

✓ Letter No. 6/62.

Cabinet Meeting held at the Auberge d'Oron,
Vallette, on Monday, 14th September, 1962, at
5.00 pm.

Present: The Hon. Minister of Education and Art
Prime Minister & 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.

Absent: The Hon. Prime Minister,

The Hon. Minister of Industrial Development
& Tourism.

who were on duty abroad.

The Minutes of meeting
No. 5/62 were read and confirmed.

Letter No.

696/62.

M. J. A. P. & C.

The Secretary to the Cabinet
read a letter dated 13th September, 1962, he
had received from the Secretary to the Hon.
Minister of Agriculture, Power & Communications
giving information about the outstanding
legislation which was being dealt with by
the Postmaster General, viz:

a) a Bill for the censorship of postal

articles and imported goods, and
b) Amendments to the Telegraph &
Telephone Ordinance (Chapter 125) and
the Telephone Service Regulations

M.L.S.W 204/62.

Presentation to the Legislative Assembly
of the Retrial Reports of 1961 (Hans. No. 23)

The Cabinet was asked to approve that a copy of the Retrial Reports of 1961 be laid on the Table of the Legislative Assembly in terms of Section 52(2) of the National Insurance Act. It was explained that the first quinquennial Retrial Reports on the operation of the National Insurance Act was received in November, 1961, when there was no Legislative Assembly in existence and the Reports remained unpublished. The Crown Counsel's advice was that once the Reports were published in the Government Gazette at the time it was received it should not be presented to the Legislative Assembly in order to comply with the provisions of the Act. Hon. Ministers asked that they be given the opportunity to peruse the Report to enable them to express their opinion as to whether or not it should be laid on the Table of the Legislative Assembly. The Hon. Minister of Labour & Social Welfare undertook to circulate to Hon. Ministers copy of the Reports.

M.S.F. 66/60

Unpaid T.V. Licences (Memo. No. 16)

L-ARKIVJI NAZZJONALI TA' MALTA

The Cabinet was informed that out of 15,633 registrations by persons owning a T.V. set, 13,907 were already paid up leaving 1,726 licences for which no payments had been received. Hon. Ministers were asked to consider whether instructions should be issued for the collection of the licence fees in respect of the 1,726 registrars which were still uncovered. It was suggested that this could be done by reminders being sent and the licence holders being pressed to effect the necessary payments. The Cabinet considered this matter from all aspects, political and financial, and decided that it should be considered further at a later date.

Sec. 383/62.

United Kingdom Commissioner; Immunity from Income Tax (Memo. No. 17).

The Secretary to the Cabinet read a letter which the Commissioner of Inland Revenue had received from the United Kingdom Commissioner in February, 1962, asking for immunity from income tax in virtue of section 29 of the Maltese (Constitution) Order in Council 1961. The Commissioner of Inland Revenue suggested, and the Attorney General agreed, that to avoid amending the Income Tax Act, this

exemption could be granted under Section 8(2) of the Act. The Cabinet felt that this matter should be considered along with the general Estimates for the current financial year 1962-63 which were being discussed in Cabinet later in the month.

CPM. 114/59
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New Power/Water Station. Drafts legislation to set up a Statutory Electricity Board and to provide for the raising of a loan from the World Bank (Memo. No. 5)

The Hon. Mr. A. Salomone, Deputy Financial Secretary, and Dr. M. Curren, Deputy Attorney General, were in attendance.

At this meeting the Cabinet proceeded with their consideration of that part of the draft legislation which provided for the raising of a loan from the International Bank for Reconstruction and Development, commonly known as the World Bank.

Dr. Curren started by touching on the Loan Bill generally. He stated that the Government was entering into discussions with the World Bank for a loan of £2.3 m to finance the larger part of the cost of a project to combine a new Power Plant with sea-water conversion. Mr. Salomone explained the nature of the loan and thought that on a loan such as

the proposed one for twenty years, the interest would be $5\frac{1}{4}\%$, but he stated that the exact conditions of this loan would be known only in the course of and after final negotiations with the World Bank.

Dr. Corrada Corrao drew the attention of the Cabinet particularly to the following clauses in the Loan Bill:

Clause 3(1). The Cabinet approved that the words "in such manner and subject to such terms as the Minister thinks fit" in this subclause should stand. It was felt that the last word in any agreement with the Bank to borrow the required sum or sums of money ultimately rested with the Cabinet.

Clause 3(3). In this subclause it is provided that the money raised under the authority of the Act shall be appropriated solely to (a) the Capital Expenditure of the Board for energy development purposes and (b) such other purposes as may be set out in the Loan Agreements. The Cabinet agreed that the terms of the agreement should include water distillation purposes and the supply of water in bulk to the Water Department by the Board. It was decided, however, that this subclause should be left as it was worded in the draft Loan Bill.


The Cabinet also considered the question of the separation of the two divisions of the Water and Electricity Departments, with special reference to the reading of meters and

the collection of electricity charges. After a full discussion of the matter the Cabinet decided that the Water Department should be authorised to read electricity meters and collect electricity bills on an agency basis for the Electricity Board and that such Board should have the right to send a representative in the Water Department to supervise such reading and collection until such time as the Government and the Electricity Board agreed otherwise.

Clauses 3(4) and 6. The powers of the Secretary of State referred to in Clause 3(4) were fully explained to the Cabinet. No changes were proposed to be made in this sub-clause as it stood in the draft Loan Bill. The Cabinet also agreed to Clause 6 in the draft Bill.

Clause 4. The importance of this clause was fully explained. The Cabinet decided that the Government should re-lend the loan money to the Board at the Bank's rate of interest. This interest would be in addition to the repayments by the Board to the Government of the Capital and other connected charges paid by the Government to the Bank.

The Cabinet agreed that Dr. Amos Curran should be provided with a copy of the minutes of this meeting relating to the new Power/Water Station.


Secretary to Cabinet.
20. 9. 62.


Prime Minister

(ad int.)

20. 9. 62.