

**REPORT OF THE PROCEEDINGS OF THE GIBRALTAR  
PARLIAMENT**

The First Meeting of the Eleventh Parliament held in the Parliament Chamber on Thursday 8<sup>th</sup> November 2007, at 11.30 a.m.

**PRESENT:**

The Presiding Member..... (In the Chair, presiding over the resolution)

(The Hon Joseph J Holliday)

Mr Speaker.....(In the Chair)

(The Hon Haresh K Budhrani QC)

**GOVERNMENT:**

The Hon P R Caruana QC - Chief Minister  
The Hon J J Holliday - Minister for Enterprise, Development and Technology and Deputy Chief Minister  
The Hon Lt-Col E M Britto OBE, ED - Minister for the Environment, Traffic and Transport  
The Hon F J Vinet - Minister for Housing  
The Hon J J Netto - Minister for Family, Youth and Community Affairs  
The Hon Mrs Y Del Agua - Minister for Health and Civil Protection  
The Hon D A Feetham - Minister for Justice  
The Hon L Montiel - Minister for Employment, Labour and Industrial Relations  
The Hon C G Beltran - Minister for Education and Training  
The Hon E J Reyes - Minister for Culture, Heritage, Sport and Leisure

**OPPOSITION:**

The Hon J J Bossano - Leader of the Opposition  
The Hon F R Picardo  
The Hon Dr J J Garcia  
The Hon G H Licudi  
The Hon C A Bruzon  
The Hon N F Costa  
The Hon S E Linares

**IN ATTENDANCE:**

The Hon Mr Justice A E Dudley - Acting Chief Justice

M L Farrell, Esq, RD - Clerk to the Parliament

**ADMINISTRATION OF OATH OF ALLEGIANCE TO ELECTED MEMBERS**

The Acting Chief Justice administered the Oath of Allegiance to the Hon P R Caruana, the Hon J J Holliday, the Hon Lt-Col E M Britto, the Hon F J Vinet, the Hon J J Netto, the Hon Mrs Y Del Agua, the Hon D A Feetham, the Hon L Montiel, the Hon C G Beltran, the Hon E J Reyes, the Hon J J Bossano, the Hon F R Picardo, the Hon Dr J J Garcia, the Hon G H Licudi, the Hon C A Bruzon, the Hon N F Costa and the Hon S E Linares.

## **MOTION ON THE APPOINTMENT OF THE SPEAKER OF THE PARLIAMENT**

### **HON CHIEF MINISTER:**

Mr Presiding Member, I have the honour to move the motion standing in my name, which is:

“That Mr Haresh Kishinchand Budhrani be appointed Speaker of the Gibraltar Parliament.”

Mr Presiding Member, I believe that Haresh Budhrani has served this House well as Speaker during the last four years and that whatever may have been the different views expressed by different Members of the House on that occasion, he has shown a capacity for independence, a strength of character and a personality which were the very qualities which recommended him to us in the first place, which I suspect will cause those differences of view not to re-emerge on this occasion, and I think that is in a sense vindication of Mr Budhrani's performance, the way he has carried out his work, very important work in this House keeping gladiators apart, and has therefore, I think, endeared himself by his manner and his style to all Members of this House. I hope, therefore, that on this occasion this motion will enjoy the unanimous support of all Members in this House and that we can enjoy another four years of excellent presiding over our work that we have enjoyed during the last four years. I commend the motion to the House.

### **HON J J BOSSANO:**

I take it the correct terminology is to say Mr Presiding Member, unusual though it sounds. I can indeed confirm, as the Chief Minister has said, that the doubts we might have had, and I seem to recall saying that we would reserve our judgement on the appointment of Mr Budhrani when we saw the performance, that judgement in fact has been such that we have no difficulty whatsoever in endorsing the views expressed by the Chief

Minister, and indeed confirming that the motion will be carried unanimously with our support, and that indeed had the result been different from what it was, then in all probability I would be saying what he has just said, that he would be saying what I have just said, and the result would still have been that it would count with the support of 17 Members of the House, and I think it is good for the Parliament to have a Speaker that has the confidence 100 per cent on both sides, and regrettably, on a number of occasions this had to happen but when it has not happened the passage of time has proved that the concerns and the doubts have not been manifested in the way the Speaker has conducted himself, and we have full confidence that Mr Budhrani will serve the House as well or better in the coming four years now that he has got our support than he did in the last four.

The Presiding Member put the question. Carried unanimously.

On the appointment of Mr Speaker, the Presiding Member took his place on the Government benches.

## **ADMINISTRATION OF OATH OF ALLEGIANCE TO MR SPEAKER**

The Acting Chief Justice administered the Oath of Allegiance to The Hon H K Budhrani.

### **MR SPEAKER:**

My first duty to the House is to record my respectful acknowledgement and grateful thanks for the great honour you have conferred upon me in placing me in the Chair.

Three years ago, when my appointment as Speaker by the Governor under the provisions of the 1969 Constitution was the subject of debate in this House, on the resolution to confirm the appointment, some Members expressed their reservations as to

the suitability of my appointment and, as was their right, voted accordingly.

In the best traditions of parliamentary democracy, however, the office to which I had been appointed was – without exception – accorded the utmost of respect by all the Members at all times and, at a personal level, every courtesy and kindness was extended to me by all my parliamentary colleagues, making the performance of my duties that much less daunting a challenge.

In humbly accepting re-appointment as Speaker of your House, I am conscious of the historical significance of the manner of my appointment today under the 2006 Constitution, which for the first time in our political evolution does not involve His Excellency the Governor at any stage.

During the last three years, I have had the honour of representing our legislature at Plenary Conferences of the Commonwealth Parliamentary Association in Fiji, Nigeria and India and at Regional Conferences in Malta and Northern Ireland as well as the Commonwealth Speakers' Conference in Kenya, in the course of which I have had opportunities to meet hundreds of fellow parliamentarians representing almost a third of the world's population and to learn how parliaments in 53 other countries conduct their business.

What has given me particular pride and pleasure, however, is to be able to tell the world out there about the mature and stable parliamentary democracy which we enjoy in Gibraltar.

Honourable Members, I congratulate you on your election to this Parliament and I wish you well in your endeavours on behalf of your constituents. Each of you has been elected on your respective manifestos and, without inviting any of you to stray from your policies or renege on your promises but taking my cue from the Chief Minister's post-election remarks about "a slightly more consensual form of government", may I respectfully commend to the House some words of wisdom I recently came

across in Rig Veda – Hindu holy scriptures dating back to over 3,000 years:

"Meet together, talk together, let your minds think alike: Common be the counsel of the assembled; Common be the association; Common be the purpose, associated be the desire.

Common be your intention; Common be (the wishes of) your heart; Common be your thoughts so that there may be thorough union among you."

For my part, I renew my solemn pledge to uphold the privileges, rights and dignity of this august body and to serve all its Members (regardless of where they sit in the House) with absolute impartiality and integrity so that the Gibraltar Parliament continues to fulfil effectively its constitutional role as the forum for the expression of the voice and the implementation of the will of the people of Gibraltar.

#### **ADMINISTRATION OF OATH OF OFFICE OF THE MINISTER WITH RESPONSIBILITY FOR JUSTICE**

The Speaker administered the Oath of Office of the Minister with responsibility for Justice to the Hon D A Feetham.

#### **ADDRESS BY HIS EXCELLENCY THE GOVERNOR LIEUTENANT GENERAL SIR ROBERT FULTON KBE**

##### **HIS EXCELLENCY THE GOVERNOR:**

Mr Speaker, Honourable Members of Parliament, it is both a pleasure and a privilege formally to open this House of Parliament in Gibraltar, the first in its full new form. I would like to offer my warmest congratulations to all the elected Honourable Members on their success in the Election, some of whom are here today for the first time.

Not every Governor has the opportunity to experience a General Election during his time in Gibraltar, and I count myself fortunate to have witnessed the campaign, read the manifestos, heard the speeches, studied the commentaries and listened to the arguments. There is no more vivid way to understand what matters to Gibraltarians, what worries them, what they hope for and to appreciate what options exist for the future. All those who stood as candidates contributed to the debate and made sure that the issues of concern were raised, issues that might otherwise remain in the background. Gibraltar's democracy would be the poorer without them and all candidates deserve our recognition for the courage to put themselves forward and take part in that debate.

If debate is the hallmark of democracy, its health is measured by the proportion of the eligible population who vote without being compelled to do so. By such a measure Gibraltar must sit comfortably in the gold standard. Although the turnout may have fallen short of some of Gibraltar's exceptional historic peaks, it nevertheless gave yet another object lesson to some older and larger democracies.

While candidates may contest and voters may select, the legitimacy of the Election depends absolutely on its conduct, from the preparation of the electoral list to ensure that those eligible to vote could do so, through the management of the polling stations to the verification and the count. Here too Gibraltar showed that when excelling becomes the habit, implementation to the highest standards risks being taken for granted. Yet we should not take for granted all those who worked so long and so conscientiously to ensure not only that the result reflected the will of the people, but also that it was seen to do so.

That Election has brought Gibraltar to this historic moment, its first full Parliament. Underpinning this moment is the new 2006 Constitution which, amongst other provisions, secures the modern relationship between Gibraltar and the UK, whilst not in any way diminishing British sovereignty. The United Kingdom

retains its international responsibility for Gibraltar, including its external relations and defence and as the Member State responsible for Gibraltar in the European Union. In the Preamble to the Constitution, Her Majesty's Government reaffirms its long standing commitment to the people of Gibraltar that the United Kingdom will never enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their wishes. Her Majesty's Government has also confirmed that it would not enter into a process of sovereignty negotiations with which Gibraltar is not content. These statements bear repetition, especially on an occasion such as this, since they not only form the corner stone of the relationship between Gibraltar and the United Kingdom, but also set the context for the work that you do and that I do on a daily basis.

Mr Speaker, ahead lie many challenges for the Government, for the Opposition, for the people of Gibraltar and for those of us committed to serving the well-being of Gibraltar. From my year here, I know that all those in this House will do their utmost to work for all the people of Gibraltar in the manner they deserve.

Mr Speaker, I wish all Members of the House, in Government and in Opposition, well in tackling the important issues ahead of them and in fulfilling the exacting responsibility placed on them by the people of Gibraltar. I have great pleasure in declaring open this Session of the House of Parliament.

**HON CHIEF MINISTER:**

Your Excellency, Mr Speaker, it is a great honour to lead the response from the floor of the House on the occasion of its Ceremonial Opening for the fourth consecutive time, and it gives me particular pleasure to do so on this the first occasion on which we do it as Gibraltar's Constitutional Parliament, as opposed to Legislative Assembly. We have seen here today some of the differences already, the way in which we have appointed the Speaker, which has already been alluded to by

him in his short address to us earlier. The fact that we have a Minister for Justice, who by operation of law is required to take an Oath, that we have seen taken in this House for the first time. Indeed, the fact that all 17 Members who sit in this House are elected by the people of Gibraltar. These are just some of the many results of our new Constitution, which have placed Gibraltar and the United Kingdom in a constitutional relationship with each other that is modern and non-colonial in nature, and fit for purpose, given the desire of the overwhelming majority of Gibraltarians to retain our constitutional and sovereignty links with Great Britain. Indeed, Your Excellency, Mr Speaker, one of the new Constitution's virtues is precisely that it achieves maximum possible self-government of Gibraltar by its people, Government and Parliament whilst at the same time preserving unaltered the sovereignty of Her Majesty the Queen as Queen of Gibraltar. Beyond the issue of sovereignty the new Constitution entrusts to the United Kingdom the responsibility of the conduct of our external affairs and defence. These new constitutional arrangements provide a proper and efficient basis for the continuing social and economic development of a self-governing Gibraltar, consistently with our right to self-determination and other political rights and aspirations as a people in modern Europe. Under this new Constitution, Gibraltar has moved on to a relationship with the United Kingdom that is not colonial in nature. This is a fact and a reality. We must be careful in seeking recognition of this fact by others that we do not remain, by our own political discourse and actions, in an eternal political trap from which we can only be released by or with the consent of those who deny our political rights and aspirations as a people, or by those who have consistently over many decades refused to help us exercise those rights and possibly never will. We have to be bold and enlightened enough to distinguish between the factual reality of the nature of our political relationship with the United Kingdom, and our consequent international status on the one hand, which are matters of fact, and on the other hand, the willingness of others to recognise and acknowledge those realities by reference to their own political views, positions, aspirations or antiquated criteria. But we must not ourselves elevate these

latter things to the status of gospel. That would condemn us and future generations to stagnation in the political evolution of our people and our homeland out of colonial status.

Your Excellency, the Government will continue to seek the greatest possible degree of normalisation in our relations, friendship and mutual cooperation with Spain. Thus we will remain boldly, imaginatively and constructively committed to the Trilateral Forum of dialogue. There is much, mainly political, that divides us from Spain. But there is also much, mainly cultural, that we share and have always shared, not least regional culture. In this context, the Government warmly welcomes and will facilitate the desire of the Spanish Instituto Cervantes to establish a centre in Gibraltar. One of the things that we share with Spain is the desire to enhance the economic and thus social prosperity of the whole region. In this endeavour, the existence of differences in our economic models, whether they be fiscal in nature, or that our economies are based on different economic activities, or the fact that we do them in different ways, does not render one or the other of our different economic models illegitimate, simply by virtue of those differences. This is especially so when many of the differences are evident in many other parts of the world, Europe and indeed elsewhere in the Iberian Peninsula.

Your Excellency, Mr Speaker, I foresee that in addition to the usual political cut and thrust and routine business of this House, we shall during these four years be engaged as a Parliament in important work to modernise and reform important aspects of the way democracy functions in Gibraltar. We must review all aspects of our voting system, including eligibility rules, our postal and absentee voting system, our electoral registration system, whereby a new register has to be created each time. We have to consider whether we should now have an Electoral Commission. We need to consider the case for some sort of acceptable regulation of the conduct and use of public opinion polls, as happens in some other democratic countries. We need to reform and modernise the way this House conducts its business, and following the possibility to do so, included in the

new Constitution, we must consider whether we wish to increase the size of this House, in terms of the number of Members in it, to create a backbench on both sides of the House as a means of establishing a more gradual and conventional way into politics in Gibraltar, and perhaps even enhance the quality of parliamentary debate and accountability. For all of these purposes I intend to seek the early creation of Select Committees of this House, in order to reflect upon, consider and consult widely on these important issues, with a view to seeking the greatest possible degree of consensus before bringing legislation to this House during the first half of this term of office. Your Excellency, I am grateful and glad that you have noticed and recognised the very high standards to which we practise democracy in Gibraltar, both in political and electoral terms. This has always been a feature of our lives in Gibraltar, despite the fact that it is so often the contrary in very small countries. This is just one of the many reasons that exist to render unrealistic and unsustainable the view expressed by some that we are not a people worthy of the right to self-determination.

Finally, I welcome back to the House those Members, including you Mr Speaker, who were Members of it before the recent General Elections. I give a special welcome to those Members who are new to this House, on both sides. We shall, no doubt, engage politically in the best traditions of our gladiatorial parliamentary system, which in my view and contrary to the view expressed by some people, is good for democracy. But this should not and does not prevent us from having cordial and courteous relations with each other, and at a personal level even friendships. I express warm, personal and parliamentary farewell good wishes for the future and thanks to those Members on both sides of the previous House, who are not in it now, for their contribution to our political process and for their parliamentary comradeship over the years.

#### **HON J J BOSSANO:**

Your Excellency, just over 31 years ago I spoke at the opening of the third House of Assembly. One of your predecessors, Sir John Grandy, reminded us of the constitutional progress of the previous 26 years since the first Legislative Council had been inaugurated. In reply I pointed out that in those 26 years our international status as a British Colony had not changed and expressed the hope that we would soon achieve the long overdue decolonisation of Gibraltar. Last month the debate at the United Nations on our decolonisation finished up with the same annual text as the previous year, which calls for the issue to be resolved by a process of discussion with Spain, such discussion in the spirit of Brussels would require the issues of sovereignty to be discussed. The UK supported this route but stated they would only embark on it if Gibraltar were content for such sovereignty negotiations to take place. Your Excellency, you yourself have highlighted this and pointed out that it bears repetition. I agree. So does our reaction to it. The half of Gibraltar that has voted for this side of the House is not and will not be content for the UK to enter into any such discussion on our unfinished decolonisation with the Spanish Government now or in the future, any more than it has been in the past. Our decolonisation, our international status and our sovereignty are matters exclusively for us and the UK to discuss and no one else. In 1976 the scenario was that the UK, post-Franco's death, rejected all three UN options for decolonisation then known to us and said we should await developments in Spain. Within a year the process of seeking to reconcile us with Spain commenced with informal tripartite talks, even then, at Ministerial level and in what soon became known as the Strasbourg process which was followed by the Lisbon Declaration in 1980, later restated as the Brussels Declaration of 1984. The spirit of which will again be reflected in the General Assembly United Nations text next month.

So what can we expect on this front in the next four years? Not much I fear to say, as regards bringing to a close the colonial chapter in our history once and for all. The UK has informed the

UN that as a result of the 1999 White Paper the relationship with its overseas territories, Gibraltar included, has been modernised to an extent that it can no longer be described as based on colonialism. This, however, is not the same as saying that the territory is now enjoying a full measure of self-government such that it is no longer covered by the provisions of Chapter 11 of the Charter. Our position will therefore continue to be to seek that the UN identify where the present Constitution falls short of what is required for this to apply. Spain, of course, has made clear that any attempt to complete the decolonisation process without their consent and involvement will bring to an abrupt end the Tripartite dialogue. So what is the importance of this dialogue? For Spain it is expressly stated to be a way of creating trust in their good intentions so that a more propitious climate is delivered to enable the UN consensus to be put into effect. For the UK the scenario is not all that different since they would only proceed if Gibraltar were content for them to go down this path, a result that for years the UK has told Spain could only come about by them wooing the Gibraltarians. What about Gibraltar? No one in Gibraltar has ever advocated the development of a hostile relationship with Spain. Gibraltar has been the victim of the hostilities not their initiator. We are fully committed to Article 1 of the Charter which declares that the purpose of the UN to be to develop friendly relations amongst nations based on respect for the principle of equal rights and self-determination of peoples. A principle that Spain has breached from the day it joined the UN. In developing mutual beneficial cooperation it was a Gibraltar initiative to set up a joint forum for economic cooperation with the individual Campo Municipalities and Ceuta, which ended in 1993 when the UK stopped paying Spanish pensioners and the Spanish participants withdrew. The UK reversed this decision in 1997 and restored frozen pensions from 1993, and as confirmed this week, has since revalued pensions and paid lump sums to Spanish nationals who had received frozen pensions between 1989 and 2007. Had the UK not taken the decision that they took in 1989, all pensioners irrespective of nationality and residence would have received equal value in pensions, earned by equal number of contributions. Because of the UK's

changing interpretation of the law over the years, it is the Spanish workers withdrawn from Gibraltar in 1969 by the Franco regime who have benefited most at the end of the day. Clearly this and other policy issues which have been defended by us during the Election campaign will continue to denote the policy differences between the two sides of the House in the life of this Parliament, as it is proper that it should. In particular, we shall be monitoring the provision of homes and jobs for young Gibraltarians, those going to study abroad who have such difficulties in finding suitable jobs at home, and those competing for jobs at other levels against ever increasing numbers of frontier workers. The young people of Gibraltar are as clear about their national identity as my generation has always been. We owe it to them that they should have priority in their homeland as happens elsewhere, in homes, jobs and career prospects. Otherwise we shall be diluting the coherence of the Gibraltarian people. In looking at the way our economy performs and the manner in which public resources are put to use, we shall in this Parliament judge the results by reference to the policies we have defended in the Election, which we firmly believe are the best for our country's economic and political future. The Gibraltar economy has no future in being redesigned to make it a better fit for the economy of the nearby hinterland. Gibraltar's degree of fiscal independence is the same as that of any other sovereign state and is as well placed as any other micro state to make intelligent use of the opportunities available to achieve high economic growth. We have no doubt, therefore, that our projected target of £1.2 billion GDP for 2011/2012 is easily within our grasp if the correct policy initiatives are taken and the opportunities available to us are properly made use of. We shall therefore be giving the monitoring of the economy the same degree of importance in this Parliament that we have done in the past.

Finally, Your Excellency, at the last Ceremonial Opening, I made reference to the last visit of Her Majesty the Queen to Gibraltar in 1954, which of course I remember as a schoolboy. On that occasion, the dictatorship in Spain immediately took offence and imposed the first reprisals against Gibraltar by preventing new

Spanish workers entering our economy. As usual, picking on their own people to get at us. However, now we have a democratic Spain and a government that wishes to show us that we can trust them and has engaged in confidence building to this end. In addition, as we have just seen, Spain sees nothing wrong in their monarchy visiting the Spanish enclaves in North Africa, which Morocco considers affects its territorial integrity. Indeed, the Spanish Government has brushed aside the protest of the Kingdom of Morocco and made clear that this will not affect the excellent relationship that exists between the two countries. In our case, therefore, I think we can be justified in thinking that if our Queen were to visit us, the Spanish Government would not react as Morocco has done. Even if it did, it would not affect the equally excellent relationship that exists between the UK and Spain. Thirdly, and to clinch the argument as it were, there is this new factor which was not there in all the previous years that we have had an open invitation to Her Majesty to visit us, and that is the new Constitution. In it, she is now the Queen of Gibraltar as well as the Queen of the UK and most of the independent Commonwealth nations, and as our Queen what better occasion to visit us than now that we have a newly, fully elected Parliament under this new relationship. I am sure that Your Excellency, as Her Majesty's representative in our country, can bring this powerful argument to Her notice and encourage Her to consider such a visit in the not too distant future.

## **ADJOURNMENT**

The House then adjourned.