

Lettering No. 1/62

Cabinet meeting held at the office of  
the Prime Minister on Monday, 27<sup>th</sup> August,  
1962, at 5.30 pm.

Present: The Hon. The Prime Minister  
The Hon. Minister of Industrial Development  
& Tourism  
The Hon. Minister of Education  
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.

The Netherlands Harbour Docks Company.

OPH. 536/58/117.

The Cabinet considered  
the application filed by the Royal  
Netherlands Harbour Docks Company with  
the Aids to Industries Board for  
financial assistance towards the  
establishment at Messelokk of a  
central equipment base to store,  
repair and assemble their own civil  
engineering plant and that of affiliated  
companies, in between contracts.

The site required by  
the Company adjoins the sea. During  
discussions in the Aids to Industries  
Board it was established that the  
Company would find it very difficult  
indeed, if not impossible, to acquire the  
site solely by their own efforts. The reason

for this was that the owners of the land in question were not in need of selling their property and could, therefore, be expected to be inoperative to attempts at negotiating a sale.

Mr. S. Duggi, Director of Industrial Development, was called to attend the meeting.

Mr. Duggi stated that doubts had been expressed as to whether the project qualified for assistance. The question as to whether applicants would be providing a service on a commercial scale should be gauged from the employment factor involved and not from the point as to whether the service to be provided would be sold to outside parties or not. This was the view of the Aids to Industries Board in which Mr. Duggi concurred. The Company in this case would provide employment for twenty-five men.

The second point was whether the Government should use its powers to assist the Company to acquire the site under the Land Acquisition (Public Purposes) Ordinance.

The Cabinet agreed that the Company could be given a measure of financial assistance but it was feared that there would be repercussions if the Government acquired the site compulsorily under the Land Acquisition (Public Purposes) Ordinance. There were doubts whether the project would warrant

such intervention by the Government.

After a full discussion of the two points in question it was decided that the Government should explore the possibility of finding an alternative site. Government should also approach the Services with a view to ascertaining whether any land in the Kalafrana area was available.

### The Kusseal.

The question of the establishment of a Kusseal in Malta was then discussed.

Mr. S. Duggi, Director of Industrial Development, and Mr. J. Pollesco, Chairman of the Government Tourists Board, were in attendance.

The Secretary to the Cabinet ~~was~~ read a letter which the Prime Minister had received from Sir Victor Raikes wherein a Government decision was solicited on certain matters relating to the Kusseal project.

It was agreed that Sir Victor Raikes should be informed that:

- a) the Bragomara is to be the place for the Casino;

- b) the maximum Petits Jeux stakes are to be raised to 10/-;

- c) an adequate daily car ferry service from Sliema and the St. John's mainland is to start by the end of April, 1964. In this regard the Malta Government will use its good offices with the St. John's

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Government to obtain economic rates without prejudice, however, to the right of the Government to insist on the operation of the car ferry service within the stipulated period. Should, however, the car ferry service not be operating by the end of April, 1964, through force majeure the Company shall be liable to pay the Government the higher rates of  $17\frac{1}{2}\%$  and 50% in respect of petits junks and grands junks respectively with effect from the opening of the Knesset or the date of the suspension of the service through force majeure.

d) That a hotel with 200 two-bedded rooms is to be built by 1966, of which 50 two-bedded rooms are to be completed during the first year.

e) The grands junks will be introduced at the request of either party and 40% of pass takes in respect thereof are to be paid to the Government. Such percentage will be raised to 50% of pass takes after 15 years from the opening of the Knesset.

f) No gambling will be allowed at Playa Saffiata and the Syndicate will have twelve months to consider the use of the land there. The Syndicate is however to submit an area utilization plan for consideration by the Government within three months of the signing of the new contracts.

g) Documentary evidence is to

be produced that Sagrada has been conveyed to the Company, and

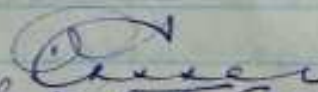
h) detailed statements are to be produced by the Company showing how the sum of £700,000 mentioned in Sir Victor Rike's letter will be expended on the projects.

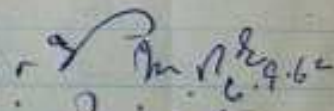
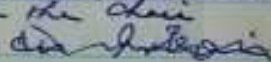
Mr. Bygg and Mr. Pallesco withdrew.

Messrs. Ralli Brothers (Bankers) Ltd. of London.

The third item discussed was a Memorandum which had been prepared by Messrs. Ralli Brothers (Bankers) Limited of Grobham Street, London, E.C.2, on the subject of certain proposals to convert Malta into an international Finance and Tourists centre.

It was agreed to inform Messrs. Ralli Brothers (Bankers) Limited that Government would be prepared to consider with interest detailed plans and schemes of the projects contained in the preliminary survey enclosed with their letter under reference.

  
Secretary to the Cabinet  
6.9.62

  
Prime Minister  
in the Chair  


CPM 557/62  
-Secret.

L-ARKIVJI NAZZIONALI  
TA' MALTA