

MEMORANDUM TO CABINET
BY THE PRIME MINISTER

Irregularities committed by two
employees in the Department of Trade
and Industry

In 1967, it was brought to the notice of the Director of Trade and Industry, that certain irregularities had been committed by two employees in his Department, viz. Mr Norman Shaw, Clerical Officer and Mr John Busuttil temporary Clerical Officer.

2. The Director of Trade reports that while the first case was being investigated, Mr Shaw's legal adviser contacted the Minister of Trade, Industry and Agriculture who decided that the sum of £964. 10s. 8d. the amount of the shortages discovered till then, should be accepted in full settlement and the matter should be considered closed. Mr Shaw retired on pension with effect from the 6th July, 1967.

3. Disciplinary action against Mr John Busuttil was proceeded with. This officer retired from Government service on reaching the age limit with effect from 19th December, 1968. His pension was withheld in view of the disciplinary proceedings pending against him.

4. As a result of an audit check of the Department's accounts, the irregularities committed by Mr Shaw were brought to the attention of the Director of Audit. Investigations carried out under the latter's direction revealed that the losses to Government as a result of these irregularities were far in excess of the sum refunded, and were in the region of £72,000. There were also other losses due to other irregularities.

5. The Director of Audit, as required in terms of Section 10 of the Financial Administration and Audit Act, brought the matter to the attention of the Minister of Finance and the Crown Advocate General.

6. The Crown Advocate General has advised that "this is a case which should be reported to the Commissioner of Police who should be given every facility to carry out the necessary investigations in order that he may set in motion the machinery of criminal prosecution against Mr Shaw, if the latter's criminal responsibility is established, and against any other person who may have likewise rendered himself liable to such proceedings."
7. The Crown Advocate General has also expressed disapproval of the fact the Mr Shaw's case was not referred to him by the Director of Trade, under and for the purposes of regulation 5 of the Public Service Commission (Disciplinary Procedure) Regulations, 1961.
8. The disciplinary board appointed to enquire into the charges issued against Mr J. Busuttill has found him guilty of having acted irregularly in the performance of his duties by increasing the entitlement of some bakers by amounts to which these bakers were not entitled, and of having done this intentionally by systematically duplicating the entitlement of large families. The Commissioner of Police had previously reported that from investigations carried out it had not resulted that Mr Busuttill had been bribed to commit these irregularities. Criminal action was not, therefore, taken against him.
9. The loss to Government as a result of the irregularities committed by Mr Busuttill during the period April, 1965 to February, 1967 was estimated by the Director of Trade at about £100 per fortnight, i.e. approximately a total of £5,000.
10. Ministers are asked to state whether they agree that action should be taken against Mr N. Shaw as advised by the Crown Advocate General at para. 6 above, and whether Mr J. Busuttill's pension and/or gratuity should be withheld on disciplinary grounds.

30th January, 1970

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