

MEMORANDUM FOR CABINET BY THEHON. MINISTER OF TRADE, INDUSTRY AND AGRICULTUREFactory Allocation

It was the accepted practice of the Ministry to ensure the availability of factories so that prospective industrialists could be allocated the space needed with the minimum of delay. Since the institution of the Malta Development Corporation no clear directive has so far been issued as to what procedure should be followed as regards availability, construction, deeds of lease and allocation of factories.

2. As an interim arrangement my Ministry has proposed that the allocation of factories should continue to be made by the Director of Industry, after consultation with the Malta Development Corporation and following my approval. In this way the Director of Industry would continue to be able to allow access to industrialists to their allocated factory in anticipation of the publication of the deed of lease. This is of vital importance if unnecessary delay in the coming into operation of the factory is to be avoided.

3. In the view of this Ministry the permanent arrangement should be for Government to continue to be responsible for the construction of factories considered necessary after consultation with the Malta Development Corporation. When completed such factories should be passed to Malta Development Corporation as an agent of Government for allocation, lease etc., after consulting the Commissioner of Land in connection with conditions of lease. The Malta Development Corporation of course will keep this Ministry as well as the Commissioner of Land informed of all allocations, etc. The Malta Development Corporation would then be in a position to commit itself in advance of the publication of the necessary deed of lease.

4. It is also felt that the Malta Development Corporation as an agent of Government should be authorized to enter into the deed of lease on behalf of the Lands Department. The collection of rent and the carrying out of maintenance works will continue to be the responsibility of the Commissioner of Lands and of the Director of Public Works respectively.

5. The Commissioner of Land while agreeing that wherever practicable he would act upon the recommendations of the Malta Development Corporation as regards allocation of factories and any other suggestions as to proposed conditions of leases insists that his prior approval must be obtained before Government is committed in any way. He also states that deed of lease should only be entered into by the Commissioner of Land.

6. The Chairman, Malta Development Corporation, has repeatedly made strong representations to the Ministry of Trade, Industry and Agriculture on the need of allowing the Corporation free hand, at least, on the allocation of factories. He rightly considers that unless the Corporation

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is given authority to allocate factories to entrepreneurs and to finalize the deal with them, the Corporation would not be able to accelerate development. The Ministry strongly supports this view.

6. Cabinet approval is requested for implementing the suggestions contained in paras. 1 to 4 above as the Malta Development Corporation are insisting that this matter calls for urgent decision to avoid unnecessary delays.

16th October 1968.

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