the suggestions in it will not come to fruition for some time yet. It gives the people in Camp the chance to read it, digest it and communicate with the Government in Stanley as to how they feel about it. I urge the Campers to do just that. It is worrying at the moment, our transport, certainly the shipping side of it. We have to get it right. If you live on the west, the ship from Chile was a great help. It brought goodies into Fox Bay and it meant that the people on the West and the islands because they would come over and collect things or would have them delivered to them, did have the same opportunities as people in Stanley to buy their goods fresh and delivered pretty well to the door. I do hope that it does continue and we can still find a way to continue the trip to Chile. I hope, too that the new company, which is being formed, will look very carefully at their freight rates because what I have seen at the moment, they seem to me to be rather expensive and it may be that people just can't afford them.

I know that freight rates will have to go up because of the oil situation as it is today and I know that the rate has been highly subsidised. But I would plead with whoever is on the next Council and the Council after that don't forget the Camp. If we neglect the Camp too much, and we haven't done, and I thank this particular Council for all the support that they have given to the Camp over the years. But if, in the future, the Camp is neglected, you will end up with a heap of bureaucracy in Stanley and nothing much else to show for it.

The Falklands, as has been said around this table today is not divided between Camp and Stanley. It is one whole land and it should be looked

upon in that way and it should be treated in the same way. At the moment, the wool prices are so bad that a lot of the farms I know are having great difficulty because their income does not meet the overheads of running the farm and so we will have to look again. If the wool prices continue at this level, we will have to look again at some more assistance. I hate to say that but it's the only way forward that I can see for them. Otherwise, I know because people have been telling me "I don't think I can hang on for much longer Norma am I'm going to have to give up and go to town". Now, all these farmers that I know of have got more than one job. Some of them have two or three jobs and they work very hard and long, long hours just to make ends meet, just to tread water, really. So please, whoever the future Council is and whoever takes my place in Camp, fight for the Campers because they need it.

And finally, Mr Speaker may I welcome Commander British Forces and his wife to the Islands. I hope you will enjoy your time here and I hope you will visit us at Fox Bay. It's good to see a Navy Man around the table. I'm not prejudiced but.....

To all my constituents who supported me over the years, may I say a big thank you. I had some really wonderful times with my constituents and very funny phone calls at times. I shall miss them all but no doubt will hear from them. I expect they might ring me up now and then and, I welcome that.

Mr Speaker, may I just wish you good luck for the future and thank my colleagues for all the kind things they have said about me, Stephen, I do hope you will stand again because you have been a jolly good Councillor and I am very pleased that you are thinking of standing again.

Mr Speaker, I support the Motion for Adjournment.

Commander British Forces

Mr Speaker, may I publicly record my thanks to Members for the warmth of the welcome I received both on to Executive Council and now here on to Legislative Council. I have to say that's mirrored by the warmth of the welcome I received both in Stanley and out in Camp, as I have been here over the last three months. It's a very distinct privilege for me certainly visiting a number of settlements on the West and heartening to see, what I believe is a very indomitable spirit out there. I am fighting hard against the "Falklands Stone" from the hospitality and the cooking that I have received out in the Islands, but very much glad to be here.

I have not just been here for three months; I've been here before. As you are aware, I commanded HMS Endurance for two years. During that time, I gained, I think, a very good understanding of these Islands but also a personal affection for them and, it's for that reason that I was delighted, honoured and privileged to come back in a different guise as Commander British Forces.

Sir, I do feel as though I have been made very welcome here and I do look forward to working very closely in this community.

I hope that my presence here the presence of my people at Mount Pleasant and the sense of purpose with which we go about our work here remains a very clear unequivocal and tangible expression of Her Majesty's Government's intent to maintain the Falkland Islands right to self determination.

There is no doubt that my military presence in here is very much a support or a diplomatic lever of power and, that diplomatic lever of power, I believe, must always have primacy in dealings between nations of the civilised world.

I do have a military mission. I am clear what that is and I am clear that delivering it is my main effort. There should be no doubt of the commitment of me and my people to that military mission and so very much in support of the diplomatic levers of power.

Inextricable to that is the fact that we are also resident here and part of the community. I hope we bring skills and a wider contribution beyond just our prime mission. That I think needs to be developed further, one that I am keen to make certain we develop and bring on in our cooperation with a community with which we feel very much a part.

I look forward to that work and I thank you very much indeed for your welcome.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I, too, extend a warm welcome to Commander Moncrieff to the Islands and to this House. I would just like to say that I have enjoyed working with all elected Members of Council. There have been many difficult decisions to make on a variety of complex issues, not least on those that effect the public finances and the economy generally.

In our fragile financial condition, I am pleased to be able to confirm that this Council's decisions have maintained our reserve funds at prudent levels and have helped to continue a dynamic and evolving economy.

I have worked with some members on previous Councils and I am fairly sure I will be seeing some of you again in familiar surroundings.

In any event, I wish all members and you, Mr Speaker, well for the future and support the Motion for Adjournment.

The Honourable Chief Executive

Mr Speaker, Honourable Members, It is not often that I rise to contribute to the adjournment debate but I feel compelled to do so, albeit briefly on this occasion.

I do so for two reasons: firstly to join in the chorus of remarks welcoming Commodore Moncrieff and his wife, Marion to the Islands for the second time and to express a personal commitment to work alongside him to secure even stronger working relationships between FIG and the British Forces South Atlantic Islands for mutual benefit.

We may not always agree but we share a common purpose, which is unassailable. Secondly, since this is the last sitting of this House before the General Election, and on behalf of the civil service, I want to thank Honourable Members and you, Mr Speaker, for your service to Government and public service in general over the last four years. Those four years have seen many challenges - far too many to list. But Members have risen to them all. This has sometimes required great courage. I salute your intestinal fortitude.

At least two members will not be returning to this House. But I am confident that I have not heard the last of them. I thank them for their dedication to serving the people of the Falkland Islands, which I am certain will continue in perhaps less obvious ways and for the kindness they have shown to my wife and I during the last 2 and a half years. Those same sentiments, of course, extend to all Honourable Members. But the electorate will determine whether I have the pleasure of continuing to work with you in the next session.

I know, from over 34 years of working with elected representatives, the huge commitment, which each of you made serving the community. It is a commitment, which frequently involves sacrifices, particularly for your families, who almost certainly see rather less of you than would otherwise be the case.

Public Office also frequently has an adverse impact on business and professional ambitions. The high profile, which elected representatives have, particularly in this community, is not always an experience to be enjoyed. Perhaps nomination papers should carry a Government warning: "Getting elected can damage your health, family, friendships and business."

On behalf of the Civil Service, I wish you, Mr Speaker, and all Members of this House every success in your future endeavours.

Mr Speaker

Honourable Members, it is your right to tell me to shut up but I crave your indulgence, if I may, to wish the two Councillors who will not be standing again good fortune in their other endeavours. Those that are standing again, I hope you can persuade the electorate that they want you back.

I have one message, which I think Honourable Members have heard me preach privately quite often and that is that the proceedings of this House require more debate not because there is dissention among you with regard to contents of the legislation but on issues that require more explanation than can ever be actually included in the introduction to the Bills. Bills go through


the House, which are published but most publications are totally unintelligible in that they just mention the change in the context of a clause or a section. But the number of Bills that you put through here does have far reaching effects on the people at large and, without discussion and debate then they tend to go through and as a result, nobody has any idea what they are about in any case.

So, may I ask future Councillors to examine legislation that they intend to pass and see if it wants further explanation to the public because they are the people who are affected by it.

I thank you all for your kind remarks and for this gift and I wish you all good fortune in the future.

I declare this House stands adjourned accordingly.

Confirmed this 22nd day of November 2005



Mr Howard John Stredder Pearce CVO
His Excellency The Governor
Speaker of the House.



**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 22ND NOVEMBER 2005**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 22ND NOVEMBER 2005**

His Excellency the Governor

MR SPEAKER
(Mr Darwin Lewis Clifton OBE)

MEMBERS (Ex-Officio)

The Honourable Chief Executive
(Mr Christopher John Simpkins)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

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

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

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

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Mike Rendell
(Elected Member for Camp Constituency)

The Honourable Janet Robertson
(Elected Member for Stanley Constituency)

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

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

PERSONS ENTITLED TO ATTEND

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

The Commander British Forces South Atlantic Islands
(Commodore Ian Moncrieff BA, RN)

CLERK OF COUNCILS: Claudette Anderson MBE

PRAYERS: Reverend Paul Sweeting

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Record of the Meeting of Legislative Council

held on Tuesday 22nd November 2005

Prayers

His Excellency the Governor

It's a great pleasure and a great privilege to open the first meeting of the new Legislative Council. Now, subject to progress of the first substantive item on the agenda, I suspect that my occupation of this seat is going to be extremely short indeed. But while I am here, I would like to say two things:

The first is to congratulate all the members of this new Legislative Council, both those that have been re-elected, those that have served before and have come back to Council but especially, if I may, to those that are on Council for the first time. I think there are very exciting opportunities for all of you and I know that you are going to grasp them. The second thing I want to say is to wish all of you all the very best with the very considerable challenges, which you will face during your period on this Council. The amount of work, which Councillors have to do and the amount of legislation and the complexity of legislation, which this Council has to address has been getting greater and greater as the years have gone by. I am sure that that will be the case with this new Legislative Council. I think there are a lot of challenges which you will be facing here over the next four years.

I would like to extend to you my very best wishes for your period on Council. It's a challenge, I think it's exciting and I know that you all will put in an enormous amount of work into it. I hope also that you will enjoy it. I now turn to the Clerk.

Clerk of Councils

Election of the Speaker of the House:

The Honourable Richard Cockwell

Your Excellency, Honourable Members, I propose the Clerk for the Council to preside over the election of the new Speaker.

Clerk of Councils

Are there any nominations for a person to be the Speaker of Legislative Council?

The Honourable Richard Cockwell

Madam, Council would like to propose Darwin Lewis Clifton, OBE to be the Speaker of this House for the duration of this Legislative Council.

Clerk of Councils

Are Honourable Members in agreement? (Agreed) Darwin Lewis Clifton OBE is qualified under the Constitution of the Falkland Islands to be Speaker of the Legislative Council of the Falkland Islands. He is now therefore duly appointed as Speaker of this House for the duration of this Legislative Council.

"The Speaker of the House."

His Excellency the Governor

Many congratulations. The Chair is yours.

Mr Speaker

Honourable Members, good morning. I thank you for your vote of confidence and my nomination as Speaker of this House. It is both an honour and a privilege to serve. Please accept my congratulations for your successful election. I very much look forward to working with you and serving this House over the next four years.

Now to formal business, Madam Clerk.

Clerk of Councils

The Oath of Allegiance all Elected Members.

(All Elected Members swore the Oath of Allegiance)

Clerk of Councils

The Election of Elected Members to Executive Council

I appoint the Attorney General and the Honourable Financial Secretary to be tellers for the purpose of this election.

In this respect I ask you to first vote for a representative for the Stanley Representative to Executive Council. Voting in the first round for a Stanley Representative is confirmed in the name the Honourable Mike Summers OBE.

Now, voting for a Camp Representative to Executive Council. Voting for a Camp Representative for Executive Council is confirmed in the name the Honourable Ian Hansen.

Voting for third election to Executive Council a representative from either Stanley or Camp. In respect of a representative from either Stanley Constituency or the Camp Constituency to serve on Executive Council the election is confirmed in the name of the Honourable Dr Andrea Clausen.

The overall result is therefore as follows:-

Representative from Stanley - The Honourable Mike Summers OBE

Representative from Camp - The Honourable Ian Hansen

Representative from either Stanley or Camp - The Honourable Dr Andrea Clausen

Clerk of Councils

Confirmation of the Record

Confirmation of the record of the Legislative Council Meeting held on 23rd September 2005.

Mr Speaker

Will Honourable Members confirm the approval and signing of these minutes.
(All agreed)

Clerk of Councils

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

Copies of subsidiary legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and laid on the table pursuant to Section 34.1 of the Interpretation and General Clauses Ordinance 1977.

- Elected Councillors Allowances Amendment Order 2005
- Electoral Postal voting United Kingdom Order 2005
- Capital Equalisation Fund No. 3 Order 2005
- Building Control Ordinance 1994 Correction Order 2005
- Yates Place Designation Order 2005.

The Honourable Chief Executive

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

The Honourable Dr Richard Davies

Could the Financial Secretary confirm that the increase in Councillors' Allowance is no greater than the increase in Civil Servants' pay over the equivalent period?

The Honourable Financial Secretary

I can confirm that.

Clerk of Councils

Mr Speaker, I understand that Members may wish to lay a Motion without Notice on the Table.

Mr Speaker

The Honourable Mike Summers

The Honourable Mike Summers OBE

Mr Speaker, I move that I may be granted leave of the House and the suspension of Standing Orders as far as is necessary to enable me to move without notice the following Motion:

That this House establish a Select Committee consisting of only the Elected Members to continue and carry forward to a conclusion the work of the Select Committee of the Former House on the review of the Constitution.

Have I leave?

Mr Speaker

Does this House Grant leave? (Agreed)

The Honourable Mike Summers OBE

Mr. Speaker I move that this House establish a Select Committee consisting of all Elected Members to continue and carry forward to a conclusion the work of the Select Committee of the former House on the review of the Constitution. This is important work. Much has been done in the last Council and the Council before it and a report has been produced on conclusions so far but there is still work to be done. I am certain it is the wish of my colleagues to bring this to a fairly rapid conclusion, to make sure that we bring the Constitution up to date so that we can maintain and improve the quality of Government in the Falkland Islands and to continue to develop Internal Self Government so far as is reasonably practical in our circumstances. I so move this Motion.

Mr Speaker

Is there a seconder to this Motion?

The Honourable Dr Andrea Clausen

I Second the Motion.

Mr Speaker

I shall presume that all Members remain in favour of this Motion. The Motion is carried. Thank you

Clerk of Councils

Order of the Day: Bills

The Supplementary Appropriation 2005/2006 Bill 2005.

Mr Speaker

The Honourable Financial Secretary

The Honourable Financial Secretary

Mr Speaker, Honourable Members, this is the first Supplementary Appropriation Bill to be presented for this financial year. In addition to the sum of £39,444,870 already appropriated, the purpose of this Bill is to authorise withdrawal of £421,390 from the Consolidated Fund to meet supplementary expenditure approved by the Standing Finance Committee on the 29th of July and the 26th of August 2005.

The Bill provides the Contingencies Fund to be replenished in respect of any advances made. Under the Operating Budget, £39,350 was approved in respect of carry-overs, of under-spends in the last Financial Year for three Heads of Service, namely Fisheries, Public Works and Central Administration.

Under the Transfer Payments Budget, a total of £382,040 was approved. The Balance of £41,540 was to reimburse the Falkland Islands Development Corporation with the unbudgeted cost of hull and machinery insurance for MV Tamar for 2003/04 and 2004/05.

The Standing Finance Committee agreed that all the carry-overs were necessary, as expenditure on several items for a variety of reasons was not completed within the last financial year.

I beg to move the first reading of the Bill.

The Honourable Chief Executive

Mr Speaker, Honourable Members I second the Motion.

Mr Speaker

The Motion is that the Bill be read a first time, are there any objections to the Motion? No objections.

Clerk of Councils

The Supplementary Appropriation 2005/2006 Bill 2005.

The Honourable Financial Secretary

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

The Honourable Chief Executive

Mr Speaker, Honourable Members I second the Motion.

Mr Speaker

The Motion is that the Bill be read a second time, are there any objections to the Motion? No objections.

Clerk of Councils

The Supplementary Appropriation 2005/2006 Bill 2005.

Mr Speaker

I declare Council to be in Committee.

Clerk of Councils

Clauses 1 and 2.

The Honourable Financial Secretary

I beg to move that Clauses 1 and 2 stand part of the Bill.

Mr Speaker

The Motion is that Clauses 1 and 2 stand part of the Bill. Is there any objection to the Motion? No objection. Clauses 1 and 2 stand part of the Bill.

Clerk of Councils

Schedule.

The Honourable Financial Secretary

I beg to move that the Schedule stand part of the Bill.

Mr Speaker

The Motion is that the Schedule stands part of the Bill. Is there any objection to the Motion? No objection, the Schedule stands part of the Bill. Council resumes.

The Honourable Financial Secretary

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

Mr Speaker

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

Clerk of Councils

The Supplementary Appropriation 2005/2006 Bill 2005.

The Motion for Adjournment

The Honourable Chief Executive

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

Mr Speaker

Honourable Members, the Motion is that this House shall adjourn sine die. Before inviting Honourable members to speak to the Motion and by way of procedure, I shall invite Honourable Members to speak in the order that they catch my eye, in the expectation that this will stimulate and enhance adjournment debate. Does any Honourable Member wish to speak to the motion?

The Honourable Ian Hansen

Mr Speaker, Honourable Members, I have very little to contribute to this Motion for Adjournment other than to extend my welcome and to congratulate our five new Members to this Council. I would also like to welcome back my

two other colleagues who were re-elected. I imagine that the five new members to Legislative Council feel pretty much as I did two years ago. There is so much information that is coming from every angle. It is seemingly non-stop and, at some stage this week, they are probably wondering if there is, perhaps, too much to deal with. I can reassure them that although the volume of the information doesn't get any less, it does become more acceptable. I think they can take comfort in the fact that if I managed to survive it, they shouldn't have a problem.

I would like to take this opportunity to thank Departmental Heads for their presentations yesterday and giving an overview, also the Chief Executive, the Attorney General, Financial Secretary and Clerk of Councils for their time spent speaking to us during the induction period. Much of what we heard wasn't particularly uplifting or encouraging but I do hope and believe that as a team, we Councillors can deal with whatever is thrown at us.

I don't wish to or indeed intend to repeat my manifesto to any great degree but this Council will have to make difficult and probably unpopular decisions over the next few years on many issues and, without question, expenditure and budgetary issues. There will be many issues to speak about but amongst them, I am particularly concerned about the economic welfare and therefore the long-term survival or even the short-term survival of the Camp. I won't dwell on this too much now but I do believe very strongly that we must address this issue as soon as possible.

Finally I must congratulate you, Mr Speaker, on your appointment. I thank you for volunteering your time to this Council over the next four years.

Sir, I beg to support the Motion.

The Honourable Dr Richard Davies

Mr Speaker, Honourable Members, I am privileged to be here today as a representative of the people of the Falkland Islands. I thank the Honourable Ian Hansen for his comments and welcome and I would like to echo his welcome in particular to you, Mr Speaker. I would like to thank all those who supported me prior to the election and took the time to tell me what they think needs to be done.

The Press, I believe, provided a good forum for candidates to express their opinions. They play a central role in democracy and I trust that they will not hesitate to ask searching questions whenever necessary.

The electorate has chosen a mixture of new faces and old faces. It's a mixture of experience, enthusiasm and energy but I think they have also chosen candidates who expressed many similar views and aspirations in their election campaigns. On Polling Day the electorate expressed a clear desire for more openness in Government and I am confident that we are going to deliver this. They expressed a desire for action and I believe they have a

Council with the ability, desire and determination to get things done. We Councillors will not always see eye to eye but we will find ways to resolve our differences and make decisions in the best interests of the Islands.

We will always cherish and value our relationship with Great Britain and, as that relationship matures it is right that we seek to extend the scope of Internal Self Government so that it is Falkland Islanders who determine their own future. Our right to self-determination is self evident and our freedom is not negotiable. We will continue to robustly assert our right to decide our future without Argentine interference. We value Britain's unwavering commitment to defend this right. I thank Commander British Forces and his garrison for their presence here to ensure that right.

There is going to be a lot of hard work over the next four years and I don't expect it to be easy. I do look forward to getting on with it.

Sir, I support the Motion.

The Honourable Richard Cockwell

Mr Speaker, Honourable Members, I intend to be mercifully brief this morning. But I would like to first of all congratulate you on becoming the Speaker of the House for the duration of this Council and I look forward to working with you. I also would say how pleased I am to congratulate all the other people who have been elected to this Council. I believe that we have a group who can learn to work together. As the Honourable Dr. Richard Davies said, we won't always agree but I do believe we have a group who are prepared to work out and find solutions to our problems. There are many problems we are going to have to deal with and I think we are going to have to be very careful to make sure that we don't miss some of the problems.

One of the problems, which I believe we have to be very careful about, is the issue of expenditure for people on fixed incomes, particularly on small incomes, with the huge increases in fuel prices and such like. I think we need to manage that very carefully, people who are on old age pensions and people who are on small incomes. I do believe that it is something we are going to have to watch over the next few years while prices are increasing. It's easy to forget these people.

Other than that, most people if not everybody has read my manifesto and I don't wish to repeat what I said in there but I do wish to assure everybody who voted for me, and those who didn't that I stand by what I said in my manifesto.

Sir, I beg to support the Motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, firstly I would also like to welcome Mr. Speaker to this House for the duration of this Council. I would also like to thank all of my supporters for enabling me to take a seat in this House. I very much look forward to working with all Honourable Members and to meet the challenges that are going to come our way over the next four years.

From yesterday's brief summaries during our induction course, as the Honourable Ian Hansen mentioned there appears to be many challenges. I also believe that we are strong enough to cope with them and to deal with them in the best way we can.

I particularly look forward to progressing a couple of the key issues I mentioned in my manifesto just to briefly mention and that is support for families and an improved immigration system.

Mr Speaker, I support the Motion for Adjournment.

The Honourable Janet Robertson

Mr Speaker, Honourable Members, this is the first time I have done this so please forgive me in advance for any lapses in parliamentary speech. I hope I don't have any cause to embarrass anyone here today.

Firstly, I would just like to congratulate all my fellow Councillors on their elections. I think possibly I would like to make special mention of the Honourable Dr. Andrea Clausen as I don't think we have had a young mother representing us before and I think that it is probably a sign. I think I am being corrected, but I think it is a good thing that the younger members of the electorate have someone that they could feel represented by and I think that she has risen to the challenge. The confidence the voters have placed in her is shown by the number of votes she got.

I do look forward to working with you all over the next four years and no doubt there will be some times of disagreement but I think that, as others have said, we are strong enough to be able to deal with these and make the best of it.

I would also like to congratulate Mr Speaker on his appointment. I had heard a rumour at one stage that maybe you would be standing for election as well. I am fairly confident that if you had done so that you would have been successful. But given the eventual cast of votes I have to say that I am even more glad as it no doubt would have been at my expense.

I would also like to thank Heads of Department and the Chief Executive, the Financial Secretary, the Attorney General and the Clerk of Councils for all their excellent presentations yesterday. The amount of information was nearly overwhelming but it was all very interesting and all very well presented to us, and it certainly has given us newer Members an idea of what we will

have to deal with over the next four years. I think it's an exciting challenge. I am looking forward to it. No doubt there will be moments when difficult decisions have to be made, which I will dread. But we will deal with them as we get to them.

Lastly, I would like to thank the electorate who voted for me. I hope they will have reason over the next four years to be glad that they put a cross by my name. I will certainly do my best.

Mr Speaker, I support the motion.

The Honourable Mike Rendell

Mr Speaker, Honourable Members, in rising to support the motion I would first of all like to give real recognition to all the people that stood for Council this time around. It was a hard-fought election and some people won and some people lost. I think we have to thank everybody for going through the process of democracy in getting to where we got today.

I look forward to working with you all over the next four years. When I say all, I mean all not just Honourable Members, I mean all the other Members of Legislative Council and you, Commander British Forces. I am sure we will work as a team together and achieve what we want to achieve together. There will be differences, of course but I think we can overcome those.

There is only one other matter I would like to raise at this meeting today and that is the question of a Cross Sound Ferry interim service to be run by Island Shipping. There has been a lot of discussion in the last week or two on the West with Julian Morris and Captain Wilkinson over there meeting various people. And, it is very clear that there is a strong desire on the West Falklands that this should move ahead as soon as possible.

I will be devoting a lot of energy and, I am sure my fellow Camp Councillors and others will be doing the same. I hope that that can move forward as quickly as possible.

Mr Speaker, I support the motion.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, firstly, welcome Mr Speaker.

I would like to thank the people that elected me and, more importantly the people that persuaded me that my political time wasn't over. I think it's a privilege and more than that, it's a great responsibility. I feel the weight of that. There are a lot of things to do for the Falkland Islands but a huge focus should be brought on to Camp. And, I believe that within the eight Councillors, there's a lot of sympathy and support. Hopefully we can draw on that and really be able to do something for the rural community.

I think we spend a lot of time focusing on the negative parts of our community during election. But I must say that I always think that we are privileged to live in the Falklands and we've got a lot of things going for our community.

I look forward to working with various Government teams.

Sir, I beg to support the motion.

The Honourable Mike Summers OBE

Mr Speaker, Honourable Members, I too would like to welcome Mr Speaker to this House. He is eminently qualified to be here, having been a member of this House previously. I know he was very active in the Commonwealth Parliamentary Association business in his previous life.

I would also like to endorse the sentiment expressed by Mr Speaker that there will be more debate in this house in due course. I think it behoves all of us to think about ways in which debate can be encouraged here, mainly to inform the public but also to help the public understand what the views are of Members. The best way of understanding what Members' individual views are, are to express them in this House in properly structured debate on Legislation to pass.

I, too, would like to thank all those who supported me. I hope I can deliver your aspirations, which I suspect are for a strong and honest Government, to move ourselves forward in terms of Internal Self Government, to make sure that we have an appropriate Constitution for our political development and our political aspirations.

I believe, when she was in this House, the Honourable Wendy Teggart would have regarded herself as relatively young. When the Honourable Norma Edwards was first elected, even she may have regarded herself as relatively young, but there we are.

I would just like to pay tribute to one or two Members that are not in this House this time. To Norma, of course, I know tributes were paid to her at the last Council but I was remiss in that. She did a huge amount of work in Government for the Falklands and I thank her for that personally. I would also like to comment on the work of former Councillors Jan Cheek and John Birmingham, who had been in this House for a number of years between them and contributed much. They weren't successful last time but maybe they will be round again.

I am very happy with the make up of this Council, not only because I am in it but also because I think we have a really good mix of the younger and the not so young, the experienced and the less experienced. Somebody described themselves the other day as a novice well, I think we are none of us novices. We all have knowledge and experience to bring to the discussions that we have to have and that's important. I am very happy with the discussions that

we've had over the last couple of days and I am confident that we will all work together as a strong team because that has to be the purpose.

Of course there are challenges ahead. There are challenges of failure, there are also challenges and problems of success sometimes. I think many of the problems that we deal with are actually problems of success rather than problems of failure. We have a strong economy, we have a lifestyle that many envy and that brings with it some difficulties. But I think we can develop that. We can go further and I hope that we will leave the Government of the Falklands in a stronger position in four years' time than that we inherit just now.

My final remark is to say that I was delighted to hear on the grapevine the other today that the Argentines are not all together happy about my re-election. Well, that's good.

Mr Speaker, I support the Motion.

The Honourable Financial Secretary

Mr Speaker, Honourable Members, I would just like to say that I look forward to working with and supporting the new Council in achieving its objectives.

I support the Motion.

Commander British Forces

Mr Speaker, Honourable Members, I have very little to add to what I said at the Adjournment debate pre-election. I look forward to working with both the old and the new Members on this Council. It's a privilege for me to sit in Executive and Legislative Council and hopefully I can bring my experience to that particular forum in so much as Military support and Military advice. Very much my role here is in support of diplomatic powers, as I said last time but there is more to us up at Mount Pleasant in that we are part of this community. We need to do more and integrate more with it. I think it was neatly summed up by the Honourable Chief Executive last time when he said that we may come at things from different angles sometimes but we share an unassailable sense of purpose. And, I thank you for the kind remarks that you have given in welcoming me again to this forum and I look very much forward to working with you both in Legislative and Executive Council.

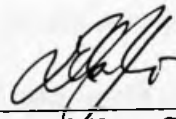
The final point I would make is that I look forward to, also, providing the Members here with an update and a briefing. We have already been in touch with the Honourable Chief Executive to identify a date later in December when we can get you up to Mount Pleasant and hopefully meet some of my people and also to brief you on our capabilities and activities there.

Mr Speaker, thank you very much.

Mr Speaker

Thank you. The House stands adjourned accordingly.

Confirmed this 16th day of December 2005.



Hon. DL Clifton OBE
Speaker of the House



**RECORD OF THE MEETING
OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY
ON 16TH DECEMBER 2005**

**RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL
HELD IN STANLEY ON 16TH DECEMBER 2005**

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

MEMBERS (Ex-Officio)

The Honourable Chief Executive
(Mr Christopher John Simpkins)

The Honourable the Financial Secretary
(Mr Derek Frank Howatt)

Elected

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

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

The Honourable Ian Hansen
(Elected Member for Camp Constituency)

The Honourable Mike Rendell
(Elected Member for Camp Constituency)

The Honourable Janet Robertson
(Elected Member for Stanley Constituency)

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

PERSONS ENTITLED TO ATTEND

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

CLERK OF COUNCILS: Claudette Anderson MBE

PRAYERS: Reverend Paul Sweeting

APOLOGIES

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

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

} Overseas

The Commander British Forces South Atlantic Islands
(Commodore Ian Moncrieff BA, RN)

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Record of the Meeting of Legislative Council

held on Friday 16th December 2005

Prayers

The Speaker of the House

Honourable Members, Attorney General, before proceeding with the formal part of the business I would just like to turn your attention if I may, to the Standing Rules and Procedures and in particular Rule 14 and then I would reference that against Rule 62 of the Practice of the House of Commons in Westminster. I'm not aware if FIG currently have a policy of mobile phone use, but in terms of this Council, I would wish to ban its use throughout. I would ask for your support in this matter and would ask that a future meeting address this issue in full. Without further ado we proceed with formal business. Madam Clerk.

Clerk of Councils

Confirmation of the Record

Confirmation of the record of the Legislative Council Meeting held on 22nd November 2005.

The Speaker of the House

Are there any amendments to the minutes? May I sign the minutes as a true record of the meeting?. (All agreed)

Clerk of Councils

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

Copies of subsidiary legislation published in the Falkland Islands Gazette since the last sitting of Legislative Council and laid on the table pursuant to Section 34.1 of the Interpretation

- Capital Equalisation Fund No. 4 Order 2005
- Fishing Licences Application and Fees Order 2005

The Honourable Chief Executive

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

Clerk of Councils

Order of the Day: Bills

Civil Contingencies Emergency Powers Bill 2005

The Honourable Chief Executive

Mr Speaker, Honourable Members, I seek the leave of the House to defer consideration of this Bill until the next ordinary meeting of the House in February.

The Speaker of the House

Do Honourable Members wish to grant Leave?

Leave is so granted.

Clerk of Councils

Order of the Day: Bills

The Telecommunications (Amendment) Bill 2005. This Bill has not been gazetted and therefore is presented under a Certificate of Urgency.

The Honourable Chief Executive

Mr Speaker, Honourable Members, the principle purpose of this Bill is to replace Schedule 1 to the Telecommunications Ordinance. The effect is to introduce a new schedule to provide the tariff of maximum charges, which may be made by Cable & Wireless Plc for Telecommunications Services in the Falkland Islands, including the new Mobile Service, which appears to be so popular, although I personally express the hope that I resist the temptation to participate.

Cable & Wireless are, of course, able to levy lower charges than the maximum permitted, should they wish to do so. In moving the Bill, I am happy to report that a reduction in charges for dial-up Internet services has been agreed with Cable & Wireless. The opportunity has also been taken to make a small number of minor amendments to the Telecommunications Ordinance.

Finally may I direct the attention of Honourable Members of two typographical omissions in the Bill before the House and correct them as follows:

In Clause 8(b)(ii) and (iv) of the Schedule of Tariffs the words "per minute" should be added to the end of the Clauses.

Oh, they are in your copies, my apologies Sir. I beg to move the first reading of the Bill.

The Honourable Financial Secretary

I second the Motion.

The Speaker of the House

The Motion is that the Bill be read a first time. Is there any objection to the Motion? Do Honourable Members wish to speak to the Motion?

If there is no objection may we proceed with the first reading of the Bill.

Clerk of Councils

The Telecommunications (Amendment) Bill 2005

The Honourable Chief Executive

I beg move the second reading of the Bill.

The Speaker of the House

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

The Honourable Dr Richard Davies

I would like to make a comment on the Internet charges. I am pleased that some compromise has been reached on reducing the charges but I am disappointed that Cable & Wireless have continued with a maximum daytime tariff of 6p per minute, whereas the advisor, Dr. Doyle, recommended 4p per minute. I note that Cable & Wireless have no objection in principle to the rates advised but they believe the lower rate will lead to congestion. I suspect that the users would rather risk congestion and pay a lower rate. I hope that Cable & Wireless, who are considering I understand to run a promotion to see whether there will be congestion, will run a promotion at the lower rate as soon as possible.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, I would like to talk about a couple of issues. The first is the SMS charge of 25p per message. It just seems, if you look at basic maths, that if you can speak for a minute for £1 or 90p that you would be able to send at least 10 text messages in the same time. So I just comment, that this cost seems to be quite high for an international SMS.

I would also like to comment generally on the feeling of many of the Camp constituents that they were going to have a lesser standard rate to reflect the poor quality of the Camp phones. The talk of congestion is meant to affect the Camp network probably more than the others. My feeling is that the emphasis should be on Cable & Wireless if this is the case, to try and sort out these problems as quickly as possible. Mr Speaker, thank you.

The Honourable Janet Robertson

Mr Speaker, Honourable Members, I have one little comment on this Bill. The tariffs for mobile phones have been used since Monday. Yet, this Bill was only presented to Members on Tuesday and the final version was only available yesterday. Perhaps consideration should be given in future to avoiding this kind of lateness.

The Honourable Mike Rendell

Mr Speaker, Honourable Members, I think everyone's brought up the fact that it's coming late, that the rates are too high for Camp in particular and I hope that Cable & Wireless will take this into consideration when they look at the rates they are actually going to charge in the long term. They do have this leeway to charge less than these maximum rates as shown and I hope that they will take this into account in relation to the service that they are providing.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable members, my point really is just a point of observation that I think needs to be made. I was very pleased to note that the land to mobile and mobile to land maximum rates were included at the 11th hour. From personal experience I know that companies can and do penalise users who use mobile to land sets so I am glad to see that that has been included.

The Speaker of the House

The Motion is that the Bill be read a second time.

Clerk of Councils

The Telecommunications (Amendment) Bill 2005

The Speaker of the House

I declare Council to be in Committee

Clerk of Councils

Clauses 1 and 4.

The Honourable Chief Executive

I beg to move Clauses 1 and 4 stand part of the Bill.

The Speaker of the House

The Motion is that Clauses 1 and 4 stand part of the Bill. Are there any objections to the Motion? There are no objections. Clauses 1 to 4 stand part of the Bill.

Clerk of Councils

Schedule.

The Honourable Chief Executive

I beg to move that the Schedule stand part of the Bill.

The Speaker of the House

The Motion is that the Schedule stands part of the Bill. Is there any objection to the Motion? No objection. The Schedule stands part of the Bill.

Council resumes.

The Honourable Chief Executive

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

The Speaker of the House

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

Clerk of Councils

The Telecommunications (Amendment) Bill 2005

The Motion for Adjournment.

The Honourable Chief Executive

Mr Speaker, Honourable Members in wishing everybody a Happy Christmas and a Prosperous New Year, I beg to move that this House stands adjourned *Sine Die*.

The Speaker of the House

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

The Honourable Janet Robertson

Mr Speaker, Honourable Members, this is the last Legislative Council of the year and I thought it was appropriate to say a few words about some of the issues that concern me. The last few weeks have given me an opportunity to be concerned and interested in a whole range of issues but I will try and keep it to a minimum.

Firstly with regard to Education, today is the last day of term and school holidays are beginning. I just really wanted to reach out to those 15 year olds who, I am sure will not be listening but maybe their parents might. They are up and coming GCSE students and they have recently completed their mocks and I sincerely hope that they got the results that they were expecting. But if their results have not been good I would urge them to think about the five months they have before their GCSEs have to be sat and the holiday in front of them to have a chance to think about what might have gone wrong and how they can improve their results. It's very important that they think about this. It is not just their future but they are the young people of the Islands and therefore they are our future as well. The importance of achievement and success and self confidence that goes with it cannot be overrated. In terms of achievement, I would just like to say to you all to undertake to work as hard as you can and think about how you can improve. If you are an "A" student, can you be an "A*" student and if you are a "B" student, can you be an "A" student. We are very proud of you and we know you can all exceed the expectations if you put the work in. Remember that we are all behind you parents, teachers, the whole community and we support you. Use your holidays to re-charge your batteries as we will all do.

Secondly, I move on to an issue about media. There has been a lot of discussion about open Government recently and what makes open Government. I think a number of people agree with me that democracy does require a forceful and penetrating media. I know that members of our media are extremely busy and have a lot to do. I was wondering if maybe the Media Trust might give consideration to how a political editor could be funded. This is probably not in our best interest as Councillors. We will bear the brunt of it, no doubt, but I think it is an important tool of an open democracy. I know with current workloads it is difficult, but I would like you all to give consideration to that.

Lastly, I would like to comment about Legislative and Executive Council. Forgive me if I am speaking inappropriately but I was just wondering how Legislative Council Members are to properly scrutinise Executive Council decisions if Executive Council only finishes at 5pm on the day previous to

Legislative Council and, in the previous case, Legislative Council was actually held before Executive Council. If you cannot scrutinise the following day or very soon after, there is a period of three months by which time issues could be dead in the water. I am not exactly sure of the answer to this and maybe it is something that Select Committee on the Review of the Constitution will have to look at.

I wish everyone Merry Christmas and a Happy New Year. We will come back fully recharged to continue the battle in the New Year. I support the Motion.

The Honourable Dr Richard Davies

Mr Speaker, Honourable Members, it's only been one month since the elections but I think you will agree we have made some progress in addressing our election hopes. Those of you who were at the public meeting on Tuesday will be aware of some of the reforms that we are making and intend to make with GPC, in particular, moving some of the debate that took place there out into the Committee System, into Public meetings and hopefully into this forum of Legislative Council.

I would point out to the press and public that most of the EXCO papers debated yesterday will be published. Some of them are of considerable public interest and I would urge you to look at them and discuss them.

On the subject of the Press, I would fully support the comments Councillor Robertson and I think it would be great if we had more resources in the media who would be able to look at some of the important issues going on in our country.

I think the new portfolio system is a big step forward and I am delighted with my grouping of portfolios, Land Use, Heritage, Housing and Environment. I think there are a lot of dynamic and enthusiast people working in this area and I think I have high hopes that over the next four years we will see some real improvements to our environment and our environment in a wider sense the environment in which we live here and in our quality of life.

Looking at Housing in particular, I am aware of the acute need for more housing and more affordable housing. Currently it's not only a human problem but I believe lack of housing is holding back our economic and cultural development.

I am aware that there is a need for a clear decision about FIG's role over the next four to five years in provision of housing and, in particular, the provision of subsidised serviced plots, which has taken place over the last years. Are we going to continue with that or not, in light of our current financial difficulties? If we don't, it is very important that we take steps to stimulate and to facilitate private development.

At the same time it is important that Government develops a fair and consistent policy for the allocation of the Government housing available to those who cannot afford to either rent or buy their own houses.

Moving on to heritage, one could be forgiven for feeling rather gloomy about the state of our man-made heritage, you only have to look around Stanley Harbour at the state of the historic wrecks for example, the Jhelum and the Lady Elizabeth are slowly falling apart. However, I do believe if we focus our energies and resources carefully, we can make progress. You only have to look outside the window here to see the Government Jetty and I think it has fallen apart rather than falling apart. It's sad, it's a historic structure that's built on the wreck of the Margaret. It's also provided considerable amenity value over the years, not least to charter yachts and I would point out that charter yachts, such as the Tara and the Pelagic Australis, who are in the harbour at the minute, bring in considerable revenue to the Islands. They spend thousands of pounds on fuel, food, they also bring passenger changes, they have wealthy clients, who bring in revenue themselves. Currently, we offer them absolutely no facilities at all. Apart from being pushed from pillar to post in the various jetties and probably ending up in a dirty berth at FIPASS, I think we can do better than this.

We have no option, I believe but to demolish the Government Jetty, which has become a real danger for shipping and the public. It's intended that this will take place at the end of the season. But I do have high hopes that this disruption will be the start of a re-development of the whole dockyard site as a Heritage Centre, thus providing a major tourist attraction for the Islands with the associated revenue, with proper visitor services and opportunity to display some of the relics of our very important maritime heritage. The bow of the Charles Cooper would be a good example of this. It would provide educational facilities, opportunities to display traditional skills and to sell traditional produce and, in short, to substantially enhance our capital city.

Finally, a brief word from a Stanley Councillor about the problems in Camp, I think I have the general support of my Stanley Councillor colleagues, we are very much aware of the crisis in Camp. We are aware of the on-going depopulation. We are aware of the financial difficulties that you face and we do intend urgently all eight Councillors to examine and address these issues.

Mr Speaker, I support the Motion.

The Honourable Ian Hansen

Mr Speaker, Honourable members, since the last meeting of this House we Councillors have, indeed, finalised our portfolio responsibilities. I think it's fair to say that generally we are content with our allocations, and, I think we feel that we can be positive and deliver on them. Indeed, accept the accountability now that goes with them. My own portfolio responsibilities will undoubtedly be, at times, difficult and sometimes controversial. But I don't

particularly mind that as long as difficult and potentially controversial decisions result in a positive outcome for tourism, a positive outcome for transport and a positive outcome for agriculture and FLH, not forgetting, of course, that the future of FIGAS plays a huge part in all of these.

Councillor Robertson has briefly mentioned Education. I, too, would like to take a step back as it was one of the portfolios I was partly responsible for in the last Council. I would just like to mention or give a very brief mention to Camp Education in particular. The Camp Education system, I believe, works well, and the travelling teachers produce exemplary results in reducing the affect of isolation in education and children in Camp. I have nothing but admiration and great respect and support for these people, who give our children a beginning in life that perhaps other children in isolated parts of the world wouldn't even begin to receive. I would just like to encourage those Councillors who now hold that portfolio to take all this into account and not change in any way what is, in my view, a system that works well.

I would like to mention the public meeting on Tuesday and to congratulate Councillor Clausen and Councillor Robertson on their efforts, which actually resulted in much positive feedback from the Public. I think it is very refreshing.

Finally, Sir, I would like to take this opportunity to wish all in the Falklands a Merry Christmas and a bright future for the New Year. Mr Speaker, I beg to support the Motion.

The Honourable Richard Stevens

Mr Speaker, Honourable Members, I would like to express the sadness, which has been felt within the community with the death of Marion Purvis. Marion, for many years, taught at the Community School. So, pupils past and present will remember her part in their school lives and education. I speak for all Councillors when I offer sympathies to her family and friends and to Alan in particular at this sad time.

This is the last Legislative Council before Mrs Sylvia Cole leaves for pastures green and I would like to thank her for her years of hard work in developing all areas of education. Most people would agree that Sylvia was thrown in at the deep end, picking up and running with a very contentious issue of changing the school year. In hindsight I think most people agree that it was the right decision because of the increasing difficulties of taking a wide range of GCSEs in what is the UK's re-sit slot. Sylvia was also a key figure in developing Falkland Islands Training, Education and Personal Development for the Government and the private sector.

I am also told by my predecessor that Sylvia fought hard for the provisions of special needs. Mrs Cole leaves us in good shape. This year's Inspector's Report recorded progress in all three schools, Camp Education, the

Infant/Junior School and the Community School. I will quote from this year's independent inspection report: "Infant/Junior School an effective school that has made consistently good progress since the previous inspection and is well lead and managed. Falkland Islands Community School, a well lead, soundly managed school, which has made good progress since the previous inspection. Camp Education, there have been improvements in all aspects of Camp Education." I look forward to carrying this progression on with the next Director with support from my fellow Councillors, of whom seven out of eight are, and will be directly involved from preschool to higher education.

Finally, I would like to move on to the rural community. We are beginning to have a look at the issues and I would ask that we would come up with some short-term initiatives to help farmers now, when seasonal bills are high and that first wool cheque is some time away as we start to look at the long-term problems. Mr Speaker, I support the Motion.

The Honourable Michael Rendell

Mr Speaker, Honourable Members, first of all, I would like to support the remarks of the Honourable Dr Richard Davies regarding Housing Policy and the dock yard Heritage Centre in particular.

A whistle-stop tour around the West last week was my real catch-up time. In four days, the opportunity arose to have many eyeball to eyeball meetings. Thank you so much for everyone who gave me their time so freely and openly and apologies to those that were reluctantly missed. Many issues were discussed and debated, most of which will be raised at the Camp Workshop in January. But without wishing to pre-empt that forum it is very clear that many more resources need to be targeted at the Camp. Of particular importance is the provision of a reliable ferry service across Falkland Sound, with supporting infrastructure such as Ro-Ro Ramps, which I know that FIDC and others are currently working hard to bring to fruition. Once the ferry is in, visitors will be able to witness the tremendous road-building work done by the two West Road Gangs. Honourable Members will, I am sure, join me in congratulating the two West Road Gangs on a job well done. These teams are working day after day, week after week and month after month, year after year, sometimes in particularly difficult conditions and, are often taken for granted. They shouldn't be.

Finally, a few words on the Camp Phone System. Today Honourable Members have approved the Telecommunications Amendment Ordinance, which fixes maximum dial-up Internet charges at rates varying between 2p and 6p per minute. As a measure of the speed of downloads, I know that it has taken some Camp Customers 90 minutes to download the Penguin News electronically, whereas a Stanley customer can do the same in 10 minutes. It is therefore grossly unfair that Camp should pay the same rate as is charged in Stanley. I know that other Honourable Members join me in wishing to get

this disparity resolved. It is also very unfortunate that the Bill came to us for approval when the service was already up and running.

Mr Speaker, I support the Motion.

The Honourable Dr Andrea Clausen

Mr Speaker, Honourable Members, I just wish to mention two issues. Given the time between now and the previous Legislative Council, some of my time was taken up by attending the Overseas Territories Association EU Conference in Brussels. It was a great insight into just how valuable such a forum is for the Falkland Islands. It gives the Falkland Islands an opportunity to raise and address issues that have far reaching economic implications for the Falklands. I say this in particular for the fish and the meat industries. It was very clear that we must have representation there to take our cases forward through the Commission in Brussels. I understand that this is yet to be made public in full detail but it will be in next week's Penguin News for sure and I know it has been covered on "Calling the Falklands" and FINN.

The other issue that I would very briefly like to mention is that of immigration. Yesterday at EXCO there were some very uncomfortable and difficult decisions to be made and these have arisen because of a very complicated, and sometimes inconsistent system with the Immigration Policy. It's unclear. This real obvious lack of a robust point system has to be addressed and I know that myself and Members who are involved in that portfolio are going to urgently be addressing this issue. We will look to see some outcome in the very near future on this matter. Mr Speaker, I support the Motion.

The Speaker of the House

Honourable Members thank you for your kind words. I would if I may make two points I welcome the words of the Honourable Janet Robertson in respect of wishing to see more debate in this House, debate both in terms of the Bills but perhaps also for Bills to be robustly defended as well at the same time as they enter this House. As a member of the public can I say I welcomed your exposé in the public meeting this week, I thank you for that.

I think it remains for nothing more than for me to wish you a Merry Christmas and a productive legislative New Year for 2006. The House stands adjourned accordingly.

Confirmed this 24th day of February 2006



The Hon. DL Clifton OBE
Speaker of the House