Sitting No. 60/68.

Cabinet meeting held at the Auberge d'Aragon, Valletta, on Friday, 16th August, 1968, at 11 a.m.

Present: The Hon. Prime Minister
The Hon. Minister of Finance, Customs & Ports.
The Hon. Minister of Justice & Parliamentary Affairs.
The Hon. Minister of Trade, Industry and Agriculture.
The Hon. Minister of Health
The Hon. Minister of Public Building & Works.
The Hon. Minister of Education, Culture & Tourism.
The Hon. Minister of Labour, Employment & Welfare.

The minutes of Meeting No. 59/68 were read and confirmed.

OPM. 539/68. <u>Proposals to strengthen the Sterling (Memo. No. 1107)</u>

Ministers considered the recommendation regarding the British proposals to strengthen the sterling, ~~[illegible]~~ contained in Memorandum No. 1107. after hearing the verbal explanations of the Hon. Minister of ~~Public Building & Works [illegible]~~ Finance, Customs & Ports and of the Principal Assistant Secretary, Economic Planning, they agreed that

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a) the seven-year commitment could be undertaken, provided the level of diversification was raised to a third of total reserves, including any increment which accrued from the transfer of commercial bank assets and the proceeds of special public bond issues, and b) a guarantee charge of not less than 1% should be made on the commercial banks and also incorporated in the terms of any special Malta Development Bonds which Government might decide to issue to the public under a sterling repatriation scheme.

[signature]
Prime Minister.
20.8.68

[signature]
Secretary to Cabinet.
20.8.68