

MEMORANDUM TO CABINET BY THE HONOURABLE  
THE PRIME MINISTER

Manufacture of Amusement Machines

The New Century Novelty Company Pty Limited of Australia has applied to the Malta Development Corporation for assistance to set up a factory for the assembly of "amusement machines" in Malta. The Corporation, having given consideration to the various factors including the intention that the Company's production will be wholly for export, has approved the lease of a building at Corradino of some 3,000 sq. ft., which is one of a group of buildings recently vacated by the Services. The application had also been considered by the former Aids to Industries Board which had recommended Income Tax Relief and Customs duty exemption on equipment and material.

2. These "amusement machines" are the well known "fruit machines". The Commissioner of Police does not favour the setting up of such a factory, even on a 'total export' basis, as he feels that in case of lack of exports pressure may eventually be applied for the sale of these machines in Malta under the threat of closing down the factory, and that the natural sequel would be the opening of "amusement machine" halls in Malta.

3. The Director of Public Lotto agrees with the Commissioner of Police and adds that the possible influx of a number of these machines on the Island would, in the long run, encroach on the profits from the sale of Lotto and National Lottery tickets. A less apprehensive view of the application is taken by the Ministry of Finance, Customs and Port who consider that the project has limited benefits but involves equally limited assistance. The view of the Ministry is that so long as the gambling hazards it is desired to avoid are eliminated by ensuring that the Company's total production is exported the approval of the application in question may be to our advantage.

4. Notwithstanding the gambling aspect inherent in the application, the Malta Development Corporation considers that, in view of the 'total export' condition, the promoters should not be deterred from proceeding with this project, especially as this is the first Australian sponsored project it has received.

5. The Malta Development Corporation has sought a policy direction in terms of Section 9(1) of the Malta Development Corporation Act, No. XXVII of 1967 (Extract at Appendix A), and Hon. Ministers may wish to consider whether the Corporation should be informed that, in view of the circumstances of the case, it may proceed to approve this particular application.

14th July, 1969.

ACT No. XXVII OF 1967

PART II

Powers  
of and  
reports  
to the  
Minister

9. (1) The Minister may, in respect of matters that appear to him to affect the public interest, from time to time after consultation with the Corporation give to the Corporation directions of a general character, not inconsistent with the provisions of this Act, on the policy to be followed by the Corporation in carrying out its functions under this Act, and the Corporation shall, as soon as practicable, give effect to all such directions.