

Sitting No. 5/62.

Cabinet Meeting held at the Ambraġġ d'Arġon, Valletta, on Saturday the 15<sup>th</sup> September, 1962, at 10.00 am.

Presents: The Hon. Minister of Education and Acting Prime Minister and Minister of Economic Planning & Finance, in the Chair.

The Hon. Minister of Agriculture, Power & Communications.

The Hon. Minister of Justice.

The Hon. Minister of Works & Housing

The Hon. Minister of Labour & Social Welfare

The Hon. Minister of Health.

Absents: The Hon. Prime Minister

The Hon. Minister of Industrial Development & Tourism.

who were on duty abroad.

The minutes of Meeting No. 4/62 were read, amended and confirmed.

O.P.M. 1212/62.

Application for assistance under the Aids to Industries Advance from Messrs. Benette Ltd.  
Hotel Projects at Selmun Tower. (Memo. No. 144.)  
Mr. Serge Fabri, Acting Director of the Government Turkish Board, was in attendance.

With regard to the £50,000 proposed to be spent by Messrs. Benette Ltd. on this project, Mr. Fabri gave the financial background of the Company and explained that the sum of money involved would

figure in the contracts that would be entered into between the governments and the Company. In this particular case, that would be the only safeguard that the amounts would be actually spent. Before finally approving financial assistance to this Company, the Cabinet wished to have details of the £50,000 to be incurred: its breakdown and phasing. Mr. Fabri undertook to obtain this information for the Cabinet.

OPM. 2304/58. Setting up of a Panel of Contractors for governments Works Contracts (Memo No. 15)  
Mr. S. Dargatzis, Director of Public Works, was in attendance.

cc.:

<sup>Ministers</sup>  
~~Ministers~~ had before them a proposal made by the Director of Public Works and supported by the Hon. Minister of Works & Housing to set up a panel of contractors who would be allowed to tender for governments works contracts. The purpose behind the proposal was to have a panel of trusted and selected contractors, the existence of which would ensure the elimination of (a) non-bona fide contractors, (b) cost-throat rates almost inevitably resulting in poor workmanship and the use of cheap materials and (c) ensure speed in the completion of such projects as Housing Schemes by having one

contractor responsible for the whole of the work.

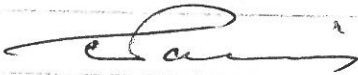
The Cabinet was informed that that same scheme was submitted to Government in March, 1959. The scheme was not accepted then; instead the Advisory Council of that time ruled as a matter of policy that the recommendation of the Director of Public Works regarding the technical qualifications of contractors tendering for Government works should be invariably accepted by the Contracts Committee.


Both the Hon. Minister of Works & Housing and the Director of Public Works stressed the advantages of the proposed scheme. The Cabinet, however, was not satisfied that the reasons brought forward justified the taking of the suggested measure. It was felt that the scheme would hit the small contractors. Besides, it would have political repercussions especially at the present time when there was such an acute problem of unemployment. It was thought that other measures could be taken to eliminate abuses by contractors, among which the following were mentioned:

- a) a change of the present Contracts Committee;
- b) contractors to prove that they have the plant and machinery necessary to execute the contract;
- c) contractors to produce a security from a Bank;
- d) stricter and more continuous supervision

- to be exercised by P.W.D. Architects;
- e) P.W.D. Architects to confirm in writing their responsibility for the works under their charge; and
  - f) defaulting contractors to be black-listed.

It was agreed that the proposed scheme should be studied and discussed further at a later date.

  
Prime Minister  
(ad int.) 14.9.62.

  
Secretary to the Cabinet  
14.9.62.