



# Falkland Islands Government News Release

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## **Address by The Representative, Sukey Cameron MBE, at the Falkland Islands Government Annual Reception on Tuesday 9 June 2009**

Welcome once again to our annual reception. Your support is gratifying and greatly appreciated.

This has been a roller-coaster year for the global economy, so it might be appropriate for me to begin by asking "Do you want the good news or the bad news?!" Fortunately for the Falkland Islands, there is more good news than bad.

Let me start with a success story. More people have visited the Islands over the last year than ever before. HRH the Princess Royal and her husband, Vice Admiral Timothy Laurence, graced us with a visit, en route to South Georgia. There have also been two Parliamentary delegations during the year. And on a sporting note, Falkland Cricket Club from Newbury, became the first touring team in history to visit the Islands.

Staying on the sporting theme, we are delighted that the Falklands will be represented once again at the Island Games, which take place in the Aland Islands at the end of this month. Forty eight athletes and supporters from the Islands will attend, which is something of a record in itself! The sportsmen and women have worked extremely hard to get there and we wish them the best of luck in their endeavours.

Last September, the Falkland Islands Tourist Board hosted a traditional 'smoko' - at Falkland House - for journalists, tour operators and the UK travel trade. Perhaps inspired by this event, and the publicity which followed, a record number of tourists visited the Islands during the last season. Land based tourism generated over three million pounds in revenues and the new inter-island ferry service has enabled visitors to cross more easily from East to West Falkland.

Cruise ship visitors increased by over twenty five percent with over 4,000 passengers landing in one day - another record. Visitors have been very complimentary, with many vowing to return. One travel journalist commented:

*"The Falklands could be one of the great ecotourism destinations of this century."*

I congratulate the Falklands tourist industry. Not only do they contribute to the diversification of our economy; they also project a positive and welcoming image of the modern Falklands.

Our efforts to diversify our economy in other sectors are also beginning to bear fruit. Whilst the Illex fishing season has been disappointing – yes, there is some bad news! – our on-shore fishery is steadily developing, and will, one day, add to our economy. Added value is also a feature of our farming industry. Phase one of the abattoir upgrade has resulted in improved quality and range of meat products. Overseas markets now include Denmark, Sweden and Spain, as well as the UK.

The high cost of imported fossil fuels is a major disadvantage to our economy and we are taking steps to exploit one source of energy that is cheap, green and in plentiful supply - wind power. The installation of three turbines has resulted in the displacement of twenty percent of the Power Station's annual fuel consumption.

The drive towards oil exploration has also continued. The oil operators recently met in the Islands and discussed issues related to drilling with Government officials and private sector service providers. Two companies are seeking approval for their environmental impact assessments and were able to discuss these with the community. The prospect of a second drilling round is an exciting time in our history and we are confident that robust legislation will ensure safe exploration.

Despite our progress in diversification, we have not escaped the affects of the global recession. Returns on our investments have fallen substantially and budget pressures continue to increase.

Whilst the Falklands economy remains relatively strong, we face a deficit of over seven million pounds in this financial year, principally but not exclusively due to the failure of the Illex season to which I referred earlier. This is likely to be followed by two further deficit years before recovery can be anticipated.

Some difficult choices will have to be made to achieve balanced or surplus budgets in the future. However, if we manage our public finances carefully, continue to support export development and private sector enterprise, and keep public services at affordable levels, we should be able to maintain economic growth.

Politically, this has been a significant year for the Falkland Islands. Last September we marked twenty years of attendance at the Party Conferences – which makes us one of the

longest standing exhibitors. During this period we have made many valuable contacts and received loyal and unswerving support in return; symbolised by the strong message from the Prime Minister, endorsing our right of self-determination, when he met the Argentine President in March.

His message was timely, because in January this year our new Constitution came into effect. It is a 'post-colonial' constitution, initiated by the Falkland Islands Government, on which Falkland Islanders were fully consulted. Our first election under this Constitution will be held on 5<sup>th</sup> November.

The new Constitution recognises the reality of the modern world in which the rights of free peoples are paramount, and the assertion of territorial claims, irrespective of the wishes of those who live there, has no place. It enshrines, in the first chapter, our fundamental right to self-determination in accordance with the United Nations Charter.

However, the principle of self-determination has never been accepted by Argentina as applying to Falkland Islanders. So, the protest against the new Constitution from our near neighbour, was predictable. But surely no-one who truly supports democracy and human rights can oppose this?

Let me make it clear. We want to maintain good, co-operative relations with Argentina – provided that sovereignty is not in question. Likewise we welcome visitors from Argentina and respect the need for their veterans to visit the battle sites of 1982. In this spirit, we are pleased that agreement has been reached on the way forward to allow the Argentine next of kin pilgrimage, to take place later this year to inaugurate the memorial at Darwin.

We are proud of the advances that we have made in democracy and internal self government over the years. And, despite the global recession, from which we are not immune, our economy remains strong. We are determined to maintain this progress.

The support of Her Majesty's Government, Members of Parliament, the Armed Forces – who have protected us in war and peace – and those of you here tonight sustains us and strengthens this resolve.

I thank you all.

**Further information on the Falkland Islands can be found at [www.falklands.gov.fk](http://www.falklands.gov.fk). Media enquiries should be directed to Katie Liddell at Keene on 020 7839 2140 or [katie@keenepa.co.uk](mailto:katie@keenepa.co.uk).**