



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.00 a.m. – 10.05 a.m.

Gibraltar, Thursday, 5th July 2012

## The Gibraltar Parliament

*The Parliament met at 10.00 a.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Order of the Day

**Tributes in memory of  
former Speaker of the House, Sir Alfred Vasquez, QC  
and Mr J E Triay, QC**

**Clerk:** Sitting of Parliament, Thursday, 5th July.  
The Hon. the Chief Minister.

5 **Chief Minister (Hon. F R Picardo):** Mr Speaker, Members gathered here this morning will know that today we were to start what is one of the most important set pieces of the annual life of this Parliament, which was the debate on the Estimates on the Appropriation Bill. It is sadly my duty to come here today to adjourn the House as a result of the passing of two great Gibraltarians.

10 The first, I think, to remember is Sir Alfred Vasquez, who held your Chair for a record period of time and who passed away quietly at home two days ago. I think everybody who came into contact with Sir Alfred knew him to be a positive influence in their lives and all of the people who served in this Parliament with him whom I had occasion to speak with yesterday remembered his time here as Speaker with fondness.

15 And of course, Mr Speaker, the death that led to this adjournment is the unfortunate passing of Mr J E Triay, another very prominent member of our community, a man who held forthright views that he defended honestly and fairly and who is also, as we know, the father-in-law of the Leader of the Opposition, which would have made it impossible for the Leader of the Opposition to have answered today my speech on the presentation of the Estimates.

20 So, Mr Speaker, I think it is appropriate to pay tribute to both of those great Gibraltarians, who have passed away and in that context to adjourn the House.

Before I move the adjournment, I give way, if any Member of the benches opposite wishes to associate themselves with these remarks.

25 **Hon. D A Feetham:** Mr Speaker, we have nothing to add to the Leader of the House's words in relation to Mr Vasquez and also J E Triay. We associate ourselves entirely with the comments of the Leader of the House, and of course, extend our condolences to both sets of families on the very sad loss of both individuals.

30 **Hon. Chief Minister:** Mr Speaker, on that basis I have the honour to move that the House do now adjourn to Monday, 9th July, at 9.30 a.m.

**Mr Speaker:** I now propose the question which is that this House do now adjourn to Monday, 9th July 2012, at 9.30 a.m.

35 I now put the question which is that this House do now adjourn to Monday, 9th July 2012, at 9.30 a.m. Those in favour; (**Members:** Aye.) Those against. Passed.

This House will now adjourn to Monday, 9th July 2012 at 9.30 a.m.

*The House adjourned at 10.05 a.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 9.30 a.m. – 12.35 a.m.

Gibraltar, Monday, 9th July 2012

## The Gibraltar Parliament

The Parliament met at 9.30 a.m.

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Order of the Day

### SUSPENSION OF STANDING ORDERS

#### Standing Order 7(1) suspended to lay Reports on the Table

**Clerk:** Sitting of Parliament, Monday, 9th July 2012.  
Suspension of Standing Orders, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move under Standing Order 7(3) to suspend Standing Order 7(1) in order to proceed with the laying of Reports on the Table.

**Mr Speaker:** Those in favour; (**Members:** Aye.) Those against. Carried.

### LAYING OF DOCUMENTS

#### Reports laid

**Clerk:** Papers to be laid, the Hon. the Minister for Education, Financial Services, Gaming, Telecommunications and Justice.

**Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, I have the honour to lay on the Table the Annual Report of the Gibraltar Police Authority for the year ending 31st March 2012.

40 **Mr Speaker:** Ordered to lie.

**Clerk:** The Hon. the Minister for Enterprise, Training and Employment.

45 **Minister for Enterprise, Training and Employment (Hon. J J Bossano):** I have the honour to lay on the Table the Employment Survey Report, October 2011.

**Mr Speaker:** Ordered to lie.

50 **Clerk:** The Hon. the Minister for Tourism, Public Transport and the Port.

**Minister for Tourism, Transport and the Port (Hon. N F Costa):** Mr Speaker I have the honour to lay on the Table the Report of the Principal Auditor on the Accounts for the Gibraltar Port Authority for the financial year ended 31st March 2010.

55 **Mr Speaker:** Ordered to lie.

## ANNOUNCEMENTS

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### Procedural Notice of Questions for 19th July sitting

65 **Chief Minister (Hon. F R Picardo):** Mr Speaker, if I may just pray the House's indulgence for a moment, hon. Members will know that we have a commitment to have monthly meetings of the House for Questions. The date for the notice to be issued to convene the House for the third Thursday is tomorrow, when the House will still be in this session and therefore not adjourned *sine die*.

70 So the purpose of rising now is to tell hon. Members that there will be a meeting for Questions on the third Thursday at 9.15 a.m., and I will suspend Standing Orders, so that they can ask their Questions after the debates on this Bill; and that they should consider that the seven days or the five days before which they need to put their Questions in will run backwards from 19th July as usual.

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## BILLS FIRST AND SECOND READINGS

### A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2013 First Reading carried

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**Clerk:** Bills, First And Second Readings.

85 A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2013, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2013 be read a first time.

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**Mr Speaker:** I now put the question which is that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2013 be read a first time. Those in favour; (Members: Aye.) Those against. Carried.

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**Appropriation Act 2012  
For Second Reading  
Debate commenced**

100 **Clerk:** The Appropriation Act 2012.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

105 Mr Speaker, this is my first Budget address as Chief Minister and I have the honour to present the Government's revenue and expenditure estimates for the year ending 31st March 2013.

Mr Speaker, this debate has traditionally also been about more than just numbers; this is a State of the Nation debate. I will therefore also report to this House on the state of the economy and public finances and on the specific Budget measures and some of the projects that the Government will introduce, in  
110 pursuance of our manifesto commitments.

Mr Speaker, having been in Opposition for 16 years, it is my pleasure to deliver for a Socialist Liberal Government, a Budget to support working families and the disabled; a Budget to support our youth and our senior citizens; a Budget, Mr Speaker, to encourage business and enhance our public services. In short, Mr Speaker, this is a Budget to deliver social justice and to improve the quality of life of all our  
115 citizens whilst making Gibraltar a great place to do business with the world – and that, Mr Speaker, against a backdrop of continued economic turmoil in Europe.

Mr Speaker, no-one in our community can have failed to appreciate the social problems that Europe's economic woes are visiting upon ordinary citizens in economies more mature and diversified than our own. The political and economic problems we are seeing played out on our TV news screens each day manifest themselves dramatically across the continent, when school children in Athens faint because they have not eaten in days – or, without needing to go so far, civil servants not being paid in the neighbouring city of La Línea. What we certainly cannot afford to be is complacent, Mr Speaker, just because we have not seen such problems in Gibraltar. A collapse of the euro, or even the departure from the euro of one or more countries would have seismic effects well beyond any one country or the euro zone. As we have  
120 seen, sterling is not immune to the problems affecting the euro or the issues that have affected the dollar. Indeed, when sterling rises against a weaker euro our exposure to exchange rate variances becomes marked. What may be good news for cross-frontier workers who exchange their sterling wages to euro is not so good for retailers who see their goods rise in cost for euro purchasers. So we are certainly not insulated from what is happening in the more troubled economies around us.

125 But neither must we be cowed. That is why in Opposition, we raised issues about the creeping growth of our nation's gross debt and why we have a clear commitment to deal with gross debt and net debt levels, as we set out in our manifesto – something on which, Mr Speaker, I will have more to say later.

Mr Speaker in doing so, I am conscious that our tenure in office began on the 9th December and that therefore the figures that I will now present to the House represent eight months of activity under the  
130 previous Administration and four of ours.

Mr Speaker, Gibraltar's Gross Domestic Product for the financial year 2009-10 was £998 million and the latest figures prepared by the Government's Statistics Office indicate that GDP for 2010-11 was £1.050 billion. The forecast GDP figure for 2011-12 is £1.137 billion, representing an increase for the year of 5.1% in real terms.

135 Mr Speaker, these GDP figures are broadly in line with our published predictions in 2007, in our manifesto for that election, of economic growth for this period. The Government's comprehensive programme of changes and benefits, as outlined in our manifesto, have been designed to be delivered to our community with an economy that will grow from £1.1 billion to £1.65 billion between 2011 and 2015.

140 Mr Speaker, this continues to be our prediction of economic growth in Gibraltar, despite the continued European and global economic recession. I am therefore delighted to confirm that our manifesto programme is on track to be delivered as planned. It also shows, Mr Speaker, that once again we have been able, before the election and without access to all the data available, to predict with some accuracy where our economy would be and gives credence to the extrapolations for growth that we have predicted.

145 Mr Speaker, in terms of public finances, when this Government took office on 9th December 2011, the Government found itself with available Cash Reserves of just £20 million. This was despite the projected recurrent surplus for the year and healthy available Cash Reserves that have been reflected in the Approved Estimates Book for the year 2011-12. It was essential, Mr Speaker, that I put this information into the public domain, so that each and every citizen should understand the reality of the state of our public finances after the election.

150 It is also important, Mr Speaker, that the public should understand the difference between the economy as a whole and public finances – i.e., the Government's own financial position. An economy  
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160 can be growing, as ours is, whilst public finances, if not properly managed, can be under stress. That was the position in Gibraltar on 9th December. Cash advances made to Government-owned companies, which had been projected in the Estimates Book for 2011-12 to end the financial year at zero, had actually risen to some £87 million when this Government took office. Moreover, given the capital expenditure commitments already entered into, these advances were expected to rise further by the end of the financial year, i.e., 31st March this year, to around £100 million.

165 By way of illustration, during the last two financial years of the outgoing GSD Administration, capital expenditure funded through the Improvement and Development Fund was over £211 million. An additional £139 million of capital expenditure has been funded during these two years through the Government-owned companies. That is a total, Mr Speaker, of £350 million.

170 Incredibly, Mr Speaker, that is more than the total that was spent by the same GSD Administration in the Improvement and Development Fund capital expenditure in their previous 13 years in office. Such levels of capital expenditure have, of course, as we now know, only been possible through an increasing level of borrowing by the Government. This Administration is not prepared to continue to increase the level of public debt beyond existing prescribed borrowing limits and therefore had to stop work on many capital projects, which were clearly unaffordable without recourse to further borrowing.

175 That is why, Mr Speaker, our manifesto specifically provided, in clear and unambiguous terms, our approach to the reduction of national debt. Our manifesto provides on page 27 that in respect of gross debt:

180 'Our commitment is that Gibraltar's public debt will be brought down by half of its current level, whatever the current level is after the election, so that by the time of the next election in 2015 there will have been a 50% reduction. Gibraltar's gross debt is presently stated to be at £480,000,000.00 (almost half a billion pounds).'

185 In fact, Mr Speaker, as disclosed by the now Leader of the Opposition in the course of the Leaders' Debate on the eve of the election, gross debt on the day after the election was closer to £520 million and that is the figure we are working from – actually £518 million to be precise. In respect of net debt, Mr Speaker, our manifesto also provides that:

190 'Given that the policy is to have reserves available to meet the current expenditure, the definition of "net debt" introduced in 2009 will be changed so that from the balance of the Consolidated Fund a sum equivalent to 10% of recurrent expenditure will be treated as available to Government as a general reserve and not set off as available to reduce the gross debt to arrive at the hypothetical net figure. The Net Debt on this basis would be £37.7m higher currently, that is £253.5m instead of £216.5m, which is considered a more prudential policy.'

195 Mr Speaker, that is the process we are committed to and on which we are now embarked and the definition of 'net debt' that the Treasury now work to.

200 After the 8th December, the situation is now being brought under control, Mr Speaker. Gross Public Debt is now forecast to fall by just under one eighth or by some £68 million during this financial year, from £518 million to £450 million. The Net Public Debt is also projected to fall slightly during the financial year, thereby restoring the Cash Reserves available to the Government to a more prudent level of around £60 million.

205 Mr Speaker, the budget surplus for the last financial year 2011-12 was originally estimated at around £21 million. Revenue for last year is now estimated to exceed the original budget by around £58 million. The increase in revenue during the year has, to some extent, been due to the unprecedented level of Government's own capital expenditure, some of which ends up back in Government's own pocket by way of PAYE Income Tax and Import Duties; that is to say, the more the Government spends, the more in part that it collects. A further large increase in revenue during the year has been due to the increased level of Company Tax receipts, following the reduction and incidence of our Company Tax. However, this increased revenue stream will need to be monitored closely by the Government to see if the level of such revenue during this first year of the change is indeed sustainable going forward.

210 Indeed, Mr Speaker, in respect of corporation tax, the Government fully expects that the revenue will be down next year, as the figures for the year just past include some one-off payments arising from the change in systems of corporate taxation and some overstated income by some companies. Import duties have also been higher than expected and therefore very little growth has been built into these figures, as it may not be possible to see even a repeat of those numbers, let alone growth.

215 As regards Departmental Expenditure, this is now estimated to exceed the original budget by around £16 million. Consolidated Fund Charges, mainly comprising Public Debt Charges and Government Pensions are also estimated to exceed the original budget by some £4 million. Consolidated Fund expenditure for last year now includes a contribution to the Government-owned companies of around £28 million, which was required towards meeting the accumulated *recurrent* annual cash deficits in these companies as at 31st March 2012. The detail of this £28 million is as set out in page 140 of the Estimates Book under Head 44, Mr Speaker, and includes: £6.6 million of built-up recurrent annual losses on the

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running of Kings Bastion Leisure Centre, £1.6 million last year alone; £5.9 million of built-up recurrent annual losses on the running of the Gibraltar Bus Company, £2.1 million last year alone; £7.1 million of built-up recurrent annual losses on the running of Gibraltar Car Parks Limited, £2.8m last year alone; and £1.3 million of losses on the running of Gibraltar Air Terminal Limited for a few months this year. The annual running cost may be nearer £3.5 million, although we continue to work to reduce that.

That is to say, in summary, Mr Speaker, that the budget surplus has to be adjusted for the year ended 31st March 2012 to take the above variances into account and therefore produces a real surplus of £31 million.

Mr Speaker, moving on to the Revenue and Expenditure Budget for the current financial year, hon. Members will have noted that the layout of the Estimates Book for 2012-13 has changed in order to more clearly identify the Government Departments under each of the new Ministries. There is also the new Head of Expenditure for Contributions to Government owned companies, which, in order to avoid the situation I have just highlighted, provides funding to cover the estimated net *recurrent* cash deficits of these companies during the year. That means, Mr Speaker, that we will not have the problems I have just referred to again.

Hon. Members will have also noted that all advances to these Government-owned companies have been cleared at the end of the previous year. This has been done by way of the £28 million contribution from the Consolidated Fund that I mentioned previously, and by way of an increase in funding of Government companies from the Improvement and Development Fund from £15 million to £72 million. Last year Mr Speaker, the sum applied in that manner by the previous Administration was £34 million.

Mr Speaker, the Estimates of Expenditure for this Government's first year in office necessarily reflect a significant increase in spending, in order to address the many areas of the Public Service where there has been under-provision in previous years and where there is a clear need for further resources and for the delivery of our manifesto commitments. In particular, *these include our Health Service*, our Social Services, Education and Employment and Training and we have, in the main, identified in the manifesto the people have chosen, where and how those investments will be made in the coming four years.

Already this year in our Health Service, the nursing staff complement is being increased by more than 20, and the Government is looking into the reform and improvement of the Sponsored Patients Scheme, which works for some but often leaves the less well-off in a precarious situation when they are at their most vulnerable and away from home. I do have pleasure, however, Mr Speaker, in announcing an immediate increase of 50% on top of present rates of all sponsored patient payments in respect of sponsored patients who are disabled. That takes effect from today.

As regards capital investment in our Health Service, the GHA budget for works and equipment is being more than doubled to £2 million and this is in addition to an investment of £1 million to replace the entire fleet of ambulances and the necessary spending already announced trying to bring KGV into a more acceptable state, whilst the new facility is readied for occupation. Mr Speaker I will not say that we have inherited a lot of problems in our Health Services – although that is true and no doubt the Minister for Health will elaborate in his contribution. What I will say is that there are many problems inherent in the provision of Health Services for a community our size or indeed any community. Medicine is not an exact science – but our role as politicians in this House is to administer systems and finance to deliver the best possible care in the best and most efficient manner possible.

My view, Mr Speaker, is that there are structural problems in the provision of Health Services in Gibraltar today which are not dissimilar to those that there were in 1996, 1988 and probably in 1972 and 1969, i.e., whenever and despite the changes in Governments and Administrations. But there are problems today that were not there in 1996 and which can be resolved.

So, Mr Speaker, in that context I sincerely do believe that the Hon. Dr. John Cortes, although his doctorate is not in medicine, is exactly the right person to break the back of these perennial issues. His ability to communicate with all members of staff at the GHA is the key to delivering the patient experience that I am sure we all believe this community deserves. That is not to say that there will never be mistakes or people dealt with always perfectly – but that is what we will strive for; and whilst other countries are forced to consider new models for healthcare, we are able to remain committed to Health Services always being provided free at the point of delivery to entitled persons under the Group Practice Medical Scheme.

Our Social Services will also see an increase in staff complement, including the employment of more than 35 additional Care Workers and Social Care Workers and the Domiciliary Care programme is being extended. In that respect, Mr Speaker, I am delighted to have had the opportunity of recommending the appointment of Ms Sacramento to the Ministry for Social Services – something she has taken to immediately, as I knew she had the ability and character for, despite never having previously been a Parliamentarian.

In Education, a further 47 new teachers will be engaged by September 2012, and 29 Classroom Aides will be taken on as part of the fixed complement of the Department. The Scholarship budget will be doubled to around £10 million with all our school leavers with a place in university being fully funded, in

285 terms of tuition fees and maintenance grants. Postgraduate study will also be granted as a mandatory entitlement as is the case for first degree courses. My colleague, the Hon. Gilbert Licudi, will say more about the detail of that in his contribution later in this debate; as he will of the challenges facing us in respect of financial services and the other areas of his wide responsibilities.

290 In Employment and Training, the Government's investment in its 'Future Job Strategy' will ensure that our school leavers and university graduates, as well as all other members of our community seeking employment, are given an opportunity to get jobs and an opportunity to contribute to the growth of our economy. Who better, Mr Speaker – I have to be careful not to say too many nice things about him, otherwise he might pull me down – to look after unemployed resident workers than Mr Bossano who has given so much of his life to date to promotion of workers' rights. Already the number of residents in employment is steadily increasing – and I am sure that Mr Bossano will have more to say about all of this during the course of his contribution to this debate.

295 Despite this increased level of expenditure, Mr Speaker, the Government is projecting a surplus of around £17 million for the year. That is, Mr Speaker, targeted spending to deliver a better, fairer Gibraltar *and* a surplus at the end of it all, in the context also of a reduced gross debt and a reduced net debt based on a more prudent definition, as set out in our manifesto, and all recurrent company expenses paid. Of course, Mr Speaker, we could be less prudent and we could take recurrent company losses off balance sheet and provide for a higher surplus by borrowing more – but we will not do that. We will not fall into that trap.

300 For this year, Mr Speaker, Government revenues are expected to increase at least in line with GDP growth. However, the Government remains committed to limiting any increases in Government expenditure during our first term in office to below the growth of the economy. That is why we have calibrated expenditure and manifesto delivery as we have. Mr Speaker, the Government is in the process of re-structuring the public finances in order to reflect the many changes that are planned to take place during the lifetime of this Parliament. A few changes have already been made and have been incorporated in these Estimates. For example, the surplus in the Gibraltar Savings Bank will no longer be transferrable to the Consolidated Fund, but will be retained within the Bank to build up the Bank's Reserves. As already explained, importantly, the full effect of any deficits in the Government-owned companies are now fully reflected in the Consolidated Fund Recurrent Expenditure Estimates. Further changes include the planned reforms to the Social Insurance Funds, the expanding of role of the Gibraltar Savings Bank and further policies aimed at increasing available Cash Reserves even further. That, Mr Speaker, is the agenda for change that will be relevant in the life of this Parliament at Budget times to come.

305 Mr Speaker, in addition to the many Capital Projects which will be funded from the Improvement and Development Fund, as identified in the Estimates Book, the Government's capital expenditure programme for its first term of office includes numerous projects which will continue to be channelled through the established Government-owned asset-holding corporate structure. These include: the delivery of homes partly to be provided under a co-ownership scheme; the development of parks and car-parking facilities; new berthing facilities for locally resident boat owners; the replacement and modernisation of our bus fleet with more environmentally friendly vehicles more apt to our roads and our environment, as well as the renewal and modernisation of the Government's own fleet of vehicles for that purpose on a phased basis; and a beautification programme for all our existing housing estates, including continuing and completing refurbishments at Varyl Begg and Alameda Estate and external cladding in Glacis Estate, Laguna Estate and Moorish Castle Estate – the abandoned estates, Mr Speaker, and as more particularly provided for in our manifesto.

310 Mr Speaker, one of the biggest capital projects for the Government is the replacement of our three existing power stations. The Government did not consider that the previous Administration's plan to build a new power station at Lathbury Barracks, to run exclusively on diesel-powered engines, was the right choice for meeting Gibraltar's power requirements for the next 30 years. We were committed to any agreements that might have been signed before our election – but when we were elected, there was no binding agreement to build a new facility. The Government is currently finalising a review of a number of alternative options and locations, involving different technologies and financing models, and will shortly be making an announcement on a final decision on the way forward.

315 Pressure from environmental action groups telling us to decide sooner is understandable; but we must make the right decision not the fastest decision. The Government's choice of energy sources will reflect the Government's commitment to ensure that Gibraltar's carbon emissions are minimised, as well as minimising the noise pollution and emissions that affect many of the residential areas at present, and on both these issues, I am sure both the Minister for the Environment and the Minister for Utilities will have more to say.

320 I will add this, Mr Speaker: the power station proposed by the GSD Administration would have taken between 36 to 48 months to deliver; for that reason any power cuts in that period from 8th December are for the account of the GSD Administration that did not commission a new power station sooner – having known a decade ago that, by 2010, there would be critical failures in the existing facilities at Waterport –



345 and not, Mr Speaker, therefore, for the account of the responsible, forward-looking, environmentally  
 conscious Government that is taking steps to ensure the right combination of security of supply, reduction  
 of polluting emissions, noise nuisance and technological future proofing. The Government is also  
 350 exploring ways of reducing energy consumption and the use of solar energy for street lighting in  
 Government buildings. A number of projects are already in hand in this respect and both the Ministers for  
 the Environment and Utilities will have more to say about that later.

Mr Speaker, the Government is making a significant investment in the public sector. I have said  
 before and I make no apology for saying again, that the public servants I have had the benefit or working  
 with since the 9th December are brilliant Gibraltarians – sometimes failing in delivery, principally not  
 355 through lack of ability or motivation, but because of under-investment or because they were previously  
 not allowed to do their jobs. As the engine for growth for Gibraltar and facilitators for the private sector,  
 the public sector needs to be adequately resourced and systems of work in the public sector need to be  
 brought up-to-date for the benefit of everyone in our community.

It is appropriate for me to say here, that despite the pay freezes in the UK public sector, and as  
 foreshadowed in our manifesto, Civil Service pay will increase by 2.7% in 2012-13. We also remain  
 360 committed to a further increase in Civil Service pay of 2.9% almost 3% for the year 2013-14. The Civil  
 Service Review has begun and meetings are held regularly with the Chief Secretary and with me to make  
 sure we get that review right and that we move fast to address the concerns of public sector employees  
 and private sector clients; but Rome was not built in a day and we all prefer strong foundations for this  
 review and not flimsy, quick fixes. But the process continues apace.

In this respect, I want to acknowledge the work of the GGCA, Unite and the GTA in embarking on a  
 process that is fully consultative so that, from the grass roots up, we will have the input necessary to  
 develop a renewed and more efficient public service for our people and our businesses. This is not  
 imposition from the top; this is working together to deliver together. Good progress is being made, in  
 370 consultation and partnership with the trade unions who, together with the Chamber of Commerce and the  
 Federation of Small Businesses – who we will also be consulting as part of this process – we consider to  
 be our partners in this endeavour.

A start has already been made in the Government’s programme of ‘e-Government’, which will  
 transform the way business is done in and with many areas of the public sector. The Government is  
 375 committed to promoting as much interaction as possible between the citizen and the Government ‘online’  
 and enhancing the access and delivery of Government information and services to citizens and the  
 business community. That, Mr Speaker, is the interface of the future – and I must say that working with  
 our people in the Government’s IT Department is one of the things that I enjoy the most. I believe that the  
 citizen has much to gain from the ‘e-Government’ revolution and that our IT Department has much to  
 give.

In this respect also, the next few months will see the introduction of a modern computerised system at  
 the Customs Department. The business community will see a transition to a modern computerised  
 380 ‘paperless’ system, which will provide internet-based processing and clearance of imports and which will  
 simplify Customs procedures and documentation, consistent with international standards and best  
 practice. This ASYCUDA system, as it is known, has been worked on for some time – but was stalled  
 385 when it was just about to be introduced last year. We have allowed Customs to work hard to ensure that  
 the system was ready to be implemented this year.

It is this type of e-Government revolution that we are embarked upon throughout the public sector that  
 will make it possible for the citizen to interact with Government in the same way as the trader requiring  
 imports or exports will shortly be able to interact with Customs. I want to single out for special mention  
 390 in respect of the ASYCUDA system the work done by Mr Constantin Ciuta, Costi, as he is known, of the  
 United Nations Trade and Development Office who has been seconded to Gibraltar for two years to make  
 ASYCUDA a reality, with John Rodriguez, the Collector of Customs and his team. John has championed  
 this system and the benefits will reflect well on him and on his Department.

And if I may say so Mr Speaker, I would wish to say something at this point to all Customs Officers. I  
 395 have many friends in Customs, as I do in other Departments, and I understand the problems that have  
 been allowed to fester in that Department. We are embarked in talking to both unions that represent  
 officers and to unrepresented officers. Customs is not just the collector of much of Government’s  
 revenue; it is also a proud law enforcement agency with an increasingly important role to play.

When we were alerted to the dangers arising to officers in the area of the frontier fence, we have acted  
 400 immediately to re-enforce the frontier and to allow use of batons for protection. Working with officers  
 and listening to officers and believing in the future of Customs as a Department, this Government will  
 support the men and women in that massively important work that they do. In good faith, we can resolve  
 the issues that concern them all and deliver – as ever – a better service to businesses and individuals and  
 405 better working practices in a modernised working environment for officers. That is the challenge for all of  
 us.

Returning to the public sector more generally, work has also started in other areas of the public sector, including the establishment of a Central Government Counter Office alongside and in conjunction with the expansion of the role of the Gibraltar Savings Bank, which will take on board the needs of Gibraltar businesses and personal users. All of this is designed to make the public sector more responsive to the needs of the public it is designed to serve. The interface between the public sector and the private sector needs to work seamlessly – and that is the area where we will continue to work with unions, federation and Chamber until we get it right.

The Gibraltar Savings Bank will be opening its new main office building in Main Street in coming months. In addition to its banking services for the community, office counters will be provided within the Bank to enable the community to make use of centralised payment facilities for all Government services. More will be announced about the facilities that the Bank will make available to businesses and private citizens alike, when arrangements are finalised.

Moreover, as part of the continuing expansion of the role of the Gibraltar Savings Bank, the range of deposits offered by the Bank will be extended further. The Savings Bank already offers instant access and one month's notice deposits paying 2% interest; three-year Fixed-Term Debentures paying 3.5% interest; five-year Fixed-Term Debentures paying 5% interest; and an 'Accumulator Bond', which pays an increasing level of interest depending on how long the investment is held – from 2% in the first year to 11% in the 10th year. To complement this range of deposits which is currently available, new products and current accounts will soon be available with the Savings Bank. It is expected that these will be in place before the end of this financial year.

I move now, Mr Speaker, to my responsibilities for broadcasting and the media. Last year, Mr Speaker, the previous Administration announced £12 million of funding to move GBC to Rooke. The announcement envisaged Rooke coming into Government hands in the past financial year. That was never going to be realistic; and when it comes to GBC, Mr Speaker, we owe it to the professionals at GBC, as much as we owe it to the public, to be realistic, frank and honest. GBC is an essential part of our community. It comes into its own on important dates in the Gibraltar calendar: Miss Gibraltar; National Day; Election time. What would those occasions be like, without GBC to relay to all those not there in person what is happening 'live'? What would our community be like without a weekday 'Newswatch'?

But Mr Speaker, GBC is at the same time failing our community. Some events that are crying out to be transmitted live, or at least recorded and shown later, never make it to our screens. Yet how can they, if GBC's Outside Broadcast facilities are decrepit and no investment in them has been made in years? Quality of reception is sometimes atrocious – but that is more often than not unrelated to GBC itself and arises from the vagrancies of the various cable networks that operate in Gibraltar.

Mr Speaker, GBC is one of our national treasures, and much as we need it, much as we love it, we also love to criticise it – sometimes fairly; sometimes unfairly. I, Mr Speaker, am a fan of GBC and I make no apology for that. I appreciate the work that the people at GBC do. And I, like the rest of our community, demand more from GBC. What we certainly cannot do is expect GBC to perform without resources. But what we as a community cannot be expected to do is pump in resources without limit to get the same as we had before.

I sincerely do not believe that GBC should be transmitting old series of 'Fishing in Florida' filmed in the 1980s, or some such unwatchable material. Local programming is what GBC is there for and local programming is what the public want. Yet for the past 16 years, it seems to me that GBC has been allowed to fester in a time warp of ancient resources and very large subsidies that are never enough and amount to under-funding.

£12 million to go to Rooke, when Rooke is finally available, is not the answer. Instead, we believe a new model of professional development for staff and of funding had to be found. Perennial problems had to be resolved. Again, Mr Speaker, Rome was not built in a day, but after years in the wilderness, GBC is finally starting to move forward. As a result of additional funding from the Government, the long-standing problem of poor staffing levels has been addressed and a number of additional employees recruited. These have strengthened the radio, news and television departments in particular.

There are still deficiencies in engineering and administration that are being considered. A new Chief Executive Officer (Designate), Mr Gerard Teuma, was appointed in February, and will fully take on the reins of the Corporation next April. However, he is already working towards introducing immediate improvements in programming and internal operations, while identifying solutions to problems that have blighted Broadcasting House, in some cases, for decades.

I want to thank Mr Alan King for the work he has done as CEO. We have already published in full his report into GBC, as we were committed to do. His contract expires next April when the CEO designate takes over. But even in the manner and timing of the appointment of Mr King we believe that there were errors and failures. Appointing Mr King took too long. GBC was without a General Manager for too long and, importantly, through the 2007 General Election that caused the Corporation to be headless for longer than is, in our view, conducive to progress – despite the best efforts of the Quartet of management at the time. A specialist Human Resources firm has now been contracted by GBC, working with management

towards the introduction of internal rules and procedures, which until now have been practically non-existent and which are essential to the modern workplace.

470 The Government understands that it is the intention of management to complete phase one of this process within this financial year. The Government is also assisting GBC in a temporary refurbishment programme at Broadcasting House, which at present, can best be described as ‘not fit for purpose’. But that is an interim solution. If there is one thing on which we agree with members opposite, it is that South Barrack Road should not be the home of GBC for much longer. Rooke will be, when handed over, an asset of enormous financial significance and for potential economic growth. In the very centre of the western reclamations, we do not believe it should be the new home for GBC. But GBC does need a new home and closer to the city centre.

480 As a result, GBC and the Government have identified and are presently exploring adapting the Ince’s Hall to be a new media centre for Gibraltar. This will allow for much more modern facilities to be developed in an area much more accessible to the public. Design work is presently being undertaken. This will, of course, require that the Ministry of Culture be found a new home, which will be at City Hall; and the relocation of some of the drama groups that presently occupy parts of Ince’s Hall. The location is perfect to allow GBC greater flexibility in recording and transmitting events from Ince’s Hall and John Mackintosh Hall – not least elections, plays, meetings – exactly what local programming is made of.

485 The additional funding made available this year, ahead of the proposed move to Ince’s Hall, and the new CEO’s appointment have already allowed a revamp of Radio Gibraltar’s programming, including an improved local news service. Today, *coinciding with this Budget*, GBC Online has also launched an upgraded and greatly expanded local news page, as well as a new Community zone on the GBC website. Dedicated station Apps are also in development. Since March, GBC Television has introduced new programmes and has provided enhanced coverage of local events.

490 It must be pointed out that television, in particular, is expensive, but I am assured that GBC TV is deploying all resources to ensure the best possible local television can be provided, within the resources available. I am informed, Mr Speaker, that several new series will be screened during the summer, ahead of the autumn schedule being rolled out in late September, which will comprise circa 70% of local programming. GBC management is confident that with additional resources and opportunities, GBC Television, Radio and Online will continue to improve as work now starts in earnest to transfer all services from South Barrack Road to the proposed new media centre in the city centre, which is already in design. This will be for the benefit of Gibraltar’s very patient viewing and listening public, as well as for GBC’s very hard-working and at times unfairly criticised staff.

500 But that is not enough to really shake up and change the present model of public broadcasting in Gibraltar Mr Speaker. The future funding for the Corporation should not, however, be forever from the public purse if possible. Neither should GBC be funded from advertising given its privileged position as currently the only local broadcaster; although we note the emergence of one internet TV station, Your Gibraltar TV.

505 That is why, Mr Speaker, we have been in discussions with an international media group and with GBC to develop a new business model for the future. Given Gibraltar’s competitive corporation tax and our tax treatment of royalties, as well as ‘soft’ issues, such as our climate and bilingual population, the Government and the management of GBC believe that Gibraltar could be a very attractive proposition for international media companies to locate the production of music, television series and feature films within the jurisdiction. Hon. Members will know that many other jurisdictions have promoted themselves very successfully for this purpose without having a low rate of tax, beneficial treatment of royalties, the sun and a bilingual pool of labour. The staff of GBC would greatly benefit professionally and I am sure would be very excited at the prospect of being involved in international productions, alongside their continued local output. Local viewers will no doubt also benefit, if our GBC professionals are exposed on a regular basis to international productions.

515 For that reason, the Government has worked with GBC management to develop a proposed Joint Venture with established professionals in the media industry who would be able to attract the businesses needed to make the venture a success. The process to be followed will require an amendment to the GBC Act in order to allow the Corporation the ability to form part of the Joint Venture. The Government exposure, should the venture proceed, will be to assign to GBC land – initially at no cost, but with a commercial rent to follow later. That property would be contributed by GBC to the Joint Venture, which will then develop a studio to international standards, backed by a full order book for the first year of productions.

520 The aim is threefold: not just to give GBC staff greater opportunities in the international media exposure and development; but also, secondly, that the revenue from the Joint Venture should become GBC’s sole source of funding, thereby no longer being a draw from the Government’s revenues or, equally importantly, competing in the advertising market with other media and being totally financially independent; and thirdly that the international standard studio facilities should also be available for GBC

530 productions where necessary. There are draft Heads of Terms proposed and being finalised, although some aspects of these are still subject to negotiation.

For example, amongst other things which are presently being discussed, Mr Speaker, GBC will insist in having a Golden Share or ultimate control or veto over the material produced at the studios on the grounds of public morality, public policy or public interest; and the value of the contribution of the land for the development must be valued and provided for in the balance sheet of the Joint Venture. The CEO and the CEO Designate of GBC and I will soon be starting a process of addressing and briefing the staff of GBC of what the proposal entails and why we believe it is a potential ‘win/win’ for all parties – in particular the professionals at GBC, the viewer and of course, the taxpayer.

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540 Finally, in respect of GBC, last year we heard all about the investment that the previous Administration was going to make in taking GBC ‘digital’. In fact, when we have been elected, we have found out that nothing had been done to fund or progress the change over to digital. The change over to digital is no longer a matter of choice, Mr Speaker. At an EU and international level, we have been parties, via the Gibraltar Regulatory Authority, as the previous Administration was aware, to negotiations which require GBC to shut down its analogue signal by 31st December 2012. On 1st January 2013, these frequencies will be taken over by broadcasters from the Kingdom of Morocco. So the position we have inherited, when we have been elected, is that nothing had been done to change over to digital and if we do not achieve it by 31st December this year, there will be no broadcasting at all from GBC, neither analogue nor digital.

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550 We have had to move fast to rectify this and the Gibraltar Regulatory Authority, as the network regulator, has begun the unenviable task of providing a digital network in record time. We are confident that the mechanisms are now in place to – by the skin of our teeth – manage change over by the required time.

In respect of other media, Mr Speaker, where the Government is not involved in direct subsidy funding as with GBC, the position is going to be clear for this Government. Every media organisation will be treated equally and fairly. There will be no favourites and no subsidised funding of free party political propaganda organs by the Government. Government advertising will be spread equally and fairly.

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560 Mr Speaker, taking my cue from the references I have just made to Rooke in respect of GBC, I am happy to report that we are engaged with the MOD in continued discussions in respect of the lands deal already agreed with the previous Administration. But the most important aspect of those discussions for us is not land, Mr Speaker; it is the people who make up the locally employed civilian workforce of the Ministry of Defence in Gibraltar and their security of employment. Those are our main concerns and we will work hard to protect all posts of employment beyond 2017.

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570 The reductions being visited on the MOD throughout its establishment are brutal. In Gibraltar, we will all no doubt have been heartened to read those parts of the Overseas Territories White Paper which set out the UK’s commitment to the defence of all Overseas Territories. That cannot, Mr Speaker, just mean a Forward Mounting Base for operations beyond Gibraltar. The MOD cannot, and I believe does not, believe it can mothball its operations in Forward Mounting Bases and have a caretaker employed to open up when they are needed; nor do I think that any military man needs to be persuaded of that or of the strategic importance of Gibraltar going forward, as threats change and become less certain. That is why we are engaged with the unions, both GGCA and Unite, in working together in our approach to preserve as many MOD jobs as possible, something on which I am sure the whole House will be united and will want to be seen to be united.

575  
Indeed Mr Speaker, in respect of my responsibilities for Industrial Relations, I am delighted to be able to report that my Government enjoys a positive relationship with all unions. With Unite, of which I am a member, I have only recently returned from addressing their policy conference in Brighton where I had a chance of meeting General Secretary Len McCluskey and inviting him to Gibraltar. The Regional Committee – what used to be the District Committee of Unite – meet regularly in my office and we have *ad hoc* meetings when necessary.

580 Dialogue is the key. We may not always agree on everything – but we always agree to talk about everything to try to avoid disagreement, if possible.

585 With the GGCA, I maintain also an excellent and close working relationship. The Civil Service Review in many respects engages more aspects of what the GGCA and GTA memberships do than in respect of Unite, which has a wider reach across employers in our economy. For that reason, the GGCA committee and I have resolved to meet regularly – weekly, in fact – to deal with any issues that are being thrown up by the review and to remove any barriers to progressing the review.

590 The GTA meet more often with the Minister for Education than they do with me – but I, as much as the Minister for Education, are engaged in the ‘social partnership’ model of industrial relations with this important representative body of teachers’ opinions and views. Without imposing our views on anyone, in discussion and consideration we therefore extend the collegiality of inter-ministerial relations to our positive industrial relations with all those representative bodies. And all were encouraging and supportive

of our returning the Workers' Day holiday to 1st May and the grant of the closest long weekend to the end of April to commemorate Workers' Memorial Day: a measure of which we are justly proud.

Mr Speaker, I now turn to the specific Budget Measures.

595 Mr Speaker, in line with the Government's manifesto commitment to encourage and reduce the cost of doing business in Gibraltar, the discount for early repayment of Rates for Offices, Workshops, Construction and Manufacturing Industries, and Transport and Distribution Industries, will be *increased from 5% to 10% with effect from 1st July 2012* – a discount, Mr Speaker, for responsible businesses who pay on time.

600 For new companies starting up business in Gibraltar, there will be *a discount for early repayment of Rates of 50%* for their first year of trading – Rates halved to encourage start-ups; the best incentive for entrepreneurs.

605 In addition to this, the Government has already announced that for bars and restaurants, the discount for the early payment of Rates will be increased by a further 20% to 40% between 1st October 2012 and 30th September 2013 and to 30% between 1st October 2013 and 30th September 2014, in order to assist in the introduction of the smoking ban. This will extend to casinos.

610 Mr Speaker, Salt Water Charges which currently form part of the General Rates, will be abolished with effect from 1st October 2012. As regards Domestic Rates, Mr Speaker, the discount for early payment will be maintained at 10%. However, domestic rate-payers will also benefit from the abolition of Salt Water Charges, with effect from 1st October 2012.

As a consequence of the abolition of Salt Water Charges, there will also be a corresponding reduction in Government House Rents. This is because Salt Water Charges are currently included and collected as part of Government House Rents which are and will remain frozen.

615 In this respect, this Budget will not just deliver this advantage to Government housing tenants, but it will also be good for homeowners, as all homeowners with a mortgage over property in Gibraltar will be eligible for relief. Those who pay mortgage interest over property in Gibraltar, whether they are on the Allowance Based System or on the Gross Income Based System, all will benefit. In order to further assist home owners with the purchase of their homes, therefore, with effect from 1st July 2012, Mortgage Interest Relief under the Allowance Based System will be increased by £50,000 from a maximum today of £300,000 to £350,000 in respect of property in Gibraltar. Tax-payers under the Gross Income Based System will also benefit from a deduction from their assessable income of their Mortgage Interest payments, up to a maximum of £1,000 in respect of property in Gibraltar.

620 As a further measure to reduce the cost of doing business in Gibraltar, electricity and water charges will not be increased. The 3% increase in electricity charges announced by the previous Administration in the last Budget, which was due to have been introduced sometime during last year, will also not be proceeded with. Electricity and water charges will not be increased for domestic consumers either and the Annual Pensioners' Utility Grant, applicable to persons aged 60 years and over, will be increased from £60 per annum to £75 per annum, with effect from 2012.

625 In order to stimulate the retail sector in Main Street and Gibraltar generally and in order to make Gibraltar a more attractive destination for shopping, the following Import Duties will be reduced, with immediate effect as from midnight last night:

- Portable Computers, including Laptops, Net books, and Tablet PC's and Memory Cards will go down from 6% to 0%;
- Perfumes, Beauty and Make-up preparations from 6% to 3%;
- 635 • Televisions from 6% to 0%;
- Hi-Fi and other electronic or electrical audio or visual equipment from 6% to 0%;
- Clothing and Footwear from 6% to 3%;
- Watches from 6% to 3%;
- Jewellery from 12% to 6%;
- 640 • Mobile Phones from 12% to 6%;
- DVD's and CD's from 12% to 0%.

645 These measures are designed to keep Main Street competitive, to maintain and enhance Gibraltar's attraction as a shopping destination and to promote locals buying from local establishments instead of online retailers. We will therefore be keeping a close eye on how prices are affected by these decreases, to monitor whether reductions are being passed on to consumers or pocketed by retailers.

650 Further, Mr Speaker, in order to continue to promote Gibraltar as a place to do high tech business, with immediate effect, import duty on computer software is reduced from 6% to 0% as from midnight last night. Moreover, in order to promote the use of Gibraltar as a jurisdiction for the creation and ownership of intellectual property, the import duty on equipment for production of sound or video recordings in the music, television or cinema industry which may not already be covered by the reduction of rates in respect of hi-fi and electronic goods is also reduced to zero with immediate effect.

In order to promote the use of renewable energy sources and reduce our dependence on fossil fuels in Gibraltar, the import duty on biofuels will be 0%, with immediate effect. Further, in order to promote the

655 acquisition of hybrid vehicles, the import duty on these when imported via licensed motor vehicle dealers in Gibraltar will go down from 8.25% to 6.25% which is the present rate, depending on cubic capacity, to a flat 2% across the board. *Moreover*, upon registration of a hybrid vehicle, the purchaser will receive £500 cash back – a tax cut and cash-back incentive to purchase hybrids.

I have said already, Mr Speaker, that the Government is looking at such vehicles for its fleet and we hope that this measure will encourage consumers to consider hybrids also; not just because of the saving on fuels, but also because of the savings on import duty and the cash back on registration.

660 That is not the only measure designed to promote a more environmentally friendly society. Despite the increased use of computers, offices still use very large amounts of paper in this paperless age. Therefore, as from midnight last night, import duty on recycled or approved environmentally friendly or eco-paper – that is, paper from renewable forests – will be reduced from 12% to 0%. Any stationery made predominantly from recycled materials will also not attract any import duties. By taking these items out  
665 of the general tariff of import duties, the reduction in the rate is of 12%.

At present, Mr Speaker, vessels with a gross tonnage of less than 80 tons are subject to import duty at 12% and there is no import duty on vessels with a gross tonnage of 80 tons. In order to stimulate the use of Gibraltar by vessels of this ‘superyacht’ category, with immediate effect these vessels will be reclassified into ‘seagoing vessels of over 18 metres in length’ which will not be subject to any import  
670 duty. Vessels under 18 metres in length will be subject to an import duty reduction of 50% from 12% to a reduced rate of 6%.

Mr Speaker, in order to simplify the administration of the collection of import duty on cigarettes, the current import duty of £2.48 per kilo is abolished with immediate effect. This is replaced by a  
675 corresponding increase in import duty of 45 pence per carton of 200 cigarettes. A further increase of £1.00 per carton will also be effective immediately, bringing the total duty per carton to £9.45. This represents an overall increase in import duty on cigarettes of 10p per packet. Mr Speaker, it is no secret that raising the price of this commodity is as all Members will know, sensitive; but it is the right thing to do in support of our agenda to stop smoking in enclosed public places.

Mr Speaker, the Government is committed to reducing the level of personal tax down to no more than  
680 15% for *every taxpayer* in Gibraltar on the Allowance Based System by 2015-16. As a first step in this direction, the following reductions in income tax will apply, with effect from 1st July 2012. For those taxpayers who have chosen to pay income tax under the *Allowance Based System*, the income tax rate on the first £4,000 of taxable income will be reduced from 17% to 15%. This measure will benefit approximately 4,500 taxpayers. Any taxpayer under the Allowance Based System with earnings of £9,000  
685 or less will not have to pay any income tax at all; a measure, Mr Speaker, that takes even more people out of the tax net than ever before.

This will be done by extending the Low Income Earners’ Allowance. This will affect over 500 of the lowest paid in our economy and will, I know, be widely welcomed by workers’ representatives. Next  
690 year, that figure will increase again to £10,000, so that we will take even more of the lower paid out of taxation. Mr Speaker, that will affect an additional 600, based on today’s computations. And further Mr Speaker, as from this year, over 2,600 taxpayers with taxable earnings between the zero income tax threshold of £9,000 and £19,500 will benefit from ‘taper relief’ in order to smooth out their tax liability between income tax bands.

Mr Speaker, since we have been elected, young people who were on what was known as ‘the scheme’  
695 have, as you will know, been put on the minimum wage as part of the Future Job Strategy. That includes disabled people who were on ‘the scheme’ and some who are now in the Future Job Strategy. Mr Bossano will say more about the success of the Future Job Strategy today.

One particular aspect to refer to at this stage is that since we were elected, a disabled person who  
700 secures employment no longer has their Disability Allowance removed from them completely – as was the case before. Instead, the Disability Allowance is removed on a staggered basis *and 25%* of it remains payable indefinitely and is not withdrawn. That is progress in the right direction for disabled people and goes beyond even what we set out to do in our manifesto and said that we would do.

And we are going to go even further still, Mr Speaker. As from this year of assessment, the Disabled  
705 Individuals’ Tax Allowance under the Allowance Based System will be *extended* to provide an allowance against the earned income of a disabled individual. This additional Earned Income Allowance will be on top of all existing tax allowances on the Allowance Based System and is designed to bring any disabled individual who is in receipt of whole or part of Disability Allowance paid by the Department of Social Security, as provided for in section 7A of the Income Tax (Deductions and Exemptions) Rules 1992 and is in employment *entirely out of taxation*.

710 All disabled individuals who are in employment will therefore be substantially better off than they were before. And both for those who are in employment and those who retain part of the Disability Allowance despite being in employment, I am delighted to be able to announce adherence to another one of our manifesto commitments, namely, to increase the Disability Allowance by the rate of inflation.

715 The Disability Allowance was last increased on 1st July 2007 and stands presently at a rate of £304.50 per month. Using the April figure for the Index of Retail Prices since that date, that sum has gone down in money terms by 16%. Applying those figures Mr Speaker, the Disability Allowance will *increase* to £353.22 as from the next payment after 1st August this year.

720 In addition, Mr Speaker, the import duty on any vehicle which is adapted for the use of a disabled person is hereby abolished. All disabled people in Gibraltar will therefore be better off after this Budget – a real commitment to deliver real change for our disabled people reflected already in our first Budget.

725 Mr Speaker, it is important to also stimulate the continued refurbishment of our city by property owners, many of whom presently pay tax under the Gross Income Based System. Under the Allowance Based System, a taxpayer who has an interest in a building situated in Gibraltar may claim a deduction from his/her assessable income in respect of approved expenditure incurred on painting, decorating, repair or enhancement of the frontage. Once approved by the Town Planner, this deduction is in the full amount of the spending incurred.

730 In order to encourage the beautification of buildings in Gibraltar owned by taxpayers who are taxed under the Gross Income Based System and who are therefore unable to benefit from the deduction that is available under the Allowance Based System, I now introduce a deduction from their assessable income up to a maximum of £5,000 in respect of approved expenditure incurred on painting, decorating, repair or enhancement of the frontage or façade approved by the Town Planner. This new tax benefit will be introduced for expenditure incurred with effect from 1st July 2012.

735 In order to encourage the use of medical insurance, which in some ways relieves pressure on the GHA, with effect from 1st July, the maximum annual tax relief on Medical Insurance contributions, under the Allowance Based System, is increased from £1,120 to £1,500.

This will also be a good Budget for parents of children of nursery school age. The Nursery School Allowance currently stands at £1,023. Taxpayers can claim this allowance in respect of any of their children who are at least three years of age and who attend private nurseries in Gibraltar.

740 With effect from 1st July 2012, the Nursery School Allowance on the Allowance Based System will be doubled to £2,000 and will be extended for all children of pre-school age who attend private nurseries in Gibraltar.

745 This Budget will also deliver to pensioners over the age of 60 with non-pension income. An occupational pension approved by the Commissioner of Income Tax payable to a person aged 60 or over is currently taxed at 0%. The pension is nevertheless taken into account for the purpose of establishing the taxpayer's total assessable income, resulting in any income earned in addition to their pension being taxed at a higher marginal rate. All such occupational pensions will now be exempt from income tax altogether. This will mean that pensioners who have to get a job in order to supplement their pensions will benefit from a significant reduction in income tax on such earned income. This measure will be backdated to 1st July 2011.

750 Under the Allowance Based System, the contributions to Approved Personal Pension Schemes and Retirement Annuity Contracts, as well as the tax relief on such contributions, is limited to the lesser of 20% of earned income or £35,000. With effect from 1st July 2012, although the tax relief on such contributions will remain at current levels, the annual limit or 'cap' on the contributions into such pension schemes will be removed.

755 Where contributions in any one year are below the maximum tax relief that can be claimed for that year, a 'one-year carry back' facility will be introduced enabling members of such pension schemes to top up any unused tax relief for the year, based on contributions made to the pension scheme during the preceding tax year, provided that no tax relief has previously been claimed in the previous year on those contributions.

760 On that front, one other issue that featured prominently during the General Election campaign was the future of Community Care. The GSD denied that they had any intention during that campaign of replacing Community Care by making payments through the Government Social Security system. In his New Year Message for 2010, the Hon. the Leader of the Opposition said that Community Care represented:

765 'a financial time bomb ticking under our children and grandchildren in the future, for which they cannot have recourse to the UK.'

770 He added that he was:

'not willing to bequeath this potentially lethal legacy of a massive and unaffordable backdated claim to our future generations'.

He said that therefore, in the 2010 Budget, he would:

775 'introduce significant reforms to protect Gibraltar from this possibility,'

adding that the

‘reform will not result in financial loss to our pensioners or recipients of Community Care.’

780 In fact, in his 2010 Budget Speech, the Hon. the Leader of the Opposition, then the Chief Minister, did not say a word about those significant proposed reforms.

In his 2011 Budget Speech, he said only that as from this year:

785 ‘Community Care payments would become a statutory right and will be paid in conjunction with old age pensions.’

I therefore now call on the Leader of the Opposition to make public in his reply to my speech in support of this Bill in Parliament today, the proposals that he said he was going to introduce in 2010 and which he again referred to in 2011 and the reasoning behind them. If he feels these should not be aired in this Chamber, I invite him to write to me privately and set them out as soon as possible.

790 If these are, as he claimed, capable of protecting all existing and future resident pensioners and giving us better protection from the claims of outsiders, we shall be glad to support them as we have always said we would. That is our style of Government – to seek what is best for Gibraltar and not just insist that we are right. What would be unforgivable is to have such an alternative, if it does indeed exist, and not bring it forward because the GSD lost the General Election.

795 We are committed to renewing the funding to Community Care to make it independent and self-sufficient as it was in 1996 and is not now, but we are prepared to consider the hon. Member’s alternative – if there is one – before we proceed with ours.

Mr Speaker, back to Budget measures. No increases in Social Insurance Contributions will be made this year.

800 But Mr Speaker, the minimum wage was first introduced by the GSLP after we were first elected into Government in 1988. That made Gibraltar an early adopter of the principle of a salary floor, an even earlier adopter of that principle than the United Kingdom, where the concept of minimum earnings per hour was not provided for in legislation until 1998 – a whole decade later.

805 Mr Speaker, in our manifesto we committed to keep the minimum wage under constant review. The statutory minimum wage was last increased on 1st January 2011 from £5.00 per hour to £5.40 per hour. This was announced as part of the 2010 Budget.

The Index of Retail Prices increased during the period 1st January 2011 to 31st July 2012 – 19 months – by around 5.8%. This means that the value of the pay packet of a worker on the minimum wage has decreased in real money terms by an equivalent percentage.

810 With effect from 1st August 2012, the statutory minimum wage will be increased in line with inflation, from £5.40 to £5.70. To businesses, Mr Speaker, this is not a cost in real terms. To working people on the minimum wage, this will be a real increase in real terms! And I know that this measure will be welcomed by workers’ representative groups as we bring the standard of living of the lowest paid in our economy up, in line with inflation.

815 It should not be lost on anyone, Mr Speaker, that the Future Job Strategy makes the Government itself the largest single employer of persons now on the minimum wage, since our election. This increase will therefore also further benefit those on the Future Job Strategy. Those who were previously on the ‘Scheme’, run by the previous Administration, will therefore benefit from their second pay rise this year.

820 Finally, Mr Speaker, before I sit down, I want to thank the staff of the Treasury and the Ministry of Finance and including the Commissioner of Income Tax and his staff and the Financial Secretary for their work on this Budget. As the Hon. the Leader of the Opposition will know, a few words uttered by a politician in this place as a ‘budget measure’ require many calculations in those Departments to work out cost and affordability.

825 I want to thank Mr Dilip Dayaram and Mr Frank Carreras for their work with me and my team of Ministers on this Budget. I should also like to thank all Public Servants of Gibraltar, without whom the machinery of Government cannot operate.

In particular Mr Speaker, thanks to you and to the Clerk and staff of the House for the work you have done in implementing our reform agenda to date, including the monthly meetings and the quicker delivery of *Hansard*.

830 Very special thanks also to all the staff of No. 6 Convent Place; especially the team that works on my floor of the building and keeps me working, smiling and sure that nothing that anyone can throw at Gibraltar will ever get the better of us.

835 Mr Speaker, from the moment that the General Election was announced and our candidates declared, the 10 of us sitting on this side of the House have been a team. We work as a team and we support each other as a team. I do not pretend to be anything other than the equal to all the other Ministers on these benches, even though we all have differing responsibilities.



840 So I want to thank my ministerial team, all of them: the novice Parliamentarians, the more experienced hands and the most experienced hand, the Father of the House, for their support in the past seven months to the day since, at first light on 9th December last year, we became the Government of Gibraltar. In particular, I want to thank the Deputy Chief Minister for his support at No. 6, where we work together in ensuring delivery of our manifesto commitments.

I should also say, Mr Speaker, that it is one year to the day since I married. Last year, I might not have expected to rise today, on the date of our first anniversary, to move the Appropriation Bill, as a father and as Chief Minister. What a year it has been and what a pleasure it is to move this Bill!

845 Because, Mr Speaker, this is a Budget that balances the books by filling a £100 million hole in borrowing from some Government companies and settling the outstanding recurrent expenditure of other Government companies. It provides support for the lowest paid in our economy by taking them out of taxation and increasing the minimum wage. It provides incentives for greener living, and promotes and protects disabled people by exempting their earned income from taxation and raising the Disability Allowance.

850 It delivers tax advantages to a large number of taxpayers and complies with our manifesto commitment to reduce tax on the Allowance Based System, whilst going beyond our commitment to maintain the Gross Income Based System by allowing deductions against income to taxpayers on that method of assessment.

855 Mr Speaker, this Budget delivers for businesses too. It keeps the Social Insurance burden static – which means it is, in effect, reduced in real terms by the rate of inflation, since it was last raised. It delivers important import duty reductions for the retail industry and it provides for discounts on rates and eliminates the previous Administration’s 3% rise in electricity costs.

860 Mr Speaker, this Budget provides for pensioners by the exemption of pensions from tax computations and for working families by the increase in the nursery allowance and raising the cap on mortgage interest relief.

Mr Speaker, a Socialist Liberal Budget, delivering social justice for our nation. I commend the Bill to the House.

865 *(Applause)*

**Mr Speaker:** The Hon. the Leader of the Opposition.

870 **Leader of the Opposition (Hon. P R Caruana):** Mr Speaker, it is an honour for me to rise to deliver my 22nd Budget Speech, of which 16 have been as Chief Minister and, with this one, six from the Opposition benches, all but one as Leader of the Opposition.

875 May I start, Mr Speaker, by thanking the Chief Minister for postponing this debate, and also all other Members of this House who have extended their condolences, following the death of my father-in-law, J E Triay, last week. In paying my own tribute to him, I would highlight three of his many qualities which stand as a monument to the fine man that he was: he headed a very large extended family and kept it, and every one in it, as one very close family; he was universally respected by his colleagues in the legal profession as a lawyer of huge intellect, integrity, skill and comradeship; and thirdly, he earned and kept the respect of all whom he dealt with in all walks of life – even, perhaps especially, those who disagreed with his views, and with whose views he disagreed.

880 I have to admit, Mr Speaker, that I had forgotten how easy and different life looks from this seat! When one does not have the responsibility of governing, critical comment is absolutely free of charge. Hon. Members on the Government benches who were in Parliament before, will I am sure already have discovered the difference.

885 This Opposition will never make political capital against the Government, nor indulge in ‘free of charge’ critical comment at Gibraltar’s expense or without a clear foundation in truth. That said, nor will we allow the Government to equate its own political interests with Gibraltar’s interests, so that criticism of the Government is equated with damage to Gibraltar’s interests. We can and will get this balance right and this, too, is an important contribution to a new way of doing politics in Gibraltar.

890 Mr Speaker, although clearly I disagree with a lot of the things that he has said in it, I nevertheless congratulate the Hon. the Chief Minister for finding himself in a position to give a Budget Speech from that side of the House. I regret that nothing, particularly the more critical comments, of the previous Government that he has said is new and simply amounts to a regurgitation of the stuff that he has said repeatedly during the election campaign and some of it after the election campaign too.

895 Mr Speaker, older Members and listeners will recall the so-called ‘Big Lie’ Elections of the 1970s – so-called because it was fought on the apparently false accusation by his opponents that Sir Joshua Hassan was in favour of a leaseback arrangement for our Sovereignty.

Well, Mr Speaker, I think we have just had another 'Big Lie' Election. But this one involved not one but two Big Lies: a Big Lie about the state of public finances; and a Big Lie of undeliverable electoral promises.

900 The reality is that the GSD left Gibraltar and the new Government a 'Golden Political and Economic Legacy' which the new Government will struggle to match, but which at the very least they must not squander. Gibraltar will never forgive them.

905 Nor will systematically to taint and talk down that GSD legacy, as the new Government tries to do obsessively, suffice as justification for their predictable and predicted failure to deliver the undeliverable promises with which they won – without an overall majority – this Big Lie Election.

910 Mr Speaker, the new Government's position was, before and during this latest Big Lies Election, has been since and remains now riven by contradictions which betray the manner in which they have sneaked their victory. Indeed, this Budget has had to resort to presentational trickery to enable the Government to try and reconcile some of those political contradictions. (*Interjection*) All will be revealed, you should not worry! (*Laughter*)

Mr Speaker, properly presented, this year's recurring annual expenditure budget surplus is around £55 million, that is to say, precisely the huge record surplus which we predicted, and *not* the still excellent £31 million disclosed in the Budget book, as drawn up by the hon. Members.

915 Mr Speaker, during the next few minutes – an hour or so – I shall consider further and illustrate these opening remarks and others that I shall make in a similar vein.

So what is the first Big Election Lie? That public debt is too high and unsustainable, and Government finances are not as healthy as the GSD Government pretended.

920 Mr Speaker, there is no known system for the economically literate measurement of public debt under which Gibraltar's public debt can honestly and intelligently be said to be too high. You can prefer to have a lower debt, if you want. You can prefer to have no debt at all, if you want. You may be the sort of person that worries about owing money to anybody and never have any debt, and that is fine too. But none of that equates to the current level of debt being too high.

925 By all known measurement systems of public debt, it is in fact *low*. As this House will recall, City of London financial experts interviewed by GBC confirmed publicly, after last year's Budget debate, when the Hon. then the Chief Minister, then the Leader of the Opposition made similar remarks.

Let's review the matter by reference to appropriate, truthful and economically informed criteria.

930 Firstly, the law of Gibraltar *limits* the amount that the Government can borrow – that is to say, it establishes a maximum permissible public debt, *precisely* so that the public debt does *not* get too high and unsustainable. Since Gibraltar's public debt has never been higher than permissible by its laws – despite inaccurate statements to the contrary by the previous Leader of the Opposition, now the Chief Minister to that effect, at last year's Budget – since Gibraltar's public debt has *never* been higher than permissible by its laws, which exist in order to make sure that the public debt should not become too high or unsustainable, it is therefore necessarily nonsense to say that Gibraltar's public debt is too high. Unless  
935 what the hon. Member is saying, is that the law sets the target too high because the limit is too high. Because if the law sets the limit at this level, in order that the public debt should not get too high or too unsustainable, and the public debt never reaches that limit, then ergo it cannot be too high or unsustainable.

940 Secondly, the Foreign and Commonwealth Office produces public borrowing guidelines for Overseas Territory governments to limit their public debts by strict and very conservative criteria, precisely to ensure that their public debts do not get too high and unsustainable. Although these guidelines do not apply to Gibraltar, our law reflects most of their underlying parameters, which Gibraltar's public debt has not exceeded.

945 Thirdly, the EU – Maastricht Treaty – sets a limit of 60% on the ratio of government debt to Gross Domestic Product – that is to say, the ratio of how much the Government owes, as a proportion of the size of our economy. Unlike every other country in the European Union, Gibraltar has *never* exceeded that measure of public debt.

Fourthly, the UK regards a net public debt of 40% of GDP as a prudent level of public debt. Gibraltar's net public debt has never got even close to this 'prudent' level of 40%. In fact, it has never reached 30%.

950 Fifthly, the net public debt now, after a decade of unprecedented Government investment, in part funded by borrowing, stands at around 28% of GDP. This is low by international and European standards and is in fact, amongst the lowest of all European countries.

955 Sixthly, these levels of public debt have always been considered in Gibraltar to be sustainable and not too high. In 1988, within weeks of coming into office, the then GSLP Government took new borrowing powers legislation to Parliament: the Borrowing Powers (1988-1992) Ordinance 1988. The remarks of the then Financial and Development Secretary in Mr Bossano's first Government – a Mr Brian Traynor, that some Members of the House are long enough in the tooth to remember – when presenting this Bill to the

House in May 1988, his remarks on that occasion illustrate precisely what I am saying now and have been saying throughout, on this debate about the size of the public debt. I quote him from *Hansard*:

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‘Whereas in 1985 when Public Debt peaked at £29m one was talking about a ratio of Public Debt to national income of 30% or 40%, the present outstanding Public Debt represents something like 25% of national income which is very low by comparison with the debt ratios of most modern states and, of course, considerably less than Third World countries.’

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So, Mr Speaker, that demonstrates what I have been saying: that the relevant measure of public debt, and its prudence and sustainability is not the absolute level, a number that looks and sounds very high, but its ratio to GDP – in other words, its relationship to the size of our economy. And further it demonstrates that current levels are low, prudent and consistent with what they have been historically.

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Mr Traynor went on to say, and I quote him again:

‘With the rapid expansion of the economy and with National Income heading for a figure of perhaps £150m, if not more, during the next three or four years, I think...’

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GSLP have always had these predictions of large increases in GDP when they have arrived in office! This was their prediction the last time they arrived in office.

‘... if not more, during the next three or four years, I think that a figure of £50m in terms of the actual amount of Public Debt outstanding raises no questions as far as prudential limits and sound financial policies.’

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In fact, Mr Speaker, shortly after that, and I think after Mr Traynor had left Gibraltar, the GSLP Government amended that Ordinance to further increase the borrowing limit, by doubling it to £100 million. In speaking to that amended Bill, the then Chief Minister and now Employment Minister, Joe Bossano, expressed similar views when stating that £100 million was prudential, in relation to the then size of our economy.

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I quote him from *Hansard*:

‘The view of the Government and in fact, last year and this year, was that rather than this somewhat antiquated system of having to establish a ceiling, we should use a ratio and say “The level of national debt we consider to be, say 35% or 40%” and therefore that would give us a rolling ceiling in the sense that the bigger the economy the bigger the borrowing we could support.’

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After Mr Bossano had explained that the legislation in fact specified a figure, rather than this percentage of GDP, because the Attorney General and the Financial Secretary had advised that our method of calculating National Income was not up to the job, Mr Bossano went on to say – and now I quote him again:

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‘Therefore we had to make a professional assessment and taking advice on where it was reasonable to target the National Debt in relation to the current estimate of GNP...’

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– which is another of the measures of the size of the economy –

‘...and the projected growth of GNP and this figure is considered to be a figure that is compatible with the sort of conservative criteria that I have mentioned of 35% to 40%’.

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So, Mr Speaker, if 40% public debt is accepted as prudent by our law, by the Foreign and Commonwealth Office guidelines, by the European Union, by the UK, by the Government of Gibraltar in the late 1980s, and now by me, what is the credible basis for Mr Picardo’s assertion that a figure lower than all of those is – quote – ‘too high and unsustainable’, except his own political opportunism in the run up to a General Election?

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It was the Big Lie of the Election, propagated by him to wrongly and unnecessarily frighten voters, which he did in enough numbers – albeit *only just* enough numbers – but a Big Lie nevertheless. (*Interjection and laughter*)

Mr Speaker, so what was the second Big Lie of the Election? Promises that he knows cannot be kept.

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Mr Speaker of course the Hon. Mr Picardo was determined that arguing that the Government’s financial situation was dire and borrowing too high and unsustainable should not, at the same time, prevent him from bribing the electorate, sector by sector, interest group by interest group. So, in a classical forked-tongue manoeuvre, he did both. You do not need to be an economist to know, Mr Speaker, that it *cannot* be both.

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If Mr Picardo really believed what he was telling the electorate about the Government’s finances in his manifesto and during the campaign, how could he possibly have also promised £750 million of Government projects over four years, plus massive tax cuts and big increases in annual recurring expenses?

1025 Remember, Mr Speaker, that as far back as July last year – in this debate last year – that is, before he issued his manifesto, Mr Picardo was telling Gibraltar in his now infamous podcast that the public debt was then already £500 million! So he cannot have thought that that was too high to prevent him, nevertheless, going on to commit himself to many hundreds of millions more pounds in electoral commitments. The answer, Mr Speaker, was that both were Big Lies.

1030 Neither the Government’s financial position was as Mr Picardo had pretended, or continues to pretend now, nor did he intend ever to deliver on all his electoral promises, which as I told him throughout the campaign were simply unaffordable and undeliverable.

1035 So, Mr Speaker, he wasted no time in doing what all Opposition parties do that promise too much and then have to justify not delivering. He set about pretending that he inherited a dreadful financial black hole, in the hope that people would thus understand and forgive his inevitable non-delivery on his vote buying and irresponsible electoral promises. His problem, Mr Speaker, is that people in Gibraltar do not fall for such tricks. People in Gibraltar are just not as gullible as he thinks – they are not that easily tricked.

And so, this brings us to the first Post-Election Big Lie.

1040 The First Post Election Big Lie, Mr Speaker, was ‘We found a financial black hole of £100 million missing pounds.’ In fact, Mr Speaker he has repeated it here today, this morning.

You have all heard it, repeatedly said by the new Chief Minister, in Gibraltar, on Spanish TV and radio and in the Spanish newspapers, in the UK and elsewhere, regardless of the damage that it did to Gibraltar’s reputation, investor confidence, and as future job opportunities for our children, economic prospects and political interests. And it is *not true*, Mr Speaker.

1045 The so-called ‘missing £100 million’ is a *complete fiction* – a complete distortion and abuse of the not unusual fact that the Government’s net public debt ended the year higher than the Government had estimated at the start of the year. This, Mr Speaker, has happened to some degree or other every year.

1050 For example, in 2008-09, the net public debt at the start of the year was estimated that it would end the year at £28.2 million, and in fact it finished at £67.7 million, an 140% margin. In 2009-10, it was estimated that it would finish the year at £116 million and it ended at £148 million. In 2010-11, £180 million estimated and it finished at £216 million. In 2011-12, the year about which he complains, it was estimated that it would finish at £221 million and it finished at £305 million. But the year about which he complains as if had fallen into an unlit black hole as he was walking innocently down the street, was no more than a further example of what had happened in the three previous years.

1055 These figures show that what the new Chief Minister paints in financially and politically sinister shades and describes as a black hole of a missing £100 million, as if a £100 million had been taken, sort of, by somebody, is a perfectly normal event upon which he has never before chosen to comment in previous years, when he has had it in front of him in the Budget book! Perhaps this is because, Mr Speaker, in previous years, he did not need to find a scapegoat or excuse for not honouring undeliverable electoral promises! (**Several Members:** Hear, hear.)

1060 And this phenomenon, Mr Speaker, that public debt ends the year higher, and cash reserves end the year lower, than had been estimated is not only not unusual, but is the result of quite innocent circumstances. All it takes is for capital expenditure to proceed more quickly than budgeted for, or for capital receipts from asset sales not to come in as fast as envisaged or – as in last year’s case – a combination of both. But the delayed assets receipts – in last year’s case the proceeds of sale of Government flats – remain on stream to come in now or in future years.

1065 The Chief Minister claims to have been misled by the fact that the Budget book estimated cash reserves, and thus net public debt, on the basis that £59 million which then, during the course of the year, accumulated with the companies’ further expenditure during the year to £80-something million of loans made by the Government to its companies, to build houses and other projects, would have been repaid from these asset sales in the year, which in fact did not happen. That is correct, but the Budget book has been presented in this way every year since the Government companies’ cash reserves were exhausted and they relied on Government loans to fund their projects.

1075 Again, the Hon. Mr Picardo has never chosen to comment on this before. If he has been misled by it, it is his fault and not the result of any accounting sleight of hand by the previous Government. The new Government is not entitled to complain that the Government’s estimates at the start of the year did not materialise. They are *only estimates*. This does not constitute a ‘black hole’ – still less ‘a missing £100 million’, nor even, as he also has put it, that cash reserves are £100 million less than had been anticipated.

1080 In any case, the shortfall between the start of the year estimate and the end of year reality figure for cash reserves is less, much less than the £100 million he cites. And these are his much vaunted financial black holes about which he so solemnly addressed the nation on 18th January in his Chief Ministerial broadcast.

So what, Mr Speaker, is the second Post-Election Big Lie? ‘We had only £20 million to spend without changing the law to increase the maximum permitted public debt.’

1085 In his very solemn address to the nation on 18th January this year, the new Chief Minister told Gibraltar:

‘to make the position as clear as possible’

1090 – not to say, as clear as mud –

‘tonight, I can tell you that as at 9th December 2011, your Government only had twenty million pounds available to spend despite the projected surplus for the year.’

1095 He said that because of the legal debt limit, the Government could not spend more without raising the legal borrowing limit and that this was why work had had to stop on many projects. In fact, I think he has made the same point this morning.

He repeated this in this House in answer to Question No 89/2012, when he said – speaking of me, as always – that:

1100 ‘he put Gibraltar in a position, that without changing the law and without borrowing more, its Government had not a penny more than £20 million to spend’.

1105 Mr Speaker, this is simply not true. The Government did not have to change the law to allow higher borrowing limits, in order to have more than £20 million to spend on ongoing projects. Under the Public Finance (Borrowing Powers) Act 2008, the Government needs only the permission of this House by a simple resolution, and not a change in the law and more borrowing, to draw from existing cash reserves, even if the effect is to exceed the legal limit for net public debt.

1110 So his statements and actions and his solemn statement to the people of Gibraltar were based on complete ignorance of the legislation. We, Mr Speaker, would certainly have had recourse to this method, had we won the elections, thereby tiding Government over until 1st April 2012, when the legal net debt limit rose automatically by about £50 million as a result of increased public revenue, thus allowing the Government to continue the projects without interruption.

1115 Of course, Mr Speaker, he has said that it is the Government policy not to increase the legal debt limit, but of course he knows that that increases every year, because it is 80% of the last year’s revenue. Well, the last year’s revenue in December was 80% of the revenue to the year ended March 2011. But, as of 1st April this year, the legal debt limit is 80% of last year’s revenue, which is now the year to 31st March 2012, the increase of which will give him at least another £50 million of ability to borrow without raising the legal debt limit – a fact that he has not mentioned, I think, this morning, unless I am mistaken.

1120 Mr Speaker, none of this detracts from the fact that we would have increased the legal debt limit, if necessary, to proceed with certain key projects, including the power station and the tunnel. Given that our economy continues to grow this is affordable and would not have taken net public debt outside prudent or sustainable levels.

So, Mr Speaker, what are these contradictions and presentational tricks that I have alluded to?

1125 Here, Mr Speaker, is a new Government with a big political problem of presentation and contradictions, and indeed, we have seen those contradictions here this morning. On the one hand, and in order to rubbish and taint the outgoing Government, and to dumb down voters’ expectations about its ability to deliver all its undeliverable electoral promises, it has painted the false gloomy picture of the state of public finances. On the other hand, it has to present to this Parliament the Government budget figures for last year, eight months of which were ours and four minus a few days were his.

1130 So he has to present to Parliament the Government Budget figures for the last year that show a huge all-time budget surplus of recurrent annual revenue and expenditure, and that is recurrent annual for the last 12 months, not for the last six years.

1135 Mr Speaker, so, having to reconcile the picture of doom and gloom that he paints with the fact that he has to bring to this House a Budget that shows, effectively, a record budget surplus for the same period in which he is criticising his predecessor – exactly the same record budget surplus that I predicted in the election campaign in my New Year Address and in my Address upon the opening of this Parliament in December. Since the new Government knows, Mr Speaker, that this contradiction would be obvious, even to the most economically uninitiated, a solution had to be found. What was it? Answer: fiddle with the way the figures are presented, so that the true extent of the real record budget surplus is concealed!

1140 Let us be clear, Mr Speaker. If this year’s Budget book, which has been prepared by the new Government, had been done properly and as in all previous years, it would show a budget surplus of recurrent annual revenue and expenditure in excess of £55 million, and not the £31.3 million that it actually shows. The previous budget surplus record was achieved in 2009 and amounted to £37 million, so the scale of this year’s record surplus achieved, of around £55 million, will be obvious to everyone.

1145 This is in sharp contradiction of the new Government's doom and gloom messages about public finances and the shortage of money that all their bloggers had a field day with, shortly after the election on the social media websites.

1150 So, Mr Speaker, how did the Chief Minister manage to reduce the figure in the Budget book from £55 million to £31.3 million – presumably to make untrue my prediction that this year there would be a record budget surplus? Given that the previous record was £37 million, how to get it down below £37 million, from the huge record that £55 million would have represented. Answer, Mr Speaker, very simple: by treating capital expenditure and also previous year's recurrent expenditure in companies as if they were annual recurrent expenditure and thus deducting it from last year's annual recurrent income to reduce the budget surplus of annual recurrent income and expenditure.

1155 In layman's terms, by mixing apples with pears. In accountancy terms, by taking 'above the line', expenditure that should always be, has always been, and elsewhere in this Budget book, is taken 'below the line'. In short, he has cooked the books to wrongly present a reduced budget surplus of annual recurrent revenue and expenditure of £31.3 million, when it actually is around £55 million.

1160 Let me explain to the House how this has been done. The Government has taken the contribution to Government-owned companies of £28.3 million above the line and thus treated it all as annual recurrent expenditure. But the great majority of this £28.3 million was spent by the companies on capital expenditure, and not on annual recurrent expenditure. For this reason, most of that contribution should have been accounted for 'below the line', as all other capital expenditure is treated, as has always been done, and as the Budget book does elsewhere.

1165 And even, Mr Speaker, to the extent that the £28.3 million contains some, as it will indeed contain some, that is recurrent company expenditure, as opposed to company capital expenditure – even to that extent – then Mr Speaker, it is simply not legitimate to roll up previous years' so-called deficits, because those previous years' deficits are not recurrent, as against last year's annual. These are a statement of 12 months' worth of annual recurrent expenditure. What the hon. Member has done is entirely illegitimate.

1170 So, Mr Speaker, by this inappropriate means, the Government has reduced the recurrent revenue and expenditure budget surplus of last year's annual recurrent revenue and expenditure surplus of £55 million achieved by the GSD Government last year.

1175 Mr Speaker, the other elements of capital expenditure carried out through the Improvement and Development Fund are indeed, as always, shown below the line. That is, it does not reduce the recurrent surplus. Even elsewhere in this same Budget book, on page 14, that summarises the Consolidated Fund expenditure, the contribution to Government companies of £28.3 million is shown 'below the line', together with the contribution to the Improvement and Development Fund which deals with the other capital expenditure not carried through the companies.

1180 Yet, when it comes to page 2, that shows the recurrent surplus calculation, it is suddenly slipped above the line and treated as annual recurrent expenditure, which most certainly it is not. This is novel, wrong and misleading, and distorts the integrity of the Government's Budget accounting to this House, in terms of the difference between recurrent annual expenditure and capital expenditure.

1185 Still, Mr Speaker, both £31 million and £55 million are excellent surplus figures and provide a very eloquent answer to silly suggestions that the Government's finances are in a poor state.

In further contradiction, Mr Speaker, of the Hon. Mr Picardo's assessment of the state of public finances is the fact that, since coming into office the new Government, has already increased annual public expenditure by more than £15 million per annum. Hardly the action of a Government that believes that it has been left a financial 'pup' and a very serious cash-flow problem by the previous Government.

1190 Indeed, Mr Speaker, the Budget measures that he has announced today, increasing further as they do expenditure and reducing Government revenues, itself belies any suggestion that the Government has inherited a bad financial situation. The hon. Member is able to cut taxes, to increase expenditure and give away all the things that he has given away, not because he has performed economic miracles in the last four months, but Mr Speaker because he has inherited a golden economic legacy from 16 years of sound financial management. **(Several Members: Hear, hear!)** *(Applause)* If not, Mr Speaker, he would have to be doing what all the other new incoming governments in Europe are doing: *slashing* expenditure, sacking people, increasing taxes and lowering expenditure!

1195 Why does he think that he is not in a position of having to do that? Because the previous Government gave him a terrible economic legacy – or because the GSD Government left him with a Gibraltar which, contrasted with the rest of Europe, precisely in the strength of our economy and the strength of the Government *[inaudible]* ...? Indeed, he has inherited one of only three government budgets in the whole of Europe that remain in surplus!

1200 So, Mr Speaker, none of all of this that I have just said, Mr Speaker, should be confused with the quite separate question – and this is what he does, confuse it precisely with that separate question – of whether funding the ongoing capital investment programme could or could not have been achieved without further borrowing. My view, and the plans that we had, is that it could not and that some further borrowing would very probably have been required. As this House knows, there is a disagreement across the floor of

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1210 this House, as to the desirability and sustainability of that. Our view is that, given the continuing buoyancy of Government revenue, indeed, Mr Speaker, the hon. Members opposite have an even *more* optimistic assessment of what that increase in Government revenue is going to be than the one I had before the Election. They think that Government revenue is going to increase by 50% in the next four years, and the expected continuing growth in our economy, which the new Government says will grow by 62% in the next four years, the required temporary increase in borrowing is easily affordable and sustainable, even if those very optimistic, in our view, predictions do not come true.

1215 People can understand this for themselves, Mr Speaker. If a borrowing limit of 80% of one year's revenue is prudent, or 40% of the size of your economy is prudent, and you are predicting that your economy is going to grow by 65%, then you stay prudent if the borrowing does not exceed 40% of an economy that has grown by 65%; and you stay prudent – and legal, by the way – if the size of your debt does not increase above 80% of one year's revenue, which they say is going to increase by 50%. They cannot, at one and the same time, predict these huge economic growth and Government revenue growths, upon which they base their expenditure plans and then argue that debts at current levels, or even current levels plus a bit more, which would be needed to finish off the Government's projects, would be too high. It is a contradiction in terms, it is an oxymoron.

1220 Mr Speaker, I know that it is difficult to sound non-partisan in a Budget debate, but I am going to try now and mean it. I accept that it is entirely reasonable for the new Government to focus and even to refocus capital expenditure on its own policy projects. I do not, therefore, aim any criticism at them for doing that; but two projects of the previous Government were in response to the very real short, medium and long-term needs of Gibraltar and our ability to sustain a growing economy and a population that enjoys a high standard of living and quality of life. The hon. Member has mentioned at least one of them this morning.

1225 They are: the tunnel under the runway – without which we are condemned to permanent traffic gridlock, due to frontier and airport issues – ironically, made worse the more successful we are at developing new air services for our new air terminal; and the new power station – without which we are condemned to unreliable power supply and a high level of ambient pollution, to the detriment of our health. I would urge the Government to proceed with both, with all expedition and I take note of what he has said this morning about the power station. At least, I will do a deal with him – since he has sought to blame me for the power cuts until a date which I did not actually take note of – I will happily accept political responsibility for any power cuts that occurred during that period, if he will proceed expeditiously with a new power station, which, above all party political confrontation in this House, is hugely, hugely in Gibraltar's interest and a serious need of Gibraltar for the next 20, 30 or 40 years.

1230 Mr Speaker, the Government is stuck in Opposition mode and is obsessed with criticising the previous Government. There is a palpable feeling on the street that the Government needs to realise that it *won* – albeit just, and without a majority – but it won the election, and that it must get on with the business of governing without spending so much time politicking backwards against what is now the Opposition.

1235 Clearly, the new Government feels a need to taint and tarnish the previous Government's reputation and record of achievements, probably for the justified fear that, otherwise, comparisons between the two will not look good for the new Government, come the next elections. My complaint, Mr Speaker, is the lack of political honesty with which the Government indulges its obsession to criticise the previous Government. The Government has reeled out a series of press releases on the basis of half truths or incomplete facts or carefully omitting important aspects, but all designed to create an impression of recklessness, impropriety, favouritism and even corruption on the part of the previous Government. This is wholly untrue.

1240 So, such statements have been issued on many subjects, including most recently, the bus maintenance contract, without saying that the bus procurement contract went out to EU tender and the local maintenance provider was selected by the bus manufacturer who won the tender, as part of his tender obligations.

1245 Other such Government statements have related to: temporary interim cleaning arrangements for the new air terminal, pending completion of construction; the distortion of a good agreement with Ocean Village; suggestions of improper payments to Haymills or OEM in relation to the affordable housing schemes; suggestions of improper payments to the family of Edwin Reyes; alleging irregularities in the new Culture Agency; suggesting the placing of party activists in 'cushy Government jobs'; (*Interjection by Hon. Chief Minister*) suggesting impropriety in the timing and content of the airport ground handler contract; suggesting impropriety in the allocation and content of the Leisure Centre bowling alley contract; and commenting on the operating costs and maintenance arrangements for the new air terminal.

1250 In all of these statements, the Government has sought to create an erroneous impression by sleight of the hand of the draughtsman. They need to get on and govern. They – or perhaps one of them in particular – need to change their chips from Opposition press release scribblers to Government Ministers.

1255 Mr Speaker, speaking of the new air terminal, the new air terminal is now being unnecessarily delayed. The Government need to get on and open it for departures and stop delaying that. The terminal

1270 has been ready for many months. If there is still an impediment to opening it fully, it is not essential works that need to be completed, but the new Government's failure to get on with staff recruitment and training, and concluding maintenance arrangements. This is now becoming very silly, and a matter of stubbornness on the part of the new Government to Gibraltar's detriment.

1275 Turning, Mr Speaker, to the proposals in the Budget book to reduce the public debt, Mr Speaker, the Budget book reveals that the Government plans to reduce gross public debt by £68 million this financial year, and that it is doing so by the very means that I told him during and after the election campaign was easily available to him, namely having Government debentures – which are taken out by local savers, issued by the Gibraltar Savings Bank, where they do not rank as public debt – instead of by the Government, as they are presently issued, where they do rank as public debt. This will reduce the amount of the gross public debt, but in an economically pretty meaningless sort of way.

1280 Just as the Government is now paying the interest costs on the Government debentures, so too will it have to pay the very considerable difference between the interest rates paid by the Savings Bank to savers, and those that the Savings Bank can earn by putting those very same monies on deposit in the money markets.

1285 I hope, Mr Speaker, that the Government is not contemplating alleviating this gap by allowing the Savings Bank to risk local savers' money invested in Savings Bank debentures, by being lent out to borrowers, or underpinning small business guarantees, in the context of the Government's planned expanded role of the Savings Bank into that sort of activity.

1290 Mr Speaker, as I told this House in my Address on the occasion of its Ceremonial Opening on 21st December 2011, if the Chief Minister is really concerned about the level of Government debt – which I am not – then he has to cut net public debt, not gross public debt, as he is proposing to do in this Budget and this he can easily do. There is no economically meaningful reduction in public debt, unless you reduce net public debt.

1295 Mr Speaker, most people will easily understand this. If a person owes a bank £1,000 on a bank loan, this is the gross debt. But, if that same person has £800 in a bank savings deposit account, this is cash reserves. His cash reserves. So his gross debt is £1,000; he has £800 of cash reserves; the difference between the two is the net debt. That is £200. He owes the bank £1,000, but he has £800 on deposit in a savings account in the bank. The £1,000 is the gross debt, the £800 is his cash reserves and the difference between the two is the £200 that is not covered by money that he can pull out of pocket at any time and use to repay his loan.

1300 So his real worry, this imaginary person, is will he be able to afford, if things go badly, to pay the £200 from the £1,000? Because he knows that the other £800 from the £1,000, he can just say to his bank, 'Take it from my savings account', so he has no problems with paying that. So until he reduces the £200 gap, he is making no real progress in providing for repayment of that part of the bank loan that he does not already have ready cash in his savings account to pay back, if things go badly or if he needs to repay. That is why it is net debt – that is to say, the £200 – that is of economic importance, not the gross debt of £1,000 because of that, £800 is not a problem at all, because he has got the money in the bank to pay it.

1310 So Mr Speaker, this is exactly the same for the Government. The Hon. Chief Minister is proposing to use £68 million; I am just saying 'pounds' for the sake of my example. The hon. Member is proposing to use £68 from the Government's £800 savings deposit account to reduce the £1,000 bank loan. But that will still leave the sum that the Government does not have the ready cash to pay at £200 – that is to say, it still leaves the net public debt at the same £200 as it was before. So nothing has really changed.

1315 Mr Speaker, this demonstrates that only reductions of this sum of £200, the uncovered portion, the part of the gross debt, the £1,000 to the bank, that is not covered by the £800 sitting in the savings account. Only by reducing that portion, the uncovered £200 portion, that is to say, net public debt, is the Chief Minister capable of relieving the debt level concerns that he claims and professes to have, but which most economists would not share with him.

1320 Mr Speaker, the new Government has inherited, as I have said, a golden legacy from the outgoing GSD Government. As all of Gibraltar knows, and most of Gibraltar acknowledges, the 16 years of GSD Government have resulted in unprecedented prosperity and progress for Gibraltar, and that is the legacy that the new Government has inherited: a Gibraltar with a restored international image and reputation, without which none of the progress would have been possible. An economy that has more than tripled in size – 8,000 more jobs – in fact, having seen this morning's employment survey, 9,200 extra jobs. I think we inherited 12,000-and-something and it is now 22,000. I just skimmed at this morning's report, which had been left on my table.

1325 A Gibraltar that has become a global leader in online gaming and ship bunkering; record numbers of Gibraltarians in jobs; the lowest unemployment rate in Europe; huge improvements in take-home pay and standards of living; record levels of Government budget surpluses; personal income tax cut by over 60% and many other taxes abolished; company income tax cut by three quarters; despite the huge Government investment programme, a low public debt. We have the fourth lowest public debt in the whole of Europe.



1330 Thousands of new affordable and rental homes: homes for the elderly and refurbished housing estates; a new hospital; a new health centre; a new air terminal; several multi-storey car parks and more under construction; new roads and roundabouts; the beautification of many of our roads, squares and much of our city – Casemates Square and John Mackintosh Square; the King’s Bastion Leisure Centre; a new  
1335 small boat marina for local boats; the Westside Promenade and Park; enhanced beaches; new Millenium Sports Hall and many enhanced sports facilities; new Law Courts and court facilities; a new prison; a new crematorium; new industrial parks and premises; a new bus service and bus shelters; a cancer hospice and a home for battered women; a swimming pool and terraces for the elderly; playgrounds; a beautified Europa Point and its park; a magnificent Gibraltar House in London, of which this community is justifiably proud; a new Constitution which maximizes our self-government; stable relations with Spain;  
1340 an end to bilateral talks and new strengthened Sovereignty commitments from the United Kingdom – not even talks without our consent; many social facilities under construction, and many, many more achievements.

A stable, secure and prosperous Gibraltar: *this*, Mr Speaker, is the reality of the GSD’s legacy – much as the new Government may try to tarnish it and try and create for its own selfish purposes, a different  
1345 impression. The responsibility to ensure that they do not squander this legacy, that they build upon it and that Gibraltar continues to prosper and improve in this way is now the new Government’s.

The new Government has promised much to everyone, and to deliver it all within four years: 65% economic growth, hundreds of millions of pounds of projects and commitments, huge increases in annual Government expenditure, freezing utilities, cutting taxes to 15% for everyone, halving public debt and  
1350 much more. Enough people were persuaded by these promises to give the Government a slender, minority election win. Voters now expect the Government to deliver on all its promises or they will feel that it has cheated them out of their vote and cheated its way into office.

I think, Mr Speaker, as many who voted for the Government have now come to realise in just six  
1355 months, I think that Gibraltar would be much safer and much better off with a GSD Government, but for the sake of Gibraltar, sincerely, I wish the Government every success in the governance of our affairs.

*(Applause)*

**Hon. Chief Minister:** Mr Speaker, I will of course reply at the end of the debate, but I wonder  
1360 whether this might be a convenient moment to recess for 10 minutes, before we come back for the next speech.

**Mr Speaker:** This House will recess for 10 minutes.

1365 *The House adjourned at 11.45 p.m.  
and resumed its sitting at 12.00 p.m.*

1370 **Procedural**

**Mr Speaker:** Before we resume with the Budget Debate, just a couple of announcements.

First, I have been advised by the Chief Executive of the Courts Service that the Judiciary and the Bar  
1375 will be paying a tribute to my predecessor, Sir Alfred Vasquez and to J E Triay tomorrow in Court at 12.00 noon. I have been informed by the Chief Minister that the House will adjourn at a quarter to 12, to enable those of us who are lawyers – in fact, the vast majority of us here are lawyers – to attend, if they wish to do so. So that is what will happen tomorrow. It is at 12.00 noon in Court.

Another point if I may, the members of the public who are in the Public Gallery are reminded that you  
1380 are invited to these Chambers to observe the proceedings of the House, and not to participate in them. Therefore no reactions are permitted to any of the speeches in this House.

1385 **Appropriation Act 2012  
Debate continued**

**Mr Speaker:** The Hon. Deputy Chief Minister.

**Deputy Chief Minister (Hon. J J Garcia):** Mr Speaker, this is the 14th time that I make a  
1390 contribution to the Appropriation Bill in this House – the first time in Government.

1395 Before I start, I would like to take the opportunity to pay tribute to my friend and colleague, the Hon. Joe Bossano, for his 40-year contribution to the political life of Gibraltar from this House. Mr Bossano was first elected in 1972. However, his documented contribution outside this House started many years earlier, when he became the Secretary of the Pro-Integration Movement in the 1960s. This political trajectory is an achievement that this House, representing as we do the people of Gibraltar, should now recognise. I have to say at a personal level that it has been a privilege for me to have worked with him for the last 14 years in Opposition, and it is now a pleasure to do so in Government.

1400 Mr Speaker, this is because nearly seven months ago, the electorate, as is their right in a democratic society, decided that it was time to change their Government. They decided it was time for change. We offered people a change for the better and the electorate chose that change. The result was the election of a new team of Ministers to the benches on this side of the House, with a commitment to deliver a whole range of exciting and positive policies.

1405 It is well known, Mr Speaker, that in a number of areas we have had to tackle a fair number of problems that we have inherited from the party opposite, when they were in Government. Indeed, hardly a day goes by without an unpleasant surprise rearing its head.

1410 It is clear to me that after seven months in office, Mr Speaker, that in the dying days of the GSD administration, they went into overdrive, making all sorts of promises to all sorts of people, in a desperate effort to cling on to power. There are still people coming to see my colleagues and I, seeking to have these honoured. To paraphrase what somebody once said, Mr Speaker, never was so much promised to so many by so few. In the face of this situation, the fact that we won the election at all is nothing short of a miracle.

1415 Mr Speaker, the new Government made clear from the very outset that those projects or policy areas with which we agreed, where commitments needed to be honoured or which were too advanced, would continue. Those with which we did not agree would be stopped and those in-between would be studied in order to determine their viability. There are, therefore, projects which have carried on, projects which have been stopped and projects that are being assessed.

1420 My Office, Mr Speaker, is tasked with the oversight and co-ordination of manifesto commitments. We are also directly responsible for planning, lands and civil aviation. The new Government, Mr Speaker, has started the process of delivery of the manifesto enthusiastically. There are some electoral pledges that include a target date. However, most of them have no such dates and the intention of the Government is that these will be implemented over the full term of office.

1425 The Government, Mr Speaker, had, by 8th February, implemented over 40 commitments in what were the first two months in office. Some of these were simply a case of honouring promises made by the party opposite when they were the Government. Others involved a change of policy or direction. Others still involved taking action through the use of resources. For example, a bus to Both Worlds was in place before Christmas and more beds for the elderly were actioned at St Bernard's through Calpe Ward.

1430 Mr Speaker, over 70 electoral commitments were delivered or actioned in the first 100 days of the new Government. We have already said that the focus in those 100 days was to change the way in which Gibraltar did business. We have achieved this, Mr Speaker.

1435 This transformation has been both internal and external. The internal change is reflected in the way in which Gibraltar itself operates. Gibraltar now has Cabinet Government, a system by which decisions are taken collectively by all the Ministers, as opposed to all decisions being taken by one person. The Cabinet generally meets every Monday and when the Chief Minister is away from Gibraltar, the meetings continue and are chaired by myself as the Deputy Chief Minister.

1440 The external changes reflect the way in which the Government deals with the public. Mr Speaker, within its first month in office, the Government announced and implemented its Citizen's Charter for Responsive Government. This has ensured that members of the public, businesses or associations no longer have to wait an inordinately long time for replies when corresponding with the Government. Those delays, or the absence of a reply altogether, were a constant source of complaints from the general public when the hon. Members opposite were in Government.

The Government also gave instructions within 30 days of being elected for the disclosure of certain Government documents under a 20-year rule. This places Gibraltar ahead of the UK, in relation to openness and transparency in this field.

1445 The new Government, Mr Speaker, now publishes a raft of official statistics on its website as a matter of course. This includes most of the data requested by the GSLP/Liberals when we were in Opposition. This makes it available instantly to the members opposite, to the media and to the general public. There is now more Government information on-line than ever before.

1450 Mr Speaker, the new Government immediately gave effect to our commitment to paperless Government. All Ministers are in touch all the time, using the latest technology, and can participate in any discussion or decision-making instantly. Indeed, through the use of new technology and using the internet and Skype, the Chief Minister has participated in Cabinet discussions when on paternity leave without being physically present.

The first Budget of this new Government today, Mr Speaker, will serve as a trigger for the start of the delivery of a number of manifesto commitments for which specific funding is required.

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Mr Speaker, in the first six months, we have ticked off over 100 electoral commitments. I would like, once again, to thank the professional civil servants and members of the public administration who have assisted the new Government in this task.

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Mr Speaker, It is perhaps in the changes we have made to the way in which our Parliament operates that our commitment to accountable and transparent Government can be best appreciated. The problem with some of the hon. Members opposite is that they were not in this House before, in order to properly understand what used to happen then and compare that with what happens now. It is obvious that some of the new Opposition Members almost take for granted the reforms that have been introduced.

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This year, there have already been five meetings for Questions in six months. There will be 10 meetings a year for Questions. We have already had more Question Times in six months than used to happen in a whole year when the GSD were in office. Mr Speaker, the Opposition have never had it so good. Moreover, in some years, they called two or three meetings and in 2003, there was only one meeting for Questions.

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The Opposition can now ask Questions on issues at a time when the issue is topical. I remember asking Questions in September or October about things that may have happened in April or May, because there was no Question Time in between. Indeed, there will be another meeting for Questions later this month, when the Budget debate is over.

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The irony is that the changes that this Government has introduced have not cost any money and have required no legislative action. It was in the power of the GSD when they were in Government to have delivered more meetings of the House in the same way as we have done. They did not do this. This means that the parliamentary role of the Opposition then was curtailed by the hon. Members when they were the Government. That they should now complain at the answers that they are given in this House, in respect of two or three Questions, is nothing more than a smokescreen which is designed to hide their poor record in this regard when they were in office.

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Mr Speaker, the new Parliament website – [www.parliament.gi](http://www.parliament.gi) – is already up and running. This provides a very useful service to members of the press, to the general public and obviously to the Members of this House. This initiative should have been taken long before we came into office.

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The website includes the agenda for meetings, the audio of the proceedings of the House, Bills, Notice of Questions, the timetable for Parliamentary business and the *Hansard*. The House knows that this Parliament has reached an agreement with the Isle of Man to transcribe our *Hansard* into audio files which are sent to them by e-mail. This means that *Hansard* is now available in record time.

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Mr Speaker, when I was first elected, *Hansard* used to take months to be made available to the Members of this House. In one case, it took nearly a year. There was clearly a lack of investment and of resources, which in turn hampered the work of the Opposition. The new system we have put in place means that *Hansard* is now generally available within weeks. The *Hansard* for the morning session of 21st June, for example, was available on 29th June. This is a complete transformation in the availability and the supply of information. This is why I said earlier that it is very easy for new Members on the opposite side to take these improvements for granted. They cannot possibly imagine what we had to endure when we used to sit where they sit now.

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Mr Speaker, in line with our manifesto commitments, in February, the Government announced the setting up of the Commission on Democratic and Political Reform. The Commission has kept to a strict timetable. A consultation paper was issued three months after the Commission was formed. Twelve months after that, in the spring of next year, the Commission will report to Parliament its recommendations after an extensive period of public consultation. The intention of the Government is that Parliament will debate the report within three months and then decide which proposals should be approved by the House or if a referendum should be held to approve any or all of them.

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The measures accepted by Parliament will be implemented within six months and any changes to the electoral system will apply for the next general election. The Government welcomes, Mr Speaker, the involvement of the *Hansard* Society in this process and the outside expertise that they have provided to the deliberations of the Commission.

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Mr Speaker, the Government is very grateful to Mr Adolfo Canepa, George Mascarenhas, Fabian Vinet, Robert Vasquez and Charles Gomez for giving of their time in order to serve as members of the Commission. We are also grateful to its Secretary, Mr Dennis Figueras.

1510

The Government intend to continue to move this House into the 21st century. The purchase of a new digital sound recording and audio system for the Parliament has already gone out to tender. This system will have the capability for the connection of cameras to provide a feed on-line which the media can then pick up. The actual introduction of cameras will, of course, only follow the approval of Parliament itself.

Mr Speaker, I take this opportunity to thank the Clerk and the staff of the House for their assistance and support in this project and indeed for their help first in Opposition and now in Government. I would

1515 also like to thank the IT Department for their professional input and involvement in order to make the project a success.

1520 Mr Speaker, the impact of the arrival of the new Government and the changes that we have implemented can clearly be seen in the planning process. Under the previous Administration, planning decisions were taken in secret, behind closed doors. There was little or no public participation. Objectors were not heard and the press and the public were not entitled to be present at meetings of the Development and Planning Commission (DPC). The town planners ended up being excluded from Government projects and the DPC was not provided with information about them.

1525 Mr Speaker, this closed and secretive system was transformed within weeks of the GSLP/Liberal Government taking office. In line with our manifesto commitments, on 22nd December, the formal decision was taken to make the Town Planner the Chairman of the DPC. It was also decided that the meetings would take place in public and that the Environmental Safety Group (ESG) would form part of that body.

1530 Mr Speaker, there have now been seven public meetings of the DPC. These take place at the John Mackintosh Hall and anyone is able to attend. The Commission has, since we were elected, considered 235 applications, all of them in public. There have been presentations by applicants and presentations by objectors. The fact that architects and others are present at the meeting has meant that Commission members can question them on any aspect of an application on the spot. The result is that simple queries can be addressed immediately and that applications are not held up for weeks, while there is correspondence to and fro in order to clear up a point.

1535 The reality Mr Speaker, is that the new system is working very well. I would like to take this opportunity to thank and congratulate the town planners and the staff of the Town Planning and Building Control Department for their professionalism, their assistance and their enthusiasm in assisting the Government in the delivery of our manifesto commitment in this field.

1540 Mr Speaker, there have been a number of Government applications submitted to the DPC for information and guidance since the new Government came into office. This followed a gap of many years under the previous Administration, where no Government projects were submitted at all. One of the first such projects was a children's playground at Moorish Castle Estate. The playground was opened by Prince Edward and the Countess of Wessex during their visit last month.

1545 The intention of the Government remains to subject all Government projects to the full planning process during this term of office. Indeed, it is encouraging to see that many Government Departments are now automatically factoring in the time that it takes to go to planning in the timetable of official projects. This is obviously something the system has to get used to.

1550 Mr Speaker, the planning process has undergone visible and real improvements. It is regrettable that the hon. Members opposite have adopted such a negative approach to these changes. They take the opportunity to distort and exaggerate any particular matter for their own political gain. The Opposition have the political audacity to suggest that we are somehow not being transparent or open enough, yet at the same time their own policy remains to a return to the closed and secretive planning system that we inherited from them. They have accused the Government of failing to follow a course of action that they themselves do not believe in. This is not a credible position.

1555 I understand Mr Speaker, that nearly half of the Opposition Members have not been in Parliament before. They are therefore not in a position to appreciate the nature and the extent of the transformation that has taken place. Indeed, at one point, when the GSD were in Government, I was even told point blank that they would not answer questions in this House on the DPC because the DPC was not the Government and they were not accountable for it.

1560 All this information and more, Mr Speaker, is now available to the public and it is now available to them. It was not readily available to me when I sat on those benches and I asked the questions. In order to be critical with a degree of credibility, Mr Speaker, they must understand the extent of what used to happen when they were in office. I fully accept that they are entitled to a different policy. If they prefer the closed and secretive methods of the past, that is their prerogative. However, they must equally accept that the new Government was elected on a manifesto which promised to open up the planning process and that this is what we have done.

1570 Mr Speaker, the agenda and the minutes of the DPC are now available on-line. When I was in Opposition, I was privy to neither the agenda nor the minutes, and neither were the general public. The hon. Members have made use of this increased information, in order to find details with which to try and discredit the Government. I repeat that they should bear in mind that when I sat on those benches this information was simply not available.

In short, Mr Speaker, my advice is that they should be more generous with the new Government, because we have made their life much easier than they ever made it for us when the roles were reversed. In this area also, Mr Speaker, the Opposition have never had it so good.

1575 This House knows that the Government's reform of the planning process has not yet finished. The ultimate objective of the Government is to make the whole planning process of any application available

on-line. In March, the Town Planner and the Deputy Town Planner visited two local planning authorities in the United Kingdom. These were in the London Boroughs of Redbridge and Richmond upon Thames. In both these authorities they were shown the respective on-line services and had an opportunity to learn more about them. The Government will assess the different options available in order to fulfil its pledge which is to make the whole planning process of any application available on-line.

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Mr Speaker, the Town Planning and Building Control Department is at Head 12 and the total amount of expenditure for this year is £787,000.

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Mr Speaker, In relation to lands, this House is aware that the Government has put out to tender a number of ex-MoD properties which have been transferred under the Lands Deal of July 2011 that was concluded by the previous Administration. This deal was described at the time as being self-financing because under it the Gibraltar Government is required to relocate and re-provide MoD requirements from the funds raised by the sale of these properties. The expenditure of the Government in relation to MoD re-provisioning works is set at a maximum of £66 million.

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The expectation, therefore, is that the Government will obtain £66 million or more from the sale of MoD assets. However, what this means is that, whereas the expenditure for the Government is fixed and capped, the income on the other hand, is variable and subject to a number of external fluctuations, like the state of the property market and the availability of mortgage finance. In other words, there is always a possibility that instead of receiving £66 million in income, the Government could actually receive less. It is to guard against this that these tenders have been awarded on a highest bidder basis.

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The first such tender was for two large houses at Europa Point, which were put on sale with a closing date of 9th March. There were no bids for these properties. The Government is now considering its options in respect of these houses.

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A further eight properties were put out to tender at St Christopher's Court. There were 73 bids for these properties and the Government has obtained about £2 million in revenue.

The 13 terraced houses at Buena Vista went out to tender with a closing date of 4th May. There were 91 tenderers interested in these properties and about £4.8 million in revenue is expected to be raised.

Three units at Cheshire House were then put out to tender. There were 44 bids for these properties and about £1.5 million is expected to be raised.

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The total projected revenue, based on the current 24 sales to the current successful applicants, is in the order of £8.3 million. This does not include sales to MoD sitting tenants.

Mr Speaker, the sales figures which have been given could vary. There are successful tenderers who have to sell their existing home and others who are dependent on bank finance. In the event that any allocation falls through for this reason, or indeed for any other, the residential unit in question will be allocated to the next highest bidder on the list for that particular property.

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The House will see that I&DF Head 102 in respect of revenue from the sale of Government Properties and Other Premia, shows an estimate of £10 million for the financial year 2011-12, with a forecast outturn of £1,432,000 million. The estimate for this financial year is £20 million of revenue including ex-MoD sales.

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Mr Speaker, In respect of expenditure, in I&DF Head 102, Sub-Head 3, a nominal £1 million has been entered in respect of each (a) MoD Lands; b) MoD Project Euston; and (c) Other Relocations.

Mr Speaker, the Government has also put out to tender 16 flats which it owns, some of which have been vacant for a considerable period of time. Nine of them in Harbour Views, Sir William Jackson Grove, Portland House and Carltree House were put on the market on an open tender basis to the highest bidder. There were 44 applicants for these properties and just over £1.1 million is expected to be raised. Seven other flats in Merlot House were also put out to tender on a fixed price basis. This means that, in the latter cases, prospective tenderers were not be able to outbid each other and that a list of published criteria, other than price, was used to determine the selection.

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There were 22 applicants for these properties and just over £900,000 is expected to be raised. The Government has, in addition, put out to tender eight commercial units. We have continued the practice established by the hon. Members when they were in Government, of putting all of them out on a fixed price basis. Five of the units are in Waterport Terraces, where a projected income of about £1.2 million is expected to be raised. The others are small units at Governor's Cottage and Casemates Arcade that have been put out on a rental basis.

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The Government is aware that there is considerable demand for storage space, industrial and commercial units and hope to be able to go some way to meeting the demand during our term in office. Given this situation, it made no sense to keep these properties off the market, when they could be generating income for the Government and economic activity for the benefit of Gibraltar as a whole.

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I want to take this opportunity, Mr Speaker, to thank the staff in the Lands Office in Convent Place and the management and staff of Land Property Services Ltd for their assistance and co-operation over the last six months.

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Mr Speaker, I now move on to aviation and the air terminal. The Director of Civil Aviation reports to me in my capacity as the Minister responsible for aviation matters. The Department can be found at Head

11 of the Estimates of Revenue and Expenditure. The estimate for the last financial year was £4.1 million. The outturn was £3.8 million. The estimate for this year, which this House is being asked to approve, is

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Mr Speaker, in order to cover the existing requirements for security in the old air terminal caused by the requirements of European Aviation Security legislation, the Government recently recruited 14 new Borders Agency officers. These officers, who are all Gibraltarian, have undergone initial training packages and are now undertaking on-the-job training, prior to being declared fully operational in August. The recruitment of the new personnel has allowed the recruitment of a dedicated Training Officer from within the BCA. The new post will be responsible for implementing and teaching the extensive training programme required by the EU legislation for aviation security officers.

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Similarly, it is planned to recruit a dedicated quality control officer. This officer will be responsible for undertaking audits, inspections and tests of all the security related operations at the Airport.

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Mr Speaker, during the past 12 months only two bird strikes have been reported. This demonstrates the importance of the culling programme and the bird management procedures employed by the Airfield Bird Management Team, who spend long hours patrolling the airfield.

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An Aerodrome Manual has been produced which formalises the safety procedures that are in place at the airport. The document details the safety accountabilities and responsibilities of the various agencies. It also lays down the terms of reference for the various safety committees at the airport and sets out the standing instructions employed at the Airport. This document ensures that all units at the airport, both civil and military, have a common safety reference book, which will improve the interoperability of the various organisations. This Manual has already proved very useful.

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While on aviation matters, I would like to spend a few moments on the air terminal. Gibraltar Air Terminal Ltd took possession of five operational aircraft aprons in August 2011. Operations from the new air terminal for arriving aircraft started in November 2011, although, as the House knows, operations for departing flights have not yet commenced. I will say more on this later on.

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Practical completion of the new air terminal was accepted by GATL in April 2012. The House knows that, in Opposition, we did not support the new air terminal. We did not support the expenditure; we did not support its relocation next to the frontier fence; and we did not support the scale of the construction. The arguments are well known and well rehearsed. In our view, the motivation behind this project was not economic, in the sense of planning for the future, but purely and simply in order to give effect to a political agreement with Spain.

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Mr Speaker, it is obvious to us now, with the benefit of hindsight and of having access to all the relevant information, that we were correct in the analysis that we made at the time. The air terminal project has been carried out with poor planning and with little consideration for the public purse. It was not driven by the public need of Gibraltar, but by the need to make a statement of pharaonic proportions, paid for with somebody else's money. It is very easy, Mr Speaker, to have visions of this kind when somebody else foots the bill. It is obvious that the hon. Members got their priorities wrong, in relation to this project.

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Moreover, it was a serious error of judgement to operate two terminals at the same time, one for arrivals and one for departures. This has created all sorts of logistical problems for the staff who work in the buildings and for the commercial entities who operate from there. There is no doubt that the rush to open for arrivals at the end of November, and the public viewings that preceded it, were nothing more than transparent electoral stunts.

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It will be recalled that workers were withdrawn from other Government projects all over Gibraltar in order to ready the terminal on time. There was an obvious resulting increase in cost as well as a delay to other projects. The figures made available to the new Government soon after coming into office showed that the cleaning of the terminal for the initial period of arrivals from 25th November to 10th December was over £88,000. Clearly, money was no object.

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Mr Speaker, the Government expects that the cost of the new air terminal will be in the region of 84 million euros. This project was originally trumpeted as costing £24 million. The costs then went up to 50 million euros at the time of the tender, to 70 million euros at the time of the General Election and to about 84 million euros today. The waste of public funds is unforgiveable. It is clear that the party opposite has a lot to answer for.

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One of the reasons for increased costs is because the now Hon. Leader of the Opposition, who once proudly boasted that he was the Clerk of Works of the Casemates project, clearly also considered himself to be the Clerk of Works of the air terminal. The Government has received detailed information which shows that at least 6 million euros of increased costs was due directly to the personal intervention of the then Chief Minister.

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Mr Speaker, this included: enlarging toilets at the cost of nearly 140,000 euros; increasing the size of the monitors at the cost of over 100,000 euros; altering the purpose of the airside facilities building, which cost 817,000 euros. It also included changing some walls leading to and from the frontier from solid with glass top panel to full height glass walls. This cost a further 312,000 euros. Then the

1700 Government also agreed to contribute 55,000 euros to the cost of demolishing and reconstructing stairs, because they did not line up with the angle of the adjacent escalator.

1705 Mr Speaker, it was already bad enough that the costs of the air terminal have increased to over three times the original figure that was given. It is totally unacceptable that the now Leader of the Opposition should have been personally responsible for the changes that contributed significantly to such an increase in costs.

1710 It is also particularly scandalous that the ground handling contract with Bland Ltd was signed on 7th December 2011, which was the day before polling day. It is beyond belief that the signing of this contract could not have waited 24 or 48 hours, so that a different Government could have taken a view on it. This is all the more relevant since it is meant to run for a seven-year term, until November 2018.

1715 The signature of this document the day before the people of Gibraltar went to vote for a new Government has raised a serious constitutional point. Save in the case of public emergency, the Constitution of Gibraltar prohibits any caretaker Government from committing or binding its successor to public funding or liability, except in the ordinary course of the day-to-day affairs of Gibraltar. Mr Speaker, it is clear to me that the GSD Government, through GATL, has committed its successor Government to public funding and that this could be seen as unconstitutional. The new Government has sought a legal opinion on this point.

1720 Having said all this, Mr Speaker, the air terminal is there and the new Government now has the responsibility to make it work. The Government were given practical completion at the end of April, about eight weeks ago. The decision has been taken to operate the air terminal through a series of service level agreements with a number of contractors who are already in place, until local people can be trained for the jobs that are available.

1725 The Government set about reducing the costs at the air terminal soon after we took office. The House will recall the cancellation of the infamous cleaning contract that I referred to earlier. The Government has authorised one-year contracts with five contractors in respect of a number of functions at the new air terminal, after negotiating price reductions. This will nonetheless still cost over £1 million a year.

1730 There are still other SLAs that remain to be agreed. The new air terminal building is being prepared for departures as well as arrivals, since practical completion was given at the end of April. Work now continues to resolve the long list of snagging problems that have been identified, once possession of the building was achieved.

1735 Additionally, work continues to fully integrate and configure the extensive IT systems. The next phase will see staff being trained on the new systems and then full operations will be able to commence from the new air terminal. It will, therefore, open for this purpose as soon as it is ready.

1740 Mr Speaker, by way of example, the Government has been told that the CUTE check-in system was expected to be ready by mid-July and that following this, the handler's staff needs to be trained on it.

1745 Mr Speaker, I would like to take this opportunity to thank the Director of Civil Aviation, Chris Purkiss; the Air Terminal Director, Terrence Lopez; and all the staff at the two air terminals for their support.

I now move on to a short report in relation to Gibtelecom.

1750 Since my appointment as Gibtelecom's Chairman in December 2011, I have been struck by the company's investment in its people and their commitment to deliver quality services. Therefore, at the outset, I take this opportunity to express my appreciation to Gibtelecom's staff, including those who have retired or moved on, who have contributed to the company's success.

1755 I have now had the pleasure of attending two board meetings of the company, together with the Government's partners from Slovenia Telecom. I have also toured different sections of the company and had the opportunity to chat to management and staff.

1760 Mr Speaker, investment in technology continues to be the cornerstone of Gibtelecom's strategy and 2012 will see the culmination of a number of important projects. These include the Next Generation Network (NGN). This will have the capacity to deliver faster broadband speeds in the shorter term and eventually lead to closer integration of fixed line, internet and mobile technologies.

1765 Another key project getting underway later this year is the replacement and upgrading of the computerised system for network records, customer services and billing, which plays a crucial part behind the scenes role in all Gibtelecom's operations. The company is also enhancing its mobile coverage around Gibraltar, to meet the challenges of topography and the growing demand for mobile internet and data services.

1770 The activation of the Europe India Gateway (EIG) cable, together with the setting up of a Gibtelecom Point of Presence (PoP) in London, provides the Company with significantly enhanced route diversity and resilience, to complement its land and other sea routes. The company has begun marketing and selling its substantial EIG capacity beyond that required for Gibraltar, by seeking to partner with other international carriers to extend its global reach. Gibtelecom's first agreement, announced in June this year, is with a leading South African company called Vodacom – part of the Vodafone Group.

1765 With regard to business enterprise services, the company was able to make some headway at the turn of the year in reducing bandwidth prices for the emerging e-commerce industry, which was a much needed move in the right direction, if Gibraltar is to be an attractive jurisdiction for e-commerce. Also, this spring, the company took the first steps in enhancing its broadband offerings for both business and residential customers, with further speed increases due later in the year.

Mr Speaker, there is a growing demand for computer data hosting services, which the company is also developing at present with the construction this year of further data centres.

1770 Mr Speaker, the Government will deploy its shareholding in Gibtelecom to encourage the company to continue to invest in infrastructure, technology and people to ensure Gibraltar's needs in the critically important area of communications continue to be met.

Mr Speaker, a new Government brings new ideas and a new way of doing things. We have made fundamental changes to the way in which Gibraltar is governed in a very short period of time. People voted to change and Gibraltar has changed, for the better.

1775 In concluding my contribution, I want to thank you, Mr Speaker, because this will be the last time that you preside over a Budget session in this House. I was one of those who voted against your appointment the first time round and then supported it the next time. Mr Speaker, everything you have done from that Chair has justified this.

1780 I also want to take the opportunity to thank all the civil servants and public servants who have made us so welcome and with whom it has been a pleasure to work over the last six months, in order to ensure the delivery of our manifesto – in particular, Coral and Caine, the staff in my personal office in No. 6 Convent Place.

Thank you.

1785 *(Applause)*

**Hon. Chief Minister:** Mr Speaker, I beg to move that the House do now adjourn until this afternoon at 3.00 p.m.

1790 **Mr Speaker:** This House will now adjourn until 3.00 pm this afternoon.

*The House adjourned at 12.35 p.m.  
and resumed its sitting at 3.00 p.m.*





# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.00 p.m. – 6.35 p.m.

Gibraltar, Monday, 9th July 2012

## The Gibraltar Parliament

*The Parliament met at 3.00 p.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Order of the Day

### Appropriation Act 2012 Debate continued

**Clerk:** Budget speeches continue.

**Mr Speaker:** The Hon. the Minister for Health and the Environment.

5 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, this is my first ever Budget speech before Parliament, and it is an honour for me to be able to present it.

I must start, Mr Speaker, by thanking the people of Gibraltar for the confidence they showed in me at my first ever General Election, even though I had only entered the political arena a matter of weeks before Election day.

10 Election day: the 8th December last was a turning point for the environment in Gibraltar and the 9th brought with it a new dawn of hope for the future. A Government that seemed to groan every time it had to consider the environment was replaced by one which is already today probably the most environmentally progressive in Europe.

15 This is something I take very seriously and I will strive my utmost to gain international recognition of our increasingly green credentials. Literally overnight, Gibraltar had concern and care for our surroundings and for the wellbeing of our people and our planet at the core of its policies and activities.

Mr Speaker, I know better than most how difficult it was under the Government of the Gibraltar so-called Social Democrats to make progress on environmental obligations, let alone initiatives. I know

20 better than most of rejected proposals, forbidden funds, negative reactions, when other players in other areas were getting incentives and funding, right and centre, sadly not left.

I know better than most of non-implemented Directives and the ignoring first and avoiding later of advice. The latter was characterised, for example, by a ban on Government servants engaging directly with environmental NGOs, and the now well-known centralisation of everything and confrontation with everyone who did not tow the line.

25 Mr Speaker, probably the first thing I did, when I attended my first meeting at the Department of the Environment, was to lift the ban on talking and discussion, and to invite Department officials to work together openly with representatives of organisations and contractors. I opened up links to counterparts in Government and Agencies in the UK and encouraged interdepartmental contacts and joined-up thinking within the Gibraltar public service, which was surprisingly and alarmingly lacking.

30 This step, which was a logical extension of the various inter-Ministerial Committees, also opened up the avenues of close communication, which has facilitated the work of the green filter. There is now scarcely a Government activity of significance that does not go through an environmental filter. How things have changed!

35 In practice, not only do environmental civil servants and advisers or contractors get involved in discussion and decision-making, or are appointed to important committees, but many criteria with which such decisions are arrived at have been changed. This is the case, for example, with the new green procurement practices, the subject already of circulars and seminars and with initiatives linked to reduction of emissions and energy efficiency, also already well promoted within the public service.

40 This year will see the revision of the Environmental Action and Management Plan. The revised version will illustrate the Government's green ethos and provide comprehensive targets with dates for the fulfillment of these. A workshop has already been held within the public sector, with presentations given to all Government Authorities, Agencies and Departments. A number of practical steps have been initiated such as the introduction of recycled paper within the service, double-sided printing, the use of central printers to name but a few.

45 The introduction of the Environmental Filter is resulting in greater environmental consideration in the procurement process. The tendering process has seen the introduction of a green procurement policy. This particular issue has also been the subject of a Government seminar.

50 With regards to the tender documents for the purchase of goods or services, the weighting of environmentally friendly products and energy efficient equipment has become much greater, with the aim of making it the principal factor when considering tenders. The Chamber of Commerce and the Gibraltar Federation of Small Businesses have been engaged and are aware that their members have to work towards introducing greener products and services within the local market, as Government will be procuring on that basis whenever possible in the future. They have embraced these principles.

55 All Building Applications are now filtered through the Department of the Environment, who provide comments regarding various aspects relating to the environment. These include the effects developments could have on natural habitats and planted areas. Furthermore, energy efficiency, the provision of appropriate refuse disposal facilities, dust emission during construction, and so on are also considered when relevant.

60 In the next few months, Government will be publishing a tender for the collection of recycling of all small items of waste electrical and electronic equipment (WEEE) and batteries, with the possibility of at last introducing recycling of paper and cardboard from all Government Agencies, Authorities and Departments. There are already arrangements in place for the recycling of small WEEE items, but this new service will ensure that the waste is collected and delivered for transfer to the authorised recycling facility, ultimately producing higher collection rates.

65 The Government is working together with the Environmental Safety Group (ESG) on a wide range of issues, and has opened its doors to the Group, which has met on many occasions with different Ministers and Government Departments, including the Department of the Environment and the Port.

70 This work includes life after the last Government's Epidemiological Study, which was promoted by our predecessors as giving no cause for concern, almost as reason to sit back and do nothing. Even the present Hon. Opposition Spokesperson for Health seemed to find it acceptable, as was widely reported in the press. This Government, like the ESG, considers that it had considerable flaws, and is discussing with the Group ways of taking this theme forward together. Government is committed to improving environmental aspects that can affect human health, whether it is through improving the quality of the air we breathe, or as a result of lifestyle choices.

75 Mr Speaker, one of the earliest and most courageous decisions of this Government was to halt the former Administration's plans for a large diesel-fuelled power station. It was also one of the most sensible ones, from both a financial and environmental perspective, and the history of Gibraltar will judge it as such. This action has opened a wide range of possibilities for Gibraltar, not just in determining the main source of power, but in identifying alternative sources that will help Gibraltar meet and, we hope,

80 exceed the European Union's targets for renewable energy – targets that are punished with heavy fines of millions, if not met.

The failure of the previous Administration to tackle power in a timely manner, already referred to by the Chief Minister, in the 16 years it had to do so, must be condemned, as it has brought us very close to the line on timings. The removal of the existing power generating stations is a top priority for this  
85 Government. The OESCO and the former MOD power stations had been allowed to deteriorate unacceptably. This has left us with yet another liability as part of our GSD inheritance.

Government is closely studying various options and short-listing these, with a view to reaching a decision shortly as to what the main source of power for Gibraltar will be. Once this decision is taken, it will move very fast and we are aiming for implementation within this term of office. Government has  
90 received numerous proposals for more sustainable forms of energy production, some of which simultaneously deal with waste disposal. These are all being actively considered.

At the same time as providing a secure and reliable source of power, Government is promoting the reduction of energy consumption through a number of initiatives and by example. Government has commenced and will continue with a programme to replace public lighting with solar powered devices  
95 and/or LEDs. This example has already been followed in at least one private estate, and I would like to publicly congratulate Vineyards for this.

Another measure that has been introduced is that all refurbishment and repair works to Government buildings must explore and implement options to make changes to lighting systems that are more energy  
100 efficient.

Government is very serious in its aims to reduce emissions and to producing a Gibraltar that can be proud of its record in slashing its contribution to the global problem of climate change. It has therefore provided, as promised in the manifesto, £1 million to be used for projects that will assist in achieving the  
105 reduction of our carbon footprint. This will include facilitating renewable energy projects.

I must remark that the last Government did nothing whatsoever of any significance in this respect. That is not only shameful but embarrassing and a disgrace, which has done nothing for our international  
110 image, as I have been able to ascertain in meetings that I have recently held, in London.

To assist in this work, Government has reconvened the Gibraltar Climate Change Forum, which had not met since 2006, and which has already met twice, and is drafting a new Climate Change Strategy for  
115 Gibraltar.

Mr Speaker, as announced earlier by the Chief Minister, there will be a number of import duty changes to promote environmental measures:

- The import duty on biofuels will be zero with immediate effect.
  - Import duty on the importation of hybrid vehicles via a licensed motor dealer in Gibraltar will be reduced to 2%.
  - A £500 cash back will be given to the purchaser of a hybrid vehicle on registration in Gibraltar.
  - Import duty on recycled or approved environmentally friendly or eco paper, from renewable forests, is reduced from 12% to 0% with effect from 1st July.
  - Import duty on stationery made predominantly from recycled materials is reduced from 12% to 0%.
- And more such measures are being looked into.

Mr Speaker, another problem that was not successfully addressed by the past administration was the matter of waste disposal. Once again, there was a report that no-one seemed to know what to do with. This Government has engaged a consultant to assess and advise on the various different options being  
120 presented to it, to deal with the sustainable disposal of Gibraltar's waste. The exercise will provide Government with an accurate understanding of Gibraltar's waste arisings, and the best options for our unique circumstances. Any new technologies must comply with our various EU requirements, as well as the Government's green philosophy.

As has already been explained in Parliament, Government is developing a plan with experts far and wide for the management of our macaques. The previous plan did not deliver a satisfactory situation and had not been implemented, despite being ready for over two years. The exercise to develop the new plan  
130 should be complete by the end of this summer. It is envisaged that among other things, this year will see the supply of water to Anglian Way, the construction of feeding areas and ponds at many of the sites and the setting-up of interpretation material. In contrast with the situation with the last Government, where Gibraltar was condemned internationally and was the subject of a negative campaign, two international organisations, the International Primate Protection League and the Born Free Foundation, are completely  
135 on side and will in fact be contributing with expertise and funding to delivering the plan.

It has already been stated that no culling will be conducted for the purpose of reducing the number of macaques. The possibility of relocating macaques to adequate places abroad will continue to be an option and the use of contraceptive measures will be enhanced. This, together with the new management systems and facilities will go some way towards significantly reducing the nuisance caused by the monkeys in  
140 built-up areas, which is one of my main concerns.

The four-year gull population reduction programme with FERA has now been completed. We will now be enhancing local resources to increase the year-long concerted effort that should maintain the numbers of gulls at a satisfactory level, without the need for the continuous and expensive engagement of overseas services.

145 Mr Speaker, when I took over the old Alameda Gardens in 1991, I remember sitting at the edge of one of the beds, looking round, and almost despairing at the magnitude of the task ahead. A similar feeling went through me as I went around the Cemetery, shortly after coming into office. Not only was it in an appalling state, but the conditions of the staff facilities was shocking, and little equipment was available. But the task is not insurmountable.

150 We will this year commence a project of general refurbishment for the Cemetery which will entail the removal of unkempt vaults of more than 50 years, the painting of external walls, the placing of benches and refurbishment of the entrances, as well as improving the management of the planted areas. The Board of Visitors to the Cemetery, which has not functioned for about a decade, is being reconstituted in order to support the hardworking and thoroughly committed Superintendent and his team, in their work.

155 The drive to plant more trees throughout Gibraltar will continue. This will be achieved within new developments and in green areas where they can survive through natural means. Plans continue to be developed to creating new green areas. Design work on Commonwealth Park, for example, is advancing well, and works on the ground are expected to begin shortly after the summer.

160 Consistent with the concept of tidiness and beautification, another body that I have resurrected is the Litter Committee, which has already helped in co-ordinating the resources available to clean up and maintain a cleaner Gibraltar. The Committee's members include official Departments, Agencies, contractors and NGOs, including the 'Wake Up Gibraltar' Facebook Group. I must mention here the work done by cleansing contractors, and by the Environmental Monitoring Team and the brand new Environmental Feedback Section, which have been given new impetus by this Government's initiatives.

165 Refurbishment work to the Upper Rock sites and enhancement works to areas of natural beauty will be carried out, adding to the excellent work already being done by the Upper Rock Team in managing habitats and controlling non-native invasive plant species.

170 Tanks that will provide water for fire-fighting purposes in the Upper Rock will be placed at different locations in consultation with the City Fire Brigade. Works to repair and replace fences in the Upper Rock will also be carried out. Old buildings will be restored and interpretational signs will be erected. This will be the first phase in developing the Upper Rock towards its full potential as an area of beauty, wildlife, and recreation.

175 The Alameda Gardens will be encouraged to continue to develop, beyond its recreational value to the community, as a major player in research and conservation in the region, and to promote Gibraltar internationally in these fields. This year should see the completion of works to the Animal Conservation Park, the development of educational and scientific work and the placing of interpretational and educational material.

180 Gibraltar, Mr Speaker, has important responsibilities in affording protection to wildlife that not only resides here but which passes through Gibraltar and its waters on migration. This projects our importance – and our responsibilities – far beyond the limits of our small territory, as essentially our success or otherwise in wildlife protection could have repercussions in wildlife populations, particularly of birds and marine species, throughout Europe and the Mediterranean. That is why, Mr Speaker, despite allegations to the contrary, the Government takes very seriously its responsibilities under the Habitats and Birds Directives and why it affords protection to its wildlife, both terrestrial and marine.

185 In relation to the Habitats Directive the existing surveillance monitoring programme will be enhanced this year to ensure greater data capture for species of flora and fauna of local and community interest. The results of the monitoring will assist Government in meeting the requirements of the Directive, which include ensuring that the favourable status of our European protected habitats and species is attained or maintained locally.

190 The Rock of Gibraltar Site of Community Interest will shortly be designated as a Special Area of Conservation. To this end, a management scheme is being prepared by the Department of the Environment. This plan will reflect the findings, where applicable, of the current Upper Rock Consultation Process, which should see the rationalisation of all the interests into an organised mechanism which will ensure proper management of all aspects of the Upper Rock.

195 The Government is revising the Southern Waters of Gibraltar Management Scheme, which as existing is weak and inadequate. The protection regime which had been in place until now is therefore being supplemented and will include the regulation of all types of fishing activities in Gibraltar waters amongst other issues affecting Gibraltar's marine resources. Mr Speaker, the clear show of weakness of the Government of 1999, in ignoring technical advice and entering into an agreement tantamount to likewise ignoring Gibraltar's laws, was in my mind the clear trigger for the declaration by Spain of a European SCI within Gibraltar waters. This admission by the then Government of its inability to administer

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protection of our marine resources will have been mischievously used in a decision to take the law into their own hands and treat our waters as if they were theirs.

205 But this is hardly surprising, if our own Government essentially agreed to Spanish law governing activities in our waters. The best way to tackle this problem, Mr Speaker, is by demonstrating that we are willing and able to offer a protection regime that is scientifically robust and will encourage the recovery of our marine habitats and species and only allow sustainable use of our resources.

210 This will mean that the regulations that we will be introducing, which have been discussed with all relevant stakeholders in our Marine Consultation Process, will require certain restraint and control of activities currently taking place, but in the end will ensure thriving marine life with added possibilities of sustainable use. Mr Speaker, for the avoidance of doubt, let me state that these are regulations that we have been developing since December, to govern activities locally such as angling, diving and spear fishing, to replace the former Government's inadequate and ill-conceived Marine Leisure Act proposals.

215 Mr Speaker, sound conservation science is the overriding principle that drives all our environmental work, be it in relation to local use or in relation to Spanish fishermen. It is imperative that all recognise and accept what the world already knows, that unless we protect what little remains now, there will be nothing left in the future.

220 It really is sad, Mr Speaker, that neither the present Leader of the Opposition realised that in 1999, when he had it in his gift to resolve the issue once and for all, nor the Opposition now can find it within themselves to publicly state that what I am saying is true and that what we are doing is right.

225 Mr Speaker, I have already mentioned the Government's commitment to involving the wider Gibraltar in its work. I have referred to the involvement of the ESG. Similarly, it is maintaining close contact with the Ornithological and Natural History Society through regular meetings and discussions on matters relating in particular to the natural environment. The Government will continue to do so and will assist their work in the rehabilitation and captive breeding of birds of prey, both for release into the wild and for use in gull control.

230 In order to strengthen and widen the quality of scientific advice available to it, Government has restructured the Scientific Authority and the Nature Conservancy Council, which is now encouraged to advise on any matter within its competence that it wishes to, and not simply respond to specific requests as dictated by law.

235 Mr Speaker, this year Government celebrated the eighth anniversary of World Environment Day (WED) on Thursday, 31st May. The purpose of this United Nations Environment Programme Day is to spread awareness of centre stage environmental issues. This year's theme is the 'Green Economy.' Events were centred on the ever-popular performances by school children and parents who were invited to attend. This event was held at the Tercentenary Sports Hall. It was truly inspirational. The work done by children, teachers and parents has to be praised. The message came through loud and clear: they are the future, and the future, if there is to be one, must be green.

240 The Department of the Environment is currently considering the detailed requirements of a purpose built Environment Park that will provide for the ability to dispose of different waste streams. These waste streams will then be transferred to authorised recycling and disposal facilities. Until these facilities are established, businesses and the public are encouraged to take all Waste Electrical and Electronic Equipment (WEEE) to the temporary facility at Europa Advance Road or to any retailer from which it is purchasing a replacement piece of equipment. Promoting awareness of the need for careful disposal of waste has been and will continue to be one of the subjects covered in the Environment Department's promotional material – one of which is the very popular recycling ad featuring 'El Teren', so convincingly portrayed by accomplished actor, Tony Loddo. There is more to come.

245 This type of initiative will help remind members of the public to make use of the recycling facilities that Government has placed and will be placing at its disposal. The provision of proper facilities for the disposal of refuse will continue this year and the project will be implemented in stages.

250 Mr Speaker, the services provided by the existing Gibraltar Air Quality Monitoring Programme has this year been extended with the following improvements:

- The existing website providing air quality monitoring data to the public will be upgraded to improve accessibility, security and user friendliness.
- 255 • Rainfall is to be measured to provide valuable data to better elucidate the behaviour of pollutants with respect to meteorological processes.
- Considerable interest and research into black carbon is currently being undertaken throughout Europe, to better understand this pollutant. No measurements of black carbon have ever been made in Gibraltar and monitoring will commence shortly.
- 260 • There are no data on radon levels in Gibraltar and an initial three month survey will be carried out throughout Gibraltar to characterise radon background levels. Following the results of this survey, a decision will be taken as to whether there will be a need to extend the monitoring period. It is hoped that the data gathered will help answer questions posed within the Gibraltar Epidemiological Study (GES), with respect to radon concentrations in air.

265 • In the light of modelled results that arose from the monitoring stations, further investigation is to be carried out, to provide an indication of the apportionment of sources of chromium in Gibraltar. This highlighted that modelled concentration of trichloroethylene and tetrachloroethylene pose an enhanced risk of certain cancer endpoints. A short measurement study using diffusion tubes will be carried out to determine whether the modelled concentrations from the system are consistent with measured concentrations in ambient air within Gibraltar.

270 • PM10 particulate background concentrations have been obtained in the past from Spanish sources, in order to quantify the apportionment of African dust to our PM10 levels. In order to avoid delays in obtaining the Spanish data, an alternative method will be developed using an open source air quality data analyser called 'Openair'.

275 The Energy Performance of Buildings Programme is now well underway. The current system is being revised with a view to improve the minimum energy performance standards of new and current build. Methods of ensuring that buildings conform to requirements are being developed jointly by the Department of the Environment, Building Control and the Town Planner.

280 The Water Quality Monitoring Programmes carried out by the Department of the Environment and the Environmental Agency continue to be in operation. New requirements under the Water Framework and Marine Strategy Framework Directives are being incorporated into the latter programme. Further developments in relation to the Marine Strategy Framework are expected to take place in the very new future and the Government is committed to meeting and, if possible, expanding upon the requirements.

285 Additionally, *ad hoc* sampling will be conducted by the Department of the Environment, as and when necessary, as part of a new pollution monitoring and enforcement campaign. We will continue to monitor the situation at Western Beach, as at all our beaches, and continue to work towards a long-term solution.

290 Work continues also on a wide range of issues, including the European Floods Directive and the Cartagena Protocol. Much of the work I have mentioned today, and a great deal more that there will not be time to go into, is either run or supported by the Environment Agency, with which my Ministry works very closely and which produces work of the highest calibre. Indeed, work across the boundaries of Agencies and Departments is the hallmark of this Government.

295 As an example, Mr Speaker, I must mention the extreme hard work and efficiency with which two recent oil spills, one in Gibraltar and another in Algeciras were handled by the Port, the Maritime Authority, the Department of the Environment and the Environment Agency. They worked around the clock, deployed all the available resources, and co-ordinated their work in such a way that the environmental impact was minimal.

300 In order to help us in achieving all this, the Environment Department will have two new technical posts at Professional Technical Officer (PTO) grade, and it has created a laboratory which contains specialised equipment for on-site monitoring of soils and waters. This will allow for a greater level of pollution management and polluter enforcement. It will also result in more efficient and proactive working practices within the Department and cut length of waiting time for results, while reducing the costs of sampling.

305 Mr Speaker, the staff of the Ministry and Department of the Environment, the Environment Agencies, and others who I work with, administrative and technical, have found that I have given them a tremendous amount of work in a very short space of time. They have responded admirably to the new challenges they face with the new freedom they enjoy to fulfill their abilities and fully utilise their expertise.

310 You will have seen, Mr Speaker, that the amount of work being carried out in relation to the Environment, not just by the Ministry and the Department, but also by NGOs, professional bodies, contractors and other Government Departments is greater and of higher quality than ever before, and I must add, being done and delivered with correspondingly more enthusiasm and excitement. That, Mr Speaker, may well be because I am excited too.

Mr Speaker, I now turn my attention to the Ministry of Health and the Gibraltar Health Authority.

315 Mr Speaker, despite how tired I was, as you would expect, in the early afternoon of 9th December 2011, after the very moving ceremony at the Convent where I was sworn in as a Minister of Her Majesty's Government of Gibraltar, I went down to St Bernard's Hospital. Mr Speaker, 20 years and six months before, I had left my post of General Manager of the GHA, a post now called Chief Executive Officer, with great sadness. Sadness, not because I regretted returning to work in my profession as a biologist, but because of what I was leaving behind. I left a small, tight unit, which in three years had recovered from years of neglect, through investment into manning and into the fabric and was now functioning well and with spirit and commitment.

320 Years later, during the move to the new Hospital, as a member of the Board of the Authority, and before I had fallen out of favour, for reasons best known to some Members opposite, I made it a point to visit the old hospital, now empty, and, as I remembered all the work that I had done there, with so many friends and colleagues, I wondered whether I would ever work in healthcare again. When, shortly after,

325 my long time appointment on the Board was terminated by the then Minister, it appeared that this would never happen.

My return to St Bernard's, now as soon-to-be Minister for Health, was therefore, as you can imagine, an emotional moment for me, Mr Speaker, particularly when I saw and talked to people I had worked with two decades earlier, and to new, young people, who have made healthcare their career. They welcomed me, and I felt immediately at home.

330 Let me say, right at the start of this part, Mr Speaker, that despite all the problems and pitfalls, I am determined to deliver a health service to be proud of – and the pitfalls are many. The dedication of most of the staff is as strong as ever, but the structures and mechanisms have tremendous gaps in them, which make delivery of the service lacking in many ways.

335 The management structure is awkward and fails in a number of important areas to keep in touch with the organisation and with patients, and in many cases, to deliver their needs. Failure of that structure also means that continuity of patient care is again in many cases lacking, with individuals doing their work well, but without the solid connections required to treat the patient as a complete person.

340 Mr Speaker, so many of the problems that have been brought to me by hundreds of patients, relatives and staff, I have found to have been justified complaints, easily avoided, often simple to resolve. What was lacking in the GHA that led to this?

Mr Speaker, I am still asking myself that question, and as all the different parts of the answer assemble before me, I will take the necessary action to put it right.

345 I can already say what some of the answers are. I have mentioned inadequate structure. I will also mention inaccessibility of the former Minister and the sucking upwards of decision-making towards the office of the former Chief Minister, which led to many things not being done and to his lack of expertise in health matters, making it impossible for him to take informed decisions.

350 Mr Speaker, the executive structure of the GHA, now subject to intense review, by me and by itself, was created, I can only assume, by the old regime in No 6 Convent Place. Contrary to the requirements of the law, the Management Board was done away with and doctors banished from its membership. Directors were personally appointed by the then Chief Minister, and pay scales invented that bore no relativity to those of others. Mr Speaker, the trouble this alone has caused is tremendous.

355 I will insist that this is not the fault of the professionals appointed, but their effectiveness was for a long time tarnished by the manner of their appointment. That was not fair on the organisation and was not fair on them. At the same time, Mr Speaker, the Gibraltar Health Authority itself – by which I mean its Board – ceased to be a meaningful forum, with members not being encouraged to place matters for discussion on the agenda.

Mr Speaker, I will leave the matter of democratic deficit behind me and now address this House in regard to matters arising since I took on this very important area of responsibility.

360 Mr Speaker, on taking up my post, there were a huge number of matters that needed my attention. I will now deal with the most immediate and pressing issues that were critical to restoring the useful operation of the GHA.

365 The first is bed occupancy. Bed Management advised me that they had been attempting to operate the hospital with approximately 50 available beds. This number was barely able to cope with the emergency admissions and really precluded any meaningful inpatient elective surgery. I was briefed on the severe waiting list of over 200 patients in General Surgery and the increasing waiting lists in the other services.

370 Over the Christmas period, there were a number of critical nights with no beds available, patients sleeping in A&E, and the real risk of serious emergencies having to be sent directly to hospitals in Spain. On examination of the problem, I was advised and observed that the bed access problem was related to 24 patients with severe dementia, 12 with such frailty that they could only be cared for in hospital or in Mount Alvernia, and 36 other patients who could not go home, as they were awaiting assessments, housing modifications, active social service input and/or domiciliary care. There were also five patients who could be more effectively cared for in a hospice facility.

375 I took action immediately. With the support of the Chief Minister, who saw the problem for himself, when we visited the new hospital together on New Year's Day, and working with my colleague and friend, the Hon. Minister Sacramento, we mobilised both Ministries to tackle the problem, and by the end of February, we had relieved the pressure. By that time, and with unprecedented co-operation between GHA staff and Care Agency staff, Calpe Ward had been opened, providing service to 18 patients.

380 Domiciliary Care funding was increased and improved co-operation with Housing meant that many of those issues had been addressed. So far, since 1st March, Mr Speaker, bed availability for planned elective services has not been an issue.

I have here to pay tribute to all the staff, in particular the Bed Management team, for constantly monitoring the bed situation and finding solutions that benefit existing and future patients.

385 However, Mr Speaker, these remedies are short term. St Bernard's was not designed for long-stay frail elderly services or dementia services. These patients are prone to outbreaks of flu, Norovirus, MRSA and Clostridium Dificile; they are also at extreme risk of institutionalisation.

390 During this examination, Mr Speaker, Minister Sacramento and I convened a joint Ministry group to look at the planning for the Royal Naval Hospital Site and we found what we had suspected all along: that the design advice of the care professionals who would provide the services in both facilities was being ignored. Minister Sacramento and I were shocked and immediately took their advice and sought additional consultant support. This facility will be dealt with later by the hon. Lady.

395 We established a joint Dementia Strategy Group and their first recommendation, that a Dementia Day Facility be commissioned as soon as possible, is now being seriously considered. That multi-disciplinary and multi-agency group has had its mandate increased to provide a Seniors' Health Strategy for Gibraltar and we are expecting their report in the autumn. Once again Mr. Speaker, what was the previous Government doing? The answer, Mr Speaker, was simply failing to listen to the clinical professionals they employed.

400 Mr Speaker, I am pleased also to announce that the Government has agreed to provide the initial support for the commencement of the activity at the new hospice facility run by the Society for Cancer Relief. The Society aims to establish an inpatient hospice facility for those terminally ill patients to spend their last days in greater comfort, and we are looking at ways to support this aim.

405 In summary, Mr Speaker, the previous Government failed the people of Gibraltar in ignoring the root causes of the bed access problem. Our Government is committed to a Healthy Seniors' Strategy and a true caring approach to those in our community who have given so much to and for Gibraltar.

And that issue was only the first problem.

410 I now talk about nurse staffing, Mr Speaker, instead of addressing the real fundamental problem, the previous Government, once again showing their lack of understanding of the principles of modern health care, decided to reduce the number of surgical wards and to put in extra beds set up on the wards, increasing the false capacity by 15%, *but* not increasing the complement of nurses appropriately. Again, Mr Speaker, this ignored the fundamental signs of the nursing staffing crisis. The signs were:

- complaints about nursing care on the wards, for example: 'the nurses are always too busy', 'nobody answered the call bell', 'my parent was not showered today';
- high rates of sickness and absence;
- 415 • extraordinary use of the nurse bank, with nurses working continuously on supply with no rights to leave, sickness and no job security;
- poor quality outcomes;
- real reduction in staff availability as a result of the Agenda for Change contract implementation.

420 The second major remedy provided to the GHA, which is evidenced in the Estimates, is the recruitment of 33 nursing positions – a 10% increase in the Nursing Service, which will help alleviate the quality and occupancy problems. These posts are now filled.

425 Primary care access: Mr Speaker, the system of access to primary care was failing our community. People were queuing at 7.00 in the morning, often in vain attempts to get to see the emergency GP. Changes to the appointments system, generated by staff and clinicians, are in the process of being introduced and assessed.

I must add that I have myself been with the staff dealing with the calls for appointments first thing in the morning and am most impressed at their efficiency and dedication.

430 Together we are looking at ways of improving the service further. The concerns included: the need for additional GP support in the winter months; the failure to deal with the impact of the GP contract; and the limited value of nurse practitioners in the absence of their ability to prescribe.

Mr Speaker, with Cabinet approval, I have now published regulations which permit nurse practitioners to prescribe and issue repeat prescriptions and thus they will be able to reduce the pressure on GP services. The first ever nursing practitioner prescriptions in Gibraltar will be written today, as all the systems are now ready.

In addition, I am considering a wider response to the serious issue of increases in GP workload.

435 To the consultants contract: Mr Speaker, another of the failings of the previous Government was that in 2004, they introduced the pay elements of the consultants' contract, without the terms of the contract being agreed. At the same time, the Government attempted to introduce a contract worded in such a way that the consultants found completely unacceptable, I am told, partly because of the belittling language and the lack of respect demonstrated within it. In spite of GHA management and the consultants coming to agreement later, way back in 2006, the Government of the time refused to sanction its implementation.

440 This Government intends to proceed to negotiate a fair reasonable agreement that places reasonable expectations on the consultants and on the GHA. Contacts have commenced and I expect agreement this year.

445 The Mental Health Service: Mr Speaker, it was but a few days after last 9th December that I went back to KGV after 20 years and six months. Mr Speaker, words can barely describe what I found, when I got there. The condition of the building and facilities, the state of the rooms where these members of our community had to live out their lives, and the conditions that the staff had to put up with were worse than Victorian.



450 The Chief Minister accompanied me on another visit shortly after, and was as moved as I had been. Mr Speaker, I took the unusual step of inviting the press and cameras into KGV with me, because the community had to see the disgrace that the last Government had permitted and by its inaction condoned. Of everything wrong that the GSD had done, and of everything bad that the GSD had left, I will always remember the legacy of KGV.

455 Immediately, and at surprisingly low cost, the new Government – a Government that cares for all of its people – set to work in putting this right, and did so with an enthusiastic response from all involved.

460 There were grave concerns too with the previous Government's direction being given on the new Mental Health facility. Once again, experts were not being heard. I am happy to confirm that I have now approved the detailed plan for the new facility, developed by an in-house team of people who know about these matters. We hope that the works will be completed towards the end of this financial year or the beginning of the next.

Also neglected has been the Community Mental Health Team facility at Coaling Island, and I am pleased to announce that, this year, I plan to invest £100,000 in upgrading that facility, which provides a vital and often unappreciated service to the community.

465 Finally on Mental Health, this year, I will table changes to the grossly outdated mental health legislation which will facilitate a modernisation of the service to our community, in this vital and sadly so far neglected area of health care.

470 Catering Facility and Food Service issues: Mr Speaker, one of the moments of the election campaign that I remember most vividly took place in an otherwise very enjoyable session at the Laguna Social Club. It was an appeal by a member of the hospital catering staff for help and support. She was ashamed of admitting she worked in the hospital kitchen, not because her work was not up to standard, but because no matter how good it was, the system in place meant that the food reached St Bernard's in an unacceptable state.

475 Mr Speaker, what I did not know then was that not only did the plated food system not work, not only did each food trolley cost over £7,000 and each door at least £500 to be replaced, but that the condition of the kitchen was so appalling. Within days of the Election, I visited the kitchen with my friend and colleague, the Hon. Paul Balban who, as you will know, is a trained dietician, and we were both shocked. It was almost like KGV all over again. Well, nothing can be that bad.

480 As Minister responsible for Health and Safety, my colleague initiated an inspection which revealed serious shortcomings that had not been dealt with by the previous Administration. These are in the process of being put right – after years of inaction. You see Mr Speaker, as we have seen and will see, not just from my contribution but from many others by my colleagues, not only did the last Government spend money on unnecessary follies, it also failed to spend money on necessary essentials and left us with a myriad of ticking time bombs, which we have had to set to defusing – at an expense that they should have had, and to the detriment of our own programme. That, Mr Speaker, is tantamount to putting the wellbeing of Gibraltar last.

485 Mr Speaker, I immediately listened to the Catering Department and to users and agreed that the concept of returning the food service preparation to the St Bernard's site be addressed as soon as possible. I am expecting an architectural feasibility of options imminently, with a view to starting work within this financial year.

490 Now the Ambulance Service: Mr Speaker, another area of concern is the Ambulance Service. We are committed to providing proper and larger facilities to the ambulance staff, as well as to improving other aspects of the running of the Ambulance Service and to its professional development. Last week, we took delivery of the three new emergency ambulances, which were finally ordered by the last Government, thanks to the concerns of the staff and to the determination of the then Shadow Member for Health, my hon. and learned friend, Neil Costa. (A Member: Hear, hear.) The tender process for replacing all five transport ambulances is already under way, so that by the end of this financial year, we will have a full set of ambulances less than a year old. My word, what a difference! (A Member: Hear, hear.)

500 Now to our manifesto: Mr Speaker, the above issues represented priorities encountered in the first few months of this forward-looking and progressive, breath-of-fresh-air Administration. Some of these were not explicitly in our manifesto, but nevertheless emerged as top priority and were dealt with. It was evident that the continued theme of the previous Government not listening to or ignoring the GHA's strategic planning process contributed very significantly to the problems I encountered and still have to live with every day.

505 Our manifesto, Mr Speaker, is our commitment to the people of Gibraltar. My mandate from the people who put so much trust in me, and from my colleagues in Cabinet, is to implement this manifesto. However, I will not do it by giving blind instruction, nor without planning and careful consideration. I will ensure that due process is followed, staff are consulted and implementation issues are addressed, using a robust project management approach.

I will now account for the implementation of our commitments.

510 In-vitro fertilisation (IVF): Mr Speaker, the GHA has developed the IVF policy and is now finalising the evaluation of the responses to the tenders and in the next month will announce the successful service provider. The system will be a reality very soon indeed.

515 Transparency in the running of the GHA – open Board meetings: Mr Speaker, based on well researched new Standing Orders and in keeping with our manifesto commitment of ‘transparency in the running of the GHA’, our second meeting of the Authority to be held in public is scheduled for 17th July. I am also planning the annual public meeting for the Board in the autumn, at which time the annual report will be published.

520 Use of the GHA website: Mr Speaker, at the moment, this website is nothing short of an embarrassment. I have asked our IT professionals to prepare proposals for a much improved website later in this year.

Fiscal transparency: Mr Speaker, I am committed for financial progress reports to be provided for each quarterly meeting and to the greater devolution of budgets to front-line managers and appropriate clinicians throughout the GHA.

525 Clinicians at the top: As part of the Management Restructure, Mr Speaker, I have already made proposals and had proposals from the current members of the Executive and have had many discussions with staff throughout the GHA. I intend to include doctors and other senior clinicians, including nurses and representatives of the Allied Health Professionals in the new management structure. I hold regular meetings with GHA doctors and will continue to discuss other elements of engagement of clinicians including conditions and contracts for non-Consultant Hospital Doctors, and the re-establishment of the Medical Advisory Committee.

530 On Objective Standards: Mr Speaker, in consultation with management and with the recently appointed review team, I intend to implement a more rigorous system of accountability for all managers and indeed for the GHA Board. A proper system of Clinical Governance, which is a Board responsibility, will be introduced. To this end, I intend to look for a strategic alliance with an NHS Trust to assist with audit of standards and to implement a system of accreditation suitable for a health service such as ours.

540 GMC Registration: Mr Speaker, I have already had a consultation with the Medical and Dental Registration Board and have heard their frustration with the current legislation and the paucity of their administrative system that precludes effective monitoring of competence for Gibraltar’s doctors and other health professionals. The previous Government’s failure to listen to that Board and the lack of respect shown to its Chairman is incredible. This is a complex matter that requires time to develop an effective implementation plan.

545 Complaints: Mr Speaker, Government will soon be introducing legislation to address this matter. I am already considering proposals and will now complete my discussions with the Ombudsman in respect of the final policy and the complaints management process.

550 Consultant staffing: Mr Speaker, I have already made considerable progress again in this area. The third consultant surgeon will take up his appointment in September of this year and the competition for the third psychiatrist will commence shortly. I am awaiting staffing options in regard to dementia care and will soon examine the commitment to A&E.

555 Public Health and Healthy Living: I expect to receive a comprehensive proposal from the Director of Public Health in regard to the system to meet Government’s needs in this area. We are committed to a permanent Health Education Programme involving healthy children, adults and seniors. I have been advised, Mr Speaker, that the analysis of the Health Survey carried out with great fanfare by the previous Government was never funded and the GHA management has had to fund the analysis indirectly. The previous Government’s commitment to management to fund the essential data analyst was rescinded by them.

I now hope to publish this report by the end of this year. It will be an important tool in charting a course for the health of our people into the future.

560 Public Health – smoking cessation: Mr Speaker, one of the achievements I am most proud of to date is the introduction of the Smoking Cessation Programme and the new legislation banning smoking in public buildings and spaces, already a Command Paper and shortly to come to this House as a Bill.

The legacy of both programmes will be seen as a major turning point in the improvement of the health of Gibraltarians. Our commitment had been noticed by one of our charitable organisations which has indicated its intention to fund additional support for the programme.

565 Indeed, Mr Speaker, I would like to take this opportunity to publicly express my appreciation for the work that charities, large and small, do for the Health Service. Rather than discourage their work and contributions, as was often the case before, I encourage it as adding value to our work and giving ownership to our people. Likewise, I would like to thank the Health Users’ Forum for bringing problems to my notice on a regular basis, allowing us to act on them.

570 On the Sponsored Patients Programme, Mr Speaker, the existing programme is now under review and I hope to implement the necessary changes, following an extended consultation period. In advance of the review’s conclusions, we have announced today that, with effect from 1st July this year, allowances to

disabled patients will be increased by 50%. We are also studying ways in which we can bring new procedures to Gibraltar, to avoid the need for uncomfortable and costly travel to centres elsewhere.

575 Mr Speaker, the Diabetes Strategy is nearing completion and a considerable amount has been achieved. This is one of the programmes that has inadequate support and I plan to examine the strategy and its needs carefully later this year.

580 On Repeat Prescriptions, Mr Speaker, I have been able to confirm that following my consultation with patients, doctors, nurses and the Primary Care staff, this is one of the most important initiatives, and it will take time to see the benefits. As I said earlier, we have already expanded the scope of the nurse practitioners, which will partly address this issue. I am expecting to announce the next stage in the strategy very soon. A consultation is underway with GPs, to consider the most appropriate system and its implementation plan.

585 On computerisation: the Government, Mr Speaker, is fully committed to the GHA's Electronic Health Technology Strategy. I have asked GHA management to conduct a wide ranging consultation with the clinicians and following that, I expect to be able to prepare an implementation plan. We are fully committed to empowering the patients in this innovation and I am really looking forward to a successful implementation. The process to date is following well researched methodology and clinicians have been fully consulted to this point and form the majority of the Steering Committee.

590 Hyperbaric oxygen: Mr Speaker, while not a GHA initiative, it is right that I should mention this at this juncture. Government has delivered its manifesto commitment to make hyperbaric oxygen therapy available to the community. It has therefore provided the Multiple Sclerosis Therapy Centre, a registered charity, with the means to run its facilities and offer its services to Gibraltar entitled patients.

Mr Speaker, over and above our manifesto commitments, the following are just some of the activities and initiatives that we will be embarking on:

- 595
- A clear separation of GHA activity from Ministry activity.
  - Review of the GHA Board, its structure, function and effectiveness.
  - Prostate Diseases Clinic: this programme will be initiated in the latter part of this year.
  - Colon Cancer Screening Programme which will likely be implemented at the end of this financial year and for which provision of £300,000 has been made in these estimates.

600 • We are increasing provision for patients' appliances, which includes orthopaedic appliances, hearing aids, and insulin pumps, by nearly £20,000 over last year's spending and will be able to provide a better wheelchair service, and add earplugs for children and facial stimulators to the appliances provided.

605 • Medical Equipment Plan: Mr Speaker, I was made aware early on of a major funding deficiency which could have compromised patient care services. The GHA Board had been made aware of this very serious concern about a lack of funding for its orderly replacement plan for essential and expensive medical equipment, which had not been heeded by the previous Administration. This Government, Mr Speaker will rectify this inadequacy.

610 I will add here, Mr Speaker, that the allocation last year for the full range of works and equipment for the Health Authority was just £800,000, when this year we have allocated a total of £3.3 million to these. What more proof do we need of the priority this Government gives to healthcare and to the wellbeing of our people?

615 • On nurse training: Mr Speaker, nurses form the link between all the different aspects of healthcare. They are often the front line, the continuity, the listening ear, the support, and at night, they *are* the hospital. Nurses are very special people and we need them. I am proposing a continuation and expansion of nurse training to meet our needs for nurses at different levels of qualification and to provide an opportunity for nurses who want to further their career without necessarily following the degree route to be able to do so.

620 • On non-Consultant Hospital Doctors: this group of frontline doctors have often been forgotten, and there are issues related to hours of work and the fact that they do not have a secure or consistent contract of employment. We are looking at ways of tackling these problems and of enhancing their involvement and contribution to the service.

• On Community Services, a detailed analysis of the possibilities for medical and nursing services within the community, thus reducing the need for patients to be hospitalised has been carried out.

625 • On Occupational Therapy, Mr Speaker, I have nothing but praise for the Occupational Therapy Department and the way it has assumed a huge increase in demand for their services, from the moment we came into office. They have been called in to assess patients, housing, swimming pools, and much more. I need to have a close look at what we need from OT and how we can help achieve this.

630 • Physiotherapy is increasingly in demand and, once again, we will be looking at how we can best use the resources available.

• One of the gaps in management support relates to the provision of hospital services, including stores and stock. This is a matter that is being addressed. The records, too, in both St Bernard's and Primary Care, are housed in rooms that are too small and that bring with them occupational health hazards.

Although recovery rates are high, the staff cannot be expected to work in such conditions. I am pleased to say that the records area in Primary Care is already being increased and work is imminent in St Bernard's.

635 • Occupational health in general is a matter that went largely ignored by the previous Administration and I will be looking at options there, as well as ways to improve the medical cover provided to the Port, the Prison and to Mount Alvernia.

• Mr Speaker, Accident and Emergency is one of the areas that attracts most attention from users. People who attend are often distressed and unwell, and the system, hard as the staff work, is not user-friendly. I am working closely with the staff in question to solve these problems, and changes and improvements will be seen very soon.

640 • Operating theatres and clinics: the use of clinics and of operating theatres in particular will be reassessed with an emphasis to promoting day surgery.

645 • There are many other services which require attention, and which have got attention over the past seven months. Dietetics, Audiology and Speech Therapy, Ophthalmology, cardiac rehabilitation, Radiology, on-ward procedures such as resuscitation, some of the nurse-led clinics such as Dermatology and Lymphedema care, all require recognition and support.

Mr Speaker, the health of our community is not good, and we suffer the effects of many of the illnesses of an affluent Western society. As an example, the state of the dental health of our children is much worse than in many other countries, and obesity is an increasing problem. We have to change the way we live. We have to make important life choices as individuals, and the Health Service has to help and support us in doing so. I will myself be leading in two Ministerial Initiatives, which I will introduce in the autumn.

655 Mr Speaker, the Health Surveys which I mentioned earlier will soon be in the public domain, and some of the results will be summarised at next week's meeting of the Health Authority. Let me advance, though, some of the worrying facts, such as that three quarters of men in Gibraltar over 45 are overweight and 75% of Gibraltarians do not eat at least five portions of fruit and vegetables daily, much worse than in the UK.

660 Therefore, Mr Speaker, the first Ministerial Initiative will be a health promotion initiative, where I intend to bring together representation from the different disciplines to develop a co-ordinated programme in lifestyle change.

Mr Speaker, as Minister for Health, I am particularly conscious of the fact that I myself fall into both the above mentioned categories! *(Laughter)* I therefore intend to lead by example and I commit myself now to myself personally reaching a weight and a level of fitness, with the advice of professionals, which will be a reflection of a healthy lifestyle. **(Several Members: Hear, hear.)** *(Applause and laughter)*

665 The second Ministerial Initiative will be in relation to children's health. I believe a lot can be done to assist the smooth care of sick children, particularly in their transition from primary to secondary care and where unfortunately it is necessary, into tertiary care. I will engage with all the relevant health professionals and with voluntary organisations as necessary, in order to take this forward.

670 Mr Speaker, I would like to pay tribute to the staff of the Health Services, and at this point, mention the sad loss of one of the members of the Executive at a very young age of 45 only last week, Mr Joey Gabay. My condolences and I am sure those of the House go to the family. *(Applause)*

So I would like to pay tribute to all the staff of the Health Services and to all the volunteers who work in associated charities. Without them and their dedication, we would be nowhere. I have inherited many excellent professionals, many of whom have stated to me that the new political environment of listening, openness, challenge and transparency is so welcome. Morale has greatly improved and the patients of the Health Service will increasingly be the real beneficiaries. Yes, I will expect them all to work to their utmost to take this forward, and I intend to be there with them, working for them and with them, and supporting them to the end.

680 Mr Speaker, all we have accomplished already and all that we have commenced would not have been possible without the excellent working relationships I have enjoyed with staff and management and of course with the relevant staff groups and trade unions. The first seven months have been at the same time amongst the toughest and the best in my life, and I offer my sincere thanks for their professionalism.

685 Mr Speaker, we are not there yet. I am committed to giving my full attention to my responsibilities in healthcare and the environment. I intend to continue to listen to the people, to the staff, including clinicians, to patients, to the members of the community. I will support the implementation of all change, whether its origin is in our manifesto or indeed in the careful recommendations of patients, clinicians, staff or contracted experts. I will work to use the resources that Parliament votes to the Health Service of Gibraltar more effectively and more efficiently.

690 Mr Speaker, the time for change is now, and I have only just begun.

*(Applause)*

**Mr Speaker:** The Hon. Selwyn Figueras

695 **Hon. S M Figueras:** Mr Speaker, I know only too much about obesity but since health is not my portfolio, I will limit myself in relation to the comments I make in that regard.

I would like to start by thanking the Hon. Minister himself for showing me the way in relation to giving an Opposition speech – one which I will give now from the Opposition benches.

700 Mr Speaker, it is an honour and a privilege to stand here today and deliver my first Budget speech in this House. I am also honoured and privileged to be a part of this team, to have the opportunity to bring political opposition to this community, the likes of which was long overdue.

I will commend this Government whenever they do well, and happily so. I will also, however, not shy away from telling it like it is and raise those issues I and other concerned individuals consider need airing in this House to effectively hold the new Government to account.

705 On that basis, this is a moment I have been anxiously waiting for, an opportunity to summarise my own personal and this party's views on the present Government's record in these short few months which, thankfully, have flown by. Roll on 2015!

I will be dealing with the portfolios that I shadow where I have considered it appropriate and relevant to comment, with a particular focus, in the first place, on planning and then, the environment and the subheadings relevant to those areas.

710 I will, of course, be dealing with those matters, as far as they are relevant, raised by the Hon. the Chief Minister, the Hon. the Deputy Chief Minister and of course the Hon. Minister for the Environment and Health in the speeches that have preceded mine.

715 In relation to planning and the specific mention in the Deputy Chief Minister's speech as to how bad it had been, the new Government arrived in office, barely, with the promise and on the wings of a commitment to openness and transparency like never before seen in Gibraltar. The Hon. Minister for the Environment and Health himself, had, however, served on the Development and Planning Commission for over 20 years without complaint, or certainly not a complaint which he had felt strongly enough about to resign in protest and yet, for the purposes of the Election, it had all just got a little too much for him. They told the electorate, Mr Speaker that 'there have been many complaints about the secrecy of our planning laws. We are committed to have open meetings of the DPC and to overhaul the whole planning process in order to make it more transparent and user-friendly.' The party that was responsible for the demolition of the North Gate of the dockyard that fateful, and quiet, long weekend, long ago in the dark days of the first GSLP Government, bamboozled the electorate by offering them this all new-fangled openness and transparency and a commitment to put all Government projects through the planning process.

725 The reality so far, Mr Speaker, is somewhat different to the illusion the current Government would like the electorate to fall for, hook, line and sinker, if you will pardon the somewhat depressing pun.

730 What they conveniently omitted to say was when this would happen. They also promised, Mr Speaker, that the DPC would grow to include other representatives of the community and that the chairman of that Commission would be the person they personally considered the best qualified, best candidate for the job – the Town Planner himself. After the slimmest of victories at the polls in December, the Government soon set to work upon ringing in the changes to the planning process which the previous Administration, let us not forget, had created.

735 It was not long however, Mr Speaker, until the cracks began to appear. In fact, it was surprisingly soon that I myself had the opportunity of an exchange with the Hon. the Deputy Chief Minister, in respect of his Government's plans to put Government projects through the full planning process.

740 Mr Speaker, when asked when this would become a reality, the Deputy Chief Minister replied that, at that stage – and I remind the House that this was in January of this year – he explained that it was the policy of this Government to continue with the policy of the previous Administration not to require the approval of the DPC!

745 He then meekly offered that Government projects would, for the time being, be submitted to the Development and Planning Commission for an opinion, for guidance and he stopped short of saying that they would actually be heeding or acting in accordance with the information and the guidance received from the DPC.

When I asked the Hon. the Deputy Chief Minister whether he expected that the Government would be submitting projects for approval to the DPC within this term of office, the answer, Mr Speaker, was, and I quote: 'It's too early to tell...' – although today the Deputy Chief Minister has told us that apparently it will happen during this term. But 'too early to tell', Mr Speaker.

750 This Government came to office on the basis of a very colourful manifesto, replete with commitment after commitment to deliver the sublime and then a generous helping of the ridiculous, to wit the 'guaranteed' job of the future jokes strategy and the rooftop gardens atop Government rental housing. Absurd though it may seem, however, the Hon. the Chief Minister, on a number of occasions has told this House that he is looking forward to delivering every last one of those commitments in that manifesto despite, Mr Speaker, the open door given to him by this party's hon. and learned Leader, when he

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asserted in this House that manifestos are a statement of a party's intent and a list of those projects which it would like to deliver within the term of office.

760 The Chief Minister, unable to contemplate, far less assimilate, the remotest possibility that anything the Hon. the Leader of the Opposition says may actually be a positive influence on his own judgment, insists that every last one of the manifesto commitments will be delivered – indeed, he looks forward to it. Despite the open door through which he could have stepped to ignore those most ridiculous of commitments in the manifesto, Gibraltar's Chief Minister in 2012 cannot fathom the possibility of not doing that.

765 The approach of his Deputy however, seems to be, by implication, somewhat at odds, or it was until today, with this 'delivery of manifesto commitments at all costs', but it remains to be seen whether in fact Government projects will, during the term, be submitted to the DPC.

770 The Deputy Chief Minister's inability or refusal to commit to a timeline for the delivery of the manifesto commitment on putting Government projects through the planning process within the term, flies in the face of what is, in my opinion, the brash and unremitting focus on delivering manifesto commitments within the four-year term of office. This would be one of those simple, stroke-of-a-pen delivery type commitments, yet the Government is hesitant.

775 The Government has reminded this House in recent weeks and months, as it will no doubt do time and time again, whenever it is convenient to them, that the Opposition is not here to mark or keep time on the delivery of the Government's manifesto. What we are here to do, however inconvenient for them, (*Interjections*) is to pick them up on political dishonesty and lack of integrity, a job they are working hard to make easy for us to do.

780 The Government's commitment to put all its projects through the DPC is unrealistic. Those on this side of the House, with the benefit of a long spell in Government, have known this from the very moment that commitment was first heard. The Government itself probably now understands this too, though they will never admit it. They now understand that that kind of commitment involves relinquishing control and ultimate responsibility for the delivery of essential projects to other unelected and unaccountable individuals who, and community associations which, are not bound by a responsibility and mandate to serve the interests of the local community at large.

785 Governments need to build power stations, airports, hospitals. Governments are responsible to the communities they serve for delivering solutions and services to meet demand. Unchecked, uncontrolled and unhindered consultation and gifted influence results in one thing: paralysis by analysis.

And talking of paralysis by analysis, Mr Speaker, I will be dealing with the power station a little later.

790 The Deputy Chief Minister refers to the new Members of Parliament and the fact that we were not here before 'the worst day.' And that may be the case, but that does not affect our understanding of what went on in this House before our time. The previous Administration accepted its responsibility of Government. It accepted its responsibility as the elected Government of the community, for the community, tasked with taking decisions which might, on occasion, have been difficult, or even unpopular, but decisions which in the wider general interest of the community needed to be taken, whatever the consequences.

795 The GSD was unequivocal. The situation in which the Government find themselves today is that, having had the experience of six months in Government, they realise that, during the Election, they have at once offered openness and transparency, the involvement of a new list of stakeholders in all matters planning in relation to Government projects, as well as the most demanding manifesto of capital and infrastructure commitments of recent times. They realise, Mr Speaker, that these two gifts are at odds with each other, like we have always said they were!

800 They have offered a park in the centre of town and twice the number of free parking spaces that are available today. They have promised to run every policy through an environmental filter, but they have also promised everyone twice the number of car parking spaces – *free* car parking spaces – in the centre of town. They have promised to build and build, notwithstanding the fact that they also told the electorate that we were allegedly broke, Mr Speaker – but never mind, because the public will be able to voice its concerns, raise its objections and block Government projects which it does not like, won't it? Fat chance, Mr Speaker!

810 The Government's realisation that it will be impossible to satisfy all stakeholders relevant in all and any of their initiatives all the time, that their 'all things to all men' style of politics will not last indefinitely, and that at some point, they are going to have to disappoint one or other sectors of the electorate, is dawning on them and it shows, Mr Speaker.

815 I trust that a couple of examples might help make the point. Perhaps the starkest and most ridiculous example of this understanding, and the assumption by the Government of its responsibilities as such, comes in the shape of the debacle that is their destruction of the World War II blast wall at Grand Battery.

In the June session of Parliament, I asked the Government when the World War II blast wall at that location had been demolished and the Hon. Minister for Culture and Heritage told us that it had been demolished on 21st May 2012. I, along with other Members of the Opposition on this side of the House,

820 was stunned to hear confirmation, and frankly I could scarcely believe my luck, that the wall had been demolished before the project had been discussed in an open meeting of the DPC, as set out in the agenda for the meeting of the 24th May, three days after its demolition! It would be funny, if it were not so worrying, Mr Speaker.

825 They had originally said when taking office that they would not be submitting Government projects to the full planning process, but instead, seeking information and guidance from the DPC. In what can only be described as a political blunder, to which they will never admit, the matter of the demolition of the blast wall at Grand Battery somehow made it onto the agenda for the open meeting, even though the approval had already been granted by round-robin, behind closed doors, and the fact that the wall had already been demolished days before the meeting. My stars must have well and truly aligned that day, Mr Speaker, because the Hon. Minister for Culture rose, time and again, repeating this fact over and over, as if it was reinforcing his argument! If the Government had the sincerity and integrity to at least acknowledge that the listing of the wall and its demolition in the agenda of the open meeting was a mistake and should not have happened in the first place, then at least, Mr Speaker, we on this side of the House would be satisfied that they were at least being consistent in respect of one of their policies – namely that of not putting Government projects through the planning process during this term, just like we did. We would, of course, support that policy, despite the fact that they themselves were very critical of a similar position when we were in Government.

835 And, Mr Speaker, it is not just in instances where they have to earn their salaries and take their Government responsibility seriously that we will see the betrayal of the people in the context of openness and transparency. The leopard's spots remain unchanged and the Government of the day has already been unable to resist the temptation to wield the power it yearned for, for such a very long time.

840 The first and practically immediate waving of the magic wand came in respect of the banner erected at Convent Place – and not upon the offices of the Hon. the Chief Minister I might add – the banner erected in celebration of the Her Majesty's Diamond Jubilee, shortly after the GSLP's win at the polls. The DPC's Minor Works Committee which, conveniently for the Government, sits behind closed doors and passes their work on to the full DPC in open meetings for rubber stamping, granted permission for the banner, for reasons undisclosed, on the basis that it was a 'minor works' project. This, Mr Speaker, despite the fact that the DPC had denied permission for a similar, if not identical, banner in a meeting before the 8th December.

845 What a coincidence then, Mr Speaker that following the Election and in tandem with the rumours that the Chief Minister had assured the applicant that the planning permission would be granted in short order, the DPC had a change of heart and was perfectly satisfied with its erection. (*Interjection*)

850 Another example? Well, Mr Speaker, try as I may, I have been unable to find any mention of an application being heard or discussed in the open meetings of the DPC since 9th December, on the website where the agenda and the minutes are published, for the enclosure of part of Eastern Beach by a local bar for its own commercial use. What I can say is that the previous Government had denied an application made by the owners of the establishment, on the basis that that part of the beach now annexed would give the establishment an unfair advantage, in the context of increasing capacity at no cost but, primarily because the beach is a public amenity which was not, and could not, be leased by the Government. (*Interjection*) Despite that, and despite the openness agenda, the establishment has now – certainly at least until the end of this last weekend – taken over and enclosed that part of the beach which it has either chosen to enclose or has, ostensibly, Mr Speaker, been given permission to enclose.

855 Now, Mr Speaker, the party at fault here might not be the business owner, not if the Government has given it permission and, Mr Speaker, in 1996 such an arbitrary grant of permission would have hardly been surprising. The problem for the Government, Mr Speaker, is that they have made a whole lot of noise about their transparency and people are now looking for instances of failure of that policy to hold them to account.

860 The openness and transparency agenda of the 20th century GSLP Government can be summarised thus: have more meetings in public and talk about it lots, but when it comes to decisions that matter, the system will take care of itself. Because is it not the case, Mr Speaker, that the source of most public strife is in the detail? Is it not the case that it is the everyday, 'minor' work type decisions, now taken behind closed doors, which will ultimately add up to form the basis of the case against this Government's continued rule beyond 2015? The case against nepotism, the helping hand, the leg up – that will be their downfall.

865 And, at the other end of the scale, the main events, the big projects, where millions are spent and manifesto commitments for the masses are delivered, the Government projects, Mr Speaker: these have been dispensed with by the current Government with a simple refusal to abide by manifesto commitment – or at least to commit to a specific time limit.

They told the electorate that these would go through planning and now, surprise, surprise, they will not for the foreseeable future. Everything in between the 'minor' projects and the Government projects on

880 the other side of the spectrum, that is what will be put to public scrutiny, but only for as long as it is convenient, Mr Speaker.

They may protest all they like, but we know, as does a growing number of concerned individuals coming to speak to us practically on a daily basis, that cronyism is alive and well. What is different today from the situation in 1996 is that the people will not stand for it. They will not tolerate the deception and, importantly, they will not be fooled and neither will we, Mr Speaker.

885 I now turn my attention to the environment portfolio and will now spend some time dealing with the Government commitments in that regard and, very specifically, in relation to their environmental filter, the much vaunted Commonwealth Park, the environmental concerns stemming from Traffic and Transport, pollution and the management of Gibraltar's wildlife. I will also be dedicating some time to the power station and alternative energy.

890 In a very general sense, Mr Speaker, I wonder whether the Hon. Minister for the Environment and those sat on that side of the House genuinely think that all their talk of an environmental filter for all their policies really does act like some kind of cloaking device, one that hides the real GSLP Government behind it. To wit, Mr Speaker, the Hon. Minister was delivering the speech talking about double-sided printing as a Government policy from a single-sided print of his speech.

895 Do they really think that by just talking about environmental this and environmental that, setting up talking shops, and that by doing this they are going to persuade the electorate that they, as a party, are fully behind the green movement? The party which originally left office in 1996, without so much as a Department for the Environment now wants us to believe that, because they have an environmentalist in their ranks and the now Chief Minister tried to make everything he could politically of the previous Administration's unprecedented success in the management of Gibraltar's environment, they are now the Gibraltar chapter of the Green Party?

900 The Minister has talked about all the work, or at least all the talk that has been going on in Government about the environmental filter. He mentioned the disposal of waste electronic and electric goods – something that was already happening during the GSD Administration. He mentioned the use of LEDs and the facilitation of small scale alternative energy generation and his resurrection of the Litter Committee. Well, Mr Speaker, small scale alternative energy production was something that the GSD Administration had committed to focus on in its manifesto of 2011, as was the use of LED lighting, a technology which only recently is becoming truly affordable.

905 As far as the Litter Committee is concerned, I have no doubt that the GSLP will clean up, but I look forward to hearing what solutions they come up with in relation to these particular issues.

910 It is interesting too, Mr Speaker, that the Minister talks about the practical application of the environmental filter. The presence in the Government's ranks of the Minister for the Environment himself, in my view, does not represent a positive development in the story of Gibraltar generally and in the wider context, despite his undoubted experience and qualifications in science.

915 I say this, Mr Speaker, not because of any animosity towards the man, but genuinely because I do not believe that Gibraltar's environmental concerns and issues represent a microcosm of Gibraltar's wider, more general interest, despite the importance which no doubt needs to be given to the same. I do believe, however, that too sharp a focus on those particular issues may actually be to the detriment of Gibraltar's long-term economic and political well-being – namely, its prosperity, security and stability in a local and international sphere.

920 Moving to talk for a moment about the crown jewel in the GSLP's manifesto, the Commonwealth Park, I think it is important, Mr Speaker, that I highlight a number of observations which serve to illustrate what to my mind, and the mind of many others in the community, is quickly developing into a number of political themes which look set to define this Government's brief, one can hope, tenure in Government. At least they have a new leader –

**Chief Minister (Hon. F R Picardo):** Did you say 'ten year'?

930 **Hon. S M Figueras:** Oh no, you are committed to eight years!

**A Member:** Eight years.

935 **Hon. S M Figueras:** The Hon. the Chief Minister confirmed in this House in the last few months that, in relation to the Commonwealth Park, a park which they committed to build, subject to a geotechnical survey – the devil is, Mr Speaker, as always, in the detail – there had not been a geotechnical survey of the area. Contrary to saying that this was due imminently, he told us that other proposals had been received, apparently, from third parties for the car-parking aspect of the project. Why would he do the survey, if other more realistic proposals had already been made to the Government?

940 Does he really think that anyone other than his own fervent supporters actually believes him when he says that the original manifesto commitment of the Commonwealth Park was ever intended to be



delivered in the format in which they originally sold it to the electorate? (A Member: hear, hear.) The truth, Mr Speaker, although he will never acknowledge it, is that he knew, as well as the Minister for the Environment, that a park with two floors of parking sunk beneath it in that location would have left little change from £40 million or even £50 million. The Government are fooling no-one.

945 When they announce the alternative venue for the more than 700 parking spaces that they are committed to provide, they will not be fooling anyone else into believing that they ever intended to build that project in the guise originally promised. When the time comes, Mr Speaker, for the Government to reveal their other proposals for the Commonwealth Park, they will have also revealed the reality behind this particular commitment, which is not going to be same as that which they proposed.

950 Mr Speaker, there is no doubt in my mind that the many right-thinking, moderate and genuinely interested individuals who are listening in or reading about this in the media in the coming days will probably be wondering why on earth any political party would commit itself to a project of this kind in the shape originally offered and then promptly renege on it when taking office. Perhaps, Mr Speaker, I will have a go at illuminating those individuals who, whether they voted for us or for the third party, together represent the majority of Gibraltarians.

955 In order to satisfy their eco-friendly supporters, Mr Speaker, a park in the centre of town was indispensable, as well as an attractive addition to the manifesto, which had the added benefit of bringing many more pictures into its pages and added a green hue to the already very colourful document. Including the park in the manifesto and effectively eradicating the car parking in town, however, was not going to cut it with the approximately 350 car users who depended and depend on the parking spaces available there today, on a daily basis. I can see it now, Mr Speaker: the meeting where they decided that they would just throw in a picture of, you guessed it, a 4x4 into the manifesto, entering the underground car park to allay the fears of those who may have been concerned about where they will park. The electorate would then see that they were thinking of everything.

965 Even the environmentalist Minister for the Environment rose in this very House to defend the idea of doubling the number of car parking spaces in the centre of town, saying – surely with tongue lodged firmly in cheek, every ounce of his body cringing under the weight of the hypocrisy he was about to articulate – that it would not necessarily have a net negative effect on the environment in Gibraltar. Surely he cannot have been serious! He cannot have stood there thinking, ‘Yes, yes, that must be right.’

970 Doubling the car parking space available in the centre of town is only going to encourage twice the number – or more – of people who get in their cars in the morning to go to work. Has he woken up in Gibraltar for the first time this morning? Does he have any idea of the problems we have historically had with the school run and the drive to work? Does he care? Or is this now the exclusive remit of the Minister for Traffic, Paul Balban? So much for the environmental filter!

975 The planning meeting at Watergardens will have continued, Mr Speaker: ‘Never mind the fact that with the presence of the city walls and the water table in that location, that this is going to be astronomically expensive. We’ll just put the parking somewhere else, if we get in and we’ll worry about that if we do.’ ‘If we do get in, we’ll just get someone else to build it for us, or not under the park, but somewhere close by or we’ll build it ourselves – but it’s probably best if we don’t say that right now because we don’t want to alienate any votes during this election process. Besides, don’t the pictures just look fabulous?’

980 Mr Speaker, it comes as no surprise to me, given that they had a full 16 years of experience in Opposition – though I have to say at this juncture, and this was not in the speech, I am quite surprised by the Hon. the Minister for the Environment’s Opposition-style speech – that despite not having been in Opposition for 16 years, they are struggling to get out of that mode. Hopefully, we’ll soon have them sitting, where they feel most comfortable. (*Laughter*)

985 The days when they could be all things to all men with impunity are over. The days when, over coffee or lunch, they could promise Paul that they would take whatever he wanted from Peter and then, at dinner, tell Peter what a scoundrel Paul was and how they would be only too happy to take back from Paul to give it back, are gone. Those days are over and they know it. They are paralysed by the realisation, like rabbits caught in the headlights – well, all 750 pairs in the Commonwealth Park – hesitant to act on anything, because they know that for the first time in a very long time they are going to have to take responsibility, choose a path and stick to it and, by implication they are going to have to let someone down. They do not like the fact that they have become ‘big bad Government’.

990 The park, as a signature commitment, will no doubt go ahead, but the parking will likely not be beneath it. The eco-lobby will be happy about the breath of fresh air in the centre of town, what with the lakes and pools and whatnot, but can they genuinely be happy about the fact that the Government will be providing 750 parking spaces, where there were once 300? Can the eco-lobby genuinely be happy about the Government encouraging car use, contrary to all that has been said over the years about traffic and the school/office run? How much is this all going to cost anyway?

1000 In the same way as opening up Nuffield Pool to the public, when it is available, which is another manifesto commitment, this will be a service/amenity that will attract a recurring cost, surely maintaining

the parking and the park itself is also going to incur one! Were we not *broke*, Mr Speaker, or have I missed something?

1005 These public services all cost money. They always have done and always will do. The GSLP told the electorate, before, during and after the Election, that the public finances were in dire straits. Surely they were not just lying, calculating or saying whatever it took to take back power at all costs, were they?

1010 The way they go on about the cost of this and the cost of that, you would have thought they would have come up with a very different strategy for the Commonwealth Park. If they had genuinely believed their own hype about the public finances and they were genuinely pursuing an environmentally friendly agenda, what they should have done is to create an artist's impression of a bare-bones, multi-storey car park for 750 cars in the same location, committing to charging, at the very least, a nominal fee to contribute to its upkeep.

1015 That, Mr Speaker, would have been a worthwhile project, designed to tackle parking issues. That, Mr Speaker, would cost a fraction of their Commonwealth Park. That, Mr Speaker, might help to put people off using their cars and on to buses, bicycles and their own two feet and that, Mr Speaker, would be the slightly more environmentally friendly solution as, surely, there would be lots of trees built into it, with the Hon. Minister running the show. That, Mr Speaker, would have been the politically honest and right thing to do – but alas, Mr Speaker, that would not have been as colourful. That would not have been as exciting, and that would certainly not have been as big a draw for the crowds at Election time as their Commonwealth Park was.

1020 Perhaps it is true that a change is what the community needed, to realise the true value of what we had. In the context of traffic and transport, and whilst I do not want to take up too much time and rain on my hon. and learned friend's parade, when he addresses you on these issues, I feel it is important to deal with those issues in the environmental context.

1025 This is another issue, Mr Speaker, where the reality of the new Government's approach to the environment manifests itself as something very distinct and very different to what they would like us to believe it is. In addition to so many other issues with an intrinsic 'green' streak, such as alternative energy, the power station, emissions and pollution, transport is one of those areas where the environment and green thinking inevitably come into play.

1030 The Government, for all its talk about the environment, is about little more than just talk. Their transport policy, as set out in their manifesto, is limited to, in essence, a damning generalisation that traffic and gridlock is at its worst ever, particularly after the last four-year term of the Social Democrats. Well, Mr Speaker, that is just utterly ridiculous. This analysis is wrong, inaccurate, flawed and intended to deceive the electorate into believing that, like with the public finances, they had inherited a chaotic state of affairs, which they will now have to resolve, probably at the expense of other, more fanciful, Government manifesto commitments.

1035 This is another example of the new Government setting out to rubbish the previous Administration's unprecedented investment and success in the delivery of traffic and transport solutions, in order to give themselves a fighting chance of persuading the public that the job was not already done.

1040 It further proof were needed that this is the strategy, Mr Speaker, they just were not able to come up with any ideas of their own in that regard. All they could say was, 'We will come up with a comprehensive traffic plan' – more talk, more noise, no action. Well, Mr Speaker they need not have bothered, because we already had a traffic plan and we had already done the lion's share of the work for them.

1045 We had already introduced environmentally friendly measures to promote the use of alternative energy, cleaner and environmentally friendly transport. We had already halved the duty payable on hybrid vehicles, and eradicated it in respect of electric vehicles. Today, the Hon. the Chief Minister has, and I welcome it, announced an enhancement to that initiative, but we had already introduced further tax incentives for the use of alternative energy vehicles. We had already introduced the free bus service, with a system that was not based on residence but on membership.

1050 We had already introduced the urban bicycle rental scheme which, despite the Government's best efforts or otherwise, continues to be a success. (*Laughter and interjections*) (**Several Members:** Hear, hear.) Thank you!

1055 We had abolished duty payable on bicycles to promote cycling, not just because it is good for the environment, but because it was good for traffic and it was good for health. We see an increasing number of cyclists on our roads today – I am one of them. We had recognised that increase in popularity and we were committed to taking steps to make it even easier to cycle in Gibraltar. We were committed to maximising opportunities on our roads for bicycle lanes and we were going to expand the provision of bicycle parking, as well as rolling out the urban bicycle rental system to the rest of Gibraltar, to maximise its potential for a positive impact on our community.

1060 We were committed to giving cycling the best opportunity of becoming an alternative means of transport for Gibraltarians than it had ever been before. We were committed to cycling and to working with non-governmental organisations to help bring about the paradigm shift, which was mentioned so

1065 much during that session. We were committed to the long haul approach to bringing about this change, because we understood that this was not something that was going to happen overnight and it was certainly not going to happen simply because we had spent just £324,000 on the first few months of the urban bicycle rental scheme.

1070 In stark contrast, Gibraltar's new Minister of Transport took all of five months to declare openly in this House that he believed cycling in Gibraltar is dangerous!

The Budget measures in relation to the environment are really quite limited, Mr Speaker. As I have already mentioned, the Hon. the Chief Minister has established a flat rate of 2% for the importation of hybrid vehicles and some other incentive in relation to eco-friendly paper, both of which are of course welcome.

1075 He then counters it with a healthy dose of anti-environmentalism, by announcing a measure to attract – which again, Mr Speaker, is welcome – the world's largest and thirstiest superyachts to Gibraltar! Well Mr Speaker, the Chief Minister seems to be far more balanced about the environment than other more extremist angles in the Cabinet and, for that, I am congratulating him because I am encouraged by it.

1080 We had already undertaken extensive planting in Gibraltar and were committed to continuing to do so, including tree-lined avenues, where practicable. If there is one thing the Hon. the Minister for the Environment has certainly done since taking power as the green-fingered environmentalist Minister for the Environment – I have resisted calling him a tree-hugger – is to plant or direct the planting of many trees.

1085 **A Member:** That's a compliment!

**Hon. S M Figueras:** Alas, Mr Speaker, there is more shade, which is welcome, but I would be interested to hear the views of hay fever sufferers in Gibraltar or indeed, to enquire in future sessions of Parliament about the instances of broken noses from unsuspecting runners running into trees where there were once none.

1090 But in fact, Mr Speaker, the Minister even before he held office, was talking about trees. I remember his intervention from the audience of a debate in the run-up to the Election campaign in terms of 'That's what they want you to believe', when I was telling those present that the trees from the old Engineer's Lane car park had been removed professionally and would be replanted elsewhere. Upon taking office, the Minister, in this House, had to concede very early on that those trees had, in fact, been taken care of and were and, I believe, still are doing quite well.

1095 As green-fingered and close to the environmental non-governmental organisations as he and his party were before the Election, I was surprised to note the lack of interesting ideas in their manifesto in relation to transport. There was nothing about cycling and much less about GibiBikes. There was nothing about carpooling and little about hybrid vehicles.

1100 In fact, Mr Speaker, there was nothing in there about policies targeting the reduction in use of cars, generally, and the use of the official cars specifically, in respect of which the Minister for the Environment is one of the very worst offenders in the Government. (**Several Members:** Ooh!) One could argue that he is very busy, what with running the Environment and Health portfolios, as well as at least on one occasion running the country as Acting Chief Minister – (*Interjections*)

1105 **Mr Speaker:** Order! Order!

1110 **Hon. S M Figueras:** It is all very well and good, Mr Speaker, to talk about changing the kind of car the Government uses, but using it less might also have a positive impact on the environment.

1115 It strikes me as odd, Mr Speaker that, when in the happy days of GSLP Opposition, the Members now on that side of the House used to complain about how long things took to get done. Why is it then taking the Government so long to acquire hybrid vehicles? Surely, Mr Speaker, the Chief Minister could have, in the last six months, directed and completed the procurement of at least one hybrid vehicle for himself and maybe another one for the Hon. Minister, because the Hon. the Chief Minister certainly had no issue with spending £16,000 at the drop of a ballot paper to take that first step towards e-government – the one he spoke of this morning – to arm himself and those around him with iPads and other devices, without going out to tender. Why then all this delay and mystery in the acquisition of a single hybrid vehicle from any one of the dealers in Gibraltar, with the relevant products in their lineup, who would surely fall over themselves to see Gibraltar's Chief Minister showing off their latest wares? Even the international press thought he had replaced his car within days of being elected! The Jaguar can't be half bad, can it, Mr Speaker?

1120 And then there are the buses. They are the ones who referred to the buses as ageing, (*Interjection*) they are the ones who had plenty of time to formulate a strategy but, surprise surprise, when asked in this House what they intended to do to replace them, now that they were in power, they were – you guessed it – formulating a strategy!

I now turn my attention to the natural environment and, specifically the issue of pollution at our beaches, and, in particular Western Beach. This is a very important issue, Mr Speaker.

1130 I recall how, in the throes of the Election campaign I nervously squared up to the Hon. Minister and whilst there were issues where I knew his experience and education would make for a challenging debate, there were a couple of issues where I expected that his reasonableness would have come through and on which we would have been able to agree, in a modern, more collaborative atmosphere. I was mistaken, Mr Speaker.

1135 I was mistaken, because in relation to Western Beach, the now Minister proclaimed that the pollution problems at the beach would be fixed by himself personally, if elected into power. I pressed him to determine whether he was certain of this and without pause, he confirmed that he was indeed so. At the first meeting of Parliament, following ‘the worst day’, I sought to elicit whether plans for the ‘invade, repair and retreat’ strategy were now in place. (*Laughter*) I was excited to learn of the daring antics our special forces – though I did not know we had them – would be up to in the weeks following, led by the Hon. Minister. I suspected that he would be unable to tell me, because to tell me would have been to give the game away, to lose the element of surprise – but I asked anyway, Mr Speaker.

1140 I was however disappointed to learn that the Minister, after a few short months in Government and by his own concession, understood, as we have known all along, that the issue with the pollution at Western Beach is one that was and continues, unfortunately, to be out of our hands, as a problem originating on the Spanish side of the border. He soon had to concede, Mr Speaker, that there was no plan for invasion, repair and retreat and that all he could do was, as we had done, to monitor and inform the community, just as we had done, of the situation at the beach on a regular and timely basis.

1145 I recall that the Minister also informed the House that he had passed the matter on to the EU legal team and we await eagerly developments in the area.

1150 The point is, Mr Speaker, that the Minister soon understood that there are some things he can change, things he can control, and many others he simply cannot.

1155 Which conveniently brings me on to the subject of the apes, the seagulls, the feral cats and the Barbary Partridge which, despite the fact that it may sound like the synopsis for a local version of Gerald Durrell’s *My Family and other Animals*, it is in fact a subject which has, in the short time since ‘the new Dawn’, taken up much time in this House.

1160 The macaques have, for a very long time been a source of frustration and concern for both this side of the House and Members opposite and indeed, when roles were reversed not that very long ago. In fact, the now Chief Minister himself spent a not insignificant amount of time both within and outside this House raising awareness of the plight of the apes, as well as his own politically motivated interpretation of the previous administration’s policy on the management of the macaques.

1165 When we were on that side of the House – well, I never would have been, but when this party was and the Social Democrats were in office – this party’s policy in relation to the management of the macaques was clear and unambiguous. This species engenders strong feelings in the community, both positive and negative, and the GSD’s policy in this regard was to manage the population by means of relocation, contraception, exportation and, only as a measure of last resort, the very limited culling of apes.

1170 The GSD ranked the health and safety and continued existence of the Barbary macaque highly, as a feature of our culture, our heritage and as part of a diverse tourist offering, one on which Gibraltar is reliant as one of the pillars of the economy. The GSD, however, put, whilst in Government – and continues today to put – the health and safety of the human population at the top of the list of priorities in the management of the apes, just as it should be.

1175 Some years back, this House saw heated exchanges between the now Chief Minister and the then Minister for the Environment when the Administration of the day took the action it considered necessary, in accordance with advice it received from the experts contracted then, as they still are now by today’s Government, to take decisive and necessary action as a measure of last resort. There was an eager use back then, Mr Speaker, by the Hon. Chief Minister of words like ‘extermination’, ‘decimation’, ‘genocide’ even, but this party stood firm by its policy.

1180 Despite the GSLP’s best efforts to scupper the then Government’s objectives by pursuing what they thought was the populist position in the face of eminent reasonableness and logic, the GSD Government succeeded in keeping the ape population in the region of 200.

1185 Still on the apes, Mr Speaker, this Government swung into office on the back of a stated policy of not culling, no matter what. The Government are not the only ones hanging about either. The apes have been up to their usual mischief – mischief which might be an endearing quality for animal lovers and non-governmental organisations sworn to protect them, but behaviour which, for many, represents a daily threat and imposition in the otherwise quiet, easy life, free from unwanted contact with animals that members of our community are entitled to and demand.

It is not right, Mr Speaker, that members of our community should fret and worry about doing the simple things like popping out to do the shopping, or that those fortunate enough to have gardens in their

homes should be precluded from using them until dusk because, during the day, there are simply not enough sunbeds to go around.

1190 The Minister for the Environment appears to be amused by all this, as he jokingly, even proudly, in answer to questions in March of this year, said that the Barbary macaques might well be members of the GSLP because, since the Election, there have been remarkably few complaints. I suspect, however, Mr Speaker, that this has far less to do with core party support than with the fact that it had, until recently, been nigh on impossible to make the complaint in the first place.

1195 As we discussed in last month's meeting of the House, concerned individuals had reported their frustrations in relation to reporting incidents involving unwanted contact with wildlife, as well as complaints in relation to the seagulls, and, in response, the Minister and I discussed the establishment of a hotline for the reporting of complaints. He explained that what would actually be available was an environmental complaints section which then, by the time of the press release announcing it, had become an environmental feedback unit, which will operate on the back of an answerphone. The net effect of this is that the community, whenever an emergency is in progress, will essentially have to call the Police to manage it.

1200 Perhaps, Mr Speaker, I put it a bit highly when I referred to this feedback unit as a hotline. I am disappointed, as many others in the community will be, that it is not even worthy of being called a luke-warm line. It is almost cold to the touch, and beginning to smell.

1205 As if the Police did not have enough on their plates after the Minister's direction not to direct them to enforcement in respect of the Nature Protection Act, they are now also expected to chase after delinquent macaques – and do what exactly with them? Report them for process? They would have the International Primate Protection League all over them in a flash, wouldn't they, Mr Speaker? But no, no, Mr Speaker, surely the Minister for the Environment would not call the IPPL out on himself, would he? We certainly would not, because we are more interested in protecting the interests of Gibraltar as a community than we are in political capital and international headlines for local consumption.

1210 The Minister himself has lived the difficulties in their management, Mr Speaker, from all his experience in GONHS. He has conceded that negotiations for their exportation takes time, and that management of these animals is complicated business. He tells us that the policy of the Government is based on the Barbary macaque management plan which they had been considering for a considerable time and which, in his view, will mean that they will not have to cull the apes.

1215 I worry, Mr Speaker, though I sincerely hope to be proved wrong, that the strategy is both doomed to failure and, perhaps more worryingly, could lead to real human tragedy in the community in the coming years. This feels almost, Mr Speaker, like the start of an episode of *Casualty*.

1220 I do not pretend to teach the hon. Member to suck eggs, as I am not one to pretend to know everything, but a local enthusiast of all things nature once suggested to me that, in the management of a nature reserve, the authority must be willing to take the most extreme action in the context of the interplay between the variety of species that take up residence within it. In the context of the Barbary Partridge, for example, which the Minister acknowledges as an iconic species in Gibraltar, the issue is that the population of that species is being decimated by the growing population of feral cats in the Upper Rock. When I asked him what plans were in place to deal with this issue, he said that there were none and that the Government was currently considering its options.

1225 I was disappointed, Mr Speaker, as are those other concerned members of the community, who have expressed their worry for the well-being of the Barbary Partridge, and that a simple and definitive answer was not forthcoming. Could it be, Mr Speaker, that the Government, with its zealously defended 'no culling at all costs' policy in respect of the apes are paralysed to act in relation to any other species in Gibraltar? Well, Mr Speaker, if this is the case, then I can assure the Hon. Minister that the acceptance of culling as a measure of last resort by them would not be criticised by Members on this side of the House.

1230 No, Mr Speaker, it would be welcomed and commended by us as a sensible, open and inclusive of all options approach of a mature and sensible Government putting their responsibility to the community and not their own political well-being first.

1235 And this, Mr Speaker, leads me conveniently on to deal with the power station and, I think appropriately, a discussion of alternative sources of energy for Gibraltar.

1240 As of 9th December 2011, work had begun on a new state-of-the-art power station, which all Members in this House understand and acknowledge Gibraltar needs, as it has done for some time now. The power station is one that was beset with difficulty, originally delayed by legal action, and then when that legal action was settled or concluded – however it was concluded – it is then a matter of record that the financial crisis, one that struck far and wide, meant that the finance that had been agreed was no longer there at the disposal of the Government of the day.

1245 I cannot stress enough, as my learned and hon. Leader has, on many occasions and earlier today, the importance to this side of the House, along with the construction of the tunnel under the runway and the provision of badly needed office space, of the delivery of the power station without delay. It was with grave disappointment that we learnt in this House of the Government's cancellation of the project a

1250 couple of months following its election into office. Mr Speaker, I note the Government's statements on the issue and in particular the statement issued on 21st March this year, setting out the reasons why the project did not proceed and the matters which had been and were under review at the time. Importantly, I note that the Government was said to be consulting with the ESG and other concerned NGOs to deliver the best option for Gibraltar.

1255 I know that the hon. Members on this side of the House are not alone when they express dissatisfaction and concern about the delays Gibraltar is experiencing in this field, particularly when set against the backdrop of the continuing and troublesome power outages that we have been experiencing in recent months. The ESG themselves have expressed their concern at the apparent lack of pace visible in the pursuit of a new, safe, reliable and environmentally friendlier solution to meet the community's power needs and I share their particular concerns in respect of the current and ageing network of power generating stations which, for some time, have been in dire need of decommissioning. I wish to impress anew upon the Hon. the Chief Minister and those other Ministers who form part of the working committee established by them, to make this a matter truly of the highest priority.

1260 On the alternative energy front, I recognise the Government's position in respect of the integration of such new technologies with the power generation solution, whatever shape that might take, but I do have additional concerns in this regard which, despite my genuine wish to pursue a spirit of collaboration, understanding the importance of meeting European Community objectives in respect of alternative energy generation, despite that wish to assist I feel it would be remiss of me if I were not to articulate my concerns for the purposes of placing same on record.

1270 Mr Speaker, again my concerns in this area stem, for the most part, from the presence of the Hon. Minister for the Environment on the Cabinet. I would happily concede being proved wrong in future, if such a thing were to happen in this regard. The Hon. Minister has been a feature in the local ornithology and natural history scene for a long time having achieved much of value for the community during that time, including the oversight of the re-discovery of the Alameda Gardens as a valuable amenity and an enhancement to the quality of life of some members of our community – that much is a given, Mr Speaker. Whilst his contribution is noted, so is his passionate and, at times, frankly worrying hard-headedness and his apparently single-minded focus on all things birds, plants and trees. I worry whether the hon. Member's passion for the plants, birds and trees will have the better of him when in office, as I am told it appeared it did, before he assumed the responsibility of office. It simply cannot be, Mr Speaker, that the mere suggestion of the installation of technologies designed to assist in the determination of the suitability of wind turbine technology in a local application should incense the hon. Member in a manner of which I have been informed anecdotally.

1275 It cannot be right, Mr Speaker, that the potential impact – *potential* impact – that the presence of wind turbines in the local environment could have on birds, as an example, should be elevated to such an extent that the mere attempt at exploration of energy solutions we need today, for the benefit of our community, for the benefit of our children and our grandchildren, should invoke an overly defensive, even hostile reaction from the Minister.

1280 Whilst I acknowledge that the issue of alternative energy generation should be considered holistically, in consultation with all stakeholders and considering all relevant issues, including the birds, the plants and the trees, no single environmental concern should, in my view, preclude the ultimate delivery of alternative energy solutions which Gibraltar needs today tomorrow and beyond. The Minister may fret and protest all he wants and complain that my suggested approach, one where the Government takes responsibility, presupposes an outcome, whereas their approach is or will be open and transparent. To this, I would say that the generation of alternative energy is and should be an overriding priority and that, as the alleged party of the environment, the Government should take responsibility and deal with it as such.

1290 In conclusion, Mr Speaker, I believe that during the course of this speech, a number of themes will have become apparent: the first, that the GSLP's 'all things to all men' strategy whilst in Opposition is the only thing about them which is open and transparent, and now that they are in Government, that core policy has become untenable. Their true colours, the colours of their nepotistic, extreme and dangerous nationalist and insincere politics are shining through bright and clear.

1295 Secondly, that they have taken it upon themselves to rubbish the GSD legacy because, if they do not do that, the benchmark for achievement will remain too high for them to even so much as come close to matching it.

1300 Thirdly, that their so-called openness and transparency agenda, the veneer of honesty and integrity they have painted for themselves, is fading away to reveal the good old – or is it bad old? – GSLP of years gone by.

1305 Finally, I believe that the GSLP Government can no longer, in the light of the Budget measures announced here today, continue to pretend that they inherited public finances in a state of ruin and that, therefore, they have shown themselves to have misled the electorate and threatened our community's

1310

international reputation for the sake of their own political interests. The electorate now know who they are dealing with in Government, and they do not like it, Mr Speaker – not one bit.

One thing is for sure: their honeymoon, Mr Speaker, is over.

1315        *(Applause)*

**Hon. Chief Minister:** Mr Speaker, in order to enable Members on this side of the House to wake up after that, could we recess for a cup of coffee?

1320        **Mr Speaker:** This House will recess for 10 minutes.

*The House adjourned at 4.57 p.m. and  
resumed its sitting at 5.15 p.m.*

1325

**Appropriation Act 2012  
Debate continued**

1330        **Mr Speaker:** The Hon. the Minister for Education, Financial Services, Gaming, Telecommunications and Justice.

1335        **Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, I have the honour to present my first Budget speech for responsibilities that form part of my ministerial portfolio.

1340        By way of introduction, Mr Speaker, I would like to say that Gibraltar derives its success from the fact that it does extremely well in a number of specialist areas. The quality of Gibraltar's established professionals across many sectors of our community is second to none and it is something to be proud of. The Government will continue to work with Gibraltar's professionals to ensure that Gibraltar meets the highest standards of practice and regulation, whilst remaining proactive and receptive towards the demands of the business world.

1345        Even in this day and age, against a backdrop of unnerving financial uncertainty beyond our shores, I firmly believe that Gibraltar is set to move into a new era of social and economic prosperity, brought about by a new Government, one which aims to bring about positive change to Gibraltar, in a modern and socially just manner.

That said, Mr Speaker, I now wish to turn to the various areas of responsibility that form part of my ministerial portfolio.

1350        I will start with Education. Education is a top priority for the Government. The Estimates reflect that the amount required in the year ending 31st March 2013 for salaries, wages and expenses is £34,982,000. This can be compared with a forecast outturn for the year ended 31st March 2012 of £28,509,000. The increase this year is £6,473,000 in recurrent expenditure. This represents an increase in the budget of around 23%. This, by any account, is a substantial increase in the budget and confirms the Government's commitment to Education.

1355        Since elected into office, the Government has already made announcements in connection with the extension of mandatory grants for postgraduate students, additional funding for distance learning students, the provision of a dedicated maintenance team for schools and the commencement of a health and safety audit for all schools.

1360        With regard to mandatory scholarships, hon. Members will see a substantial increase in provision this year of £9,507,000 compared to a forecast outturn in 2011-12 of £5,676,000, an increase of almost £4 million.

Part of this is accounted for by the increase in tuition fees by UK universities which Government was committed to fund. However, there is clearly an increase in the requirement for funds under this head as a result of Government's policy decision to extend mandatory grants to postgraduate students.

1365        We have already seen the effect of this. There have been 70 applications this year, compared to 57 last year, for what was previously regarded as discretionary awards. Of these, 49 were considered to fall within the new category of entitlement to a mandatory scholarship in that the request was for a continuation of studies. The result is that these 49 students were entitled to a mandatory scholarship, instead of being considered for a discretionary award. This has resulted in a substantial reduction in those students requiring discretionary awards.

1370        In line with a number of specific commitments on the engagement of additional staff for schools, I have already announced that:

(1) 47 new teachers have been recruited and will start on 1st September 2012. The teacher complement has therefore increased from 333 to 380.

1375 (2) The complement of Classroom Aides will be increased, in effect, by 28, from 51 to 79. This represents a more than 50% increase in the complement. In addition, the Classroom Aide supply list has been re-populated, increasing it from 1 to 39. This will allow cover for temporary absences, as well as the use of supply Classroom Aides whenever specific temporary needs arise;

1380 (3) The complement of school secretaries will be increased from 9½ to 17. This will provide secretarial support for schools during the whole of the school day.

(4) An Executive Officer will be assigned to each of the secondary schools to support teachers in the administration of the schools' public examination system and for general clerical duties.

1385 All this represents an additional investment of around £2 million per year on staffing for schools. This increase is not just significant but, I believe, unprecedented. It shows our commitment to invest in people who will deliver the educational needs of our children. The Government considers that investing in our children's future in the manner that we are doing will allow Gibraltar to reap rewards in years to come.

The recruitment of the new teachers also allows us to eradicate the practice of so-called 'permanent supply', where teachers who were clearly required by our schools were kept for years on supply, without a formal contract of employment and without the rights and certainty that such a contract brings.

1390 In addition to the positions described above, the Government has created one additional post of Educational Psychologist, bringing the complement to two. This corrects an anomaly where a teacher has been carrying out that job for several years, without the post formally existing as part of the Department of Education complement.

Mr Speaker, there are many areas in which the Government is actively working on and making changes where necessary.

1395 Nurseries: the Government is committed to providing 'free optional nursery education' to eligible children. There are currently 365 – either morning or afternoon – places available. This year, 324 applications for places have been received. This means that there is a nursery place for every application, should parents wish to take up the offer they received.

1400 Special Educational Needs (SEN): as part of the Government's commitment to Special Educational Needs, there has already been an increase in resources with respect to Classroom Aides. 16 part-time posts were appointed as full-time Classroom Aides in April. As I have already said, the Classroom Aide supply list was re-populated in May. Financial provision has been made for an increase in the complement of permanent Classroom Aides which will take effect from the next academic year.

1405 This current academic year has seen an increase in the time allocated to the Behaviour Education Support Team (BEST) from a four-day week to a five-day week. There are currently three teachers plus the Assistant Education Adviser providing this support.

1410 In September 2013, these teaching posts will be made permanent, which will provide stability and greater continuity. This provision will be taken from the extra 47 teachers the Government is employing. This enhancement will allow their expertise to further develop and allow them to provide greater support to pupils with social, emotional and behavioural difficulties.

Extra support for pupils having language difficulties will be provided by a peripatetic teacher qualified in teaching English as a foreign language, who will be working in our schools on a 'needs-led' basis.

1415 An extension will be built to Notre Dame School, as I have already announced. Work on this has already started by GJBS with the aim of completing the extension by the start of the next academic year. The extension will provide three classrooms for the Learning Support Facility and two for Special Educational Needs. Government is also working on plans for an extension to St Martin's school.

In addition to the resources and equipment which schools resource from their capitation budget, Government has started a pilot study with the purchase of three iPads for St Martin's school.

1420 14 –19 Developments: Mr Speaker, education is not just about the pursuit of academic excellence; it is about preparing the citizens of tomorrow and maximising their potential, whatever this may be. As such, Government places a high value to a whole range of alternative pathways in education, both vocational and academic.

1425 This year has also seen the arrival of outreach teams from the British Science Museum and Cambridge University to our secondary schools. Students have been exposed to a whole range of 'hands-on' science and mathematics lessons, which they have thoroughly enjoyed.

Moreover, specifically, our students in years 12 and 13 were given a lecture on the famous Enigma machine used during World War II and were also shown the machine and how it encrypted.

1430 These initiatives, sponsored by the Kusuma Trust, serve to enrich lessons and to promote education as a life-long learning process.

The Department of Education will continue to work in partnership with external agencies. A good example of this is the work undertaken by teachers and the Gibraltar Association of Compliance Officers to offer financial courses to students in years 12 and 13, principally on Gibraltar's Financial Services.



1435 Mr Speaker, this year, the Young Enterprise Scheme truly surpassed all expectations, difficult as this  
 may seem. The winning team, 'Impulse' went on to compete in the National Championships in the UK. I  
 am delighted to say that 'Impulse' won the award for the Best Product, which is a magnificent  
 1440 achievement for the company and for Gibraltar, particularly when we consider that more than 26,000  
 students with 2,000 companies participated. The hard work put in by our teachers, and indeed by the  
 business men and women, who gave up of their time in order to expose young adults to the business  
 world, should be commended. The experience for the students will prove invaluable and in the long run  
 Gibraltar can only benefit.

1445 Higher Education: Mr Speaker, my Advisory Team have now concluded talks at the three secondary  
 institutions, explaining the workings of the scholarship system and, furthermore, clarifying how our  
 commitment to higher education will work in practice. It must not be forgotten that the Government will  
 meet in full the 200% increase in tuition fees that should come into effect for new students as from  
 September 2012, resulting from changes introduced by the UK Government.

The Government will treat as mandatory all requests from students who have just completed their first  
 degree and wish to pursue a higher degree or indeed doctoral studies. As such, funding for tuition fees  
 and a maintenance grant will be afforded to these students.

1450 Furthermore, the means-testing mechanism for those students enrolled in distance learning  
 programmes has been removed, and these students will receive the full amount.

1455 Mr Speaker, as I announced in my answer to a Parliamentary Question posed by the hon. Member  
 opposite, Professor Daniella Tilbury is already well underway with a feasibility study commissioned by  
 the Government for the development of a Gibraltar University. Different pathways are being explored.  
 We are all tremendously excited at the prospect, given the potential for educational and economic  
 development that could arise.

1460 Continuing Professional Development: the Department of Education continues to be committed to  
 providing opportunities for professional development for all staff. The Leadership and Management  
 course for teachers, which is accredited by Durham University, has continued to be subscribed to. In  
 September, a number – approximately 25 – will be moving onto Masters Level.

The Advisory Service has provided or facilitated in-service training in the following areas:

1465 (1) Safeguarding Children Tier 1 Training – this is an on-going multi-agency commitment, which  
 education forms part of. So far, 67 teachers have completed the Safeguarding (Tier 1) Training course.  
 Tier 2 level training is a new initiative which commenced in Academic Year 2011-12. A small number of  
 teachers have already attended this course.

(2) Dignified Care and Responsibility Training (Restraint Training) – which the Advisory Service has  
 facilitated. This training enhances existing skills which support behaviour management practice in  
 schools. Three schools have already availed themselves of the course and it is envisaged that more  
 schools will do so in the next academic year.

1470 (3) Gifted Children – an on-going course provided by the Advisory Service. The focus is on Literacy  
 and Numeracy. To date, 12 schools have subscribed to the course.

(4) Technology and School Development Planning – provided by the Advisory Service. This  
 programme of in-service training has furnished schools with a framework from which to improve and  
 expand their use of technology in teaching and learning, as well as a mechanism for managing the  
 purchase of hardware over a number of years.

1475 (5) Making Good Teaching Outstanding – provided by the Advisory Service. As part of a rolling  
 programme, the First School head teachers have already attended this course. It is envisaged that this  
 could be available to the remaining sectors during the next academic year.

1480 (6) First Aid Courses in schools – this is part of a rolling programme facilitated by the Advisory  
 Service.

(7) British Sign Language Level 1 Course – facilitated by the Advisory Service in partnership with  
 Gibraltar Hearing Impairment and Tinnitus Association (GHITA). A number of teachers have already  
 attended this course. All schools have also prepared and delivered their own 'in house' in-service, which  
 addresses individual schools priorities, which support school improvement.

1485 Developing Technology in Schools: the Government recognises the importance of technology in the  
 21st century and is committed to increasing resources in schools, to support teaching and learning. April  
 2012 saw a substantial increase in the number of smart boards in school, with 30 being purchased and  
 distributed to schools. During the next academic year, the Department of Education, in conjunction with  
 1490 the Government IT and Logistics Department will be looking at ways in which support for computer  
 maintenance and repair can be enhanced using centralised Government resources – the technicians and  
 expertise.

The feasibility of the incorporation of existing school computer systems into the Government Intranet  
 is also being actively explored. It is expected that the eventual centralisation of all our school computer  
 systems will be of great benefit educationally and administratively.

1495 The development of a Virtual Learning Environment, whilst still at an embryonic stage, is also being explored by the Advisory Service in conjunction with the IT and Logistics Department for eventual inclusion into the system. It is envisaged that this will provide a framework through which lessons and teachers' notes can be accessed on-line. This will be explored as a pilot scheme using A-level Mathematics, during the course of next academic year.

1500 Increase in Teaching Complement: the start of the 2012-13 academic year will see the existing complement of 333 teachers increase to 380. The 47 recruits have been chosen through interview and will primarily address subject needs in the Secondary Sector and optimum class numbers throughout the Service. The identification of specific needs for each school was achieved by an extensive consultation process with head teachers. The teacher increase will also regularise BEST which will be staffed by three teachers, with additional support from the Advisory Service, as well as make provision for a TEFL teacher, as I have already mentioned.

1505 Health and Safety in Schools: a Health and Safety Audit of schools commenced in January 2012, as part of the Government's commitment to health and safety and the health and safety policy established by the Department of Education. To date, six schools have been audited and it is envisaged that the remaining ones will have undergone this process before the end of the year. This process also includes an Asbestos Audit of all schools. The audit prioritises health and safety issues within the school environment and in doing so, informs the School Maintenance Programme.

1510 Minor Works and Refurbishment in Schools: a new system has been set up to carry out repairs in schools and all educational centres. A GJBS team, consisting of a foreman and eight craftsmen, have been contracted to dedicate themselves to effect repairs. This team will tackle all repairs reported to the Department of Education on a daily basis and it is envisaged that they will eliminate the historical backlog that has existed.

1515 With regard to this backlog, I am pleased to announce that, out of a total of 238 repair jobs which were pending in December 2011, some dating back as far as 2008, a total of 116 have already been tackled and completed and 50 have been cancelled for various reasons. This means that there are only 72 reports pending attention, which we are confident will be completed very soon.

1520 The extension at Westside School, which houses a dance studio and two kitchens and which was commenced during the financial year 2008-09, will be finally completed this year and will be ready for use in September 2012.

1525 A much needed extension will be constructed, as I have said, at Notre Dame School. Preliminary works have commenced and the extension is expected to be ready in time for the start of the academic year, i.e. September 2012. This extension will create a purpose-built Learning Support Facility, two Special Needs Units, and an additional classroom. The expansion of the school will assist in accommodating the growing population of the area, with an expected influx of MOD pupils, once St Christopher's completely closes down.

1530 An extension will also be built to St Martin's School. In addition, the windows of the western façade of St Anne's Middle School will be replaced.

1535 In the financial year ending 31st March 2012, the following works have been carried out. The works to three nursery playgrounds in need of special flooring have been completed. These nurseries are Notre Dame, St Bernard's and St Paul's. In the case of Notre Dame, the playground equipment has also been replaced. The materials used are the same ones as those being used in the public playgrounds around Gibraltar. The total cost has been £41,750.

1540 The perimeter fence of the open playing area at Westside has been replaced, at a cost of £32,960. Unauthorised persons were entering the school via the open playing area, either to cause damage or to use the open playing area as a football pitch. This new fence is of the 'un-climbable' design.

The windows of the eastern façade of St Anne's Middle School have now all been replaced. This has been a two-year programme. These works were necessary as the school was experiencing rainwater ingress via these windows. The cost of replacing them has been £188,305.

1545 One of the blocks of Bishop Fitzgerald Middle School was refurbished at a cost of £32,715. St Joseph's Middle and First Schools have had the ground floors painted internally. The cost was £25,502.

Notre Dame School was painted internally and all windows were replaced. The cost of both works was £64,808.

1550 An extra floor was added to the Hebrew School. This extension consists of three classrooms, an office, storage space and toilets. The school was also refurbished internally, the cost of the refurbishment being £51,346.

The Gibraltar College, St Anne's Middle, St Bernard's First and St Paul's First Schools have had works done relating to water ingress. The bottom floor at Bleak House was also refurbished. The cost was £38,316.

1555 At Governor's Meadow First School, one of the blocks was refurbished and another one was treated internally for water ingress problems. The cost of both works was £11,784.

1560 Mr Speaker, the Government has no doubt that the works which have been carried out, those which are in progress or are planned for this year, the changes – including funding for scholarships – which have been effected and the additional resources which are being allocated to Education, particularly on human resources, will result in an improved education system which will create a highly motivated professional workforce and an enhanced educational experience for all of our students. Our children are Gibraltar’s future. Our investment in education is an investment which provides opportunities for all from which the whole of Gibraltar will benefit.

1565 Mr Speaker, I now turn to other areas of my ministerial portfolio, starting with financial services. Gibraltar is a financial services jurisdiction within Europe and is well placed to seize the opportunities offered by our status, reputation and tax regime. But there is work to do, and challenges ahead. Opportunities need to be seized and converted into real business. Things will not happen by themselves.

1570 In addition to the established markets which remain important to Gibraltar, such as the United Kingdom and Switzerland, the Government intends to explore new emerging markets like the BRIC countries – Brazil, Russia, India, and China – which are enjoying massive economic growth. This is particularly relevant as Gibraltar can offer them an alternative entry point into the single European market.

1575 The Government is very optimistic that, in the years ahead, Gibraltar will consolidate its position as a leading international finance centre within the EU. The financial sector is a key driver in the local economy, as well as one that stimulates other areas of business and generates thousands of jobs and important revenue.

1580 As a business location, Gibraltar has a first rate professional infrastructure that is fully compliant with European standards of regulation. The numerous international trading entities and financial services companies, which already have a base in Gibraltar are testament to this. The financial sector accounts for 14% of total employment and contributes around 20% to GDP. Employment in this sector is mostly in banks and building societies and in activities auxiliary to financial intermediation.

1585 Gibraltar is well regulated but not *over*-regulated, which ensures that business institutions based here can depend on being amongst reputable companies in a respected finance centre. International finance centres like Gibraltar are a vital part of the machinery that contributes towards the prosperity and smooth running of the global economy. Innovation, speed and flexibility are facets that allow a jurisdiction like Gibraltar to compete and distinguish itself against a backdrop of large states which are inherently slower and more complex to do business in.

1590 Growth trends in financial services: Gibraltar’s financial services centre continues to post stable growth in a number of areas, such as insurance, investment management and funds – notably in experienced investor funds, of which there are now approximately 90. It is becoming increasingly apparent that Gibraltar’s future in financial services rests with high-end, high-value added private client business, insurance – both captive and retail – investment management and funds. As reported in the *Financial Times* on 11th May 2012 Gibraltar has set itself the objective of becoming a major player as an EU funds domicile and an EU centre for hedge funds management operations.

1595 Insurance: the number of licensed insurance companies has grown to 65, with approximately a further 40 in licensed protected cell company structures. The critical mass that has been achieved in this sector now makes Gibraltar a mainstream insurance domicile within the European Union, along with long-term players in the markets. Robust but responsive regulation, combined with a strong professional infrastructure, has underpinned the momentum of the insurance sector.

1600 Particularly noteworthy is the fact that Gibraltar was the first EU jurisdiction to offer passporting of insurance services throughout Europe in combination with a protected cell structure. The industry, in partnership with Government, is working hard on the transposition of the forthcoming Solvency II Directive.

1605 Imported pensions: on 11th May 2012, the Government published a Bill to amend the Income Tax Act 2010 in respect of certain pension schemes imported into Gibraltar, generally known as Qualifying Recognised Overseas Pension Schemes (QROPS). The Bill, which had been eagerly awaited by the Gibraltar pensions industry, was passed by Parliament unanimously on 22nd June 2012 and was commenced on publication on 28th June 2012.

1610 This is an important piece of legislation for finance centre practitioners involved in the administration of pension schemes. It opens up a line of business which has previously, in effect, been out of reach for Gibraltar. It will create opportunities for pension scheme administrators and will generate income from taxation for Gibraltar in respect of distributions from the imported pension schemes.

1615 The legislation, which only applies to certain pension schemes established outside Gibraltar which are subsequently imported, imposes requirements, restrictions and taxation on QROPS. In particular, the legislation provides for a maximum commutation of 30% of the pension fund; a minimum retirement age of 55 – except in very specific circumstances relating to chronic ill health; taxation of 2.5% on distributions from the fund to beneficiaries of the imported pension scheme; and requirements to prevent

an imported pension scheme from being transferred to another scheme outside Gibraltar which does not comply with the original requirements.

1620 The legislation also provides for retrospection to 6th April 2006, to enable the small number of pension schemes imported into Gibraltar since that date to comply with the requirements of other jurisdictions which allow exporting of pension funds. These amendments do not affect the rules governing those occupational pension schemes which have been or may be established in Gibraltar, where distributions are taxed at a zero rate.

1625 The Government is satisfied that the amendments made to the Income Tax Act provide a basis that is in consonance with the aims of those other jurisdictions which allow the exporting of pension funds. However, industry practitioners involved in the business of importing pension schemes to Gibraltar remain responsible for ensuring that their activities fall squarely within the rules applying in countries outside Gibraltar as regards pension transfers.

1630 The proposals which are reflected in these amendments were put to the Government shortly after it was elected in December 2011. The Government understands that the industry has been waiting for a considerable period for this legislation, having put the proposals previously to the GSD Administration.

1635 Whatever the reason may be for the failure by the previous Administration to implement these proposals, the swift actions of the Government suggest a responsive and listening disposition by the present Administration, which appears to have been sadly lacking prior to December 2011. (**A Member:** Hear, hear.) (*Applause*)

Experienced investor funds (EIF): Mr Speaker, approximately 90 experienced investor funds have been established in Gibraltar since the Financial Services (Experienced Investor Funds) Regulations 2005 came into effect, with almost half of these having been structured as protected cell companies.

1640 Following a series of proposals submitted to this Government by the Gibraltar Funds & Investments Association (GFIA) designed to make this sector more efficient, the Government introduced new Financial Services (Experienced Investor Funds) Regulations in 2012. Improvements to the original 2005 Regulations included the opportunity for large funds to use reputable and substantial administrators based in jurisdictions of equivalent standing to Gibraltar.

1645 The new Regulations also allow funds to re-domicile to Gibraltar, yet continue to use their existing reputable administrator, representing a significant advantage for funds moving to the EU with, *inter alia*, the advent of the Alternative Investment Funds Managers Directive, due to be implemented by July 2013.

1650 The new Regulations enable experienced investor funds to choose to file for registration ten days before a scheme is established, with automatic registration at the end of that period if no objection is received from the regulator. This provides greater choice, certainty and flexibility for prospective new funds. The new Regulations also provide further disclosures which are required in the offering of documentation to help investors to make an informed decision prior to investing.

1655 Last month, Mr Speaker, I addressed a conference on funds in Monaco organised by GAIM (Global Alternative Investment Management). This is an important conference for the global funds industry with all major players represented. It proved to be the ideal opportunity to explain the opening up of the Gibraltar market as a result of changes introduced by the 2012 Regulations. This will encourage the use of Gibraltar by funds wishing to relocate to an EU territory to take advantage of the new EU Directive.

1660 We have received excellent feedback from delegates which gives us great cause for optimism for the expansion of the Gibraltar funds industry. As with the QROPS legislation, the introduction of the new EIF Regulations shows a Government which is predisposed to listen to and act on proposals from the industry which make sense and which are beneficial to Gibraltar. (**A Member:** Hear, hear.)

1665 Private Clients: the Society of Trust and Estate Practitioners (STEP) has made a number of general representations to the Government for the introduction of new private client structures such as purpose trusts, the extension of the perpetuity period, private trust companies and foundations. The Government agrees in principle that the introduction of legislation on these areas is desirable and has asked STEP to produce detailed proposals, so that these can be evaluated and put into effect. Any such proposals will, naturally, have to comply with OECD transparency requirements and be exchange of information compliant.

1670 The Government is also giving consideration to the recommendations contained in the OECD Phase I Review relating to the elimination of share warrants to bearer and the extension to record-keeping requirements for companies, partnerships and trusts. A consultation paper on this has been issued and the Government is currently reviewing comments made with a view to introducing legislation which gives effect to the recommendations.

1675 International agreements and tax information exchange: Mr Speaker, Gibraltar's successful finance centre is based on the Government's conviction that it must remain squarely within the mainstream of international consensus. In line with its commitment to transparency and effective exchange of information, Gibraltar is on the G20-instigated OECD 'white list'. It has to date negotiated and signed 20 Tax Information Exchange Agreements with OECD/EU Member States and is currently negotiating or concluding similar agreements with several other countries. Of the 20 Agreements signed so far, 18 have

1680 entered into force. Gibraltar is waiting for reciprocal notification for entry into force from Belgium and South Africa.

1685 Double Taxation Agreements (DTA): in keeping with its manifesto commitment to negotiate Double Taxation Agreements with selected jurisdictions, the Government has established a DTA Working Group to study the mechanics of entering into Double Taxation Agreements with relevant countries. Prior to the Group's first meeting on 15th May 2012 the Finance Centre Department had already undertaken preparatory work on this. The Government expects to be in a position to report progress in this area during the course of the current financial year.

1690 International Monetary Fund (IMF) – Mr Speaker, the Government will continue to co-operate fully with the IMF and devise policies when appropriate, in order to ensure that any assessment undertaken by this body meets their assessment criteria. In consonance with the Government's commitment to respond positively to the various international initiatives, the Finance Centre Department continues to compile Gibraltar's portfolio investment position for submission to the IMF, as it has been doing since 2004. Work is also proceeding on the consolidation of anti-money laundering legislation. Progress on the EU driven fourth Anti-Money Laundering Directive is being monitored.

1695 Mr Speaker, I would end my contribution on Financial Services by mentioning the complaint to the EU made by Spain to the corporate tax regime introduced by the Income Tax Act 2010. The Government considers that this is a politically motivated complaint which has no merit whatsoever. The Government therefore firmly believes that it will be able to successfully see off this challenge. (A Member: Hear, hear.)

1700 Mr Speaker, I now turn to Gaming.

The online gaming industry continues to contribute well to the local economy and Gibraltar continues to consolidate its place as one of the world's premier locations of choice for reputable industry leaders. Gibraltar is at the forefront of the global gaming industry and it is important that we keep up with developments and meet the major players, as well as officials from other jurisdictions.

1705 Earlier this year, I attended the ICE Gaming Exhibition in London and the GiGse Totally Gaming Conference in San Francisco. Whilst in the US, I also had several meetings with major players and influential people in Las Vegas, Nevada. I had the privilege of meeting the Governor of Nevada, Brian Sandoval, and the Chairman of the Nevada Gaming Control Board, Mark Liparelli.

1710 We are aware that there are a number of Gibraltar operators interested in branching out by seeking a licence in Nevada. At the same time, various Nevada-based operators are interested in being licensed in Gibraltar. It is therefore in Gibraltar's interest that we have contact with and build a solid relationship with Nevada, as well as other countries and states, at both regulatory and political levels.

1715 That said, Mr Speaker, the Government does not intend to vary the formula that has led to Gibraltar's success in online gaming. It is the Government's firm intention to continue with the policy of selective licensing, coupled with high standards of regulation. Gibraltar sets a high bar to entry and only the world's leading brands are considered for licence.

There are currently 22 remote gambling licensed operators established in Gibraltar and three more applications are currently being processed. They include some of the biggest names in the business. Only reputable companies with a realistic business plan and a proven track record in gaming are licensed.

1720 Five new remote gambling operators were licensed during the course of the financial year 2011-12. As at 29th February 2012, the total number of employees in the gaming industry stood at 2,245. This figure is expected to increase modestly over the next few months, as soon as the three newcomers are established in Gibraltar.

1725 The Government revenue from remote gaming tax for 2011-12 has increased to £10.7 million, from £10.4 million in 2010-11. Remote gaming tax represents 94.5% of the total gaming tax yield of £11.3 million for 2011-12 – the remaining £0.6 million gaming tax being in respect of domestic gaming.

PAYE from remote gambling operators totalled £16 million for the period 1st April 2011 to 31st March 2012, with an additional £0.3 million for domestic operators. Corporate tax from gambling operators for the same period was just over £18 million.

1730 Mr Speaker, before I turn to other matters, it is important that I report to the House on an on-going issue which could have a very significant negative impact on Gibraltar's online gaming industry. Earlier this year, the UK Chancellor announced plans for a UK online gaming 'place of consumption' tax. He revealed that a consultation process was taking place, with the aim of imposing a 15% charge on gross profits based on the location of a player, rather than the location of the business that is providing the service. The UK Treasury has said that it aims to have the necessary arrangements in place by December 2014.

1735 What this means is that the UK seeks to impose a 15% charge on every transaction which is made by a customer in the UK. This, of course, can only be interpreted to be a revenue-generating measure. This measure is also proposed to be accompanied by changes to the UK licensing regime for the sector which the taxation consultation paper indicates will proceed in tandem.

1740

1745 Mr Speaker, the Government does not believe that these measures are designed to ensure the proper protection of consumers in the UK. Gaming companies operating from Gibraltar and their customers are already protected by Gibraltar's strict licensing and supervision. Our regulation is second to none. It is as high, and in some respects higher, than in the UK. (A Member: Hear, hear.) The Government believes that the UK Government's position on this issue is not defensible and the Government has made its opposition to the proposed tax known to the UK Government.

1750 The measure seeks to put UK operators in a position of distinct advantage to those operators based in other jurisdictions like Gibraltar. The Government also considers that the proposals offend basic principles of freedom to provide services and acts as a barrier to trade and entry to the UK markets. Leading figures of Gibraltar's gaming industry have also voiced their strong opposition to the UK proposals.

1755 The Government is aware that there is a real prospect of an industry challenge to the UK Government's proposals, if they persist with the proposed licensing and taxation measures. The Government will naturally continue to support all efforts to defend Gibraltar's well established gaming industry. The Government considers the move by the UK Government to be counterproductive and, in the long run, more harmful to the UK than to the jurisdictions – such as Gibraltar, Isle of Man and Malta – at which the measures are aimed.

1760 The Government has highlighted to the UK Government the serious economic threat that such a move could bring about for Gibraltar given the importance of key income streams this sector generates for our economy. The UK is an important market to some of the companies operating from Gibraltar. This will, therefore, remain a vital issue which needs to be very carefully monitored.

1765 The Government will continue to engage with the UK Government at all levels and will make sure that the UK Government fully understands the harmful effect which its proposals would have on UK customers and on Gibraltar. The Government continues to be hopeful that the UK Government will consider all representations made and be persuaded to retract its proposals.

Mr Speaker, I turn to telecommunications.

1770 Mr Speaker, telecommunications is a dynamic, ever-changing industry and an area which continues to move forward. Telecommunications plays an integral part in all our lives, whether as a business dependent on e-commerce, as an enabler when working in the global environment or for our daily communication needs.

1775 Gibraltar's telecommunications infrastructure is of high quality and good repute. The bigger blue-chip online gaming companies acknowledge this. It is highly praised for the availability of electronic services, its quality of regulation and its resilience. Telecommunications providers continue to invest in fixed network infrastructure which, along with its increasingly diverse international routes, ensures a robust, reliable and quality service.

The continuous investment in essential telecoms and IT technologies is helping to make Gibraltar the attractive jurisdiction to which businesses can look to expand from or to relocate to.

1780 Furthermore, the electronic communications industry was liberalised to primarily enhance investment and competition. The effects of liberalisation have successfully been felt in recent years, since new market entrants have stimulated the industry. As a result, the quality of services has improved and prices have been reduced. The Government views these developments as fundamental for continued growth and development and looks forward to a continuation of these trends.

1785 In today's world, there are various ways a person can access the internet. A household may have a fixed internet connection; Wi-Fi access, if the household in question is covered by an accessible hotspot; WiMax which uses a wireless connection to access a broadband network; or internet access via a mobile network using a smartphone, tablet or Personal Digital Assistant (PDA). The definition used by the EU when calculating broadband penetration rates defines broadband lines as:

1790 'those with a capacity equal or higher than 144 Kbits/s'.

1795 All the various technologies mentioned above are largely covered by this definition and are available in Gibraltar. Broadband penetration *per capita* in Gibraltar currently stands at around 39.6%, which is higher than the EU average of 27.7%. It is estimated that close to 75% of local households now have broadband access, compared to some 55% of EU households.

1800 I have responsibility for certain aspects of the work carried out by the Gibraltar Regulatory Authority (GRA) under the provisions of the Communications Act 2006. The GRA is an independent authority, which regulates the following areas for which I as the Minister for Communications have responsibility: (1) electronic communications, which includes broadcasting networks, radiocommunications and licensing of the radio spectrum; and (2) international co-ordination of satellite networks and licensing.

There are seven companies, Mr Speaker, operating under the regime established by the Communications Act 2006, providing a variety of fixed and mobile networks and services. Currently,

there are two active mobile operators. A third is installing its network with the aim of starting to provide a service this year.

1805 The EU's new electronic communications package was implemented in Gibraltar with the publication on 26th May 2011 in the *Gibraltar Gazette* of five new regulations amending the current legislation on electronic communications. The amendments introduced in the Directives are primarily aimed at: simplifying some of the existing procedures; allowing transfer and leasing of individual rights to radio frequencies; the re-drafting of the provision on co-location of facilities; adjusting some of the definitions, taking into account technological progress; reinforcing provisions on end-users with disabilities; and strengthening of other consumer protection rules.

1810 On 2nd April 2012, number portability between network and service providers for geographic, non-geographic and mobile telephone numbers was introduced. Number portability enables subscribers of publicly available telephone services and mobile services to change their service provider whilst keeping their existing telephone number.

1815 During the financial year 2011-12, the Authority published Public Consultation 02/11 in accordance with the market definition procedure outlined in the Framework Directive 2002/21/EC. Two wholesale markets were analysed in order to examine the state of competition. The wholesale markets that were reviewed were: wholesale call origination on the public telephone network provided at a fixed location; and wholesale call termination on individual public telephone networks provided at a fixed location.

1820 The Satellite Division of the GRA is responsible for representing Gibraltar at international meetings and ensuring that the satellite operators comply with the International Telecommunication Union's (ITU) Radio Regulations and all other international obligations. The Division liaises closely with the UK Administration to submit new filings to the ITU, but the main workload comes from processing the international correspondence for each individual satellite project.

1825 The GRA collects Administrative Charges from providers of electronic communications services and networks, radiocommunications licence fees and other reimbursements. During the 2011-12 financial year, the total collected was £1,479,253.85, which was paid into the Consolidated Fund. This compares to expenditure for all of the GRA's Divisions of £1,412,726.72.

1830 I now turn to the conversion to digital broadcasting, which was touched upon during the speech by the Hon. the Chief Minister. Mr Speaker as recently announced, the GRA has signed a contract, worth around £1 million, with Arqiva in the United Kingdom, to provide a digital broadcasting network in Gibraltar. The network will comprise two digital television multiplexes and two digital radio multiplexes.

1835 On each television multiplex, Gibraltar will be able to transmit up to six distinct programmes. Similarly with digital radio, each multiplex allows for 4 distinct programmes. This means that a greater choice of programmes can be made available and that additional broadcasters could be licensed by the Government. The transmitters will be located at a single site on the Upper Rock, thus minimising the environmental impact of the antennae which will replace the two television broadcasting sites of Signal Hill and O'Hara's Battery.

1840 The digital broadcasting network will be operational by 31st December 2012, allowing Gibraltar to meet its international obligation to close down its analogue television transmissions by that date. Unlike the change-over to digital television, there are no current plans to convert FM radio to digital.

1845 In August of this year, I will attend – and I hope to be accompanied by the Hon. Miss Samantha Sacramento – the Commonwealth e-Accessibility Summit. This is organised by the Commonwealth Telecommunications Organisation and is being held in London. The theme for the Summit this year is accessibility to electronic communications systems for persons with disabilities. As part of the Summit, we will be attending the opening ceremony of the Paralympic Games.

Mr Speaker, I turn to Justice.

1850 I would start my contribution on Justice, Mr Speaker, by congratulating the Chief Justice, Anthony Dudley, who has recently been appointed a Bencher of Middle Temple, which happens to be my own Inn. The appointment is a magnificent personal achievement by the Chief Justice. (*Applause*) It is also a mark of the respect and high standing in which the Gibraltar judiciary is held.

Legislation: in accordance with our electoral commitments and policy of open Government, a number of important changes and innovations have and will be pursued during the course of this year.

1855 Command Papers: the introduction of Command Papers gives the public an opportunity to comment on new laws before the legislation is published as a Bill. A number of draft Bills have already been published in this manner, including draft Bills on Public Interest Disclosure and for a Smoke-Free Environment. More Command Papers will be published as and when drafts become available.

1860 Rehabilitation of Offenders: earlier this year, the Government announced the commencement of the provisions of the Criminal Procedure and Evidence Act 2011, relating to the rehabilitation of offenders. The effect of these provisions is that in certain circumstances, once a conviction is spent, the person may not be asked, or, if asked, is not required to answer questions about that conviction. In this way, offenders are not saddled with their conviction all their lives and can consider themselves rehabilitated in respect of that conviction. This is particularly important where someone is seeking employment.

1865 Work in Progress: Mr Speaker, Government is at present working on several pieces of legislation. They include:

Companies Act – work is proceeding on the drafting of a new Companies Act. Around 150 sections have already been drafted. The Government expects to have a draft ready in the autumn. It will then consult on the draft with relevant stakeholders.

1870 Insolvency Act 2011 – the drafting of the various regulations required to be able to commence the Insolvency Act 2011 has not yet been completed. Once the regulations are fully drafted, these will be circulated for comment by practitioners. The Government is keen, Mr Speaker, to see the new legislation implemented as soon as possible.

1875 Crimes Act 2011 and Criminal Procedure and Evidence Act 2011 – as already announced, Mr Speaker, it is Government's intention to commence these Acts, subject to a number of amendments, on 1st October 2012. The provisions in the Criminal Procedure and Evidence Act 2011 which relate to rehabilitation of offenders and those which permit the appearance in court by defendants by video link, which I will talk about later, have already been commenced.

1880 Government proposes to amend the Criminal Procedure and Evidence Act by removing those provisions which allow inferences to be drawn from silence, either at interview or in court. When the Bill was brought to Parliament by the previous Administration, I argued, during the course of the debate on the Second Reading, that these provisions abolish the right to silence and thereby removed a fundamental right. We opposed these provisions at the time. Further amendments will be required to the disclosure requirements in the Criminal Procedure and Evidence Act 2011, as a result of the repeal of the provisions which would abolish the right to silence.

1885 Mr Speaker, Part 12 of the Crimes Act contains provisions relating to sexual offences. Provisions in Part 12 impact on the age at which a person can lawfully consent to sexual intercourse. The effect of the statutory provisions is that the age of consent is 16. On 8th April 2011, the Supreme Court of Gibraltar made a ruling, following a reference to it by the then Chief Minister, which had the effect, for all practical purposes, of equalling the age of consent at 16 for both heterosexuals and homosexuals. In accordance with the Constitution, the ruling of the Supreme Court and the policy of this Government, the age of consent for both heterosexuals and homosexuals must be and must remain the same.

1890 On 11th April 2012, the Government issued a consultation paper on the age of consent, in line with a long-standing commitment by the GSLP/Liberals, both in Government and in Opposition, to consult the public on what age should be set by statute. The consultation has concluded and I am now today, in a position to give details of the consultation process and of Government's decision.

1895 A total of 12 submissions from individuals and representative bodies were received. Seven supported maintaining the current position of the age of consent at 16. Three supported raising the age of consent to 18. Two supported raising the age to 18, but allowing a near age exemption for sexual activity below this age. A respondent who indicated that the age of consent should be 16, should continue to be 16, had this to say:

1900 'To raise age would be a retrograde step. Young people more sexually aware today than ever before. The idea of an age differential in relations so as not to criminalise under-age relationships could be fraught with uncertainty. Maintaining age of consent at 16 would be in line with majority of EU countries.'

1905 Another respondent said:

'Would be unproductive to increase from 16, as that is well established and the same as the UK.'

1910 One of the respondents who supported raising the age of consent to 18 but with a near age exemption said:

1915 'Recommend sexual activity be criminalised when a participant is 14 or lower and that partners be no more than three years older than the other partner until age of consent is reached.'

1920 The Evangelical Alliance of Gibraltar also made representations. They stated that they believed that sexual intercourse is something which should only be practised between a man and a woman within the context of love and marriage. They nevertheless said that they understood that this was a minority view and that the legislature is tasked with protecting those who are vulnerable and may be taken advantage of. The Alliance suggested raising the age of consent to 18, but with a near age exemption.

A respondent who suggested that the age of consent should be raised to 18 said:

1925 'If a person is not deemed responsible enough to drink alcohol, drive a car, watch a movie rated for adults, nor get married until the age of 18 when you are then considered an adult, the age of consent should also be at least 18. After all, the responsibility of bringing a new life into the world is far more serious than any of the above.'



1930 Mr Speaker, the Gibraltar Women's Association also supported raising the age of consent to 18. They attached to their submission a copy of a petition, said to contain close to 4,000 signatures. These signatures were not, Mr Speaker, however, collected for the purpose of the Government consultation on this issue. The petition was started in 2010 in connection with a case before the Supreme Court.

The petition states:

'We the undersigned agree with the Gibraltar Woman's Association that the age of consent should be equalised at 18.'

1935 Mr Speaker, the question which was before the Supreme Court – which was the issue for which the petition was organised – was, of course, different to that in the public consultation. The Supreme Court considered whether Gibraltar law required the age of consent for both heterosexuals and homosexuals to be equal and, if so, what that age was. The public consultation was not concerned with equalisation of the age of consent – that had already occurred. The issue in the consultation was whether the law should continue to be that the age of consent is 16 or should be raised to a different age.

1940 Mr Speaker, the Government has given serious consideration to all comments and representations made as well as to all issues raised in the public debate that has taken place in Gibraltar since 2010. We have also considered the position not just in the UK but also in other countries.

1945 Having regard to all of that, we have taken the view that it would be wrong to change the law as it currently stands with equalisation having already occurred and the age of consent effectively set at 16. (**A Member:** Hear, hear.) In particular, we are not persuaded that the Government should criminalise behaviour which is currently lawful. In the circumstances, the Government does not intend to make amendments to the provisions in Part 12 of the Crimes Act 2011 whereby the age of consent is set by statute at 16.

1950 CCTV: CCTV can be both an effective deterrent to crime and a useful tool to resolve crimes. The Government has installed CCTV cameras in different parts of Gibraltar at a cost of £138,946.36. They are located at: Casemates Hill; Casemates Square; to the east of Casemates; in the Market Place; covering Waterport Road in both directions; Cornwall's Parade; Castle Steps; Irish Town; and Governor's Street.

1955 The Royal Gibraltar Police has produced CCTV Codes of Practice policy and an Evidential Digital Imaging policy which is Data Protection compliant. These policies include provisions on how the system will be used, how recorded material will be processed and handled and how evidence will be stored or used. A Public CCTV Guideline will also be produced before the system becomes operational.

1960 Law Courts – the Law Courts building: Mr Speaker, the final phase of the building works for the new Gibraltar Law Courts was completed in May of this year. While the pressure on the court system has grown, the courts themselves have had to cope with a shortage of courtrooms and adequate facilities. The new building addresses this fundamental problem and provides new facilities for all court users and the Government of course acknowledges that this project was one which was started by the previous Administration.

1965 Following completion of all the building works, there is of course the separate issue of the running, maintenance and upkeep of the building. The Government is currently considering the available options in this regard.

1970 The Government is also strengthening, Mr Speaker, backroom resources and staffing. New computer systems are being installed. With regard to staffing, I can announce that an additional nine full-time staff members have been approved. The additional staff comprise: a legal adviser; three executive officers; one administrative officer; a personal secretary; a clerk/word processor; and two court ushers/paperkeepers. The recruitment process for these new posts has started, but it has not yet been completed. In addition, trainees will assist in clearing paperwork backlogs.

1975 Mr Speaker, I can also announce today that the Government has approved the creation of a new judicial post – that of Master/Additional Stipendiary. I expect that this post will be filled during the course of the current financial year.

1980 The new resources and staff which the Government is committing to the Court Service will allow the service to function effectively at a time of increased demands, both on the administrative and the judicial side. There have been delays in the administration of justice in the past, which the Government considered unacceptable. The Government's actions will help tackle these delays and will create a modern, properly resourced and efficient service.

Mr Speaker, one of the areas which has suffered from delays in the Supreme Court for a number of years is the dating of applications for hearings. In August 2011, for example, it could take as long as 42 weeks for an application to be dated. That sort of delay was unacceptable to the Government.

1985 I am happy to report that since December 2011, there has been substantial progress in this area and most of the backlog has been cleared. Further, I can announce today that with effect as from this month, the Court Service will operate on the basis that basic applications will be given a hearing date within five working days of filing. (*Applause*) For more complex applications requiring more than a one-day hearing, dates will be set within 10 working days of filing. (*Applause*)

1990 The Government acknowledges that for a number of practical reasons, it may not always be possible to date applications within these set times. The Government has nevertheless set a target of 95% efficiency in dating applications within the required timeframes in any particular month. The result will be that the previous system will have been improved very significantly and both practitioners and the parties to applications will benefit from these changes. (*Applause*) (A Member: Hear, hear.)

1995 New software for the courts: the database systems in the Supreme Court and Magistrates' Court fall far below the requirements of a modern Court Service. They offer little automation of court processes and have limited functionality.

2000 A collaborative project is already underway between the courts, the RGP, the Attorney General's Chambers and the Government IT and Logistics Department to identify a computer system that could meet the wider requirements of the justice system. Such a system could also save time and cost by removing duplication of work within the justice system. The Court Service has requirements for its civil and family jurisdictions, as well as its criminal jurisdiction, and the needs of these areas of court business are also being considered.

2005 Launch of website access to Court Judgments: on 20th February 2012, the Government launched an extension to the Gibraltar Laws website so as to provide access to electronic copies of Supreme Court, Court of Appeal and Privy Council judgments. Online access to these judgments is an important tool for lawyers working in Gibraltar and others who may wish to research decisions of the Gibraltar courts. It is also important for practitioners and professionals outside Gibraltar, who will be able to keep abreast of developments in Gibraltar law and jurisprudence.

2010 The database is under development and will continue to have more judgments added to it. Supreme Court and Court of Appeal judgments between 1980 and 1987 inclusive will be added, as will judgments from 2010 onwards. This website is an important first step in working towards making information on the justice system accessible to all. I am working with the Judiciary and the Court Service with a view to adding more information on Gibraltar Supreme Court sentencing and Judicial Reviews in the future.

2015 Gibraltar Courts website: work on a new website for the Gibraltar Courts Service that will provide more information on the work of the courts has been completed. I can announce that the website will be available to the public as from tomorrow at [www.gcs.gov.gi](http://www.gcs.gov.gi). The website provides a mission statement of the Gibraltar Courts Service and information on the courts, jury service and the justice system. Access to Court Judgments will be available also from this site.

2020 In addition, there will be a picture gallery with two sections: one with pictures of the recent visit to the Law Courts by Their Royal Highnesses the Earl and Countess of Wessex and the other with pictures of the restoration and extension of the Law Courts building.

2025 Video Link: Mr Speaker, a video link has been installed linking the Magistrates' Court to the Prison. The legislation required to allow persons to appear in court via video link has already been enacted and commenced, with the publication in the *Gazette*, on 28th June 2012 of a commencement notice of the relevant provisions of the Criminal Procedure and Evidence Act 2011. The link will be tested for operational use this afternoon for the courts, prison, prosecutors and defence lawyers to test its use. This will be important for the courts and prison to look at the practical handling of defendants and video link hearing.

2030 Subject to this test being successful, I can announce that the video link will be available for use as from tomorrow, Tuesday, 10th July, but it is of course up to the courts to decide whether to use it or not. This link, when used, will remove the need for remand prisoners to be physically taken to court on a weekly basis, and will allow a more efficient use of Prison and RGP resources.

2035 Security for the Courts: the Government is making provision in this Budget for funds to allow the engagement by the Court Service of security guards. A total of £60,000 has been allocated for this purpose. The Court Service felt, and the Government agreed, that the additional number of courtrooms and the demands on the Court Service require additional security arrangements to be put in place.

2040 Attorney General's Chambers: Mr Speaker, the opening of the Magistrates' Court complex has seen an increase in 'second court' hearings. The AG's Chambers now regularly have to commit two lawyers to the Magistrates' Court. Consequently, the complement of Crown Counsel has been increased by one.

2040 The frequency of Supreme Court jury trials has increased with the appointment of a dedicated judge for criminal cases – Mr Justice Black. In 2009, there were 12 jury decisions. In 2010, there were 16 and in 2011 there were nine. In the year to date, there have already been 12. These statistics exclude cases which are stopped by the Judge or where guilty pleas were entered during the course of the trial.

2045 As a result of the increased workload and in order to provide advice and support to the RGP's File Preparation Unit, a Crown Counsel will be working from New Mole House Police Station, assisting the RGP, for three days a week.

HM Prison: Mr Speaker, this year, six female Prison Officers that have worked for many years on a temporary or supply basis will be given contracts of employment as Basic Grade Prison Officers. This is in line with the Government's policy of eradicating the use of supply workers to cover permanent

2050 positions. This, in effect, means that instead of having 38 Basic Grade Prison Officers, the complement will increase to 44.

The new prison can house up to 98 prisoners in 50 cells. The building has five male and one female wings. The female wing can accommodate up to six prisoners at any one time. Although one of the sections on the ground floor was originally earmarked to house juvenile prisoners, this is currently in use for vulnerable prisoners. There are no juvenile prisoners at this time in the prison.

2055 Over the last 12 months, the average number of inmates per month was around 74. The daily average for the female wing is five prisoners. However, for some periods we have had as many as 11 or 12 female prisoners at one time. When faced with this situation, all female prisoners spend the day together in the female wing, workshop, education facility or gymnasium. However, during the silent hours, any number over six have to be accommodated in a male wing which is adjacent to the female wing. At no point do male and female prisoners actually mix in any way.

2060 In addition, Mr Speaker, over the last 24 months a total of 10 juveniles have been held at the prison. Extra measures and precautions are put in place when a juvenile is in prison. These have included the provision of educational classes with a qualified teacher.

2065 Royal Gibraltar Police: during the course of this year, the Royal Gibraltar Police has undergone changes at the very top of its structure. Commissioner Wink has retired and Commissioner Yome has taken over at the helm. I would like once again to record the Government's appreciation for the work done by Commissioner Wink and to acknowledge the vision and new ideas which Commissioner Yome brings to this post. *(Applause)*

2070 Mr Speaker, the Government is fully committed to combating all crime. In doing so, the strategy cannot only focus on identifying crime – work on preventing crime and on building a partnership between the Police and the community is just as important. It is for the Government to ensure that the Royal Gibraltar Police is at all times properly resourced. The RGP, nevertheless, is and will remain operationally independent.

2075 Since elected into Office, the Government has approved a restructure in the establishment of the RGP which has resulted in a number of promotions and new posts being created.

2080 The current police officer complement of the Royal Gibraltar Police is as follows: Commissioner – one; Superintendent – three; Chief Inspector – five; Inspector – 14; one new Inspector post has been created to take over the management of Traffic and the Highway Enforcement Officers who are on secondment – which I will touch upon later; Sergeant – 32.

Seven new Sergeant posts have been created: five deployed to the Custody suite, one to the newly created Child Protection and Vulnerable Adult Unit, one to give effect to the delivery of the Neighbourhood Policing Strategy; Constables – 181; 10 additional PC posts have been recruited for reasons of operational effectiveness.

2085 Mr Speaker, 10 new Constables, seven new Sergeants, one new Inspector, as well as the secondment of 34 HEOs will provide Commissioner Yome and his team with the additional tools needed to deliver the neighbourhood and community policing strategy which they have developed, and to meet the operational challenges which the RGP will no doubt face in the years to come. *(Applause)*

2090 Mr Speaker, today's police officer must be versatile and be prepared to serve the community in all kinds of emergencies. The duties of the Police in protecting people have grown increasingly important in recent years. Nowadays, in addition to taking up the role as a law enforcer, a police officer may be called upon to perform as a first-aider, social worker, counsellor and negotiator, as the occasion demands.

2095 Coinciding with the start of the new Policing Year 2012-13, the RGP launched its Neighbourhood Policing Initiative, which is designed to provide a consistent sustainable problem-solving approach to our community. The delivery strategy revolves around increased community interaction by the augmentation of Neighbourhood Teams, the re-modelling of patrol areas and deployment rosters, all of which are designed to ensure increased community interaction, continuity and resilience.

2100 Criminal Justice IT infrastructure project: Mr Speaker, I have already touched upon this. The RGP is currently engaged together with other Criminal Justice partners and the Government's IT and Logistics Department in scoping a fit for purpose IT infrastructure platform suitable for the whole Criminal Justice System. Such a system would serve to improve service delivery within the whole spectrum of the Criminal Justice System.

2105 Secondment of Highways Enforcement Officers: the Highways Enforcement Officers were seconded to the RGP with effect from 1st June 2012. This will provide a holistic and cohesive approach to the Government's Traffic Plan, whilst also addressing the RGP's responsibilities as contained within the Gibraltar Police Authority's Annual Policing Plan 2012-13.

Before 1st June 2012, the HEOs had a limited role to play on our streets, restricted to dealing mainly with parking issues. The aim now is to maximise their potential within the bounds of their job descriptions to include matters such as litter control, dog fouling and other traffic related duties.

2110 Since their secondment, the HEOs have been used in the following functions: traffic management in conjunction with RGP colleagues at traffic choke points, such as around Sundial; operationally during the recent Royal Visit; traffic management at beaches, jointly with RGP colleagues.

I am happy to report, from feedback I have received, that the interaction between HEOs and RGP officers is good and that both organisations are reaping the benefits of the secondment.

2115 RGP Social Media Project: Mr Speaker, as part of its community engagement strategy, the RGP has launched social media sites on Twitter and shortly on Facebook. This project is designed to provide a user friendly interactive communication channel for our community, increased information to the general public and improved access to policing services.

2120 Professionalism of the Police Service: as part of the RGP's professional development programme, the Police have embarked on an accreditation process for all newly recruited constables, which will result in successful recruits obtaining a National Vocational Qualification (NVQ) following their two years' probationary period in an Edexcel Level 3 Diploma in Policing.

2125 Furthermore, a proportion of RGP's training budget is allocated to provide officers with operational experience through secondments to police services abroad. Additionally, the RGP is looking to provide leadership and management training to its supervisory staff.

During this current financial year, the RGP will also be applying for the Silver Standard of accreditation in Investors in People.

2130 Mr Speaker, in my contribution today to this House, I have talked about policy, ideas, responsibility and dedication. These are the building blocks of the GSLP/Liberal Government. This Government has the drive, ambition and determination to innovate, regenerate and implement the exciting programme of investment which is being announced in this Budget.

We are all excited about Gibraltar and its future. Our best years are ahead of us and we cannot wait to get on with the serious business of making Gibraltar a beacon of excellence, not just in Europe, but globally.

2135 Finally, Mr Speaker, I would like to take this opportunity of thanking my staff and all those that work in the various Departments that form part of my ministerial portfolio for their hard work and support. I am delighted with the way things have progressed in the first seven months of Government and I look forward to meeting the challenges that are ahead of us together.

2140 There is a lot to be done in the next three and a half years or so, and I have every confidence, that by working together, the Government, public service, the private sector, we can make Gibraltar even more prosperous, safer and better than it ever has been before.

Thank you. (*Applause*)

2145 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I am tempted to just add that it is *hybrid* drive that we have as a Government!

Mr Speaker, given the time, I think it is appropriate for me to move the adjournment now. I would inform the House, for the purposes of those who are listening and those who have to make interventions, it is my intention to adjourn to 9.15 tomorrow morning, to sit until approximately 1.15 p.m. or 1.30 p.m., to come back at about 3.00 p.m. and to then stay until we have finished all the contributions, except the reply, in case that is of use.

2150 So I now beg to move Mr Speaker that the House do now adjourn until 9.15 tomorrow morning.

2155 **Mr Speaker:** Before I put the question, the Hon. the Chief Minister did indicate that the House would recess shortly for quarter to 12, subject to all that...

**Hon. Chief Minister:** Yes, indeed, subject to the short recess to enable those who wish to attend the Supreme Court –

2160 **Mr Speaker:** For the tributes to our predecessor, Mr J E Triay. That is at 12 o'clock in court tomorrow – probably half an hour.

I now propose the question which is that this House do now adjourn to Tuesday, 10th July 2012 at 9.15 a.m.

2165 I now put the question, which is that this House do now adjourn to Tuesday, 10th July 2012 at 9.15 a.m. Those in favour. (**Members:** Aye.) Those against. Passed.

This House will now adjourn to Tuesday, 10th July 2012 at 9.15 a.m.

*The House adjourned at 6.35 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 9.15 a.m. – 1.21 p.m.**

**Gibraltar, Tuesday, 10th July 2012**

## The Gibraltar Parliament

*The Parliament met at 9.15 a.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Order of the Day

### **Appropriation Act 2012 Debate continued**

**Clerk:** Sitting of Parliament, Tuesday, 10th July 2012. Budget speeches continue.

**Mr Speaker:** The Hon. Isobel Ellul-Hammond

5 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, it gives me great pleasure to make my maiden address to Parliament just seven months after entering the political arena as Opposition Spokesman for Health, Education and Civil Contingencies.

10 This is the first Budget of our Parliament since the General Elections. It is both a duty and an honour for us on the Opposition benches to contribute to, and vote, on this vital discharge of the responsibility of Parliament.

Mr Speaker, I begin my address with Civil Contingencies and the Fire Service.

15 Despite the Government stating that within two weeks of being in office a smoke extractor system for the Fire Station would be ordered, six and a half months have passed with no sign of this electoral promise being fulfilled. This leaves our fire fighters at risk, something the Members opposite were quick to accuse the then GSD Government of, for not having installed this equipment.

I am assured that the smoke extractor system has already been ordered – we trust it will arrive soon. However, I hope the Government has learned from this experience: it is seldom the case that such optimistic deadlines can be achieved; that in future, their policies and promises should at least be tinged with a veneer of reality.

20 The Government has promised to relocate the Fire Station, something the GSD were already committed to. They claimed last October that the present Station was ‘no longer fit for purpose’. This apparently is no longer a priority; there is no commitment for it in this year’s Budget – a serious omission, considering the fundamental importance of such a facility to our community, a facility they condemned less than a year ago.

25 Let us hope, that under this Government’s term of office, this is addressed and when the new Fire Station is constructed, a 21st century approach is taken, with representation from our new Minister for Equality, so that any expansion in personnel will consider female fire fighters. (A Member: Hear, hear.)

30 The Opposition applauds the investment in and restructuring of the Civil Contingencies administration. It welcomes the creation of a new post of Civil Contingencies and Departmental Press Officer, which will also enhance the Government’s Press Office.

35 When we heard from the Hon. the Chief Minister, during May’s Parliament meeting, that six individuals applied for this newly created job, some of whom were local, it came as a surprise that the job went to an English retired Lieutenant Colonel and former MoD press officer. This Government, while in Opposition, vociferously criticised the GSD Government’s policy of employing the best person for the job, if that person happened to be non-local or retired. They stated, time and again, that the Government should be employing locals and giving jobs to young people looking for work in Gibraltar.

The Government’s manifesto in this regard is unequivocal and I quote:

40 ‘Residents First! ... It will be our policy in Government to give priority of employment in the public sector to local workers.’

Well, is this Government not now doing exactly what they accused the GSD Government of doing? Perhaps, at last, the Government has learnt something from the GSD. Employing the best person for the job is the right policy, irrespective of nationality or stage in their employment career, Mr Speaker.

45 However, there seems to be a contradiction in Government policy where on the one hand – a point on which my hon. Friend, Mr Netto, will elaborate later – the Hon. Minister for Employment is embarked upon the wholesale culling of foreign labour, in particular Spanish workers, from the public and private sector; but on the other, when they have the opportunity to fill a particularly meaningful post with a local, they employ an ex-pat on a fat pension.

I will now move to Education, Mr Speaker.

50 The schools within our education system are presently undergoing a Health and Safety Audit, which started on 24th January. This is expected to be an annual event; the cycle starts again in January 2013. That leaves less than one academic term free from audit a year, in which recommendations from the last audit are to be implemented.

55 Only two issues have been highlighted so far, from the auditing of five schools. I understand a further school has been audited, as announced by the Hon. Minister for Education in his Budget address. The findings so far from the audit are: a locked fire door, which could have been opened at any time, after one of the required fire drills; and the need to conduct an asbestos survey, which should already form part of the Health and Safety Department’s remit on reviewing all public buildings for asbestos and its condition.

The Government’s manifesto commitment reads, and I quote:

60 ‘In many schools there are health and safety issues that can affect both teachers and pupils. Based on a Health & Safety Policy, to be established by the Department, we will carry out an annual Health and Safety Audit of each school’.

65 The idea of an audit sounds very efficient. However, the reality is that all schools already have their own Health and Safety Policy in place; some have their own asbestos register. All schools abide by this policy document, which was created in 2010 in consultation with the Gibraltar Teachers’ Association. Any defects, shortcomings or Health and Safety issues that arise in a school are immediately reported by the Head Teacher to the Department of Education, which acts upon it.

70 Just another example of how this Government, in their manifesto, have made grand statements that sound impressive, to be seen to be all things to all men and to keep everyone happy, only to realise that in fact, these ideas have little impact in reality and Gibraltar’s schools were not in such a bad shape after all: they do not require formal, over-and-above Health and Safety auditing. Systems already in place worked, a point proven by the lack of audit findings.

75 However, a root-and-branch review of the whole Education System, which is a different matter entirely, would have been welcome and we would have done so had we been in Government.

The complement of school teachers has increased by 47. These teaching posts will be spread among schools to fill a curriculum gap, make a supply post permanent or to reduce class sizes. But this has happened in spite of the need to redefine catchment areas and relocate schools, such as Sacred Heart Middle School, which is part of the Government’s manifesto.

80 In order to accommodate these teachers and reduce class sizes, specialist teaching rooms will no doubt need to be converted into classrooms. Schools will continue to struggle in overcrowded conditions, with some buildings in desperate need of an overhaul or refurbishment.

Apart from a new extension to Notre Dame School and St Martin's School, which are welcome, the Budget does not allow for any new schools or extensions to other existing schools. Will extra classrooms be at the expense of specialist teaching rooms? Well, this may yet be an ill considered and ill-timed policy.

We too would have increased the teaching complement – if necessary by over 47 teachers – but only after a wide process of consultation between Government, teachers and parents. We would have explored the optimum locations for relocations of schools, the College, the Training Centre and a possible sixth form college, among sites at Rooke, the old St Bernard's Hospital and St Christopher's School. In other words, we would have taken a broad and responsible approach.

And before we get too excited about the headline, and I quote:

95 'Engagement of significant and unprecedented numbers of staff for schools... showing how seriously the Government has taken its promise to make education a priority',

let me remind the hon. Members opposite that when the GSD first got into Government in 1996, we too were serious about our priority commitment to Education. We significantly increased numbers of staff by: 45 teachers, from 288 to 333; 40 Classroom Aides, from 11 to 51; and 45 Special Educational Needs teachers, from three to 48. And this is with little increase in Gibraltar's school population over the years. It is the demographics and shift in population, rather than numbers, that have changed.

Yet another headline grabber to imply the GSLP saves the day and to slight the positive impact the previous Administration had with its Education policies. Well, this Government has a very tough act to follow.

105 Examining the distribution of children, and the demographic movement of population to new housing areas, has to be the priority. The hon. Members opposite have highlighted this in many of their Budget addresses when in Opposition. The Westside area has seen over 500 families move there. Bishop Fitzgerald School is struggling with such over subscription. The South District has grown by an extra 800 families, as part of St Joseph Middle School's catchment area. No provision has been made in the Budget to cater for this, despite, in answer to Question 28 in January's Parliament, the Hon. Minister's recognition of population shift and commitment to respond to this.

110 What Gibraltar needs is extra or larger school buildings, something the GSD was going to provide this term of office as part of its manifesto. The Government makes no provision for this yet. They will exacerbate the problem further.

115 Another GSLP manifesto commitment is to review the resources for Special Educational Needs of all schools, in order to identify what additional resources and support is needed. To this end, the Behavioural Education Support Team will be increased by three and Classroom Aides by 28, which is welcome. But there is a sense, from the Government, that not until they came into office did Departments work together for the benefit of the individual; a sense there was no collaboration between the Department of Education, the Health Authority and the Care Agency over an individual's care pathway. This is untrue and I hope the Government now recognises this.

120 The Department of Education has always taken the lead from the teachers who are qualified to assess, identify and refer children to the educational psychologist or care worker. Every school has its own Special Educational Needs co-ordinator, some with a special unit, dedicated to preparing children's individual education action plans. All these pupils are overseen by an Educational Adviser at the Department of Education, or if necessary, the Behavioural Education Specialist Team and Social Services Team.

125 In what way does the Government then feel that children with special educational needs in Gibraltar have not been adequately catered for? You see, another grand statement, Mr Speaker, from the GSLP manifesto, and I quote:

130 'A GSLP Government will require schools to identify the support that is necessary for children with special needs. An assessment will be carried out on all children after entry into the educational system to establish what extra support or tuition, if any, a child would require.'

135 Laudable as the sentiment is, the Government is now in the happy position of merely having to build on what the GSD has established over the years.

140 It is recognised that extra support will always be required by some children, and I am happy to see that Government will continue with this vital work. However, what they cannot do is cast doubt on an already successful system, just for the sake of trying to rubbish all the GSD Government has achieved and improved upon over the years.

May I take this opportunity, Mr Speaker, to join the Hon. Minister in congratulating the 'Impulse' team, from Bayside School, in winning best product for their 'Y-Tangle' as part of the Young Enterprise Scheme in the UK finals.

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Mr Speaker, I now move on to the Health Services in Gibraltar.

'Problems being experienced by many hundreds of users',

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say the GSLP in their manifesto,

'continued throughout the last four years and are not being properly addressed or rectified',

it continues. The manifesto also claims the GSD responded by saying these were inventions, and were solved by bringing in outsiders instead of listening to our own experienced professionals.

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Well, at May's meeting of Parliament, the Hon. Minister for Health told us that he is now turning to UK experts, outsiders, to advise on how our GHA services are to be run. He has visited the UK on three occasions for this. Ironically, at a time when the NHS itself is being characterised as a seriously dysfunctional public service and massive reforms are being propounded by its professionals. And yet, Dr. Cortes stubbornly refuses to listen to his own experienced professionals at home.

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During Parliament, and reiterated through a press release, the Hon. Minister told us he was seeking advice from UK consultants on administrative issues, management, open board meetings, community-based medicine, stroke care, appointment systems, clinical processes, hospital medical staffing, performance management, training and specialist care. We assume then he thinks none of his own local, experienced health professionals in Gibraltar are capable of providing him with sound advice on such medical matters.

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The Hon. Minister is barely even consulting the GHA Board for advice, which he has met with only twice in seven months. I must point out that the Board used to meet every month when the GSD were in Government. This is a statutory body and its members should be participating and having their local 'expert' say on the introduction of new Government policies for the GHA and the implementation of new services. This is a crucial part of good board governance, instead of the rubber-stamping of top-down policies by paying lip-service to the legislation.

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The GHA Board exists to be accountable for, and to ensure, the GHA organisation works and offers 'value for money'. The GHA Board is where all authority lies. It is not about ratifying volumes of information that purports to monitor organisational performance, which may mask the fact that proper monitoring is still not occurring.

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As part of the Government's openness policy, GHA Board meetings are now to be held in public. Part of this is publishing the Board Reports on the GHA website, and I acknowledge this is welcome. These Board papers give the public a chance to see how much the GHA Executive does in order to keep the GHA working and running. But that is the only place where the openness and transparency exists. This is yet another example of a grand statement which has resulted in nothing of substance and if anything, might stifle the ability of the Board to continue doing its work.

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Why, Mr Speaker? Well, the 'in public' aspect and the change in presentation of GHA Board meetings is, in my view, ineffective board governance. The Chief Executive now speaks on behalf of the Executive. The non-Executive members' ability, under scrutiny from an on-looking public, to ask those all too difficult questions and scrutinise policy-making, is curbed. The GHA Board becomes less efficient, it becomes a public spectacle. The members are mere performers going through the motions to satisfy a manifesto commitment, which offers no enhancement and where very little accountability really exists. As an ex-GHA Board member myself, I note that the GHA Board process remains exactly the same – a process I disagreed with then and one which I was hoping to change, had I been given the opportunity.

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If there was one lesson that came out of the 2008 global recession, as a result of the collapse of the banks, it was that board governance of many banks and financial institutions was unsuccessful in setting targets and holding chief executives to account. It was found that many boards tended to be incompetent groups of competent individuals. Their expectations, if stated at all, tended to be unclear and incomplete, and the executive reports reported against few or no criteria.

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This was something I felt the GHA Board was also guilty of. In the absence of clear instructions or clear assignment of the Chief Executive, we found evaluating performance was an exercise in futility. The emphasis should not be on meetings in public; it should be on empowerment of the Board. Transparency is understanding how and why spending decisions are made. It is not just the production of data, presentations from the public which will be considered and the issuing of a multitude of press releases. This is why a GSD Government would have further empowered the GHA Board, financial managers, consultants and doctors: to exercise greater control over spending choices, budgets and service

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prioritisation to ensure the proper balance between medical services, value for money and budgetary discipline.

205 Turning to clinicians, Mr Speaker, the Hon. Minister for Health stated in March's meeting of Parliament that he was weeks away from resolving the issue of the consultants' contract. We now know, from six separate consultants, that the contract has not been discussed with the Consultants' Body in their three formal meetings with the Hon. Minister, apart from 10 minutes at the end of their last meeting with him. They claim it is not true, as the Hon. Minister stated in March, that and I quote:

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'The consultants have been kept aware of the situation through regular meetings'.

215 Additionally, the consultants have heard through the GHA grapevine that a draft consultants' contract will be removing the 25% gratuity aspect of contracts on termination. It will be replaced by a pension package, which amounts to a reduction of 15% to 20% salary.

This pension package is the Provident Fund No. 2, which all hospital doctors are being asked to join as from the end of July, no negotiations or questions asked. This affects 43 of the 46 medical grades of the hospital. How are these 43 GHA hospital doctors and surgeons to now recover the loss of pension for the years some of them have already worked? This cannot be right and the question must be asked, how is this fair?

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How does the Government intend to attract and incentivise good surgeons and physicians to come to Gibraltar and stay to work, if it changes employment contracts unilaterally, or cannot offer competitive rates and good packages which are favourable and fair? I assumed it would be Government policy to attract the best doctors possible for the GHA and not just the cheapest and less experienced.

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The very first thing, Mr Speaker, the Hon. Minister for Health did, when he came into office, was to blame the previous Administration for a lack of planning, which he believes led to a compounding of bed shortages and he said, 'the GSD have a lot to answer for' – conveniently forgetting that it was the GSD Government which opened the Care Agency's John Cochrane Ward, with 31 beds; the GSD that introduced the Day Surgery Unit, which caters for about 80 to 100 patients a month, who will not take up a hospital bed; the GSD that more than doubled Mount Alvernia beds from 62 to 135; (A Member: Hear, hear.) the GSD that introduced domiciliary care, increasing its funding year on year and during the last term of office by 118%, from £350,000 to £760,000; not to mention the bespoke 230 elderly-friendly flats at Bishop Canilla House and Albert Risso House. I am proud to stand here and answer for this record, Mr Speaker.

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A 'complete absence of forward planning,' was how the Hon. Minister Cortes described the previous administration's commitments. We presume he was not referring to the commencement of the new Mental Health and Alzheimer and Dementia hospitals; plans for a Debilitating Unit and Elderly Day Care Centre; with much progress on a new residential care facility at the old St Bernard's Hospital.

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It remains to be seen, Mr Speaker, what difference, if any, the current Government's long-term plans are for the elderly and sick. At the moment, it seems their only commitments are to finish the GSD plans, I have just described.

The Government now claims to have solved the bed blockage situation at St Bernard's Hospital. The Hon. Minister Costa must be pleased, seeing that this was his perennial gripe when in Opposition. This has been solved it seems by opening the Calpe Ward of 18 beds, with much fanfare, and by increasing domiciliary care funding, as the GSD did every year. There are today about 118 elderly people in urgent need of residential care, 71 of whom are in St Bernard's Hospital, all of whose places are waiting to be filled by more elderly people. And let's not forget the 450 who have expressed an interest in a future need for admission to residential care.

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It is only a matter of time, however many Care Agency beds you add to the hospital and elsewhere, they will soon fill up again because the demand is ever-increasing, as people live longer. This is where the GSD Government has an excellent record in substantially increasing the capacity and resources from the meagre facilities made available in 1996 from an outgoing GSLP Government.

The Hon. Minister says an increase in Care Agency beds is reflected in the decrease of number of surgeries cancelled due to bed blockage; that since the Calpe Ward opened in February, only one surgery was cancelled in March, as opposed to 12 in February. This is purely circumstantial evidence that the problem has been addressed.

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If I can refer the Hon. Minister to surgery cancellations in 2011, due to unavailability of beds, in two months, zero operations were cancelled; in one month, one operation was cancelled; in another month, two were cancelled; in July, three were cancelled; and in December 2011, only four operations were cancelled. It is a matter of how we select our figures, Mr Speaker.

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The evidence suggests the extra 18 beds have made no difference, but again, it makes a great press release. It shows once more how the new Government is only concerned with spin and not substance. (A Member: Yes!)

265 What the Hon. Minister for Health fails to tell us is what his Chief Executive Officer outlines in his report to the GHA Board on the 30th of May and I quote:

‘We have an additional 15% occupancy in the wards at St Bernard’s Hospital’,

270 which is in line with their manifesto commitment of

‘Our short term policy will be to add beds at St Bernard’s.’

275 This is backed by the Nursing Director’s report to the same GHA Board meeting which says and I quote:

‘February 2012 has seen a continuation in the trend of high occupancy for all adult wards, with extra beds utilised intermittently during this period.’

280 and this is after the transfer of patients to the Calpe Ward.

An additional 15% bed occupancy; St Bernard’s Hospital, with its four main adult wards, has the capacity of 120 acute beds. With the 15% of extra beds, this amounts to 18 extra beds spread among the four adult wards. This leaves no spare capacity, Mr Speaker, available to meet the peaks in demand: 18 beds in the Calpe Ward is another headline, another PR grand statement this Government makes so well, without really addressing the issue.

285 Again, there is a sense from the Government that not until they came into office did Departments work together for the benefit of the individual, and that there was no previous collaboration between the Health Authority and the Care Agency over an individual’s care pathway. They seem to be suggesting that the set-up of John Cochrane Ward, domiciliary care, occupational therapy, physiotherapy, housing needs and community nursing care all magically happened in isolation of each other, when previous Ministers Del Agua and Netto co-ordinated health and care matters – again, casting doubt on a successful system for the sake of trying to rubbish all the GSD achieved and improved upon. (A Member: Shame!)

290 Here I will add how the previous Minister for Health, Mrs Del Agua, according to GHA staff, believe her to be the only Minister for Health who routinely met with staff during her unaccompanied rounds of the hospital. (Laughter) She used her experience in Social Services to ensure – (Laughter and interjections)

**Mr Speaker:** Order! Order! Order! (Interjections)

300 **Hon. Mrs I M Ellul-Hammond:** She used her experience in Social Services to ensure the smooth co-ordination between the two Ministries, Mr Speaker.

We welcome that the two Agencies continue to work together, as they did under the GSD, (Hon. Miss S J Sacramento: Absolutely.) and that they feel the need to formalise this with the setting up of a named inter-Ministerial Committee on the Elderly. However, this co-operation has always existed, evidenced in the yearly ‘Bed Management Reports’ by the Clinical Nurse Manager – and neither was it given the PR spin this Government is so adept at, in order to make out it is doing so much more than it is actually doing.

305 This, I can further demonstrate by the Government’s issue of a press release on the GHA’s Health Promotion Unit setting up, and I quote:

310 ‘a Facebook page to assist in raising awareness... in keeping with a Government manifesto commitment to promote healthy living.’

315 A Facebook page – seriously? But of course we are all aware of Dr. Cortes’ unilateral propensity to use Facebook in policy-making, given his grand statement on the 1999 Fishing Agreement! Well, this is no replacement for people, Mr Speaker. The Government should first invest in more Health Promotion Officers, of which there is no indication in this Budget. Promoting healthy living means Public Health staff raising awareness on preventative measures through talks, the media and awareness stands in town; by engaging with the public in a meaningful way.

320 However, I look forward to, and welcome, the initiative announced by the Hon. Minister yesterday in taking the lead on healthy living through his declared lifestyle changes. We acknowledge the Government is only seven months into its term and has just started to implement its manifesto commitments. Some we applaud, such as the purchasing of five Public Transfer Vehicles, following on from the three ambulances ordered by the GSD as part of their continuous investment in the GHA, which have just arrived; the placing of 10 Public Access Defibrillators around town; the introduction of ‘No Smoking’ legislation, which is a personal favourite of mine; and the employment of more GHA staff, announced in the Budget,

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which we are pleased to see follows the GSD policy where we increased the GHA staff by around 500 over 15 years.

330 However, in the Government's eagerness to show it is in touch, that it will save Gibraltar, it makes – here it is again – grand statements in its manifesto that sound impressive; only to realise that when in Government, the reality is not so.

I can demonstrate this with the following manifesto commitment and I quote:

335 'We will be looking into operating a day case unit for surgical services; allowing people to be treated more quickly and efficiently and will eradicate the cancellation of operations as a result of bed shortages.'

Well, this service already existed in St Bernard's Hospital when they were writing the manifesto. It was set up in February 2005 and treats about 80 to 100 patients a month; how out of touch is that? Six years out, Mr Speaker!

340 **Hon. D A Feetham:** They're not laughing now!

**Hon. Mrs I M Ellul-Hammond:** At least, it is an acknowledgement that we did do something to tackle the cancelled operations due to bed blockages in the hospital.

345 Another Hon. Minister Costa 'perennial issue' levelled against the GSD was the management of Norovirus outbreaks at St Bernard's Hospital. Well, two weeks after the Norovirus outbreak at St Bernard's, it took questions from the Opposition and GBC for the Government to make any information public on the outbreak. By then it had affected several patients and their families, and some wards were closed. It was irresponsible for the Government not to make a public health statement from the outset, to ensure the public were informed and to mitigate the risk of spread among the community. As a  
350 consequence, 55 patients and 24 GHA staff members were affected.

And what was the Government's response to the concerns we raised? Well, let me tell you, and I quote:

355 'If the Opposition is not satisfied with the way the recent Norovirus outbreak in hospital was handled, it should look to itself for blame. The Government is barely two months in and still working with the system it has inherited and therefore the procedures and practices in the hospital are those which the GSD put in place.'

This is ludicrous, and here is where I converge from the Hon. Minister Costa.

360 The Hon. Minister for Health criticises the processes implemented by the GHA, which are standard, public health, clinical governance, procedures and not Government policies.

They sit outside and above politics. The Hon. Minister demonstrated that he did not understand basic clinical systems. Any excuse to again point the finger at the GSD for the failings of the Government, irrespective of whether they are self-inflicted or not.

365 I would like to reiterate a note of caution, which I have publicly expressed. We have received many concerns from members of the public about the new one month advance appointment system, to be introduced at the Primary Care Centre in August – the major concern being, this will not stem the demand for appointments requested in a given month. It might actually make obtaining an appointment more difficult because of this limitation. We believe the new monthly available slots will fill up very quickly, resulting in an increase again in people queuing up early in the morning outside the Primary Care Centre  
370 for those few daily empty appointment slots.

We hope, however, this policy succeeds as a measure to reduce the number of appointments missed by patients not attending the Primary Care Centre. It will then add to the already implemented measures by the previous Minister for Health, Mrs Del Agua, of saving daily empty appointment slots; an appointment reminder system; an electronic web-based and voicemail cancellation system; the  
375 publication of the number of 'Did Not Attends'; and the extension of Primary Care Centre opening hours from 8.00 a.m. to 6.00 p.m..

No address on health by me, Mr Speaker, would be complete without saying something on breast cancer care services in Gibraltar. The Breast Screening Programme has now been in place for a year and a half, a time in which nearly all women eligible in Gibraltar would have been invited for a mammogram  
380 for their first time. Last year 62.8% of women invited took up the offer of a mammogram; in the first five months of this year the uptake has only been 53.1%. To give you an idea, the average uptake in the UK is 72% – still not considered high enough.

385 It saddens me personally, after all the hard work 'Breast Cancer Support Gibraltar' did in order to achieve the setting-up of such a vital and life-saving screening programme, that so few women are taking advantage of this service. This is a service that should be taken up by almost 100% of our women.

I urge the Government today, as part of their Public Health Policy, that they conduct an awareness campaign on the benefits of the Breast Screening Programme and encourage women to take up the offer of a mammogram. It may mean life or death for some women.

390 In conclusion to our Health Services in Gibraltar, I am glad to hear from the Hon. the Chief Minister, in his address, that they, and I quote:

'Have not inherited a lot of problems with the GHA'.

395 This is certainly an endorsement of all I have said so far, and of the great legacy of the GSD in relation to Gibraltar's Health Services. Laudable as the sentiment is of the Hon. Minister for Health to provide all the GHA staff and management feel is needed, which can be done by anyone, that course of action is an unaffordable recipe for financial disaster.

400 Picking up on a female theme Mr Speaker: for the first time in Gibraltar's political history, both the Government, in the person of the Hon. Minister for Social Services, and the Opposition, with me, each have a woman on their benches. I am poignantly aware of how few of us there have been, and how few of us there are, in the political class. As I mentioned in an Opinion to the *Chronicle* for International Women's Day, I believe more could be achieved for women in Gibraltar if there was better female representation in politics. Part of that responsibility lies with those few of us who have entered politics, to ensure we do all we can to effectively represent women's issues and demonstrate the benefits of having more women in Parliament.

405 That is why I raise this issue in my Budget address today, Mr Speaker. Political parties need to take positive action to promote greater female participation. Had the GSD won this last Election, the Government would have three female Government Ministers, a very positive step indeed.

410 I welcome that we now have a Minister for Equality to highlight the issues faced by women in Gibraltar, despite little mention of this in her opinion or interview or speech on International Women's Day. To say she has worked, and still does, in a man's world and has not had any problems; that women have come a long way these last 100 years; and that one day she hopes we will never celebrate International Women's Day, because it means women would have achieved their objectives offers no hope or inspiration to the women of Gibraltar who are looking for their voice to be heard and for equality policies. It requires a political will and genuine desire to instigate change and bring balance to our society not just, as the Hon. Minister stated, and I quote:

420 'My message to girls and women out there is to remember that there is nothing stopping them from achieving the same as their male counterparts'.

425 As women, we still find ourselves woefully under-represented in managerial positions and on boards. It is a disgrace that all six members of the new Commission on Democratic and Parliamentary Reform are white, middle-class men, three of whom are lawyers – not one woman or minority representative; not one financier or educator. They do not represent the diversity of our community.

430 Out of 23 statutory Government-related bodies that have been gazetted so far, there are a total of around 142 members; only 17 are women, some of whom are the secretaries of the boards. Since these boards and committees have seen much movement these last few months, ousting GSD sympathisers and placing GSLP ones, one would have hoped that as a woman, the Hon. Minister for Equality would have ensured more female participation and representation in these committees that matter, that deal with influencing policy-making. There are plenty of women in Gibraltar more than capable of doing so.

435 Well, out of the 42 people who I know have been replaced so far on these boards, since this Government came into office, we have actually lost six women on these boards, to be replaced by two. I sincerely hope the future movement and replacement of members will seriously consider including more women, so they too can form part of the decision-making process of Gibraltar, of which they represent 50% of the population. I ask the Hon. Minister to take a greater interest in this aspect of her portfolio and not allow it to be the 'Cinderella' among her responsibilities.

440 The Government is still struggling to come to terms with its responsibilities, demonstrated by their Parliamentary responses which so often fail to address the public appetite for information, but instead, deflect enquiries back to what they claim was not achieved by the former GSD Government. Well, *so much was achieved*.

445 I remind this House of how 15 years of GSD Government, fixing the incalculable mess left behind by the previous GSLP Administration, has, for example, brought about significant progress in closing the gap between men and women. In the employment field, sustained professional training programmes have provided a qualitative change in the composition of middle and senior management positions in the public sector. This has broken the 'glass ceiling' that used to prevent women access to higher positions.

450 This was supported by the introduction of maternity leave and its subsequent increase; maternity grants for unmarried mothers; maternity allowance and paternity leave. The GSD introduced legislation to forbid discrimination; working married women were given opportunities to pay the difference in Social Insurance contributions to receive a full pension; widowers' and widows' pension rights were equalised; and divorced, non-working women can now share in their spouses' pensions.

A whole range of further initiatives were introduced by the GSD, such as the Breast Screening Programme; the HPV vaccination for teenage girls; a huge increase in the number of Government, free nursery places; the financial support for the creation and maintenance of the half-way house for abused women; and the professional advice given to them through dedicated counsellors and in particular the

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Citizens' Advice Bureau.  
Parents are supported with the school holidays' Sports Programmes, plenty of children's parks and the new family and children's legislation. From experiences shared with me, women still find themselves struggling as single parents with erring ex-spouses. Trying to make ends meet or surviving on benefits, they are at the mercy of grey areas in law, such as access to Legal Aid and the recognition of common law relationships.

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Despite my hon. Friend, Mr Feetham, having prepared Legal Aid reform legislation, waiting to be implemented, it is shocking that this Government has only published new rules to expand Legal Aid that enables defendants, accused of complex fraud crimes, to hire expensive specialist lawyers at public expense. (Hon. D A Feetham and Hon. J J Netto: Shame!) No thought has gone into, or takes into account, the plight of single parents, mainly women, who are not entitled to Legal Aid if they own the family home or a car. This blanket rule penalises lone parents struggling with mortgage payments, and paying legal fees in order to pursue erring partners in their duty of care as a parent.

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As for common law relationships, and their rights as a couple under the law: I hope that with the new equality legislation, which deals with civil partnerships, this grey area of the law will be addressed in order for individuals within a long-term, stable, heterosexual relationship, or family members who share a home, such as siblings, be afforded the same rights as those of a married couple. Equally, the introduction of parental leave, whereby either parent is able to take entitled leave after the birth of a child, is a policy that would be welcomed by many working parents across Gibraltar.

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As I said in my International Women's Day Opinion for the *Chronicle*, and I quote:

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'Because childcare responsibilities in general still fall to women, women with children more often take low-paid, opportunity-free, part-time work and suffer economically. That we have some more women at the top of Gibraltar society is worth celebrating, however raising more women off the very bottom would be even better'.

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For a party which claims to offer a new era of openness, transparency and equality, there seems to be little emphasis and clarity in these policies in practice. Apart from the empty promises of all things to all men and women, all we have are grand statements, backed by hundreds of press releases, which only give the public an illusion of progress.

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(Applause)

**Mr Speaker:** The Hon. the Minister for Sports, Culture, Heritage and Youth.

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**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, it is for me a great honour and privilege to be addressing Parliament in this Appropriation Bill as a Minister of Her Majesty's Government of Gibraltar – (*Sounds of an aeroplane overhead*) A fly-past!

In the short time, I have been in Government, I have realised many things I suspected were happening negatively within Government were actually true: the lack of motivation of officers – (*Further sounds of an aeroplane overhead*)

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I seem to be honoured by a fly-past, Mr Speaker!

**Mr Speaker:** It's worse than heckling from the Opposition benches! (*Laughter*)

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**Hon. D A Feetham:** It has been arranged!

**Hon. S E Linares:** – the lack of motivation of officers in Government, in Authorities and Agencies; the little confidence that the GSD Government had in them and the manner that they were treated.

As Minister with responsibility for the Fire Service the first thing that was clear was the lack of motivation within the force. There were many people who felt completely ignored under the previous Administration and who felt undermined at all levels. The fact that the force was not even allowed to have a Christmas Party at the Station, which had been the norm since time immemorial, under the excuse of Health and Safety, says much about the relationship that the Fire Service had with the previous Administration.

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There were a number of issues waiting to be resolved. The one that was identified by the men, before we came into office, was that of the exhaust extractor system, which I am happy to announce, has now been procured and will soon be installed. All the other Health and Safety issues will be addressed, once the audit review is produced by Sir Ken Knight after the summer.

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We are also looking at all aspects of the Fire Service which the management and the staff are identifying that need looking in to. After this review, we will be in a position to start on another manifesto commitment: that of having a new Fire Station. This will be done not only with the recommendations of the report but also in close consultation with both management and the Firemen's Union Committee. Professional development in the form of training was underfunded and it was not only until last year that some extra funding was provided for this. Well, I am happy to state that, in this year's Budget, we have not only matched the amount that was provided a year before the Election from the previous Administration, but we have increased it even further only months after having come into Government.

In order to address this demotivation that the Fire Service has endured for many years, I arranged a number of visits to each watch and observed them performing different exercises. This has been welcomed by both the firemen and the management. It has been a privilege for me to have experienced the professionalism of these men and I have learned a great deal from these visits. It is clear to me that they are a very committed force. They know that my doors are always open to discuss anything that concerns them.

As the Minister for the Collection of Refuse, we can announce the fact that we have employed a total of seven more recruits and that two more will be employed soon. These men will man a new lorry and therefore a new route to cater for the increased demand created by the new developments that have taken place and others that will take place in the future. It is a commitment we gave the workforce during the election campaign, which we now have delivered.

One thing that I noticed as soon as I first visited the refuse depot was the disgraceful conditions that these men have endured for a long time. What was significant is that the depot had been painted and fixed on the outside, so that everybody could see it, but completely ignored in the inside where the men have to shower and change after they finish work. So much for dignity at work under the previous Administration!

I am happy to say that works have already commenced and very soon these men who do a job which is essential to our community will have a decent workplace.

Another of my portfolios is the Postal Service. In this field, I can also announce that under our Government's policy of employing long-term supply workers, we are in the process of employing three extra SOG Basics. These three employees have been doing supply work for nearly six to seven years.

Further, we have managed to give the SOG Basics this year summer hours at no cost and without any detriment to the customer. In the autumn, we will be sitting down to negotiate with the workforce and the union at the postal service to see how we can enhance the service and working practices.

As Minister for the utilities, I am very much involved in what sort of generation we will be acquiring for the future. I believe in looking closely at the environmental impact that the power generation will have on our future generations – excuse the pun. With this in mind, the Government will also be looking at having consistent power, so that we have capacity for our consumption now and also well into the future.

In relation to AquaGib, I can say that we are also looking at ways in which the production of water can be made more cost effective than at present. Government will be working closely with the company and its workforce, in order to resolve all pending matters.

As Minister for Civil Contingencies, I have found out that co-ordination with the different agencies could have been better. In fact, only by pure coincidence, for example, that the staff of the Civil Contingency Section found out that GJBS had a full container of emergency equipment for them to use, should the need arise.

Table-top exercises have not been carried out as should have been the norm. Meetings of the C3 will now be convened regularly, in order to evaluate current procedure. Further, we have employed a civil contingency press officer – who *is* a Gibraltar resident – given that the supply of information forms a crucial part of any civil contingency committee. This is in order to be in a position to inform the general public of what they should do, should we ever have an emergency situation to contend with. Further, a local graduate specialising in civil contingency has been engaged to work closely with this officer. She has already started.

As the Minister for Sports and Leisure, I would like to start my address with the King's Bastion Leisure Centre. It is well known that this centre had gone over budget by nearly £6.5 million and that the total construction cost was over £12 million. It is now encountering all sorts of problems.

In the first instance, the air conditioning system is not fit for purpose. The wrong system has been installed to cater for such a large complex and it is now not working at all. A completely new system will have to be put in place.

The Ice Skating Rink has no insulation and therefore the result is that it is constantly out of its normal temperature. This means that to keep the ice at the correct temperature all year round it costs £7,500 per month in electricity. Not only that, but the levelling machine – and this I think is a joke – for the ice, that breaks down very frequently, was situated inside the glass building which houses the ice rink before the glass was placed. The result is that the machine cannot be brought out for repairs unless you dismantle the whole glass structure or the machine itself is dismantled.

575 There are also problems with the location of essential facilities like toilets and changing rooms, which one would have thought should have been placed in the ice rink's surroundings with access from the ice rink itself. This did not happen, which means that users have to take their skating boots off every time they need to relieve themselves.

580 One more thing on the ice rink is that due to its size, no international competition can take place and it is no good for ice skating companies to perform shows in it.

585 These are not the only problems that exist in the King's Bastion Leisure Centre. The contracts that are in place with some of the operators are unbelievably negative for the Government who is the ultimate owner of the complex. Where in the world do you have an operator of what is supposed to be a business, making more profits, for employing more people and for spending huge amounts of money on general expenses? This is called an OPEX contract. The Government has to cover the operating expenses of King's Bowl operator, pay for any losses and then pay them 30% profit on top!

590 We have the anomaly that this is not applied to all operators. Therefore we have the situation that the caterers do not have the same contract and only after considerable representations were they, too, given some OPEX contract in part of the building. The people of Gibraltar should know such a lucrative contract was given to people close to the previous Chief Minister.

I move now to what is commonly known as the GASA swimming pool. The previous Administration took the decision to allow the general public to use the 25-metre swimming pool. This might have been the right decision, but as usual, there was no long-term planning for the consequences of this decision.

595 The reality is that GASA was left – GASA, i.e. the pool – still managing the pool and they hardly had money to maintain the place. Moreover, reports were made to the GSLA and the GSLA did not seem to get them so that corrective action could be taken. The result being that the changing rooms had broken tiles, the spectator platform also had tiles missing, beams were rusting, and the general state of the pool was deteriorating fast, due to the increased amount of usage after the decision to open it to the general public. As we all know, we had the whole of the duct system collapsing on to the public stand and we were extremely lucky not to have anyone hurt. The poor planning of the previous GSD Administration was responsible for this situation.

600 This prompted the new Government, in only seven months, to not only make the place safe in only three days, but also review the whole structure of the management of the pool. I am happy to say that in consultation with GASA we now have the GSLA managing the pool and GASA will not lose any of its allocations. This will benefit all users, since now the Authority is looking after all the maintenance issues.

605 The Government intends very soon to do major works to the pool to improve facilities. This includes the air treatment system which had been promised for many years by the previous Administration and was never delivered. Soon, we will also be announcing how we intend to save money by having alternative energy systems in place in the pool, making it a much better place for those who swim in it.

610 Another of the responsibilities of the GSLA is to maintain all the playgrounds around Gibraltar. Many of these playgrounds were built in a rush by the previous Government, with hardly any planning and at great expense to the taxpayer. This was done only for political expediency in the run-up to the last General Elections, after the playgrounds had been neglected for years.

615 I am happy to report to this House that the children who live in Moorish Castle Estate – the 'ignored' people, by the previous Administration – can now enjoy a brand new playground which we had built within the first few months of this Government coming into office.

We are now also having to spend money on fixing the one at Mid Harbours Estate because its construction under the hon. Members opposite had created a problem of water penetration in the underground parking below.

620 Continuing with Sports, Mr Speaker, I am happy to say that during the seven months we have been in office, I have met with the Gibraltar Sports Advisory Council three times and we have one other meeting scheduled for 11th July, i.e. tomorrow and I can confirm that we will be meeting at least quarterly.

I am working with the Sports and Leisure Authority with a view to be in a position to have more international sporting events staged here which we hope will serve to attract more people to Gibraltar.

625 Moving to my responsibility for Culture and Heritage, I can only start by stressing the shambolic state in which I found the whole of the Culture and Heritage Agency on coming into office. It was in such a state that one of the first things that I did was to ask the Principal Auditor to obtain all records and all documents appertaining to this Agency. Further, I asked for a value for money report on all transactions done.

630 By 23rd January, the Principal Auditor presented me with a report from which all the information I am giving in this Parliament is taken. Staff were signed on to the Agency between 16th October 2011 and 2nd November 2011. Let's not forget that by October, time was running out for the GSD – so much so that the Elections were called on 3rd November.

635 The people who were asked to sign on came from different entities, such as Knightfield Holdings, GDC, Civil Service, Gibraltar General Services Ltd, and one from no particular place. They were placed on grades with no apparent logic or methodology and no concern for value for money.

In fact, Mr Speaker, it was the CEO who was given a pay rise of 62.5% – well above the Grade 6 and personally approved by the previous Chief Minister. We had three at Grade 6 who got an increase ranging from 48.6% to 22.5%; two Grade 5s, which is the equivalent to an SEO in Government, one of whom was not even in employment; three Grade 4s; two Grade 3s; one Grade 2; and eight Grade 1s. These grades obtained a 12% over and above the Civil Service rate.

In relation to the latter, I can say that within the Grade 1s which is equivalent to an AA post – AA post, I repeat – in Government, we had a person who was a Spanish cleaner with no qualifications at all.

Two Technical Grade posts were also established. Mr Speaker, as to value for money, we saw that the total previous wage bill, which was £522,622, increased during the dates stated above, just before the Election to £740,296. This is an increase of 42% in total.

The Collective Agreement with the unions was never signed. The Board of the Agency was constituted by the Minister for Culture and Heritage on 15th November, *after* all the offers of appointment were signed, he also appointed two directors of his choice. In a meeting on 18th November 2011, three weeks before the Elections, the said Board officially appointed the CEO and all the other officers.

Mr Speaker, this just goes to show how the previous Administration used to handle things and how they, at the last minute in Government, were signing away pay rises and placing people of their choice where they pleased, in a blatant attempt to use public money in order to win votes.

Since I have been Minister for Culture and Heritage, I have restructured the Agency to be able to make it workable and I have found that the staff have been very co-operative and willing to reform the mess that the new Government had inherited.

So much so that we have been able, within the turmoil of having officers from different entities and from different unions with different pay, to organise the New Year celebration, the Spring Festival, the Miss Gibraltar gala performance and the revival of the Drama Festival.

With regard to the first Fashion Week, I would like to inform this House that we are looking at assisting the organisers to stage this event biannually, so that the next one could be some time in October. We have also assisted with four book launches and attended with two officials from the Agency, the Little Constellation workshops and exhibition, with a view to be able to bring them to Gibraltar. This is a very exciting project which we hope will benefit many people in the local art world.

We have also been able to organise a bigger and better Calentita, which was one of our manifesto commitments, and Gibraltar's first Jazz Festival, about which we have had many positive reports in the international press. We have been told that quite a number of people have visited Gibraltar specifically for this event.

Mr Speaker, one more thing to add to the above events has been the celebrations of the Diamond Jubilee of our Majesty, the Queen. When we came into office the committee that was constituted by the previous Minister for Culture had hardly met. In fact, in 2010, when they were thinking of the Diamond Jubilee a tentative committee was formed. This committee never met. It was not until 18th October 2011, two weeks before the Elections were called, that the new committee met to start preparations for this event.

A further meeting was to be held on 9th November. It was clear to me that not much had been prepared and that even at this late stage, it was only a question of general ideas floating around. Once we got into office and seeing the lack of preparation with regard to the celebrations, which were to start the first day of the year, i.e. 1st January, the new Government decided to increase the number of members on the committee. We included the Convent representative who previously could only communicate with the committee through the then Chief Secretary, i.e. No. 6. The Mayor was also included, as were members of the MOD, Commonwealth Society and others who were keen to contribute towards these celebrations.

Mr Speaker, the House will know that the weekend of the 2nd, 3rd, 4th and 5th June was a great success. Soon after this, my Ministry and the Agency were very involved in the preparations for the Royal Visit of the Earl and Countess of Wessex. This visit ended, as we all saw, with the projection on the North Face of Her Majesty's Rock of the Union flag, our own Gibraltar flag and two images of Her Majesty the Queen.

As the Chief Minister announced, the Ministry for Culture will be moving from the Ince's Hall to the City Hall. This will place the Ministry of Culture in its rightful place in the centre of town.

Turning to heritage, I cannot ignore the fact that the previous Administration spent a great deal of money on Harding's Battery. For those of you who do not know where this is, I can tell you that it is the Battery at Europa Point. We can all remember the song and dance that was made by the Chief Minister, now the Leader of the Opposition – who seems to have left the Chambers – and his Deputy, in the inauguration ceremony for the whole of the Europa Point. I know that my hon. Friend and Colleague, the Hon. Dr. Cortes at the time rightly boycotted such events, due to the manner in which the project ignored advice on the type of vegetation that should have been planted.



Be that as it may, Harding's Battery was opened with the press, cameras etc, and we have subsequently found out that, with so much fuss, it was closed on the same day. Mr Speaker, I am pleased to say that we have now opened it to the public.

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I would like to continue with the news that was released at the end of May regarding the Gorham's Cave Complex. The United Kingdom Government has put forward the Cave Complex for World Heritage Site status. We have been given the target date of January 2015 for the submission of the nomination to UNESCO. There are many hurdles still on our way, but the possibility is now there that the Gorham's Cave Complex could become a World Heritage Site by June or July of 2016. Government will therefore be dedicating significant efforts over the next two years to ensure that our nomination will have the greatest chance of success.

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A major component of Government policy is to involve all stakeholders. A major player in heritage is the Gibraltar Heritage Trust. I am pleased to inform this House that the new Government has established a good relationship with this institution.

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Mr Speaker, I know that one major area that the Trust has been keen to progress for many years now is the development of the new heritage legislation. We have discussed this in the Heritage Action Committee and I am pleased to inform that the Heritage Division is in active discussion with the Gibraltar Heritage Trust so that we may deliver the appropriate piece of legislation at the earliest opportunity.

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While on the subject of the Gibraltar Heritage Trust, I can confirm Government's intention to support its work and we can see an increase this year in its annual grant and also by providing a significant capital expenditure towards the refurbishment of their offices at the Main Guard in John Mackintosh Square. There will be other projects which we will be working on together with the Gibraltar Heritage Trust.

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The Grand Battery project – which was a project conceived by the previous Administration – will be completed and works are already in hand. We will recall that there was little or no consultation with stakeholders until the new Government came into office.

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Continuing with the policy of involving stakeholders, I know that there is a lot of interest from the general public in helping us and there are sites that lend themselves for collaborative work. Led by our team, Devil's Gap has been cleaned up and painted under the guidance of the Gibraltar Heritage Trust. I also know that there are groups, like the Gibraltar Historical Society, who are doing excellent voluntary work under their own volition.

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Recently an informal forum has been set up, which has met on one occasion so far, involving the Gibraltar Heritage Trust and other NGOs, with a view to co-ordinating efforts. The involvement of the community in heritage work is something that we wish to encourage, provided it is done in a planned and controlled manner under expert supervision.

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In relation to the Heritage Action Committee, we are meeting regularly. I have already indicated my intention to meet with greater frequency than has been the case until now. This has been welcomed by the Committee. This Committee will take a proactive stance to heritage.

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Government is keen to protect our heritage at all levels. Therefore, since we came into office, we have taken three initiatives: one has been to create an inter-Ministerial committee which comprises the Deputy Chief Minister, the Minister for Tourism, the Minister for the Environment and myself, as Minister for Heritage. Each Ministry in turn invites their officers to attend these meetings, in order for them to be in a position to co-ordinate action plans for the smooth running of the new Government's initiatives. We have already established the fact that all projects will have to go through an environmental filter and also a heritage filter.

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The second initiative is that we have set up an arrangement with a small local business who are employing trainees. I will refer to them as our 'Heritage Crew'. This team is already doing sterling work in refurbishing Parson's Lodge. Our aim is to provide training in heritage-related skills to these young people. In this way, we will develop a sound base for the youth able to conserve and restore our heritage assets. Government is deploying capital funds for refurbishment of heritage assets.

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The third initiative is that of establishing a team of two civil servants, one who had been completely ignored for years and is very qualified in IT. He is compiling a database of all Government's assets in relation to pictures, artifacts, documents, etc. We are working closely with the Culture and Heritage Agency, the Archives and the Museum. We are hoping that this database, which will take years to compile, will be available online for people to access. We are still at the embryonic stage, but we are all excited as to how it is developing.

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I would like to mention our Museum, before I conclude. I was present at this year's open day and saw first-hand the public support for this institution. I also saw the interest it generated with the Earl and Countess of Wessex, when they visited it last month. Government is keen to develop further the Museum's potential. The Museum is encouraging volunteers to help with its project and become involved as 'Friends of the Museum'.

I conclude with our view of heritage for the future. We have many untapped gems in Gibraltar and I will work with my tourism and environmental colleagues to ensure that this jewel is no longer left abandoned as it has been for years. We will look at ways of giving it all a high profile.

760 As Minister for the Youth, I am happy to say that all youth clubs are open and that we are working towards having them opened during the weekend. The Laguna Youth Club is back to normal, after the Minister for Social Services kindly returned them these premises for the use it was originally designed for. Further, we are trying to recruit more volunteers to participate in programs designed for the youth.

765 The Youth Service will be working closely with the Heritage Division of the Culture and Heritage Agency in developing programmes which will help to encourage our young people to take an interest in our heritage – after all, it also belongs to them – and to improve our heritage sites. The youth leader and the youth workers are in the process of writing a policy for the Youth Service, which was one of the recommendations of the review conducted in 2008 and is well overdue. Once this policy is in place, we will be in a better position to encourage our youth in the many exciting projects that we have in mind.

770 Mr Speaker, since we came into office, the Government has been working very hard to achieve our objectives and I am confident, that together with the vast amount of local talent that we have in all fields, we will get there. With this, I conclude my first Budget speech as a Minister. I would like to thank everyone in the different Ministries, Authorities, Agencies and Companies that comprise my portfolios for embracing the changes that the new Government has embarked upon.

775 Thank you.

*(Applause)*

**Mr Speaker:** The Hon. the Minister for Housing and the Elderly.

780 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, in line with the feelings of honour expressed by my Parliamentary colleagues, it is indeed an honour also for me to stand here today in Parliament, for the first time indeed as a Minister, to address you all. But I do so also with a great sense of responsibility.

785 May I thank the electorate for making this possible, and in entrusting me as part of the Government in directing Housing Services which, dare I say, is perceived by many as quite a challenging portfolio. I am proud to be of service to the community and will continue to carry out my role to the best of my ability to all the members of our community. This Government, which is your Government, their Government, is determined to help, assist, and shape public services in such a way so that everyone may benefit.

790 Secondly, as this is my first Budget speech as Housing Minister, I wish to go back to the General Election. At the time, people use to stop me in the street quite frequently to complain about housing or to discuss personal problems that they had encountered. Even then, I could appreciate the complexities that are shared within the delivery of such a service. It touches so many aspects of community life and environment.

795 For example, some people waiting to be discharged from hospital, in many cases, depend on modifications to bathroom facilities; or indeed, the elderly, who as they grow older may need alterations to their homes. Similarly, as people marry and families expand, they need to stretch accommodation needs to suit new siblings. Or indeed, families may wish to take care of parents, and in some cases, regrettably this may include caring for loved ones struck by illness and so many other challenges in life. This in part may require additional rooms, space, facilities, in order to improve quality of living.

800 Additionally, repairs may have to be prioritised for those that are unemployed, in receipt of Social Security or indeed, there may be others with little disposable income, or pensioners, unable to pay for minor repairs. Service users come from a wide area within our community and it is only now that I am beginning to share the deeper knowledge and understanding of my work that often consists of having to prioritise, introduce policies that are fair, and touch positively upon everyone in our society.

805 It is, Mr Speaker, an almost impossible task, given the very few houses built in the past 16 years, but I am fortunate indeed to share such concerns with staff that are professional, extremely diligent and caring in the work they do and although I remember often the Housing Department being on the receiving end of criticism, may I stress that I have only admiration for those public servants who have to attend to people, sometimes desperate for an immediate solution to be found. It is difficult to find the right balance and to prioritise for those most vulnerable and demanding cases.

810 Mr Speaker, I wish to reinforce our Government's message that we are here for everyone, that is, for our loyal supporters, yes indeed, and also for those who did not necessarily support our manifesto, which contains commitments that are indeed comprehensive, modern and deliverable. In this endeavour, the Government will introduce whatever reforms are necessary; and wherever practically possible, these will be geared to achieving practical aims and not simply reactionary. Essentially, this will be done strategically by virtue of, first, prioritising funding where it is most needed; secondly introducing capital works for major refurbishment programmes within past abandoned estates, inclusive of maximising opportunities in constructing additional floor levels for a greater supply of accommodation for those patiently waiting for Government housing; thirdly, boosting greater attention to bath-to-shower conversions and indeed, modifications approved by the Gibraltar Health Authority's Occupational

Therapists; fourthly, reforming the Housing Works Agency including how its services are to be discharged and directed that is achievable and not pie in the sky; in fifth place, also reforming the Housing Act; number (6), commencing the construction of co-ownership and rental housing schemes; and finally, number (7), it is most important, that we listen to and hear our tenants, about their concerns, their grievances and at all times show a sympathetic and human approach in dealing with their needs.

Number (1) – prioritising funding: Mr Speaker, the Government is determined to ensure that appropriate funding is directed to projects that (1) will benefit Government tenants; (2) target areas which are in serious need of repair; and (3), where practically and technically feasible, focus on constructing additional floor levels to assist those on the Housing Waiting Lists.

Though the former Administration did admittedly pursue capital works in many Government estates, I regret that this was done at the expense of others which were completely abandoned, namely Glacis, Moorish Castle and Laguna Estates. Apart from minor response maintenance and emergency repairs, they have had little development, to the detriment of our tenants.

It is because of the seriousness of this lack of attention in maintenance, that this Government will pursue a comprehensive and integrated system of waterproofing. In addition, due to the nature in which construction has historically taken place, it will be possible to build additional flooring as part of the lift installation programme, thus enabling homes to be allocated for Government housing applicants.

May I add that the necessary feasibility studies have now been completed and any funding arrangements will be introduced accordingly, in order to commence with such urgent works. This is in line with our Government manifesto commitments, as we are determined to ensure that our forgotten Government tenants are properly and fairly treated like any other tenants that have enjoyed the benefits of major repairs and refurbishment.

It is precisely because of this fact that it was decided to ensure that many of these tenants would have the opportunity of seeing and meeting their Royal Highnesses, the Earl and Countess of Wessex during the Diamond Jubilee celebrations. As in all of our community, Government tenants of Moorish Castle and Laguna Estate did us proud in the welcome and elegance of their cheer towards Prince Edward and his wife, who were greatly moved by the outpouring of affection. We, in this Government, will not abandon these equally deserving tenants and will ensure that they are treated with the dignity and given the service that they deserve.

Number (2) – other capital works: Mr Speaker, in order to assist in this campaign, a total of £1 million will initially be budgeted for capital works, though this amount will be extended where necessary to cater for other major repairs. In addition to what I mentioned earlier, the Government will continue with major repairs at Harrington Building, Churchill House, South Pavilion Building, Bado’s Building, Governor’s Meadow House, Alameda Estate, whilst at Schomberg Buildings, major works have now been successfully completed. May I also add that a major and comprehensive window replacement programme has recently got underway at Chilton Court.

Mr Speaker, one of our main concerns when entering Government was the length of time taken by the Housing Works Agency to turnover (a) the cleaning and (b) refurbishments of flats. In the majority of cases, these appear to be excessive delays. Therefore, in order to tackle the backlog head on and reduce the unacceptable delays, the Government, as a matter of policy, outsourced the cleaning and refurbishment activities. This major exercise will be complemented by the re-introduction of the self-repair system which was stopped by the former Administration back in April 2011.

Mr Speaker, may I firstly highlight that in line with the Government’s collective approach, the Housing Department has worked closely with the Employment and Training Board whereby the latter has introduced mechanisms to ensure that construction companies employ local residents. This twofold strategy has (a) injected a much needed boost to small locally registered construction companies to undertake cleaning and refurbishment activities for the Housing Department; and (b) introduced a process whereby the recruitment of local residents is prioritised.

All that said, the Housing Works Agency continues to clean and refurbish housing stock, though at a more manageable level, whilst because of the private sector input, both the backlog is being systematically eroded and unacceptable delays will hopefully be a thing of the past.

This results in both the public and private sectors benefiting from work and in addition, this is an example of two large Government Departments working closely together towards mutual goals for the benefit of large numbers of families in Gibraltar.

Mr Speaker, the fact is that some Government tenants do not wish to wait for refurbishment; rather they may wish to take ownership and directly carry out repairs themselves. Therefore, in order to facilitate such empowerment, the Government has decided to re-introduce a system of self-repair, though with a difference. Unlike before, whereby the onus was on tenants to approach construction/building material suppliers via a voucher system, the new approach is to maximise further the Housing Works Agency’s storing facilities, and facilitate self-repair by the latter, transporting agreed materials directly from the Centralised Depot to the allocated Government flat.

This effectively removes any onus on the tenant to be left with the burden of (a) transporting the said materials, (b) ensuring that there are no unnecessary delays incurred by suppliers and (c) that tenants are not held to ransom by some suppliers who simply do not produce specified tendered materials because of lack of storage, all of which will be detrimental to Government tenants.

Mr Speaker, as far as maintenance and repairs is concerned, all the above measures, including those mentioned earlier, are a clear demonstration of this Government's total commitment to all our tenants. Insofar as empty Government flats are concerned, many of these were abandoned for years by the former Administration and, regrettably, left to deteriorate beyond economic repair. These empty buildings will be put out to tender to the general public, though preference will be given to purchasers that are (1) on the Housing Waiting List and/or (2) tenants already in occupation of a Government flat that wish to release their dwelling as part of the exchange. Again, this will help generate those areas in the Upper Town that have been abandoned by the former Administration.

In addition, the Government will seek ways of improving infrastructure in the Upper Town area to facilitate vehicular access and parking. In addition, there will be improved play areas for our toddlers and youngsters, so that they may play safely and enjoy recreational facilities. Already, improvements have been introduced at Moorish Castle, whereby we were honoured as I said earlier, by their Royal Highnesses the Earl and Countess of Wessex's recent inauguration.

Number (3) – specific modifications for Government tenants: Mr Speaker, as I mentioned in my introduction that the Government will be focusing much greater attention towards tenants who need that additional bit of help, particularly those whose lives have drastically changed because of medical and/or personal circumstances. With this in mind, we have already embarked on a comprehensive programme of bath to shower conversion, through Gibraltar Joinery Building Services Ltd (GJBS), a Government owned company. I can confirm that we have made real in-roads on the long waiting list of tenants, many of whom have waited years for such facilities. For example, all those tenants waiting for a bath-to-shower conversion last January/February have already had their units fitted.

Mr Speaker, may I add, that specialist alterations and/or modifications will continue as previously accommodated through the former Administration, though these would require input from the Gibraltar Health Authority's Occupational Therapy Unit. For example, it was noted upon entering Government, that there were a vast amount of tenants waiting for modifications at Albert Risso House; this, despite the fact that the building had just recently been constructed.

Nevertheless, there were numerous tenants whose flats required specialist attention and modifications. Again, I can confirm that this has been prioritised, as the Government is determined to help those in our community who are in real need of our intervention.

Number (4) – Housing Works Agency: Mr Speaker, there has been much debate about how the former Buildings and Works operated, its share of problems and complaints, particularly its role and purpose. Now that this has been restructured into the Housing Works Agency by the former Administration not so much attention was focused on our Technical Department.

The separation of the Buildings and Works into the Housing Works Agency meant that officers previously engaged on similar work at the same grade and salary in the Buildings and Works and the Housing Department did not get the same opportunity to opt to transfer from the Civil Service status to that of Agency employee at an enhanced salary. The effect of this has meant that some of our staff who continued in the Housing Department felt that they should not have been denied access to the early exit package or to transfer out of the Civil Service.

To address this issue, the Government took the view that it should commission an internal report, in order to identify areas where greater efficiency and application of resources could be maximised. I am pleased to state that this report has been completed and the Government will be proceeding to explain the nature and role of the Agency, to enable it to accommodate additional responsibilities to accept the transfer of additional staff.

The Agency will be more efficiently run by those technically competent to do so and allowed to operate as a proper modern maintenance organisation, thus moving deliberately away from past 'cap-in-hand' practices, which, incidentally and regularly was the case on an annual basis at the former Buildings and Works and duly ignored and dismissed by the former Administration, despite Mr Speaker, continuous and regular approaches made by senior management, expressing a shortage of funds. This meant that the backlog of jobs for minor repairs simply grew over a number of years and created unnecessary delays for works to be completed.

Mr Speaker, in addition, training will be essential to the success of the Agency's ability to deliver an improved service. Therefore, the Government will introduce training to facilitate operational staff in order: (a) to maximise operational capability; and (b) create greater customer awareness, so that staff become much more in tune with the needs of Government tenants.

Number (5) – reforms to the Housing Act 2007: Mr Speaker, as you will already be aware, the Government has decided to do away with the Housing Tribunal, as it was felt that such a platform was ineffective. It did not operate properly and neither did it represent a real transparent mechanism for

945 appeals to be lodged by members of the public. Instead, the Government will introduce legislative powers, so that the Ombudsman is able to intervene on housing matters that are considered unfair and unreasonable.

We believe that the Ombudsman is the right and most appropriate authority to guard against unfairness and maladministration. The Government, therefore, aims to change the current legislation accordingly, to introduce and facilitate such ambitions, very shortly.

950 Mr Speaker, I have also been made aware of issues affecting private tenants, particularly the general lack of protection afforded to them within the Housing Act. This must be addressed and a proper balance pursued between the needs of both private landlords and private tenants. We, therefore, intend to modify the Act in order to correct such anomalies and I have asked my hon. Friend and colleague, the Minister for Justice to assist me in this process.

955 Number (6) – co-ownership and rental housing schemes: Mr Speaker, firstly may I acknowledge and reiterate that the former Administration did indeed provide accommodation and new homes for our community. The Mid Harbour Estate and Waterport Terraces are good examples of these efforts. However, our main concern stems from the fact that the process took an excessive and inexplicable length of time to materialise.

960 I am also concerned about the quality, maybe poor quality of some other estates delivered in time, namely parts of Bay View, Nelson’s View and Cumberland Terraces, which have already required attention as they were rushed into completion. These require repairs already and will cost the taxpayer millions to deal with the negligence. Moreover not enough properties were delivered in the 16 years of Government, thus condemning a number of people to the housing waiting list.

965 Mr Speaker, the Government in its first few months of administration has already earmarked preferential sites and has determined the numbers of accommodation units for completion. Very quickly we have undertaken an extensive exercise to verify the ‘needs’ of eligible members of our community in this regard.

970 Forgive me if I do not enter into any specific details here today, as I have no wish to pre-empt what will be the subject of an imminent Government announcement.

Nevertheless, the Government is determined to meet its obligations and the general public will witness ‘the laying of bricks’, to excuse the pun, very shortly as stated in our manifesto commitments. These homes will be fit for purpose, modern in design but most importantly be constructed for our people bearing in mind their specific needs, and of course, environmentally friendly.

975 Number (7) – listening to and hearing our tenants: one of the main observations whilst in Opposition was the number of complaints that I received from Government tenants who tried accessing former Ministers for Housing to discuss their specific housing problems. Many reported that they simply were unable to obtain an appointment, whilst others complained about the long waiting time for such opportunity to meet face-to-face. Understandably, this results in frustration for the tenant or applicant who is eager to express himself/herself and as often is the case, it involves rather complex issues that may relate to medical problems, break-up in relationships and/or marriage, anti-social behaviour, allocation of Government flats, position and length of time awaiting allocation, delays in repairs, property sales, etc. It is indeed an exhaustive list of issues, and sometimes matters may relate or fall under the responsibility of other Government Departments. Nevertheless, Housing seems to be the first point of call for many people.

980 Consequently, and despite enormous efforts to see as many people as possible, there continues to be a lengthy list of those waiting to see me, but I am determined to persevere and see as many people as I possibly can, as I feel very strongly about the fact that often, people just want to be heard, acknowledged, and helped, if possible. This continues to be my goal.

990 Well, Mr Speaker, the Government has major challenges ahead with respect to housing, which affects all people and walks of life. We are determined not to fail the electorate and mean what we say about meeting our manifesto commitments. With this in mind, we will do everything possible to help our citizens with their housing needs and concerns, and we will go the extra mile to accomplish this.

995 May I finally take a moment, Mr Speaker, to extend my gratitude to members of staff at the Housing Department and Agency. I am fully aware that the majority take their work very, very seriously. I regularly see on a day-to-day basis, acts of real professionalism and dedication which dare I say, go unmentioned or highlighted. May I thank all of you who are listening for your continued support and co-operation.

1000 May I also, Mr Speaker, publicly express my sincere gratitude to all participants of Government tenants’ associations and very importantly, members of the Housing Allocation Committee who give up their own valuable time, and on a voluntary basis. They do so because of their strong sense of community spirit and the result is that they contribute greatly in moulding the services provided. Thank you all for being part of what I like to call ‘our Housing Family’ and I hope to continue enjoying your collective contributions and support towards helping our tenants and ultimately, our community as a whole.

1005 Thank you, Mr Speaker.

(Applause)

**Mr Speaker:** The Hon. Edwin Reyes.

1010 **Hon. E J Reyes:** Mr Speaker, the GSLP/Liberal manifesto for the 2011 Elections did not have much to say in respect of heritage matters. In fact little importance was given to heritage issues, thereby resulting in only six sentences, occupying 12 lines of print, being dedicated to this area of governance. In contrast, the GSD committed itself to complete projects which it had already begun, as well as listing its exciting vision for future and new heritage related projects.

1015 The present Government inherited updated legislation together with newly appointed Trustees of the Gibraltar Garrison Library. We sincerely hope that the Government and the Trust will work together with enthusiasm and in close consultation, so that this Library and its assets will become an important facility for the people of Gibraltar.

1020 Although now in Opposition, the GSD continues to recommend the Gibraltar Government Archives be transferred into a refurbished ex-*Chronicle* Printing Works building next door to the Library, so that together they may operate as a modern, well resourced Gibraltar Archives and Reference/Research facility including digitalised searchable data.

1025 Updated legislation for the management and preservation of our heritage and the listing and preservation of buildings needs to be completed. In this respect, work was already at an advanced stage, thanks to the GSD's initiative whilst in Government, with drafting undertaken, in close consultation with relevant experts and the Gibraltar Heritage Trust. It is now up to the present Government to embark upon drafting legislation in this important area, which the community expects to be undertaken as soon as possible.

1030 The present Government has acted responsibly in continuing to pursue UNESCO World Heritage status for Gorham's Cave and adjacent sites. Indeed, much work had already been done by the Museum Team, during my tenure as Minister for Heritage, in respect of submitting nomination forms and supporting documentation, etc. I take this opportunity to thank and congratulate the Heritage Division staff involved in having achieved such a high ranking status in the United Kingdom's nomination process.

1035 In wishing the Museum Team all the very best for the future in their ongoing excavations at Gorham's and Vanguard's Caves, I urge the Government to also offer their full support – especially in respect of finalising improved land access to these extremely important prehistorical sites. Government has a duty to preserve all historical sites and assets which the community inherits. So therefore, I strongly recommend that the Government looks into the manner King's Bastion was conscientiously both preserved and turned into a leisure centre, catering for present day needs. This is an ideal way of preserving our past, alongside giving today's community the leisure and social facilities it rightfully deserves and desires.

1040 Mr Speaker, through the collective celebration of social events, participating Gibraltarians contribute towards reinforcing our identity, culture and history as a people and as a community. Both the performing and fine arts fraternities always prove themselves to be very proactive within their own specialised areas. These cultural groups now patiently await the implementation of the Government's promises as made through their manifesto commitments.

1045 Amongst the first of the promises to have already materialised has been the International Jazz Festival for which provision of £100,000 is made in this year's Estimates. Given this substantial amount going towards just one form of musical entertainment, other disciplines within the local performing arts fraternity have high hopes of increased cultural grants coming their way.

1050 In this present day and age, the local community expects its Government to support and assist our own home grown budding musicians, singers, actors, artists, etc, and provide them with facilities which allows them to achieve their full potential. Through its manifesto, the Government adopted the slogan 'culture needs to be nurtured.' Now that they are in office, Gibraltar sincerely hopes that this will not become an empty promise.

1055 Amongst its many Election promises, the Government committed itself to provide facilities for teaching of music and instruments to young people; establishment and funding for a Gibraltar Philharmonic Orchestra; run a 'learn an instrument' campaign amongst young people; establishment of an academy of the performing arts, administered by an Arts Council; refurbishment of the Ince's Hall area and enclose the patio in a modern way to allow its use even in winter; development of a new, modern theatre for Gibraltar; seek to establish Gibraltar as part of the touring circuit for UK and Spanish theatre productions. I therefore now, Mr Speaker, have to ask, when will these projects become a reality?

1060 Mr Speaker, the GSD has always seen sports and leisure as an essential element of a high quality of life – embracing entertainment and leisure, family life and quality time, healthy life styles and robust youth character formation and orientation. It has always been the GSD's policy to be supportive of and assist our own sporting bodies to overcome Spanish inspired attempts to block membership of international governing bodies. The Opposition wishes to reassure Gibraltar's sporting fraternity that we

will continue to back pending applications for international membership in respect of all our sporting associations, inclusive of Gibraltar's longstanding bid to join the Olympic movement.

1070 We take this opportunity to congratulate our very own Georgina Cassar on being selected to form part of Team GB, in the Rhythmic Gymnastics disciplines, at the forthcoming London 2012 Olympics. Alongside her, we also congratulate Nathan Stagno, who will form part of the international team of elite umpires with responsibility to officiate at hockey matches in the Olympics. We live in hope that, in the not too distant future, other Gibraltarians will also participate in the Olympics, both as athletes and officials. However, our expectations are that this should be not as part of Team GB, but rather in our own right, under the nomenclature and flag of Gibraltar.

1075 Although the local community already enjoys both good quality and a wide variety of sporting facilities, there are always areas where these can be improved upon and/or expanded. It was with this in mind that the GSD pledged to convert the recently acquired Europa Sports Fields into further facilities for use by our local sporting fraternity, catering mainly for cricket, rugby, football and football training and other sports. There is, Mr Speaker, already a degree of fear among some local sporting associations that the Europa Sports Fields may end up being developed and allocated for exclusive use by only one sole sporting association. This, if true, could end up in the curtailing of facilities already enjoyed by other sporting bodies, and even pose a threat to the existing membership of their relevant international governing body. We sincerely hope that Government very carefully considers all options and looks into the consequences, before taking final and definitive decisions.

1080 It is extremely important that the Sports Ministry always works in close consultation with the wide-ranging membership of the Gibraltar Sports Advisory Council and the development of new and additional facilities should be no exception to this.

1085 Provision continues to be made in the Estimates for sports grants. However, the local sporting fraternity patiently waits to hear further details of their promised Elite Athlete Assistance and Assistance for Non-recognised Sports. Some sportsmen and sportswomen already wonder if these schemes will become a reality. Likewise, Gibraltar's martial arts fraternity looks forward to having a worthy centre of their own – again, as promised in the run-up to the last General Elections.

1090 In rounding up these few points I have selected and highlighted in respect of cultural and sporting matters, I must ask if Government have already found the appropriate area or location in which all the different cultural and sporting facilities will be based. Let me remind Government, they promised these would be modern and new with improved facilities. It will be a centre for all social and sporting groups – concludes their manifesto promise. Mr Speaker, when will these pledges become a reality?

1095 Mr Speaker, during its last term in office, the GSD built around 500 new rental homes, completed 140 homes for the elderly in the form of Albert Risso House, allocated a record number of flats to people on the medical and social lists and eliminated the waiting lists that existed for these categories at the start of their last term. In answer to Question 543/2012, the Minister for Housing confirmed there are at present 1,677 applicants on the Government's Housing Waiting Lists. These are made up of 1,064 on the waiting list proper and a further 63 on the pre-list.

1100 The GSLP/Liberal manifesto has a few pages with colour photographs of their vision for new homes to be made available during their term in office. These projects promise both co-ownership and rental homes, supposedly with solar power facilities, as well as roof gardens and eco-friendly designs. However, during the GSLP's previous eight years in Government, no new homes for rental were built, so the local community still waits to see what will actually be delivered during this current term.

1105 I urge the present Minister for Housing to personally ensure that any new homes built do not suffer from numerous defects, as history shows was the case in their construction of co-ownership homes when they were last in office. Quality in construction of family homes cannot be compromised under any circumstances. We hope that this time round they will have learnt from previous mistakes.

1110 The Government's manifesto makes reference to the establishment of a separate additional housing list for applicants who are currently living in Spain and who wish to return home. However, barely three months after the Elections, in answer to Question 300/2012, the Minister for Housing said, during the March Parliamentary session, that no separate housing list had been opened for applicants currently living in Spain. Furthermore, he unashamedly revealed that the demand is literally very limited.

1115 Given the real facts – as now stated by the Hon. Minister in this House – it has become clearly evident that the criticisms previously levelled against the GSD Government were merely a contrivance to make the electorate believe there were scores of Gibraltarians forced to live in Spain, simply because the GSD was not providing accommodation for them here in Gibraltar. The true facts, as now revealed personally by the Hon. Minister in this House, prove that the GSLP/Liberals comments on this matter were politically insincere and even factually wrong.

1120 Under their section dedicated to Youth, the GSLP/Liberal manifesto states that young people who are entitled to housing will not wait more than three years for a home. Given that there are presently a large number of young people registered as applicants seeking their own homes, conscientiously hoping to move on in a responsible manner with their own adult lives and without continuing to be dependent upon

1130 their parents, I must ask on their behalf for a firm commitment from Government in respect of this promise. Government's answer should include expected rental housing completion dates.

The GSD worked hard in consultation with the relevant union to reform the old Buildings and Works Department and its transfer into the Housing Works Agency. This project provided brand new workshops and depots – and from its origins delivered vastly improved services to Government tenants. Furthermore, an agreement was reached with the union to the effect that manning levels would be replaced in future  
1135 with one new employee employed by the Agency for every two who retire.

Through his answer to Question 430/2012, the Minister for Housing confirmed that since December 2011, a total of five employees have been transferred and a further four retired from the Housing Agency. However, no new employees have been taken on by the Agency and this clearly is in breach of the agreement reached with the union.

1140 Furthermore, Mr Speaker, despite there being a statutory obligation, Government decided to abolish the post of Chief Executive Officer of the Housing Agency. This unexpected and sudden course of action raises concerns amongst the electorate at large that Government are embarking on a campaign of chopping the heads of those perceived to be their opponent's supporters. This action, together with the manner in which Luis Montiel, my old colleague, has still not been reinstated into his previous position of  
1145 employment, after he stood down as a Member of this House, has led many public servants to even fear that middle and top management positions will in future be allocated only to those whom the Government trust as their own partys supporters.

1150 **Chief Minister (Hon. F R Picardo):** That was *before* 8th December!

**Mr Speaker:** Order! Order!

1155 **Hon. E J Reyes:** Furthermore, Mr Speaker, this year's Estimates show that the Government has no intention of appointing either a Chief Executive or Deputy Chief Executive of the Housing Works Agency. This therefore raises a question of how and by whom will this important Department be managed?

Through answers given to Questions during the June session of Parliament, the Minister for Housing stated that a total of 1,987 tenants were listed as requiring a total of 640 internal and 3,243 external jobs to be carried out. The Opposition hopes that adequate human resources will be provided to the Housing Works Agency, so they may carry out their duties in a timely and efficient manner, thus ensuring that Government tenants are able to enjoy living in their homes in the rightful and dignified manner they are entitled to.  
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The Opposition knows there are many excellent craftsmen and professionals within the Housing Works Agency. I must stress that it is important to ensure that the correct and proper administration procedures and resources are in place for housing maintenance and repairs to be carried out. Therefore, it is regrettable to see that, for this financial year, the Agency's workforce is reduced from a grand total of 160 employees catered for in the previous financial year now down to 146. How then will the Agency be expected to carry out its duties, more so with a promised and therefore expected increase in housing rental stock, if the Agency is not given the human resources required to meet workloads and targets?  
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There are already signs that repairs are taking far too long, or not even being listed for action, in rental estates. For example, Mr Speaker, many tenants are asking me why is one of the lifts at Bow Wave House at Mid Harbours Estate still not repaired since it broke down around Christmas time. Lack of timely action in respect of routine maintenance and repairs further leads many people to ask, is Government really going to deliver with good quality results in respect of its promises for the refurbishment, beautification and maintenance of housing estates?  
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Mr Speaker, the Government has only been in office for seven months and we have been careful, in the public interest, to allow them enough space to develop their own policies. Therefore, I wish to reassure Government, and in particular the Ministers whom I shadow, that I remain always ready to work collegiately within this House, when embarking in reasonable and responsible initiatives so that, together, we may improve the quality of life of this precious community of ours. I sincerely hope Government will accept this genuine offer in the spirit it is intended.  
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**Mr Speaker:** The Hon. the Minister for Tourism, Public Transport and the Port.

1185 **Minister for Tourism, Public Transport and the Port (Hon. N F Costa):** Mr Speaker, whereas this my fifth Budget Address, it is not an exaggeration to say that I feel immensely privileged to deliver my maiden Budget address as Minister for Her Majesty's Government of Gibraltar for Tourism, Public Transport and the Port. I am also honoured, Mr Speaker, by the trust vested by the people of Gibraltar to represent them in the affairs of Government.



1190 I know I speak for all my Cabinet colleagues, when I say that we are enthused and that we are entirely  
 committed to implement what is undoubtedly an exciting programme for Government and a contract, Mr  
 Speaker, that will not only benefit all Gibraltarians but which will, once and for all, provide that quantum  
 leap, Mr Speaker, in the political development of a country as rightly demanded by a majority of  
 1195 Gibraltarians. Any objective observer, Mr Speaker – amongst which, I cannot certainly include any of the  
 Members opposite, in the light of their contributions so far – will agree with me that the new Government  
 has already met, in seven months in office, a good number, a sound number of the manifesto  
 commitments and is therefore well poised to deliver even more during this financial year. Just yesterday,  
 Mr Speaker, the Hon. the Chief Minister and my Hon. Ministerial colleagues announced even further  
 manifesto commitments that have been met during the last seven months alone. (*Applause*)

1200 Mr Speaker, the Hon. the Chief Minister has entrusted me with a wide portfolio of responsibilities and  
 I intend to take these in turn.

In the first instance, I intend to set out the Government's various achievements in the last six months,  
 as well as highlighting the projects that the Government will undertake this financial year. The  
 pleasantries, Mr Speaker, end here, because, whilst highlighting the many Government accomplishments  
 1205 in only seven months in the manifesto commitments I will not just take, Mr Speaker, but in fact seize the  
 opportunity to highlight the more outrageous instances of political mismanagement of the previous  
 Administration and no amount of protestation from the Opposition benches will deter us from addressing  
 in this House what can properly, truly and best be described as the electorally 'big lies' of the party  
 opposite during this last Election campaign. (**Several Members:** Hear, hear!)

1210 Mr Speaker, what the hon. Members opposite cannot do – or at least they cannot do without with any  
 degree of political integrity and credibility – is to cry foul and to pretend to suffer some mortal wounds  
 and then soliloquise about them in this House, and then when we criticise their policy failures as a result  
 of which we have – during the financial year that we share – had to act to redress and address those same  
 1215 policy catastrophes, some of which I will highlight later. Such statements, Mr Speaker, are perfectly valid  
 and pertinent and I will explain to the Hon. Mr Figueras why such statements are particularly valid and  
 relevant in the light of the Hon. the Leader of the Opposition's statements to me in past Budget  
 contributions.

But, does the GSD think, Mr Speaker, that they can adopt purely baseless and partisan political  
 postures and that we will not rise to set the record straight? Further still, Mr Speaker, if the Hon. Mr  
 1220 Figueras really thinks that when a new Government, barely seven months in office, is acting like an  
 Opposition by raising very recent past, relevant political issues in the light of current developments within  
 the financial year that we share, he would have wailed and he would have caterwauled in despair to hear  
 the Hon. the Leader of the Opposition, when he was Chief Minister, argue at length in his four replies,  
 while I was a Member of the Opposition, that it was *relevant* to go as far back as 1988 and blame the  
 1225 GSLP for what happened in 2008, 2009, 2010 and 2011!

In his reply, the Hon. the Leader of the Opposition, when he was Chief Minister in 2011, went back to  
 1988 – but he was not the only Member of the Opposition who did so, Mr Speaker! If we go back to the  
 contributions of the hon. Gentleman and Lady opposite, when they were in Government: for example, the  
 Hon. Mr Netto mentioned 1988 seven times in 2011. Isn't *that* going back to the past, Mr Figueras?

1230 **Chief Minister (Hon. F R Picardo):** Well done, well spotted!

**Hon. N F Costa:** Mr Clive Beltran, who was the chief 'rent a goon' and main 'clapper' in support of  
 the Hon. the Leader of the Opposition also mentioned 1988 twice. Yvette del Agua also mentions it on a  
 1235 couple of occasions. This is in 2011. They mention 1988 – but we cannot mention 2011, when we share  
 the same financial year! *Give us a break, Mr Speaker!* (**Several Members:** Hear, hear!) (*Applause*)

**Hon. Chief Minister:** *A tour de force*, thus!

1240 **Hon. N F Costa:** Political considerations aside, Mr Speaker, I turn, firstly, to the Gibraltar Port  
 Authority. More will come politically, Mr Speaker, but I would like to concentrate on my responsibilities,  
 for a little while at least!

Mr Speaker, it is the view of the Government that the time has certainly come to consolidate the port  
 operation by investing in the infrastructure and equipment with a programme of capital expenditure that  
 1245 has suffered lack of investment for many years. The new Captain of the Port, Roy Stanbrook, joined at  
 the end of February and I endeavour to meet him weekly to develop an ongoing strategy to maintain and  
 grow the port business, while safeguarding the infrastructure and our environment. In order to maintain  
 and improve the commercial viability and safety of the Port of Gibraltar, investment in infrastructure and  
 personnel is clearly essential.

1250 It is to be noted, Mr Speaker, that the systematic under-investment that I have just highlighted has  
 surfaced unfortunately in recent security and insurance audits that have exposed some quite painful

1255 shortcomings, which this Government is ensuring the Gibraltar Port Authority addresses. At the same time, Mr Speaker, continuing and ongoing audits of infrastructure and systems have exposed vulnerabilities in business critical systems. A project to identify such issues and build resilience into the port operation is currently underway and I look forward to receiving the recommendations of the GPA.

1260 Further, Mr Speaker, the security of our port and the safety of its users remain paramount and therefore the continued investment in an integrated closed circuit television system, with wide area surveillance of all areas of the port, is considered essential. The system, which augments the CCTV, which is already installed, will be fitted within a few weeks.

1265 Mr Speaker, it is clear to everyone – although clearly it was patently obvious that successive GSD Port Ministers were blind to the reality – that the very physical fabric of the port requires continuous maintenance, in order to sustain safe access for vehicles and pedestrians alike. Only on Friday, Mr Speaker, Captain Roy Stanbrook wrote to me, after which I attended the port, as a result of damage to culverts due to the lack of maintenance of the physical port infrastructure.

1270 As recently announced therefore, Mr Speaker, this Government has embarked on a programme of resurfacing roads and walkways within the port, as well as repairs and refurbishment to the Detached Mole, Mr Speaker, in order to make it safe for all those people who land there, and of course at different times there may be quite a few, including the large numbers of fishing enthusiasts who use the facility for leisure purposes, such as the annual angling competition. In this respect, toilet facilities are already installed and first aid facilities are being provided.

As this House is also aware, Mr Speaker, modified procedures have now been developed and agreed between the Port and the Gibraltar Federation of Sea Anglers to enable access for resident fishermen to the port when it is safe and practical to do so.

1275 Further still, Mr Speaker, a programme of augmentation and replacement of the Oil Spill Response Programme necessary to protect the marine environment is also in progress to ensure that we are always able to meet the challenge, should there be an oil spill. At this juncture, Mr Speaker, I must associate myself with the comments made by the Hon. the Minister for Health and the Environment, Dr. John Cortes, when he, in this House, thanked publicly the staff of both the Gibraltar Port Authority and the Department of the Environment for their impeccable professionalism and unwavering and around the clock dedication in tackling the oil spill, which they successfully contained.

1280 As a result of the issues encountered during the recent oil spill, a full review, Mr Speaker, of the Oil Spill Contingency Plan, including pollution equipment stock levels together with their suitability for use in the Gibraltar environment will be carried out, with special regard to the changing environmental sensitivities, including protected areas and species. The Captain of the Port in conjunction with the Gibraltar Maritime Administration are putting together recommendations for the Cabinet to consider.

1285 Mr Speaker, whilst not referring specifically to the circumstances that took place in Gibraltar on making this particular comment, it did become clear to myself and to the Hon. the Minister for the Environment, that there is a lack of sufficient criminal penalties for pollution offences and therefore a complete absence of criminal and effective deterrence. Whereas the Government recognises and supports the importance of bunkering to Gibraltar's economy, it must also be equally conscious of its environmental responsibilities and Gibraltar must send a strong unequivocal and clear message that it will not accept criminally irresponsible operators. A proposed change to Port Rules will therefore bring the criminal penalties in Gibraltar in line with those in the United Kingdom for pollution offences, effectively increasing the maximum penalty from £2,000 to £250,000, Mr Speaker – (*Applause*) not just a [inaudible] environmental filter, but in fact a real one.

1290 As the port launches become older, they are becoming more expensive to maintain. As a result, the work of specifying the requirements for a new port launch is also underway.

1300 As with all of my areas of responsibility, work continues to engage with stakeholders of the port. The Gibraltar Port Operators' Association, the Bunker Forum and engagement with leisure interests are all examples of the strategy of engagement being pursued.

1305 It is also important to note, Mr Speaker, in particular to the Hon. Mr Figueras, that senior officials of the GPA and the Department of the Environment meet and liaise regularly with the Environmental Safety Group and any other persons wishing to come to discuss any concerns with them, to discuss environmental issues relating to port related operations.

As the House is also aware, a project is underway to provide a sufficient number of berths to accommodate the boats of all boat owners – the long, long suffering boat owners as you say, Mr Speaker – as well as those currently on the waiting list. Detailed investigations have commenced and an inter-ministerial committee is driving this project forward.

1310 The port building Mr Speaker, has also suffered a lack of structured investment over the years, resulting in accommodation which is barely fit for the purpose of running a 21st-century port. Work is therefore underway to specify the requirements for a new port building.

Mr Speaker, I now turn to the Gibraltar Maritime Administration. It is well known that the general down turn in the world economy has had an impact on both the volume and value of the maritime trade.

1315 The fallout from this has been that some companies have ceased trading, but we are happy to say, Mr Speaker, that in many cases the vessels have not been sold on to other companies and, in the main, continue to operate under the Gibraltar flag.

Overall though, the number of ships on the Gibraltar Ship Register has fallen by 3% from 316 to 306, but there was an increase in overall gross tonnage from 2.12 million in April 2011 to 2.37 million in April 1320 2012, and the mean average age of the fleet fell from 11 to 9 years. This means the fleet is getting younger and the change of the fleet size is towards larger ships. The reduction in the age of the fleet also indicates, Mr Speaker, the confidence the owners place in these new and larger ships on the Gibraltar register in these difficult trading conditions.

The difficult trading conditions, Mr Speaker, that I have mentioned that have affected the international community, have required careful management of both the technical and administrative resources available to the GMA. The resignation of some surveyors, Mr Speaker, and the significant delay in replacing those surveyors in 2011 resulted in some changes to the way audits and surveys had to be carried out. Whilst more tasks have had to be delegated to the classification society, increased monitoring of these organisations was introduced to ensure the overall quality of the fleet did not decline. The owners and operators of ships which were not performing to the standards expected of Gibraltar registered ships 1330 were monitored, and in two instances, the ships were removed from the register.

Mr Speaker, it is to maintain the position of the GMA and to increase the size of the Gibraltar fleet at a time when under the GSD it started to dip, I approved two targeted promotional visits with local representatives, this year. For the first time, Mr Speaker, a visit was made to Norway to meet both existing owners and possible new owners. The existing owners expressed their satisfaction of the service provided by the GMA and there have been several enquiries from companies that did not have ships registered in Gibraltar. 1335

Following the yearly visit to Germany to meet existing clients and possible new ones, the GMA were invited by the German Ship Owners, along with six other EU flags, to a two-day seminar during Easter week. This allowed, Mr Speaker, the GMA to make two major presentations and, more importantly, Mr Speaker, meet many ship owners and operators on a face-to-face basis. 1340

The visit, Mr Speaker, is pursuant to this Government's policy philosophy of establishing continuous personal contacts to attract investment to and in Gibraltar, and although it is still early days, several new German companies have transferred new, much larger ships, to the GMA. The schedule over the next 12 months, Mr Speaker, indicates up to 35 new ships, totalling over 700,000 gross tonnes will be registered with the GMA. 1345

The latter, Mr Speaker – barely little time of being in office – represents a 30% increase in the size of the fleet and many of these ships are larger units of over 50,000 gross tonnes. Already a schedule of changes of flag is arranged, stretching into 2013. This has meant much more work for the GMA, Mr Speaker, as inevitably all new business that comes to Gibraltar will entail. But to facilitate this schedule, and to improve the service to the clients, and also a first, a surveyor has been stationed in Hamburg; another surveyor is now in Hong Kong, who already undertake work on behalf of the GMA. 1350

Mr Speaker, it is also to be noted that the Seafarers' section issued nearly 2,000 Endorsements to Officers serving on Gibraltar-registered ships. This is an important aspect of maintaining the safety and maritime protection standards expected on board the ships of the fleet. The Provisional Endorsements, which are issued on line, is normally completed within 24 hours. The stated service standard for the full term Endorsement is two to three weeks but it is usually completed, Mr Speaker, within eight days for online applications, which is an additional service introduced just a few months ago, Mr Speaker, and has been very welcomed by our customers worldwide. 1355

Further still, Mr Speaker, the Gibraltar Yacht Registry is now an integral part of the GMA and during the year the number of yachts on the register has continued to increase and the drive to enter the Mega Yacht market has continued, but this is, at the moment, a difficult market to gain an initial toe-hold. Discussions with other interested parties were held during the year and in this connection, I had great pleasure in opening the first Gibraltar Yacht Seminar in Ocean Village. At the seminar, the GMA issued an open invitation to all parties interested in the area of the maritime world to a meeting, to take place this 1360 month, to discuss how best to market Gibraltar.

In this respect, Mr Speaker, and to further facilitate and improve the services of the Gibraltar Yacht Registry, I promulgated two Legal Notices: numbers 30 and 41 of this year. The first of these, Mr Speaker – the Location of the Office of the Registrar of Pleasure Yachts – formally recorded the move of the GYR into the GMA premises. The second – the Gibraltar Merchant Shipping (Pleasure Yachts) Regulations – provides that the Marine Administrator may impose conditions for registration on pleasure yachts of 24 metres or over intended to be used for charter. This amendment, Mr Speaker, enables the registration now in Gibraltar of the commonly called super-yachts for the first time. 1370

The House will also have taken due note of the Budget measures announced by the Hon. the Chief Minister yesterday, to stimulate the use of 'super-yacht' vessels by reclassifying these and therefore not

1375 subjecting them to any import duty; and reducing import duty on vessels under 18 metres of length from 12% to 6%.

Mr Speaker, following on from my responsibilities for the Port and the Gibraltar Maritime Administration, it makes sense to discuss the cruising industry, as a port related and maritime operation.

1380 **Hon. Chief Minister:** Mr Speaker, if I may, with the leave of the House, ask the Minister to pause there, so that we might adjourn, for those of us who wish to attend the tribute in the Supreme Court, until 12.30 – I think that is convenient.

1385 **Mr Speaker:** Is that convenient to hon. Members? This House will adjourn until 12.30.

*The House adjourned at 11.47 a.m. and resumed its sitting at 12.30 p.m.*

1390 **Appropriation Act 2012**  
**Debate continued**

**Hon. N F Costa:** Mr Speaker, with your permission, I will continue with the cruise industry.

1395 Mr Speaker, the entire House no doubt appreciates the indisputable importance of the cruising industry to the economy of Gibraltar. Everyone will agree, Mr Speaker, of the vitally critical economic activity generated by cruise lines and cruise passengers disembarking at Gibraltar's port. The relevance of cruising, Mr Speaker, is not simply limited to the direct expenditure in retail, as important as that is, but also to the other services that Gibraltar operators can offer, such as bunkers and the whole gamut of chandlery and other maritime services.

1400 It is against this backdrop, Mr Speaker, that we find that, in 2011, Gibraltar received 186 calls, in comparison to the 238 calls in 2009 and 174 calls in 2010, with 303,759 passengers. This year, Mr Speaker, the figure is anticipated to dip again slightly from 2011, with 177 calls currently booked, with an anticipated drop in passenger figures to approximately 305,000. It is against these facts, Mr Speaker, that this House and the whole of Gibraltar have had to endure to date the hard faced comments by the Hon. Mr Bossino that we are to follow the so-called 'success story' of the GSD on tourism.

1405 Mr Speaker, one really has to have, for the reasons that I will now further illustrate, *la cara dura* – and there really is no English equivalent to this fantastic Spanish expression – to have done nothing to recover the position in the drop in calls from 2009 and yet pretend that things are on the up and up and, to top the hypocrisy, thanks to them.

1410 Mr Speaker, let me elucidate, mainly for the benefit of the hon. Gentleman opposite and his contributions in this House, that the figure of cruise calls for 2012 has gone up by seven from what we inherited in December 2011, as a result of this Government's philosophy of pursuing personal contacts and structuring continuous and fluid communication with the decision makers in the cruise industry.

1415 Mr Speaker, you would think that sirens and alarm bells would have gone off in my predecessor's office, when cruise calls went down in 2010 from 2009 by no less than 64 calls, Mr Speaker, 64 calls and the response from the GSD Administration at the time was to do nothing, other than to continue to spend tens of thousands of pounds on a stand, once a year, that the figures clearly showed actually translated in a loss of business to Gibraltar. We were led to believe, Mr Speaker, that Gibraltar had never been better! It is indeed a testament to the wisdom of Gibraltarians that they knew that it was time *not* 'to keep trusting', (**A Member:** Hear, hear.) to borrow yet another of the most politically misconceived slogans in Gibraltar's modern political history. Is that not, Mr Speaker, the 'big lie' that the Leader of the Opposition referred to?

1425 Political considerations aside, Mr Speaker, and when we look at the reality and the facts of cruising, we must consider the infrastructure currently and presently enjoyed in Gibraltar which is, firstly, the Western Arm, which, the House is aware, is a major entry point for visitors to Gibraltar. Including crew – not just passengers – an estimated half a million people arrived last year by cruise ship. In the 16 years of its operation, following a decision by the last GSLP Administration to convert a warehouse into the Cruise Terminal, the facility has successfully handled over 2.5 million passengers.

1430 As the House is aware, Mr Speaker, and as a result of the initiative of the Government, the derelict Ice Box Building has now been demolished and remedial re-surfacing works are currently underway, while the whole area is being spruced up, including tiling of an important area where visitors regularly frequent. Further, Mr Speaker, the Government is considering a number of infrastructural options on how best to develop our cruising facilities.

1435 And indeed, Mr Speaker, in following what I am sure now the Leader of the Opposition would agree was an unfortunate attack to take in talking about the 'big lie', one is forced to wonder why, if cruise passenger arrivals are so much higher than visitors by air, the previous Government did not strategise on

how to maximise the potential for cruises, rather than spend 74 million euros – and rising – on an unnecessarily extravagant and politically driven, air terminal.

1440 As the House knows Mr Speaker, in March I visited for two days, prior to what is known as a Seatrade Cruise Convention. Meetings were held with executives of Royal Caribbean, Azamara Club Cruises, Prestige Cruise Holdings – which owns both Regent Seven Seas Cruises and Oceania Cruises, and Silversea Cruises. I also met Giora Israel, the Senior Vice President, Global Port Development, for Carnival Corporation, which owns 10 cruise lines, including P&O, Costa, Cunard and Holland American Line.

1445 And of course, Mr Speaker, the purpose of all of these meetings is precisely that: to establish the personal line of communication between the Gibraltar Government and the Gibraltar Tourist Board and the senior executives whose companies account for the greater part of our cruise business. So the House is aware, Mr Speaker, in 2013, vessels owned by Carnival Corporation alone – the Senior Vice President of which I met – will account for 45% of the anticipated total of calls here and 55% of the expected number of passengers. I was able to brief Carnival, Mr Speaker, on the Government's policies in respect of tourism and the port, as well as on other matters of mutual interest. It therefore gives me great personal satisfaction to note, Mr Speaker, in this House, that we will shortly be receiving Mr Israel to Gibraltar to progress further various cruise-related issues. It should be noted, Mr Speaker, that the visit of Mr Israel is even more importing when one considers the international backdrop and in particular, the social unrest in a number of Mediterranean countries, including Greece and Syria, which has dampened the demand for cruises in the region by North Americans and therefore highlighting the need to have this personal contact with persons that decide where their ships call.

1455 In addition to this, Mr Speaker, the Government will now endeavour to hold quarterly meetings with cruise lines in the UK. Unlike the previous Administration, who clearly did not undertake the efforts to establish personal contacts, the Government has instigated contacts with all major cruise lines in the UK. The initiative will hopefully remedy the significant decrease in calls Gibraltar suffered since 2009, very much to the detriment of our Main Street traders and tourism operators in general. The first of these quarterly meetings, Mr Speaker, was held last week in the United Kingdom. I met with eight of the major cruise line directors and port and itinerary managers, with a view to continue the new Government's marketing drive to attract new cruise business to Gibraltar and to establish closer working relationships with senior cruise line management.

1460 It is important to note, Mr Speaker, that these cruise lines all cater to the British market, which is the largest source market for cruise passengers in Europe, with 1.7 million residents purchasing cruises in 2011, which is almost a 5% increase over 2010.

1470 During the course of these meetings, senior management and senior itinerary planning and shore excursion decision makers provided their feedback on Gibraltar. Gibraltar, of course, can use such feedback to its benefit in developing the services and the facilities provided to cruise ships and their passengers. The Government firmly believes that one-to-one meetings with representatives of the industry are the most effective way, Mr Speaker, in which to increase awareness about the products and services Gibraltar has to offer. It is also, Mr Speaker, the best way to advise these top executives of all pertinent tourism and port issues that will affect their decision as to whether or not to call to Gibraltar.

1475 It is clear to us, Mr Speaker, having visited both Miami and the UK, that the drop in calls to Gibraltar are directly due to the complete absence and lack in the past of communication between the Government and the cruise lines.

1480 Mr Speaker, in the light of all that I have said so far, there really cannot be any other reasonable, credible, more cogent explanation, given that calls to Gibraltar have reduced dramatically at a time when Europeans are booking more cruises than ever. In 2011, Mr Speaker, there was an increase in 9% of European residents booking cruises and yet a drop in calls to Gibraltar. The fact, Mr Speaker, that Gibraltar will see the return of the French Pullmantour product, as well as four newly scheduled calls from Azamara the same year we held meetings, is a testament to what personal contacts will achieve.

1485 Another major discussion point with the cruise lines was that of introducing Gibraltar as a possible turnaround port in the future. Incentive packages in this regard were also discussed in major detail. Due to the business relationships we have developed, Gibraltar will now be increasingly used in cruise line publications and catalogues. This will also put Gibraltar in the limelight of cruise passengers.

1490 Amongst all of this, Mr Speaker, one cannot escape the reality that spending by cruise lines on fuel has increased by 157% in the last six years alone. Throughout all of our discussions, therefore, it was made absolutely clear to us by senior executives that the cost of fuel is, and will continue to be, at the heart of the decision-making processes in respect of itineraries. Due to Gibraltar's strategic geographical location and the efficient and competitively priced bunkering services, we are strategically well placed in this respect.

1495 As I have also mentioned in the past, Mr Speaker, these one-to-one meetings are an essential first step in establishing the contacts so that Gibraltar is fresh in the minds of the senior executives. These first meetings mean nothing without follow-ups and therefore, Mr Speaker, we now have institutional

1500 structures that meet regularly to make sure that the various discussion points that are mooted during our meetings are, in fact, followed up regularly.

Mr Speaker, inextricably linked to my duties in the port and cruising is of course tourism.

1505 In this financial year, Mr Speaker, Gibraltar House will continue to be an important part of the Gibraltar Tourist Board's marketing activities. This is because, Mr Speaker, the UK is Gibraltar's principal source market, so most of the marketing and advertising activity will be co-ordinated with Gibraltar House.

It will include attendance at selective major travel industry events, as well as Gibraltar-specific trade and consumer roadshows. The roadshows are organised primarily in cities that are close to the airports that operate flights to Gibraltar. Our plan for this year includes events in north-west England and the Midlands.

1510 In order to increase capacity on existing air routes, we should also look into organised activities in the Heathrow, Gatwick and Luton catchment areas.

One of the Government's initiatives for increasing visitor numbers is the setting-up of events that will attract niche-markets to Gibraltar, Mr Speaker. Gibraltar House is working with the Gibraltar Tourist Board on various projects and we expect to make at least one important announcement during the next few months.

1515 This year, Gibraltar House will continue its active presence on social media through the Gibraltar Tourist Board's Facebook page and Twitter feeds. The number of followers on both media continues to grow. These include industry professionals from travel agencies and tour operators who follow Gibraltar for updates on events in Gibraltar and product improvements. The social media activities will complement the new platforms that we are currently developing and to which I will make reference later in this speech.

1520 This year, Mr Speaker, we will continue with our product briefings for travel agents. This has proved to be a worthwhile initiative, at which our UK sales manager visits travel agencies to train their sales staff on Gibraltar as a holiday destination. The close co-operation between the Gibraltar Tourist Board in Gibraltar and Gibraltar House will continue, through a series of weekly meetings, so as to ensure that the momentum of our marketing campaign and our new initiatives is not lost.

1525 Mr Speaker, on becoming Minister for Tourism, professionals in every single operator with whom I have met, without one single exception, have noted to me their disappointment with the lack of understanding of the previous Administration in relation to this vital economic activity. This is not me saying so, Mr Speaker, but professionals of tourism and these comments are recorded for posterity in the minutes of meetings, some of which – I must deliciously confess, having gladly commented to the hon. Gentleman opposite – in reply to an answer to one of his questions. It is in relation to tourism, Mr Speaker that the hon. Gentleman opposite has made some of his most remarkable statements which I shall refer to shortly.

1530 It is in order, Mr Speaker, that the Gibraltar public can separate the previous Administration's words, and to copy the hon. Lady's statements about 'grand statements' and 'spin', let me tell the Gentleman and the Lady opposite what 'spin' truly is, certainly in relation to the areas of tourism, because this Budget will immediately show the importance that we as a Government attach to tourism, and the lack of importance, despite the grand statements that the hon. Lady referred to previously, showed in their lack of investment in Tourism.

1535 The Government, Mr Speaker, will begin, with this Budget, real and much needed investment in the product and in the first instance to the existing visitor attractions. These sites will, in the short-term, be refurbished to bring desperately crucial and long overdue improvements and will be followed by a longer-term policy to create a truly memorable visitor experience, Mr Speaker, because the aim of the long-term plan has to be that when a visitor visits Gibraltar, be it a leisure visitor, or a business tourist, that they will want to come to Gibraltar again. It is not good enough to simply feed people into Gibraltar, spend money here and then go. We want to recapture people and want people to come back. That is where the long-term policy of this Government is going, Mr Speaker.

1540 As the House knows, the Government is engaged in an intense consultation process with the industry, through the GTB, to make important changes to what should be one of the most important revenue generators to our economy. Government, Mr Speaker, would like to see greater investment and participation of the private sector in the development of tourism. It is in order to encourage our private operators to invest in their own product with confidence and to show them that this Government wants to fully realise and unlock the potential of our tourism sector, that this Government will initiate that much-needed investment programme on the tourist sites and the visitor attractions, which will represent in one Budget a quantitative and qualitative leap in investment.

1545 Mr Speaker, the substantial figure of £1 million has been allocated in this financial year alone for this task. This allocation, Mr Speaker, is more than the previous Government allocated in total in the last five financial years. I say 'allocated', because even though it was allocated, it was not necessarily spent, so if we went on money actually spent, it was even less.

1560

The allocated funds are scheduled to be spent this financial year Mr Speaker, on various projects which will include the provision, firstly, of absolutely needed new toilets at various locations, the refurbishment of existing facilities, improvements to St Michael's Cave and the Great Siege Tunnels and other works.

1565 As a Government, Mr Speaker, we have identified improvements we would like to carry out within the financial year. We are already involved in receiving feedback from current stakeholders and we will be inviting representations from the general public, as I have asked them today, and in particular, from the Tourism Advisory Council, on which projects should be prioritised. The Government would ideally like to issue tender notices for these projects to be issued in the next six to eight weeks, to make sure that we start work straight away, Mr Speaker.

1570 The Government will invest on some infrastructure works at the beaches for the next season. What we will not do, Mr Speaker, is to spend almost a million pounds of taxpayers' money in replenishment of sand at beaches without structures that prevent the sand from disappearing a few months later! It is only in the fanciful world of the GSD, Mr Speaker, that an Administration just before Election time, decides 'Well, let's throw away money', with an absolute cavalier disregard to taxpayers' money and how hard it is to earn, patently for electoral considerations, without an iota of forward planning – yes, an absence of forward planning because Mr Speaker, you do not need to have a GCSE or a rudimentary understanding of engineering that if you need to replenish sand on a beach, it is because the wave action is taking it away, so you had better make really sure that there are structures in place, so that the sand is not washed away.

1575 But no, Mr Speaker, £900,000 later, sand in, sand out. Thank you, GSD – Gibraltar has never been better! (*Laughter*)

1580 Mr Speaker, in any case, this year the GTB embarked on a full programme of works to the beaches, as I outlined in the last Question Time of this House, with the additional innovations. Examples of such innovations include weekly cleaning of all beaches from 1st February; laying of walkways at all beaches from mid-May; the purchase of new lifeguard boats; and the employment of senior lifeguards.

1585 Further, Mr Speaker, it does give me great pleasure to announce in this House that the Government has focused on restoring a full complement to the GTB and has restructured the team to enhance the responsive approach of the Board in attracting visitors to Gibraltar. The Government has restructured the management team to offer an effective and timely implementation of Government policies and business opportunities.

1590 This brings me, Mr Speaker, to the importance of effectively marketing Gibraltar in a cost-effective manner and one where we measure the success or otherwise of the strategy by results and not by fancy spun articles or fancy words.

1595 Mr Speaker, with the GTB, the Government has set out to create personal relationships with key decision makers in the tourism industry. This framework ensures that these individuals are always fully aware of the opportunities available to them and their companies or organisations in Gibraltar. In this way, the Government actively seeks inward investment in the tourism industry and gives the sector the importance it deserves.

1600 And, as the House will know, the GTB is engaged in developing a new interactive web platform that will work more effectively in marketing Gibraltar in a modern, vibrant and dynamic way – the full details of which, Mr Speaker, will be announced within this calendar year.

1605 Undoubtedly, the internet has changed the way in which tourism destinations sell and promote their products. The Government will improve and enhance the online tools available to promote Gibraltar and use this channel to keep the tourism industry abreast of all that is happening. In furtherance of employing new marketing tools, the Government will introduce Wi-Fi hotspots at the most important locations visited by tourists. These will enable the independent visitor and indeed all others, to download applications that are available about Gibraltar and to browse the internet for information.

1610 Further, two applications on Gibraltar have recently been launched which are very useful tools for the independent visitor to use when planning a visit to Gibraltar and as a guide when they are here. These are private sector initiatives, Mr Speaker, which we very much welcome and my Ministry is encouraging and which the GTB is providing advice on content.

1615 Pursuant to our manifesto commitment of marketing in an intelligent, targeted and cost-effective manner, the Government will review the levels of attendance at trade fairs and exhibitions and will decide whether or not to continue to participate in some of these events and, if so, which ones. Even if we do attend conferences, though, Mr Speaker, our participation must be much more focused and results driven. By creating activities and opportunities for the industry partners and visitors to the exhibitions, we will make these events work harder for Gibraltar. This year, Mr Speaker, will be the first time I attend the World Travel Market and like with the Miami Cruise Convention, we will investigate to determine whether such an event does offer value for money. It is essential that more focus is given to driving niche market tourism and developing the products and services for this sector.

1620

1625 Gibraltar's history, heritage and natural assets are an advantage when trying to place the Rock among its competitors in this market. Event-led tourism, Mr Speaker, is becoming more important with tourists now looking for reasons for which to travel to a destination. The Chess Festival in Gibraltar is a perfect example and the Government will work to attract similar events to Gibraltar.

1630 In co-operation with my colleagues at the Ministry of Culture, the Government has already set up events such as what can undoubtedly be described, Mr Speaker, as the excellent Gibraltar Jazz Festival and we work hard to promote this and other events, which we hope will become annual events targeted during seasons where hotel occupancy is low.

1635 The GTB, in co-operation with the tourism industry partners, will actively pursue the meetings and incentive market. Mr Speaker, Gibraltar currently has facilities and services for the small to medium-sized meeting and conference market and we will explore more opportunities in this field. With a range of unique products, the Rock can also place itself firmly in the incentive travel sector.

1640 And it is, Mr Speaker, in a bid to open up tourism markets, that the Government has set up a visa waiver scheme that will enable Gibraltar based tour operators to offer day trip excursions to non-EU nationals, commencing with Russian and Chinese tourists, as part of an organised tour. The Gibraltar based tour operators will have to adhere to certain conditions set out by the Borders and Coastguard Agency, which will ensure the repatriation of any visitors, if this becomes necessary.

1645 I turn now, Mr Speaker, to the airlines. As we have seen recently, the airline industry has had its share of turmoil, in what is, in any case, Mr Speaker, an inherently and habitually changeable industry. These changes have affected Gibraltar. We have seen easyJet take a commercial decision to discontinue services from Liverpool to Gibraltar and the cessation of services by bmibaby from East Midlands Airport, due to the takeover of the parent company.

1650 Mr Speaker, at this juncture, I find that I must pause to make a special reference to my hon. Friend, Mr Bossino's statements in respect of BMI services. The House will recall – I certainly do, as does the public – that Mr Bossino saw fit to issue a press statement to say that the bmibaby service was and I quote: 'secured by the GSD Government'.

1655 The Hon. Mr Bossino goes on to describe this as and I quote:

'an unprecedented success story of the aviation industry under the previous administration.'

1655 Mr Bossino issued this statement, Mr Speaker, after I had expressly told him in this House that the Government had never said, nor would it ever say, that we had secured the bmibaby service, because it would be – and I quote myself – 'a patent falsehood'.

The hon. Gentleman further says that the GSD caused this jamboree of extra flights, notwithstanding the incontrovertible reality that for the majority of the time under the GSD, there were, in fact, less air links to and from Gibraltar than there had been in 1996.

1660 Mr Speaker, why let facts and figures get in the way of transparently self-serving statements?

1665 The press release is even more unfortunate for the hon. Gentleman opposite, given that the Hon. Mr Bossino clearly forgot the costly fiascos of the GSD, to include the Regional Air Lines flight to Casablanca and, more recently, Andalus Airlines. The press statement, Mr Speaker, is further spectacularly unmeritorious in disingenuously attempting to justify the expenditure of 74 million euros – and rising – by the addition of bmibaby. Mr Speaker, one would be moved to laughter at the callow, baseless and politically self-serving statements, if it were not quite so serious that a Government project should overrun by 50 million euros and rising.

1670 In any case, Mr Speaker, the Hon. Mr Bossino says all of this on Tuesday, 10th April and on Friday, 13th April – very unlucky for some, Mr Speaker – the press reports the takeover of bmibaby, a story, Mr Speaker, that all of us who kept quite a close eye on this company unfortunately knew may well happen. This made the statements by the Hon. Mr Bossino even more surprising.

1675 You would think that, even if he did not know then, at that point, Mr Speaker, Mr Bossino would cease the pointless vindication that it was the GSD that clinched the deal with BMI. No, Mr Speaker, because let's remember that no-one here had said that we had brought bmibaby, but he still felt that a second press statement had to be issued, to repeat exactly the same things. And, of course, Mr Speaker, shortly following the second statement to vindicate what had already been said in the first, it is unfortunate that Gibraltar and the world finds out that bmibaby ceases operation to Gibraltar.

Mr Speaker, you could not make these things up!

1680 If I were to adopt the hollow and entirely opportunistic statements of the hon. Gentleman opposite, I would now accuse the administration of not having done their due diligence properly, of not seeking air connectivity with another airlines – but of course, Mr Speaker, I, as politically responsible, will not make those statements and will allow the hon. Gentleman opposite to continue to play party politics, whilst we work very hard for the people of Gibraltar. (**Several Members:** Hear hear!) (*Applause*) After all, Mr Speaker, who am I to submit the hon. Gentleman opposite into sanity and common sense?



1685 Indeed, Mr Speaker, I am delighted to report that it is directly as a result of our hands-on, working round the clock philosophy that we were not only able to secure that services from the north-west of the UK have been sustained by Monarch Airlines, boosting capacity from Manchester, in the shortest period of time, Mr Speaker, but that connections from the Midlands will not be lost, as today, Mr Speaker, I can today confirm that Monarch Airlines will operate from this region as announced, as from next summer, and we expect the airline to make a statement on this shortly.

1690 Services from Heathrow, Gatwick and Luton continue all year round providing capacity to the south-east of the United Kingdom. We continue, Mr Speaker, at every possible meeting, to push for increased capacity on routes from the UK and for more regional services from the UK, and I am confident that these will materialise.

1695 We are also pursuing the possibility of connections from other destinations in Europe. Airline planning, I am told, Mr Speaker, happens several seasons in advance – notwithstanding what I have just said that this Government was able to actually obtain additional services in record time – and decisions and announcements on the start of new routes do take some time to come forward.

1700 Among other initiatives this Government has taken is the setting up of inter-ministerial meetings to promote a co-ordinated approach to heritage, culture, tourism and environmental matters, including the Upper Rock. The Government attaches a high level of importance to these matters, which it believes are inextricably linked. This is part of the Government’s manifesto commitment to conduct certain important projects through inter-ministerial committees.

1705 Also, Mr Speaker, I have set up an expanded Tourism Advisory Council. The Council has now met on two occasions this year, on 11th April and 31st May, and will also be meeting again this month. By far, Mr Speaker, the most consistent theme in respect of feedback from the Council has been the need to stop talking about it and to actually really invest in Gibraltar’s tourism product and the sites, and embrace on-line marketing tools. It is because, Mr Speaker, that we do actually listen and action what our professionals and the people on the ground tell us, that we have done precisely that in this, our first Budget.

1710 Mr Speaker, I now turn to another of my Ministerial responsibilities, which is Commercial Affairs.

1715 In line with yet another manifesto commitment, I have been appointed as Minister with responsibility for small businesses. The first order of business, Mr Speaker, was therefore to establish effective communication with businesses to encourage entrepreneurship. To nurture this, Mr Speaker, a Small Business Board that I chair has been set up and, like the Tourism Advisory Council, we meet regularly. It has been set, Mr Speaker, to help and foster development and continually review the needs of small businesses. But much more important focus than that, Mr Speaker, is the opportunity for the Small Business Board to actually make recommendations that I can then put to the Government for the Cabinet to consider and report back to them, so that main street traders and people with a vested interest in business can actually have a direct door to Government.

1720 In addition to this, Mr Speaker, a Business Support Unit has been set up within my Ministry and the aim of the Unit is to offer help and advice to businesses that have either relocated to Gibraltar or have already set up in Gibraltar but require nurturing. The unit is currently being resourced and should be operating in the very near future.

1725 Further, Mr Speaker, it is clear now that a complete review and overhaul is necessary and is currently underway in respect of consumer related legislation. This is in response to calls from both the Chamber of Commerce and the Gibraltar Federation of Small Businesses (GFSB), that current legislation, in particular the Trade Licensing Act, should be reviewed. It is my intention, once this review is completed, Mr Speaker and subject to the recommendations received, to establish an Office of Fair Trading that will encompass the existing consumer protection. The aim is to protect consumers from traders which are unscrupulous and it is anticipated that the legislative framework will be ready to be presented to Parliament within one calendar year.

1730 In the interim, whilst this review is underway, computerisation of the procedures of the Trade Licensing Authority will commence shortly. It is the intention to make the whole process more user-friendly.

1735 Further, Mr Speaker; I am delighted to announce in this House that a Bill is now ready to provide for two additional members of the Trade Licensing Authority, whilst the review is undertaken, to be appointed after consulting the Gibraltar Federation of Small Businesses. This, Mr Speaker, corrects a historical discrepancy and rightly recognises the rightful place of the GFSB as a vital umbrella organisation for small and medium-sized enterprises.

1740 I now turn, Mr Speaker, to another responsibility which affects all of us, which is transport. Indeed, Mr Speaker, I am happy to note that the Government continues to meet its manifesto commitments in the transport sector, very much it would appear, to the utter dismay of the Hon. Mr Figueras, given yesterday’s Budget contribution.

Within weeks, Mr Speaker – and I am delighted to be able to tell the Hon. Mr Bossino this – a route was put in place to take passengers from Market Place to Both Worlds. This was to meet the self-evident

1745 demand of a sector of our community, those that live in the area and especially the elderly resident of Both Worlds, who did not have adequate public transport and had been neglected by the previous Administration. This is not to mention, Mr Speaker, the fact that it was also the GSD that removed parking for residents.

1750 You see, Mr Speaker, how we can justifiably highlight the shortcomings of the previous Administration and show that we govern at the same time. How we can criticise and govern simultaneously? I know that the Hon. Mr Bossino, will take particular delight when I tell him that the route has been operating now very successfully, since we instituted it two weeks after being elected.

1755 But Mr Speaker, in what has become the hon. Gentleman's opposite characteristic political opportunism, he issues no less than two press releases to criticise the start of the bus route – all of this, Mr Speaker, whilst there were letters from residents of Both Worlds – long-suffering residents of Both Worlds – without transport to their place of residence, writing letters to the press thanking the Government for correcting the unfair situation created by the GSD.

1760 Mr Speaker, even the former Director of the Gibraltar Bus Company, in an extensive interview to the Panorama acknowledges the benefit of the route! Never in the modern history of Gibraltar has a newly elected MP been mentioned in so many letters, in such a short space of time for its position on a question of policy.

1765 Another manifesto commitment that has also been met is the revision of the 'club card' system that had been established by the previous Administration. As from 1st May of this year, Mr Speaker, bus transport has been free, on routes 1 to 4, only for residents of Gibraltar and those holding Gibraltar ID cards and other approved identification documents. These include of course, MoD personnel posted in Gibraltar and their registered dependants.

1770 And much, it did appear at the time, to the chagrin of the Hon. Mr Bossino – but then, Mr Speaker, we are used in this side of the House to the Hon. Mr Bossino complain about everything; he has to say something at Question Time! – cross-frontier workers will also be entitled to free bus travel on production of proof that they have a valid contract of employment and that they are up to date with their taxes. As previously noted, Mr Speaker, this system has the beauty of ensuring compliance with the employment laws and that taxes and social insurance are paid.

1775 Like the truly responsive Government that we are, Mr Speaker, the Government constantly monitors the routes that are operated and facilities provided, to ensure that they meet the demands of the bus users. Only recently, a new request bus stop has been introduced at the junction of Prince Edward's Road with Castle Road and Flat Bastion Road to service the Upper Town. In addition, and after listening to the concerns of the neighbours, a bus shelter has been scheduled to be erected at the top of Tank Ramp.

1780 Further, Mr Speaker, as the House will know, the large buses that are operated by the Gibraltar Bus Company are now around nine years old and are powered by old technology engines that are not as efficient as those being produced now. In fact, the cost of maintaining these buses is now running at approximately £30,000 per month and has cost the taxpayer, since 2005, around £1.5 million. The spending of continually repairing the old bus fleet, Mr Speaker, is clearly unsustainable and the Government is committed to reducing the running costs of the Company as much as possible, without of course affecting the valuable service to the community that the Company currently provides.

1785 It is a damning indictment, Mr Speaker that the Gibraltar Bus Company Limited should have cost the taxpayer approximately £2.3 million in one year alone – not 'headlines', Mr Speaker as the Hon. the Leader of the Opposition said in a GBC call-in, but actual and dreadful accounting facts.

1790 The Government is committed to replacing the bus fleet – I am sure that the Hon. Mr Figueras will now be delighted, because he mentioned it yesterday – with environmentally friendly buses that will reduce emissions and are more in line with *our* environmental policies, Mr Speaker. In this respect, I am delighted to announce – once again, to Mr Figueras – that the Government has today issued a tender for the bus fleet replacement. I am sure he will now pore and read the wonderful things that are stated therein, Mr Speaker.

1795 But I will tell him now anyway: as part of its sustainable development and Euro 2020 objectives, we are inviting tenders for the supply of midi-sized eco-friendly buses. The successful tenderer will be responsible for the delivery of 18 to 20 eco-friendly buses. Very importantly, Mr Speaker, the successful tenderer will also be responsible for the training of the staff at the Gibraltar Bus Company Limited and any other staff associated with the operation and maintenance of the buses and would further be expected, crucially, given the figures I have just announced, provide an after-sales supply of spares for repairs, maintenance, and servicing of the vehicles.

1800 The Government is seeking to procure high quality, competitively priced, low carbon emitting vehicles capable of journeying the existing and any future routes, except for those routes serviced by the mini-sized buses servicing the upper town area, whilst complying with all relevant Gibraltar and EU laws governing traffic and transport issues.

1805 Mr Speaker, our commitments in transport do not stop there. I will carry on for the benefit of Mr Figueras.

1810 I am also delighted to announce today, changes to the current routes operated by the Gibraltar Bus Company, all of this in seven months, Mr Speaker, and he thought we had done very little. This has been done in consultation with the public and taking into account the many complaints and representations that have been received, the new routes have been designed in an effort to improve the service that is currently being offered and to meet the complaints received.

1815 I must further point out, Mr Speaker, that the new routes are not set in stone. We will constantly be monitoring them and if the public have any comments, they can, as they have done over the last seven months, either come to meet me personally or write to me by e-mail.

1820 In the first place, Mr Speaker, I can announce that negotiations have been successfully concluded with the other company that operates Route No. 5, the frontier route, to introduce free bus travel for pensioners on this route. This meets, Mr Speaker, another manifesto commitment.

1825 On enabling this private operator at this juncture to exclusively service Route No. 5, the Gibraltar Bus Company Ltd has been able to redeploy the buses currently used in that route to improve the service, but in addition, Calypso Transport Limited has agreed to carry all pensioners that are resident in Gibraltar free of charge. It is envisaged that free bus travel for resident old age pensioners in the route will commence on 1st August of this year.

1830 The improvements to which I refer, Mr Speaker, will see an additional bus used on Route 2 to increase the passenger carrying capacity of this route. Route 4 will have its frequency increased by the addition of two extra buses to operate the route. This will mean that although the frequency will still be 20 minutes, the extra buses will provide greater passenger carrying capacity.

1835 Further, Routes 3 and 4 have been revised to offer a more efficient and effective service that should address the concerns by residents of the South District travelling into town and to the hospital. It is also the intention to further improve Route 7, the Mount Alvernia route, by increasing the length of its route and frequency. This is a longer-term project, Mr Speaker, that I am discussing with my hon. Friend the Minister for Social Services and Equality, Miss Sacramento.

1840 All the changes that I have mentioned, Mr Speaker, have already been approved by the Transport Commission and the necessary administrative procedures are currently being carried out to give effect. It is intended that all of these new changes will come into effect by the end of August at the very latest.

1845 Now, of course, the public will be informed of all the changes through the media as usual.

1850 In addition Mr Speaker – there is more for the Hon. Mr Figueras – the Government is also working to introduce a bus tracking system and a pilot scheme is currently working in a test environment. This is a web-based system that will enable users, via their computers, to see the bus routes and the location of any bus on a route on a real-time basis.

1855 Mr Speaker, moving on from buses to taxis, a lot has been said, especially during this Election campaign, about the service of taxi drivers and the need to ensure a fully serviced city service. I am therefore glad to advise this House, Mr Speaker, they are more than just words or threats by the Hon. the Leader of the Opposition in the last General Election campaign; I am in fact meeting regularly and working with the Gibraltar Taxi Association to improve the service available to the community as a whole.

1860 With this in mind, Mr Speaker, the Government is assisting the GTA with the replacement of its current infrastructure, including taxi meters. The new system will include GPS technology incorporated into the taxi meter which will enable the nearest taxi to be dispatched after a telephone request. This will ensure that response times are shorter and the service maximised and improved.

1865 The GTA, Mr Speaker, is firmly committed with the Government, to improve the city service that is being provided to ensure that we have a public transport service that the whole of Gibraltar can be proud of. Plans are being finalised to deploy Transport Inspectors, and the role of the Transport Inspector, Mr Speaker, will be to ensure that all public transport operators, buses, taxis, coaches, all of them deliver a service that is up to standard and meets the expectations of the general public. The officers will be appointed under the Transport Act and will have, amongst other powers, the ability to issue on-the-spot fines to public transport operators who do not comply with the law.

1870 I now turn, Mr Speaker, to one of those ‘vision things’ that had, and still have, the habit of going so horribly wrong under the GSD and at which the Hon. Mr Figueras will metaphorically ‘tap dance’ – the GibiBikes.

1875 Mr Speaker, whereas I had finished the Budget address earlier this week and I was quite happy with it, after hearing the startling remarks of the hon. Gentleman opposite, I had just to go back to the office and re-write this part of my speech! It just appears Mr Speaker, the hon. Gentleman either did not hear what I told him in answer to a question, or did listen to me but decided to ignore everything that I told him.

1880 But given that he seems to have forgotten what I told him, or had heard what I said and ignored it anyway, and given that he raised the issue again in public, let me remind him what happens, what are the perilous consequences when you use capital money and you rush a project purely and exclusively for electoral purposes – because if the hon. Gentleman opposite is telling me that a programme that starts on

27th November 2011, a few days before the General Election, is not a political gimmick, Mr Speaker, then nothing is! (**Several Members:** Hear, hear!) (*Applause*)

1870 Let me also remind him now, so that he knows that this Government actually cares once money is spent, how we continue to use it. Let me remind him what I told him in answer to Question 352 of this year. At that date, there were five stations down, damaged locks, sparsity of bikes at peak hours; stations out of action and other problems. Stations at City Hall; Orange Bastion; Europort, having to be restarted manually several times during the day because they were breaking down. At the Frontier, of a potential  
1875 45 locks available to clients, only 12. Bike availability, from a maximum of 130, 18 are locked, 31 have their anti-tilt tags broken and there are no spares to repair them; 12 require spares to make them roadworthy; 22 are in reserve, but these may have problems with their anti-tilt mechanisms, which leaves 47 bikes available to our client-base of 419.

1880 It seems pretty rushed and desperate to me, Mr Speaker, and this so ballyhooed ‘paradigm shift’, trumpeted by the Hon. Mr Figueras in respect of transport – *à la* GSD, Mr Speaker – can only translate into ‘money is no object, stupid; there’s an Election! Let’s just throw money at the problem.’

1885 Mr Speaker, if the Hon. Mr Figueras were politically honest, and he is telling us that his Government gave importance to transport, then an urban bike renewal scheme would have been phased through a first, second, third or fourth term of office, not a few days before the Election is called. So let him not talk to us, Mr Speaker, of paradigm shifts, when it is this Government that has an environmental filter and has been shown in all policy announcements made today, Mr Speaker.

1890 Therefore, Mr Speaker, by any objective standard, the Government is clearly prioritising investment in the right places – in the Port; in the GMA; in Tourism; in Public Transport and Commercial Affairs – that will maximise the creation opportunities for Gibraltar. Not only that, Mr Speaker, but from the outset, all Members of this Government have been accessible to everyone – to all who have sought to meet with us. Within weeks, we have demolished, Mr Speaker, whether they believe it or not, the veils of secrecy of Government and opened our Parliamentary and Government processes.

1895 The Hon. Mr Figueras clearly does not remember that when I was a Member of the Opposition, I only had maybe two or three chances to question the Government, where he has had *many* opportunities, month after month, only after seven months of Government by this Administration, Mr Speaker.

Moreover, it gives me great pleasure to say that over the last seven months, I have been able to rely on the friendship, the advice and the support, Mr Speaker, of every single one of my Ministerial colleagues and I very much look forward to continue to work together for the benefit of our community.

1900 No longer, Mr Speaker, do Gibraltarians have to endure the consequences of an overly centralised system of Government, where one man kept an iron grip on all projects that Government had to deliver.

I take this opportunity Mr Speaker to thank the staff of the Gibraltar Parliament for their kind attention and their patience.

1905 I take this opportunity, Mr Speaker, to note and to thank you personally for your own conscientious rigour and also patience, in presiding over our sometimes quite heated and tumultuous debates in this House and publicly record, Mr Speaker, my own personal opinion of the unfailing fairness reflected in all of your rulings. I, for one Mr Speaker, learnt a lot on reading your various statements from the Chair, in *Hansard*, in preparation for my various Budget addresses.

1910 I also wish to thank all of my officials in my different areas of responsibility, in my Private Office, the GTB, the GPA, the GMA, the Department of Transport and the officials in the Bus Company, for their tireless hard work and dedication and for enduring my not infrequent requests at all hours with such good cheer and sheer determination to achieve the Government’s goals. It is entirely true to say, Mr Speaker, that it would be impossible to have done so much in so little time without their unflinching support, hard work and determination.

1915 (*Applause*)

**Hon. Chief Minister:** Mr Speaker, after that political and literary *tour de force*, it is my pleasure to move that the House do now adjourn to 3.30 this afternoon.

1920 **Mr Speaker:** Is that convenient to all the hon. Members?  
This House will adjourn until 3.30 p.m. this afternoon.

*The House adjourned at 1.21 p.m. and resumed its sitting at 3.30 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON/EVENING SESSION: 3.30 p.m. – 8.45 p.m.

Gibraltar, Tuesday, 10th July 2012

## The Gibraltar Parliament

*The Parliament met at 3.30 p.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Order of the Day

### Appropriation Act 2012 Debate continued

**Clerk:** Budget speeches continue.

**Mr Speaker:** The Hon. the Minister for Enterprise, Training and Employment.

5 **Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, at the top of the agenda of my Department is the reduction in the current levels of unemployment amongst Gibraltarians and other Gibraltar residents – unemployment which is much, much higher than we had been led to believe, and which for the past 15 years, previous GSD Ministers for Employment and the Chief Minister of the time claimed did not exist.

10 Before I explain what has been achieved in the first six months from December 2011 to May 2012, and what I hope will be achievable in the rest of the current financial year, I need to remind the House and the public of the arguments used by the previous Government to defend the deliberate encouragement

15 of the influx of ever increasing numbers of frontier workers virtually every year from 1996 until the 2011 Budget. In that Budget, there was an apparent huge U-turn in policy. The policy of welcoming frontier workers, which had featured for 15 years in the Budgets from 1996 to 2011, was abandoned. A U-turn that I welcomed, the announcement that cleaning companies and building firms with Government contracts were to be required to engage Gibraltarians and other residents, instead of frontier workers, in order to fulfil their Government contracts – this was something that was being introduced for the first time. Previously we had been told: (a) that it could not be done; and (b) that it was not needed because there was no unemployment or because those that were unemployed did not want to accept that type of work.

20 I reminded the Chief Minister then of how his requirement that Government cleaning companies should remove frontier workers from Government offices and replace them with local, which I supported and continue to give effect to, would have been considered by him before 2011 to be a ‘pseudo-nationalistic and racist policy of the worst kind’ to use his own words. I said last year that it was good news that the Government *finally* was doing something to require construction companies that get public contracts to provide employment opportunities to Gibraltarians and other residents, but reminded the House that the statistics of the last 15 years showed a declining Gibraltarian participation in the industry and that instead of acting to address the issue, the GSD response had been to accuse me of manipulating the statistics.

25 So let us look at the statistics.

30 Mr Speaker, the Employment Survey Report 2011, which I have tabled at this meeting, on page 7, Table 24, shows the number of frontier workers identified by their employers as at October 2011. This figure is 7,589 compared to 6,329 in 2010, and if the previous Government is to be believed, the real figure is probably higher. The figure at 7,589 is 1,260 higher than a year earlier in October 2010. In one single year, the increase in frontier workers at 1,260 exceeds the whole increase that took place from the time the frontier opened until the May 1996 Election. That 11-year increase, by comparison, was a total of 1,048.

35 This influx of frontier workers last year was *after* the Government had announced the policy of priority for Gibraltarians and other residents in the 2011 Budget. The U-turn that I had welcomed in fact was no such U-turn at all, but simply paying lip service to putting local residents first because it was an Election year and the results of who was getting the jobs would only be known after the Elections.

40 In the same year that the massive increase took place, we saw an increase in the number of resident workers on the dole, and in those excluded from the unemployment figures by increasing the waiting list for a place on the £400-a-month, so-called Vocational Training Schemes and by the extra numbers joining the schemes in the run-up to the Elections.

45 Let me say, Mr Speaker, that the increasing reliance on an inflow of frontier workers is not a recent phenomenon brought about by the 2011 pre-Election construction boom. On the contrary, it started the moment the GSD came in, in 1996. By April 1996, as I have shown, the total build-up over 11 years of open frontier was 1,048 frontier workers. By October 1996, it had grown to 1,153, an extra 105 in six months. By April 1997 to 1,242, a further increase of 89 – a total of 194 in the first year of the GSD, followed by relentless year-to-year increases culminating in the all-time record of 1,260 extra frontier workers in the last year of the GSD.

50 That process is now ended. In future, we shall see no further increases in frontier workers, unless and until we have exhausted all our own resident supply of jobseekers. This is not what has happened under the GSD.

55 In their first year from May 1996 to April 1997, the total number of jobs in the economy was up by 20. The number of frontier workers in employment increased by 194 and the Gibraltarians in employment fell by 118. So in the very first year, Gibraltarians lost jobs and frontier workers gained them – a story repeated almost every year and denied almost every year, though the figures speak for themselves.

60 The total number of jobs at over 22,000 is not the same as the total number of persons in employment. This, as I mentioned last year, was especially relevant in the case of persons engaged by Community Care Limited as Community Officers. I pointed out last year that the numbers in this category was of the order of 700. The effect of including them as employees was to inflate the number of Gibraltarians in employment, since those concerned, according to the charity, were not employees, were not paid for work done, and an Industrial Tribunal accepted this position. The survey questionnaire therefore no longer includes these persons as part-time employees.

65 For the record, since the GSD has previously argued that their treatment in the past has always been the same, I want to remind the House that when originally included they consisted of people from the unemployed register, who had exhausted their 13-week Unemployment Benefit, were over 60 years old and were engaged on the National Minimum Wage by the charity and required to be available to do up to 80 hours of community service a month and that they totalled some 50 individuals.

70 The system introduced a few years ago altered the Community Officer position allowing him to hold a full-time job in addition to his role in the charity, which meant that the individuals were already included

75 in the number of full-time employees and therefore counted twice. In looking at whether we are providing job opportunities for our own people, it is to the level of full-time jobs that we should look.

Although in 2011 the number of full-time jobs increased by 1,679, a mere 77 jobs were taken up by Gibraltarians, compared to the 927 filled by Spanish nationals at a time when the locals registered with the ETB as unemployed was higher than in earlier years.

80 Indeed, the four-year record of the last administration from 2007 to 2011 is even worse. A total of 2,383 extra full-time jobs, of which 1,048 were filled by Spanish nationals whilst the number of Gibraltarians in employment actually fell below the level of 2007. There were less Gibraltarians in full-time employment in 2011 than in 2007 and 1,548 more Spanish nationals. So much for the success of the last term of office of the GSD.

85 Given that Gibraltarians in full-time employment in April 1996 was 8,164, what we have is a 15-year period when full-time jobs grew by 7,749, out of which a mere 380 went to Gibraltarians. Three hundred and eighty in 15 years, Mr Speaker, an average of 25 jobs a year for our own people out of an average of 560 jobs a year.

90 I anticipate, Mr Speaker, that full-time employment in the economy will, from now on, provide jobs for Gibraltarians and other residents and that the Employment Surveys will reflect this situation at an ever increasing level. (**Several Members:** Hear, hear.) (*Applause*)

This influx, encouraged and welcomed by the GSD Government, has not just taken over large areas of the private sector, but also in the public sector we have seen its effects. The most obvious area to tackle to reverse this trend in the immediate future is the construction industry. It is one area in which we have to provide employment opportunities for our people.

95 In the Budget of 2010, the Government said there were more Gibraltarians in employment in this industry than in 1996, whilst at the same time saying that there was a Gibraltarian psychosis that a construction industry job was not one where Gibraltarians would want to work. Not true. Neither of these statements made in 2010 were true, Mr Speaker.

100 The position in 2011 compared to 1996 is as follows. In May 1996, there were 758 construction workers out of a total workforce of 1,461. In 2011, Gibraltarians in the sector had dropped to 687, even though the number of jobs has risen to 3,276. The ratio of Gibraltarians in our construction industry in 1996 was 61%, compared to 11% Spanish nationals, and in 2011 the proportions were reversed, with 21% of jobs filled by Gibraltarians against 51% by Spanish nationals.

105 I have no doubt that in the next three-and-a-half years the position will change dramatically and I expect to be able to report on the progress in this respect in next year's Budget.

110 In a year when the Government provided almost all the work for the construction sector and told Parliament it was making such contracts, subject to using local labour, the figures shows that the truth was the very opposite of what we were told. Our people on the dole and our money flowing out of our economy. That is what was happening in the construction industry in 2011. The very opposite of what we were told in the Budget.

115 I can tell Members opposite that the policy that they announced, but failed to carry out, is being implemented now. (**A Member:** Hear, hear.) I have no doubt that this year's survey in October 2012 will show record numbers of Gibraltarians in the industry giving the lie to the previous excuse that locals did not want to be construction workers. Indeed, if the Government believed this to be the case, why spend millions over 15 years running a Construction Training Centre to give youngsters construction skills qualifications which, according to them, qualified Gibraltarians for jobs that they did not want to do?

120 The reality is that there are very few of those who have graduated from the Construction Training Centre in the 15 years who have got jobs in the industry today. An exercise carried out by the ETB staff last December to identify the current occupation of graduates of the Construction Training Centre found that there was only one individual in private sector employment in the trade that he had learned after 15 years. So is this evidence of people refusing to take such jobs? I do not accept that this is the case.

125 As I have told this House in the past, the complaints I have had whilst in Opposition was that our lads on the building sites were treated as a minority as if they were the outsiders. This disgraceful state of affairs, rather than being a matter for concern when I raised it here, to the GSD was a matter of pride. The then Chief Minister, in 2009, boasted that there were 946 Spanish nationals employed in the construction sector alone and that the Government was delighted to be providing increasing numbers of frontier workers from the Spanish hinterland with job opportunities.

130 Indeed, he was so proud of this that he even went so far as to say that the actual numbers were much higher than the officially recorded 3,341 for 2009, as if knowing there was illegal unregistered labour from across the border and doing nothing about it was something to be proud of. But I am not surprised that that is how the Government felt about unregistered labour, as I will explain later on.

135 The former Minister for Employment, poor chap, was singing from a different hymn sheet and telling us that he was encouraging employers in the industry to increase their local labour and not rely on cross-border workers. I warned him last year of the risk he was taking in wanting to reduce the number of

frontier workers that was the source of such delight to the former Chief Minister, who by all accounts did not have many other things that delighted him.

140 Little did I know, Mr Speaker, how prophetic my warning was, and later in the year he paid the price and was deselected as a candidate. Maybe his keenness to return to the ETB and work for me as my civil servant is because he knows that I am doing what he would have liked to do, but was not allowed.

145 Mr Speaker, another aspect of this influx of frontier workers is the effect on the Social Security Fund. Spanish frontier workers, or at least those who profess to speak on their behalf, seem to think that they are paying much more in than they get back. This is not the case as there is a recurrent deficit in the fund of £10 million, which grows every year.

150 The Social Security Fund as it stands is not viable. I have raised this issue many times from the Opposition benches. The hundreds of workers who pass through our economy and contribute to the Fund whilst here will one day become pensioners and create a future liability for Gibraltar *greater* than the one feared by the GSD Government as a result of the Civil Service Final Salary Pension Scheme.

I regret it has not been possible to move on this issue, so as to limit the liability at least and ensure that it does not continue to grow into the future. There is a manifesto commitment to act on this and I am still hopeful that it will be possible to bring in the new arrangements during this financial year.

155 There has, however, been progress on a number of other areas which are my responsibility and which we are committed to. The commitment on employment of putting residents first is well underway and producing results with the main area targeted to date being the construction sector.

The minimum wage is being increased in line with inflation and this will be done annually. The effect of this increase will impact on the pay of those currently engaged by the Employment Training Company as a result of the implementation of the Future Job Strategy as from the 1st February, as provided in the manifesto.

160 The Graduate Research and Development Company will also reflect this increase, as will the dedicated Supported Employment Company which starts this month and provides indefinite contracts of employment for those previously on fixed contracts with the Employment Training Company, as I stated in answer to a question in a previous meeting.

165 The Disability Allowance will go up with inflation this month and the intention is that Social Security Pensions and the Minimum Income Guarantee level will also go up every year in line with inflation in the second quarter of the financial year.

170 On the Industrial Tribunal front, the commitment to restore the discretion of the Tribunals to provide a basic award higher than £2,200, as used to be the case since 1992, has now been implemented. The intended reform of the Tribunal machinery to speed up the process has regrettably not yet taken place, but it is my intention to make sure it takes place in this financial year.

The bullying at work legislation and the protection for whistleblowing has already been announced and will also therefore be in place this year.

The commitment on Workers' Day additional public holiday and the restoration of 1st May as Labour Day is already in place.

175 The action on illegal labour is ongoing. Labour Inspectors are continuing to investigate all cases of suspected illegal labour and also conduct random inspections. One early issue that I discovered in this context was the failure on the part of many Government Departments and other bodies to comply with the law in respect of registering vacancies, terms of engagements, or notices of termination. It seems that under the previous Government, this was not considered important and Departments have for years been acting as if the law did not apply to them. This is quite extraordinary considering that it was the GSD Government who brought in on-the-spot heavy fines against employers for such failures, which of course means that employees are illegally employed if the Employment Services does not have a record of them.

180 The requirement of the law is now being enforced, especially in the public sector, and many Departments have been fined as a result. Such fines will come out of their budget and Controlling Officers need to be aware of their responsibility to hold managers to account.

185 It may seem irrelevant since the money comes out from one area of the Government to another, but I believe it is important that the Government sets an example in complying with the law if it is attaching so much importance that it imposes hefty fines on private employers who fail to comply.

190 The other element that was rife in both the public and private sector was an established practice, which the GSD Ministers apparently condoned, of so-called 'passing through' of vacancies. As much as 90% of the vacancies registered with the Employment Service did not exist, particularly in the area of frontier workers and all those jobs had been filled before the vacancy was notified. The vacancies were then posted on the board and many jobseekers had the frustrating experience of being sent to employers where the jobs were non-existent because they had already been filled.

195 This had a number of negative effects, as well as being illegal. It meant unemployed persons lost all confidence in the system and in the people manning the Employment Service and stopped turning up to seek employment through the Service, and that Employment officials were not able to do their jobs properly and help resident workers into work.



200 Action was taken early on to curb this practice, which has been considerably reduced, but not yet eliminated. To this end, the Department is committed to ensuring that the requirements of the law are fully complied with by both the public and the private sectors. Employment registration procedures are being looked at in line with the commitment to produce a one-stop shop and the idea is that registration and notification requirements should be done electronically so as to reduce the delays to the business community and so that there is no excuse for failure to comply.

205 As regards the Future Job Strategy, as I have mentioned in the past in answers to questions, the take-up in the first five months was five partnership agreements, even though it was strictly speaking not required in the first 30 days. By the end of April, this had increased to 29 and by June there are some 100 employer partnership agreements covering 120 employees. There are still some 80 odd VTS placements from before December 2011 with the private sector, which are waiting redeployment to areas of training linked to employment.

210 Clearly, I would have liked to have achieved much more, but I am grateful to those 100-plus employers who support the new system and call on others in the private sector to come forward and follow their example. There is still a long way to go, Mr Speaker, but I expect the numbers to grow steadily during this year. The provision in the Estimates for the three Government companies funded under this head of expenditure is £12 million.

215 In providing funds from the proceeds of import duty to the registered charity Community Care Limited, the provision in the Estimates shows a slight increase – I believe it is from £16 million to £16.7 million. This is on the premise that Community Care will continue with its existing structure as it has been until now. As was mentioned by the Chief Minister in his opening remarks, the commitment is to increase funding substantially, but before we proceed down this route, we are open to the alternative the previous Government has been claiming to have had in the pipeline since 2009. We have not had sight of any such system being prepared or in any pipeline ready to implement either before or after the General Election. We therefore call on the Opposition to produce the option they have before committing further public funds to the present system.

225 This request caused the Leader of the Opposition much amusement in the opening of this meeting. I hope it is an indication that he intends to put his proposals in writing, though it is difficult to see how any such proposals can be implemented without seeing the light of day.

230 The need to ensure a local supply of future job applicants is linked to my responsibilities for training and inward investment. Having identified initially the construction sector as an area where the resident workforce is in a minority, we are now engaged in a limited exercise for assessing the skills pattern of the existing industry and the age, nationality and residence breakdown.

235 This will be supplemented next year, when the 2012 Census results become available, and it will provide a skills audit of the resident population because new questions are being included this year to produce that information. This will be used in order to plan the future skills mix for this industry and at the same time we are looking at ways of increasing the availability of construction skills training to cater for much higher numbers than in the past.

240 The first six months of my Department has been concentrated on ensuring that employers give priority to resident workers in respect of the existing demand for labour. There has been an improvement with the ratio of resident labour on the increase, but more needs to be done to reduce unemployment levels. As we progress on this, the next stage this year in the process will therefore be a greater emphasis on training and more time and resources directed to attracting new activities and job creation.

245 Finally, I will just add in response the point raised by the Hon. Mr Reyes, that the person that he identified as having been selected to be the CEO of the Agency was selected a couple of months before the Elections, apparently because he had been involved in setting the Agency up in the negotiations with the Chief Minister. After the Election, the Agency analysed the cost structure that it had inherited and decided that the cost of this post increased the overheads and that it was an expense that could be avoided, and in the public interest to do so. Therefore the individual was offered, and has accepted, returning to his previous position as Deputy Manager of the Construction Training Centre on his previous pay and conditions.

250 I cannot see what the hon. Member opposite thinks there is wrong in the Government doing that. I would have thought it was perfectly legitimate. If they decided to promote somebody two months before an Election, for us to question whether the job is needed and if we come to the conclusion that it is not, that we keep him in employment doing what he was doing for the whole of his life in the Government until two months before the Election.

255 *(Applause)*

**Mr Speaker:** The Hon. Daniel Feetham.

260 **Hon. D A Feetham:** Mr Speaker, I have the honour of having Shadow responsibilities for the Civil Service, the Public Sector as a whole, Political, Democratic and Civic Reform, Financial Services, Gaming, Justice and Employment.

265 Mr Speaker, the Government has only been in office for seven months and we have been careful during that time to allow the Government enough time to develop their own policies for continued success in areas that are extremely important to Gibraltar and that have already enjoyed considerable success during our tenure in office, areas such as financial services and gaming. In financial services, for example, I note from Minister Licudi's speech to the accounting fraternity, and indeed, to this House yesterday, that their policy is very much a continuation of our own policy, and that is very welcome indeed.

270 It is this party that successfully repositioned the Finance Centre as a compliant, reputable and white listed 'onshore' European Finance Centre, with sustained quality growth and development, and a commitment to the high standards of regulation, probity and safe practice established over the last decade needs to continue. In addition, what we believe the Government needs to do is not only to continue to develop existing business areas, such as insurance, funds and private client work, but to identify new ones.

275 As a person who practises in the area and co-drafted the Collective Investment (Experienced Investor) Regulations in 2005, and indeed had set up about 40% of EIFs before I became a Government Minister in 2007, I welcome the recent amendments to those Regulations and we need to continue to legislate for changing needs of existing business areas.

280 But we also need to identify new products and service areas, identify, pursue and develop links with new country, but safe markets, consider and pursue Double Taxation Agreements where these are deemed desirable, and ensure that relevant Government Departments properly and effectively support the Finance Centre and interact with it in a timely and efficient manner.

285 In this regard, we also welcome the introduction of QROPS legislation, which I say, without trying to be partisan, was drafted by the GSD when in Government and which could not have been implemented in Gibraltar without the conclusion of successful negotiations with the UK Treasury by my hon. and learned Friend, the Leader of the Opposition. Above all, we need to continue to listen to the professionals whose knowledge of their business and the markets in which they operate or want to operate is all important.

290 Mr Speaker, it is still early days, but if the Government does all that then the Opposition will be supportive of it. I am encouraged by what I heard yesterday by the Hon. the Minister for Financial Services, which amounts, in my respectful view, to an acceptance that we should not try and fix what is not broken and it is very much a continuation of the very successful formula that we applied when we were in Government.

295 Mr Speaker, turning to gaming: gaming is a very important sector of our economy. It employs around 2,200 people. From the Estimates we can see that gaming tax and gaming licences alone bring the Government £12 million in revenue. When added to receipts from PAYE, £16 million, and corporate tax relating to the sector, £18 million, the figure is well in excess of £40 million.

300 Those receipts of revenue help fund capital projects, investment in our health, caring and social services. They allow the Government to reduce the burden of taxation for thousands of families, which we believe must be the aim of every government. It is also a sector that has a positive knock-on effect on other sectors of the economy: the housing sector, leisure, retail, office, cleaning services and indirectly on employment in these areas.

305 It is symptomatic of the dire economic situation facing the European nation states today that the United Kingdom, which has thus far championed free trade and has no tradition of state monopolies in the gaming area, should seek to jump on the money-grab bandwagon by proposing to tax bets placed by residents of the United Kingdom with gaming companies outside it. The Opposition will, of course, be supportive of any efforts by the Government to meet this challenge. If it is consulted, or our help is sought, the Opposition will park party politics and provide any help that it can; if we are not, we wish the Government every success in meeting this challenge. It is after all their watch and they are entitled to seek their own counsel. It is not, of course, the first time that Gibraltar or a Gibraltar Government and the industry have faced substantial challenges in this sector.

310 In 2000, Gordon Brown abolished betting duty. It saw the return to the UK of some operators; but within a few years those same operators had returned to Gibraltar. In 2005, the sector faced a substantial challenge from the US. The then Government, under the stewardship of my hon. and learned Friend, the Leader of the Opposition, worked very hard to ensure that the local industry thrived and developed.

315 By being responsive to industry needs, flexible, discerning of who we allowed in, emphasising quality over quantity, and underpinned by high regulatory standards, the sector went from strength to strength and we ended up attracting the remaining large UK operators to this jurisdiction. Today, Gibraltar is recognised as the leading jurisdiction in this area for blue-chip gaming operators. We hope that the current Government can continue with that success under their own stewardship.

320 The Government, Mr Speaker, should do nothing at the moment that may tip the balance in favour of those companies leaving Gibraltar. I have recently been critical of the Government in the way it has handled the fishing dispute and its potential knock-on effect on boardroom decisions as to whether to stay or leave Gibraltar. Even if the UK goes ahead with its decision to tax bets at the point of consumption, the cost and the hassle of relocation back to the United Kingdom and the other advantages in the sector militate against any kind of significant exodus from Gibraltar; but these may be very finely balanced decisions indeed. We do not need ill-advised announcements on Facebook which plunge Gibraltar into an unnecessary crisis, which the Government then attempts to solve by allowing those same fishermen to fish with nets anyway. The gaming industry, Mr Speaker, and Gibraltar does not need it.

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330 Mr Speaker, that is all I intended to say on the fishing dispute in this Budget speech, because despite exchanges across the floor of this House, we have tried to give them the space necessary in order to take Gibraltar out of the current crisis; but I am afraid that it is impossible for me not to refer to the statements made yesterday by the Hon. the Minister for the Environment.

335 Mr Speaker, of all the speeches delivered yesterday, his speech was the best advert and the best proof of the recurrent criticism on this side of the House during this Budget session that the Government is still in Opposition mode. It took the Minister a full 50 minutes, *50 minutes* before he moved on from talking about the GSD Government to talking about what his Ministries were going to do for Gibraltar during the next four years. But it was his irresponsible criticism that it was the 1999 Fishing Agreement that triggered off Spain listing British Gibraltar territorial waters as a Site of Community Importance (SCI) over a decade later that raised eyebrows on this side of the House.

340 Mr Speaker, he may be new to this House, but he is certainly adapting well to the type of cynical political manipulation which the party opposite made its political trademark over the last decade. *(Applause)* *The reality* is that there is no link whatsoever between the 1999 Fishing Agreement – that did nothing more than return the enforcement of the Nature Protection Act to the way it had been enforced from 1991 to 1996 when his erstwhile leader, Joe Bossano, was Chief Minister of Gibraltar and Spain’s listing of part of British Gibraltar territorial waters as an SCI. But, Mr Speaker, if anyone has triggered anything, it is the hon. Member with his ill-advised comments on Facebook.

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350 The Government was elected on 8th December 2011. There were no problems with the way in which the Nature Protection Act was being enforced by the RGP until Mr Cortes, in answer to a complaint made by someone on Facebook that nothing appeared to have changed since the Government got elected, announced, and I quote:

‘The Government does NOT support the 1999 Agreement and has given a direction to this effect to the RGP. I have already taken this up.’

355 So much, Mr Speaker, for Government giving no directions to the RGP in the way the Nature Protection Act is enforced. It is that announcement without careful thought that triggered the current crisis, converting it from a fishing issue to an issue concerning British Gibraltar territorial waters. Despite its seriousness, it reminds me, Mr Speaker, of the immortal words of Hardy to Laurel in the TV films Laurel and Hardy: ‘Well, here’s another fine mess you’ve gotten me into.’ *(Laughter)*

360 Mr Speaker, we accept that the Government has every right not to follow the policy of *our* Government and to replace the 1999 Agreement with something else. I conceded in this House, and so has my hon. Friend, the Leader of the Opposition, that there is more than one way to skin a cat. If the Government had made an early statement in this Parliament carefully setting out its strategy, I believe the issue would have been handled in a different way and the Opposition would have been able to provide its own input and hopefully support any action planned by the Government.

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370 During Parliamentary questions, the Chief Minister sought to palm off Minister Cortes’ comments as not being an ‘announcement’ and that the Government did not need to make an ‘announcement’ because everyone concerned should have read the GSLP manifesto. This is an incredible statement to make when, with virtually every single Government press release, the Government announces the completion of yet another Government manifesto commitment.

Only this morning, the Hon. the Minister for Culture gleefully in this House said that they were now serving up at Casemates bigger and better *calentitas*, and that was another manifesto commitment. *(Laughter and interjection)* Well, Mr Speaker, most of these, when analysed carefully, do not amount to more than a row of beans, or a row of *calentitas*; but on the Fishing Agreement, which with a hostile newly elected PP Government in Spain was important for Gibraltar beyond any environmental concern, we should all have assumed that the manifesto commitment had been complied with, without any announcement either in Parliament or outside it.

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380 Mr Speaker, everything that the Government is doing now, it could have done in December or January of this year. All the meetings with the fishermen, all the meetings with Mayors of the Campo, the experts, they could have held after making an early announcement in this House, which set a reasonable period of

time within which to reach an agreement. In the meantime, the Government could and should have retained the *status quo*.

385 The reality is that for all the bravado, there have been no arrests, no more reporting for process than in the past and we are now told that the Government is working towards a situation where the law is going to be changed for the Spanish fishermen to be able to fish with EU compliant nets. It now, rightly or wrongly – *rightly or wrongly* – looks as if the Government is changing the law (*Interjection*) because of pressure from Spain. That is the legacy of the Hon. the Minister for the Environment which he has left this community in his first seven months as a Minister and I simply do not understand how he, of all

390 people, can talk of triggering an adverse situation for Gibraltar.  
Mr Speaker, turning to Justice. Few can deny that we have made huge strides in the justice system over the last four years. (*Interjection*) The cornerstone of our policy was the construction of a new Prison and the construction of magnificent new Law Courts which have nothing to envy the best courthouses in the United Kingdom.

395 Mr Speaker, the New People, the mouthpiece of the party opposite, recently bemoaned the cost of the Law Courts, the apparent luxury in which members of staff now operate, and that we, the GSD, had gone ‘overboard’. It concluded by saying, and I quote:

400 ‘The dignity and professionalism of our justice system is reflected by its work and by the judiciary, it does not need to be adorned by glitter.’

Well, Mr Speaker, when the President of the Courts recently, on the occasion of the visit of the Earl and Countess of Wessex, partly credited the magnificent Law Courts to, and I quote:

405 ‘the vision of the current Minister for Justice...’

I half expected the Minister to raise his hand and say, ‘My lord, it is not my vision. We believe it is all terribly expensive and adorned with glitter.’ The reality is that the Law Courts are an investment for now and the future and will serve this community for the best part of a century; and yes, it was a ‘vision thing’ and we are very proud of it. (*Applause*)

410 Added to that, we also saw, during the last four years, a huge amount of legislative reform to modernise the way business is conducted in our courts, by the Police and by prosecutors, and in this regard we note the commitment announced yesterday of the Government to commence the Criminal Procedure and Evidence Act and the Crimes Act in October of this year.

415 Our Criminal Offences Act and our Criminal Procedure Act are woefully out of date and patently unfit for purpose. I quite understand that the Government may wish to make some amendments to the two new statutes, but that really does not justify the delay that we have seen and continue to see with the commencement of both Acts. The reality is that the real cause of the delay is the muddle that the Government got itself into in relation to the age of consent. Our criminal justice system is still paying the price for the party opposite wanting to be all things to all men; wanting to be progressive socialists on the one hand, and also Christian socialists, as the Chief Minister described themselves during the General Election, on the other; of wanting to appeal to the gay lobby and the evangelicals at the same time.

420 The reality, Mr Speaker, is that once the Supreme Court made its decision effectively lowering the age of consent to 16 for homosexuals on constitutional grounds, even those on this side of the House with reservations based on conscience accepted that decision and voted in favour of the Crimes Act. Once the Supreme Court made its decision, the issue ceased to be one of equalisation. The issue was whether it was justified to increase the age of consent, which had stood at 16 over 200 years, to 17 or 18. The Hon. the Minister for Justice made that concession yesterday during the course of his speech, but that is something that I have been reminding this House and saying, both inside this House and also outside this House, for the last two years.

430 In the most cynical, Mr Speaker, example of the hon. Members opposite wanting to be all things to all men, since their now infamous ‘yes, no, maybe, vote your conscience’ debacle on the new Constitution, they abstained on the Bill and delayed the commencement of the Act because they said that they wanted to consult. Let us be clear about it. What they wanted was not to offend anyone prior to a General Election – that is what they did not want to do. Anyone analysing the situation could have predicted the results announced by the Hon. the Minister for Justice yesterday that the Government would leave the age of consent where it is. The consultation exercise was nothing more than a smokescreen to justify the parties’ opposite cynical political ploy of not alienating anyone before the last General Election.

440 The result, Mr Speaker, is that we continue to have on our statute books today provisions referring to intercourse between idiots, imbeciles and defectives. (*Interjection*) We continue to have laws where rape can only be committed on a woman, where girls are afforded greater protection than boys, where an indecent assault on a boy is only two years maximum sentence, where an indecent assault on a girl under the age of 13 is five years, and over that age is two years, and where there is no offence of grooming or

proper offences governing abuses by carers in positions of duty in relation to children and the disabled. In this day and age, Mr Speaker, that shames our criminal justice system.

445 The hon. Members opposite are proud of their Apple Macs and their iPads and of continuously demonstrating how modern Government has suddenly become; but they should also know that in this modern day and age children need protection from predators on the internet. Grooming of children on the internet by predators is as much a reality as their iPads and Apple Macs and tweets and Facebook. It is that protection that parents want.

450 Under the Crimes Act, grooming is an offence punishable with a maximum of 10 years' imprisonment. So are offences by those in a position of authority or care in relation to vulnerable children or the disabled. The rape of any child is punishable with life imprisonment and rape can be committed in ways which are not catered for by our present legislation. The sexual assault of a child carries with it a maximum of 14, not two years as at present, and rape can be committed on any person of whatever gender.

455 By delaying the implementation of these Bills, or the Act I should say, because of the age of consent issue, we have risked allowing a paedophile who gets caught ending up with a wholly inadequate sentence. It may make a difference to a child or a family of an abused child; it may make a difference to others acting as a deterrent in the future. I have tried not to politicise this issue over the last seven months and I believe, Mr Speaker, that out of all of the Members opposite, if anyone can continue with our constructive legacy in this area, the Hon. Member, Mr Licudi, can. (*Interjection*) But, the way in which the party opposite has manipulated the age of consent issue, despite the potential consequences, is nothing short of shameful. (**A Member:** Hear, hear.)

460 Mr Speaker, we are also now at a stage where with all the improvements we have seen in the justice system since 2007, there can no longer be any more excuses for delays in criminal cases, or indeed civil cases. I know that significant inroads were made, and indeed continue to be made into the backlog of criminal cases. It would help if long committals became a thing of the past through the commencement of the Criminal Procedure and Evidence Act, but the delays being experienced by civil practitioners in the listing of quite simple applications is not justified, particularly after all the resources that have been ploughed and continue to be ploughed by the Government into the Court Service.

465 Applications should be listed within a reasonable time and I welcome the announcement made yesterday by the Minister in this respect, but cases should also be heard within a reasonable time. Telephone calls and messages should be answered within a reasonable period of time. I know from my own time as a Minister that there are very good people indeed within the Court Service, but I also know from a short few months in practice and from talking to practitioners, that there is very significant frustration by practitioners in these areas. (*Interjections*)

470 The Court Service has been in a state of flux over the last few years with so much going on. The Court building, however, Mr Speaker, has now been completed and it would be a terrible shame if we did not improve in these areas. I give the hon. Gentleman notice that after the first anniversary of election into Government later on this year, these issues will be issues that we will focus on at Question Time. By then there would have been sufficient bedding time, and in the words of the former President of the Courts on the occasion of the inauguration of the Supreme Court in March of last year, 'there cannot be any more excuses'.

475 The Hon. Minister can count on me for whatever assistance or confidential advice he may want from me (*Laughter*) in relation to any improvements in the system. Yesterday, Mr Speaker, he congratulated the Hon. the Chief Justice on being made a bencher in the United Kingdom. I associate myself entirely with the comments of the Hon. Minister.

480 I also take this opportunity, and hopefully those on that side will associate themselves with my own comments, to congratulate Sir Murray Stuart-Smith on his recent, well deserved award, by Her Majesty, for services rendered to the legal system here in Gibraltar.

485 Finally, on justice, in relation to Legal Aid, we simply do not agree with the recent legislative changes made by the Government which help a handful of defendants in one fraud case. The Hon. Minister for Justice conceded, in answer to a question I posed barely two months ago, that there were also non-fraud cases which are exceptionally difficult and complex. In the premises, the logic for extending the recent Legal Aid rules to exceptionally difficult and complex non-fraud cases is, in my respectful view, unanswerable. Why the Government has chosen to assist a handful of defendants in a fraud case, only they know, but it is certainly not the right and it is certainly not the fair thing for them to do. We urge the Government to therefore do the right thing and extend those rules.

490 Mr Speaker, I now turn to employment matters and I turn to employment matters with some trepidation. Every political criticism that I have made to the Hon. Minister for Employment has been met with a degree of personalisation that is quite irrelevant, Mr Speaker, to the debate, and in my view demeans this Parliament. Some of the points made against me are true; some of the points are not so true. It is certainly true that my father and the hon. Member go back a long, long way and that their joint achievements are rightly a source of pride for him, for my father, for the hon. Member and, indeed,

505 members of my family. I cannot remember ever wearing short pants, either when I was 10, or I hasten to  
 add, at all (*Interjection by Hon. J J Bossano*) but I do concede that I used to follow the hon. Member and  
 my father around absorbing everything he said. Given his feistiness at 73, he probably could take me in a  
 510 *mano a mano* in the anteroom of this Chamber. I would rather, I have to say, take on George Foreman in  
 the Rumble in the Jungle than take the hon. Gentleman on in a fisticuffs in the anteroom of this  
 Parliament.

But, Mr Speaker, the Future Job Strategy is still fundamentally misconceived, both in its planning and  
 also in its execution and it is definitely the biggest political U-turn in political history, and I will be  
 implacable in saying so, despite the attempts by the hon. the Member opposite to personalise the debate,  
 515 peppered with references to my family every time I make that very valid political point, either in this  
 House or outside it. But I will do so, Mr Speaker, as the Chief Minister suggested during the opening of  
 this Parliament, by playing the ball and not the man, and I will allow both the Chief Minister and also his  
 erstwhile leader to play the man.

In their manifesto they promised, and I quote:

520 ‘There will be from 1st February a new dedicated training strategy with a maximum of 3 years and a guaranteed full-time job  
 on completion [...] covered by a contract of employment with a wholly owned Government company. These new arrangements  
 are open to all registered unemployed persons, all vocational trainees, all school leavers and residents on casual and supply  
 terms...’

525 It will be recalled that young people were encouraged to attend GSLP headquarters during the General  
 Election to sign up to the scheme. Mr Speaker, both myself and also Elliot Phillips, the spokesman for the  
 PDP at the time, spent an hour debating on public television with the Hon. the Minister – now the  
 Minister for Justice, Mr Licudi – arguing how guaranteeing employment for 1,100 people in a  
 530 Government-owned company was ruinous, radical in the Soviet sense, and impossible. That Members  
 opposite were guaranteeing permanent employment in a Government-owned company was also the way  
 the commitment was interpreted by many young people in Gibraltar, who gave notice to their employers  
 in the private sector during the Election campaign, because the GSLP were going to employ them in the  
 public sector.

535 It is simply not credible to say, as the Government suggested now, after they had bagged the votes of  
 people, that they never guaranteed a job in the public sector in a Government-owned company and that  
 the guarantee was limited to the private sector. It is one of the most cynical political manoeuvres I have  
 seen performed *ever*.

We now find, Mr Speaker, that in reality, firstly, there is no new training scheme as suggested in the  
 manifesto, just the same training schemes that were there before the Election, which my hon. Friend, Mr  
 540 Montiel presided over when he was a Government Minister. In many cases no ‘dedicated training’ is  
 being delivered at all and trainees are just collecting their £750, but nothing is done to prepare them for  
 the future. Mr Speaker, it is not about paying people more; it is about training them for a job and for the  
 future.

545 Secondly, no one is guaranteed a job in a Government-owned company after their training.

Thirdly, the private sector is expected to take on trainees and ‘guarantee’ them a job by signing a  
 contract with the Government repaying the cost of training if they are not taken on permanently – an  
 unattractive proposition for the majority of employers. If this had been made clear at Election time, Mr  
 Speaker, people would have seen through the scheme.

550 Fourthly, only a selected very few unemployed have been allowed onto the Future Job Strategy  
 Scheme – most of them, Mr Speaker, people who had already been trainees on 8th December and ceased  
 to become trainees during the course of their tenure in office. The vast majority of the unemployed have  
 not been allowed onto the scheme as promised in their manifesto.

555 Fifthly, even if the unemployed are allowed onto the scheme, it will be by invitation only, not by  
 right, because there would be a need for an employer willing to train that individual and sign a contract  
 that ‘guarantees’, and I use the term loosely, that individual with a full-time job at the end of his or her  
 training.

Mr Speaker, increasing the pay of trainees is obviously popular and we welcome it, but it does not  
 provide trainees with the long-term job security, it does not prepare them for the future and it is a big  
 560 concern, certainly on this side of the House, that people may be expected to remain as ‘trainees’ on the  
 minimum wage in perpetuity, or sacked if they cannot be placed in permanent jobs. In this regard, we  
 note that only 11-month contracts are issued and we wait to see – *we wait to see* – how many people are  
 provided with worthwhile jobs and where.

565 And to boot, the position of the Hon. the Minister for Employment continuously shifts on this issue,  
 almost on a monthly basis. In January of this year, the hon. Member told me that despite the clear  
 manifesto pledge, the unemployed would not be allowed onto the scheme until the summer. A month ago,  
 he told me a few unemployed had been allowed onto the scheme. We are very happy, Mr Speaker, for

that very lucky minority. Whether they were chosen ‘*a dedo*’ – a term used by the Chief Minister on a number of occasions in this House – from those who signed up to the scheme at Election time at GSLP headquarters, or not, the reality is that they have not kept to their promise to the unemployed.

570 At a recent debate on ‘Viewpoint’, the hon. Member said that unemployment would be eradicated by the end of this year. We hope, Mr Speaker, that he succeeds in that enterprise for the sake of all those people on the unemployment list who were promised a job on the minimum wage in a Government-owned company at Election time.

575 The Future Job Strategy and the Public Service: what we will watch out for, Mr Speaker, is the dumbing down of the entrance requirement to the Public Service. One thing is guaranteeing trainees a job in a Government-owned company; quite another is to dumb down the entrance requirements to the public sector in order to save the hon. Member’s political bacon, because he has to place all these trainees whom he promised a job and guaranteed a job at Election time.

580 We note that the hon. Member said in answers to my questions that he personally believed that if you are good enough, you should be allowed into the Public Service, whatever the entrance requirements. When pushed on whether that was Government policy he said – oddly, as he is accountable only for Government policy – that that was his personal view, but would not be drawn on Government policy.

585 When I asked Mr Linares that very same question in respect of cadets who were placed in the Culture Department, he would not be drawn either, and just referred me to the answer provided by Minister Bossano – although I note that in an unguarded moment, the Minister for Culture did say that placing cadets within Government Departments was designed to give them, and I quote, ‘an edge’ when the time came for them to apply for those vacancies that arose within those Departments.

590 Mr Speaker, the entry requirements to the Public Service cannot be dumbed down in order to make up for an ill-conceived Future Job Strategy policy. It is also hugely unfair on the people who were not trainees on 8th December 2011 and will not be provided with a level playing field when they try to improve their situation in life.

595 Gibraltar, Mr Speaker, is a small place and there are already reports coming to us from concerned applicants in respect of four Information Officer posts recently advertised within the GDC. It appears 290 people applied for these vacancies, together with two other vacancies as Coach Park Attendant and in Accounts. Dozens of people were interviewed.

600 The information that we have from the dissatisfied is that the Board apparently selected four candidates and that the Minister for Employment has insisted that three cadets from the Future Job Strategy be employed on 11-month contracts instead, because all the successful candidates were already employed in the private sector. That cannot, Mr Speaker, be right, and we condemn it in the strongest possible terms. **(Several Members: Hear, hear.)**

605 Young people who are already employed should not be the victims of ‘undeliverable’ promises made by the Government at Election time in respect of the Future Job Strategy. They are also entitled to better themselves and seek opportunities for development and progression. These are not isolated examples, and it appears, despite denials from that side of the House, that there is a systematic attempt to ensure Future Job Strategy cadets get preferential access to the public sector at the expense of those already employed in the private sector. Mr Speaker, I know that there have been representations made to the Hon. the Chief Minister in this regard and I sincerely hope that the Hon. the Chief Minister gets to grips with this situation and reins in his colleague, the Hon. the Minister for Employment.

610 I turn to unemployment. Mr Speaker, during my hon. Friend, the Leader of the Opposition’s tenure as Chief Minister, the number of jobs in Gibraltar went up from 12,975 to 22,247, an increase 9,272 new jobs, or 71% and a record number of Gibraltarians in jobs. Mr Speaker, unemployment last year was less than 2% and the economy created 500 new jobs in the last financial year alone, that we were solely responsible for.

615 The Hon. the Minister for Employment has on a number of occasions stated that unemployment was not 421 last year – he has repeated it during the speech today – when we were in Government, but closer to 1,100 because the figure of 421 did not take into account VTS and other trainees or Community Service officers. Mr Speaker, this is a cynical manipulation of the concept of what constitutes an unemployed as one is likely to see. We disagree fundamentally with the notion that if someone is being trained, he is unemployed.

620 The definition of ‘unemployed’ is internationally agreed and recommended by the International Labour Organisation (ILO) an agency of the United Nations, and he should know, and I am sure that he knows, that people on Government-supported training schemes are counted as being employed for the purpose of the definition of ‘unemployed’.

625 Mr Speaker, in relation to Community Service officers, that he says we should have been regarding as unemployed, well, Mr Speaker, we are treating Community Service officers, or we treated Community Service officers as exactly the same, in exactly the same way as they treated it, or he treated it when he was Chief Minister for 8 years.

630 Mr Speaker, one of the best indicators of whether there are more or less people in employment today is by references to applications received for Unemployment Benefit in the first six months of this year. According to those figures published on the Government website, there were 435 applicants for Unemployment Benefit in those six months and 364 applications approved, compared to 359 applications received for the same period last year and 319 approved. There is therefore an increase in those applying for Unemployment Benefit of some 21% and an increase in those approved to receive Unemployment Benefit of 14% for the same period this year compared to last year. These cannot, of course, Mr Speaker, be Spanish workers, because they will apply and receive Unemployment Benefit on the other side of the border. These are people who are resident here in Gibraltar.

635 In addition, Mr Speaker, the unemployment figures have always been calculated in the same way and, as I pointed out recently to him in a 'Viewpoint' debate, during his eight years as Chief Minister the average yearly unemployment figure *never* went below 456 in 1995. In other words, the lowest average was 456 in 1995 when he was Chief Minister and the highest during those eight years was 789 in 1993. During the time that the Leader of the Opposition was Chief Minister, the lowest average was 313 in 2000 and the highest average was 483 in 1997, the year after he took over from the Minister for Employment as Chief Minister of Gibraltar.

640 Mr Speaker, the 421 unemployed that there were last year at Election time has to, of course, be measured in the context of a far larger economy and a far larger labour market. Four hundred and twenty-one unemployed last year is far more respectable than the figure of 483 in the last year when he was Chief Minister and presided over a far smaller labour market.

645 Mr Speaker, we have already expressed concern (*Interjection*) that within a month of being elected, well over 300 workers in the construction sector were made redundant, of which 45 were resident workers. This does not take into account redundancies in areas related to the construction sector. The Minister for Employment says this compares with other years. It is, however, obvious that we are seeing more people applying and receiving Unemployment Benefit.

650 We also continue to express concern in relation to the construction sector and the effect that the sudden freeze placed by the Government on construction work as soon as they got elected has had and continues to have on that sector and related sectors. That freeze could have been phased over a period of time and it is simply not good enough, Mr Speaker, for the Minister for Employment to say to me, in answers to questions, that the strong will survive and those that are not will not. It is not true to say, Mr Speaker, as he has said today during the course of his speech, that we had ignored the sector.

655 Mr Speaker, there were very worthwhile training schemes being undertaken by the construction sector and, as he well knows, all of those who completed those courses always found a job in the construction sector. Indeed, Mr Speaker, I can tell you from my own experience as Minister for Justice, that in the last year that we were in office, my Ministry alone managed to place 47 individuals within the construction sector using the Government's Construction Scheme.

660 Mr Speaker, I also need to go off-piste, off my speech, to answer some of the points that the Hon. the Minister for Employment made in relation to foreign labour. He said in his usual pseudo nationalistic and, in my view, misconceived discourse, the same discourse that he has pronounced for the last four years, that there were battalions of foreign workers that were coming into Gibraltar, displacing Gibraltarian workers from jobs that they could have had. Mr Speaker, any starting point for this debate, if we are to have a serious debate, has to be in the context that Gibraltar is part of the European Union, that we cannot prevent anybody from coming here to Gibraltar as long as they are nationals of the European Union and competing openly and fairly in the labour market. We cannot, in addition, prevent companies, if they so choose, from employing anyone they choose as long as they are EU nationals. But, Mr Speaker, even setting the debate into its proper context – [*Technical interference*]

665 **Chief Minister (Hon. F R Picardo):** Even the machines are tired of this, Mr Speaker! (*Laughter*)

*Due to technical difficulties, the House adjourned at 4.50 p.m.  
and resumed its sitting at 4.55 p.m.*

670 **Hon. D A Feetham:** Yes, Mr Speaker, I was placing into its proper context the point made by the Employment Minister about battalions of foreign workers coming to Gibraltar and taking jobs from Gibraltarians.

675 Mr Speaker, but the reality is that, since 1996, the economy has provided or has created over 9,000 extra jobs. Well, Mr Speaker, there ain't 9,000 Gibraltarians and have never been 9,000 Gibraltarians unemployed in Gibraltar! The reality is that, if we have had an economy that has grown by over 300% during that period, that economic growth has actually been serviced, as was inevitable, by indeed a large element of foreign labour. Those 9,000 jobs needed to be, Mr Speaker, in our view, foreign labour because, of course, there were not enough Gibraltarians to actually service that economic growth. But, Mr Speaker, if one actually looks at the unemployment figures for that same period, the lowest that the



690 unemployment figures ever reached, when the Hon. the Minister for Employment, Mr Bossano, was Chief Minister, was 331 during the last two months of his term in office – that is the lowest that unemployment ever got to, the monthly unemployment figures.

695 The lowest monthly unemployment figures when the GSD were in office was in 2000 when the figure reached 280. In other words, unemployment figures have never fallen below 280 in Gibraltar in the history of when statistics were produced in Gibraltar showing unemployment figures. In that context, when you look at that figure of around 300, unemployment figures that have always existed in Gibraltar, and you then compare it to the unemployment figures last year, for example, of 421, the maximum that the Hon. Minister can actually criticise, or the extent of his criticism, is that there were 121 people that  
700 the foreign labour was taking jobs from Gibraltarians, because the reality is that there has always been in the economy a figure of around 300 unemployed, Mr Speaker.

But, Mr Speaker, it is very worrying indeed to hear the Hon. the Minister for Employment talk in the terms that he has spoken today during the course of his speech in relation to foreign labour. I know, as the hon. Lady to my left, and also the Hon. Mr Netto will say during the course of his speech later on, that there is an attempt at wholesale culling of Spanish labour from the public and private sector in Gibraltar. I  
705 include the private sector because we know that there have been employers that have been told, ‘Either you replace your Spanish labour with Gibraltarian labour or you ain’t getting any contracts from the Government.’

Mr Speaker, it is *in the current climate* foolhardy for the Government to allow and the Chief Minister to allow his Minister for Employment to undertake a policy of that nature, because it really is going to lead Gibraltar to more conflict with our neighbours in the future. I ask the Hon. the Chief Minister, Mr  
710 Speaker, to again rein in his Minister for Employment and to take control of a situation that could possibly get out of hand in the future.

Having said all that, Mr Speaker, I accept these are early days and I wish the Hon. the Minister for Employment all the luck in the world in wiping out unemployment in Gibraltar by the end of the year, as he said to me in a recent ‘Viewpoint’ programme, or indeed, by the end of his four-year term.  
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I turn to the Gibraltar Development Corporation. It is certainly true that the GSD Government’s policy in respect of the GDC was that everyone would be offered the opportunity to be appointed to the Civil Service and that our preference would have been for everyone to sign the acceptance of that transfer sent to them in October 2011. Some did and some didn’t. The ring-fence arrangements were intended to apply to GDC posts, or former GDC posts transferred to the Civil Service, *as a group*.  
720

The GSLP Government decided to change these ring-fencing arrangements and narrow them down, so that those who remained in the Civil Service would only be able to apply for promotion within former GDC posts now transferred to the Civil Service and for those who decided to return to the GDC to be able to apply for promotions only within posts which were GDC posts. They gave employees six weeks within which to accept; less, if you take into account the fact that Minister Bossano explained the changes, not at the time of the Election but in a meeting in the John Mackintosh Hall weeks later.  
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Unite the Union at the time took the view that this amounted to a unilateral variation of these employees’ contracts and asked for an extra two weeks. *Two weeks*, Mr Speaker, for its members to consider the proposal. That request for an extension was rejected by the Government, despite concerns expressed in correspondence to both the Chief Minister and the Deputy Chief Minister that employees were being forced to make a choice under duress.  
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Indeed, in the letter written on behalf of Unite, dated 27th January 2012, copied to the Chief Minister, the point was made and I quote:

735 ‘Many of these members feel that they have been bullied into making an abrupt decision and go forward in an atmosphere of uncertainty, distrust and fear.’

Mr Speaker, to make employees feel that way after barely a month in office must be some kind of record. The Government is entitled to change policy, but to give people a few weeks to make a decision as to whether to stay in the Civil Service or move to the GDC or *vice versa*, despite very real concerns that their terms were being unilaterally altered, is not reasonable. To allow employees to continue in an atmosphere of ‘uncertainty, distrust and fear’ is wholly unacceptable and irresponsible. It is surprising, to say the least, that the Chief Minister did not respond to that letter, despite agreeing with me at the last Question Time that any conduct that makes employees feel that way ought to be condemned in the strongest possible terms.  
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745

We note that the Chief Minister is to meet GDC employees and their representatives soon and we urge him to right the wrongs of the last few months. We need to grasp the bull by the horns on this issue. We cannot allow, or *he* cannot allow his Minister of Employment to do so. From answers to questions in this Parliament and his failure to attend Unite functions, or even functions organised by the Government and Unite together, such as the May Day Rally, it must be obvious to him that relations between his Minister for Employment and Unite are not what they should be. It is not normal for a Minister for Employment,  
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with responsibility for the GDC, to refuse to meet Unite or any union, whether he or the Chief Minister have responsibility for industrial relations.

755 Turning to Parliamentary reform: it will be recalled that the Hon. the Leader of the Opposition brought a motion last year for significant Parliamentary reform. The differences between this side of the House and the Members opposite was minimal. It centred mostly or almost entirely on the issue of backbenchers. We were in favour of backbenchers and the hon. Members opposite were against.

760 We repeat our position. We do not believe that there can be meaningful reform of the Parliamentary system of Government and Opposition without the creation of backbenchers on both sides of this House. The Government has advance notice that this is a critical issue for us, as it was last year when we debated the matter.

765 Mr Speaker, Mr Garcia, during his own contribution during his speech alluded – and I was not during the course of my speech – alluded to the fact that that there were now more meetings of the House, and that how could we criticise the way in which they answer questions. And he said this:

‘We have had to endure... They don’t know what we have had to endure when we were in Opposition.’

770 Well, Mr Speaker, I would like to remind Mr Garcia – though I do not know whether he was in fact... well, he was not in fact a Member of this House – that when Peter Cumming was a Member of this House, the Hon. Joe Bossano refused to answer questions because he did not agree with his position on Spain, Mr Speaker! (*Interjections*) So how on earth he can say to this House or to the newly elected Members on this side, ‘they don’t know what we have had to endure’, is beyond me.

775 Mr Speaker, there may be more meetings of the House, but the hon. Members opposite have to answer questions in a meaningful way and they cannot have it both ways. They cannot on the one hand say, ‘We are not answering any questions because the question relates to our manifesto or to a press release or to something we said when we were in Opposition.’ And then, when we ask a question about something within their Government responsibility, they answer it by reference to a press release issued in 2006, identified only by the year and by the number.

780 Mr Speaker, we also urge the Government to accelerate plans to televise the proceedings of GBC. We need to let the public see for themselves what goes on in this place. It is important. I think that in fact, Mr Speaker, the quicker we do so, the quicker we will eliminate from this House some of the excesses that we have seen over recent months, including an invitation, of course, by a Member opposite to me to go to the anteroom of this Parliament to sort matters out.

785 **Hon. Chief Minister:** I think that is the one thing that [*inaudible*] (*Interjections*)

**Hon. D A Feetham:** Mr Speaker, the Hon. the Leader of the Opposition has also asked me to respond to some of the spokesmen on that side of the House, sweeping up, so to speak, on areas that perhaps were missed by Members on this side of the House. (*Interjections*)

790 Mr Speaker, I start with Dr. Cortes. Mr Speaker, Dr. Cortes has, in my respectful view, become the master of the *faux pas* and the unfortunate statement or the unfortunate announcement, as the case may be. He said during the course of his speech, ‘We have a Waste Disposal Report that no one knows what to do with, or no one knows what to do about it.’ Well, Mr Speaker, it sure beats building an incinerator that cost millions, that was too big, that was never used and no one, Mr Speaker, knows what to do with it.

795 Mr Speaker, Mr Bruzon conceded that capital, he said, and I quote:

‘Capital projects had taken place during the GSD years.’

800 But he said that this has come at the expense of Glacis, Laguna and Moorish Castle Estates, and he also said that although Waterport Terraces and Mid Harbour Estates were good estates, others such as the ex-OEM Project were suffering from defects which would, in his words, and I quote:

‘cost millions of pounds to fix’.

805 That is the term that he used, ‘millions of pounds to fix’. Well, Mr Speaker, in my view, the hon. Member is walking on thin ice indeed, because I can see for my part that although the estates on the land reclamation were huge motors for the economy in the late 1980s and early 1990s and did go a long way to deal with a chronic housing problem at the time – I make that concession – we are still, Mr Speaker, living the consequences of shoddy work undertaken at the time and that certainly did cost millions and is still costing millions of taxpayers’ money.

810 But, Mr Speaker, I would have thought that the hon. Member would have learned the lessons of some of the statements that he has made and about overstating his case or shamefacedly exaggerating his case for political gain, because, Mr Speaker, for the last four years he spent in this House arguing and

815 condemning the Government, the GSD Government, for all those battalions of Gibraltarians that were living in Spain and could not afford to buy property here in Gibraltar, only during his first session of Parliament as a Government Minister to concede and to abandon the manifesto commitment of setting up a list for those people because, in his words, there was no demand and only two people had shown an interest.

820 Well, Mr Speaker, I look forward to the Hon. the Chief Minister's reply so that he could identify in the Estimate books where provision is made for all those millions of pounds that we are now going to be spending in relation to the OEM Project because of defects, because of course, what the hon. Members opposite cannot do is make an outrageous allegation that it is going to cost millions of pounds to fix those defects and then not properly draw attention to the Budget book – after all, it is Budget time – and see where provision is made for those defects.

825 But, Mr Speaker, if he has spoken to anyone who lives in any of those estates, I do not understand how he can justify making those comments. Beautification at Laguna, the renewal of playgrounds at Laguna, the sheds, the solving of the perennial parking problem in that estate, the renewal of lifts at Glacis, major roof repairs in that estate. Does he not know that he is misleading the people of Gibraltar when he is making statements of that nature?

830 But, Mr Speaker, what I was absolutely astonished at, *absolutely astonished*, was to hear him say, I think, his point number four:

'I am going to be talking about the building of co-ownership and homes for rental.'

835 Then when he came to talking substantively about his point four, he said:

'I am not going to say anything about it, because there is an imminent press release that we are going to be issuing.'

840 Well, Mr Speaker, here I thought during the hours of sitting down listening to all the hon. Members opposite, that Budget time was precisely for that, to make announcements of this nature. But the reality, Mr Speaker, is that there has been an inconsistency between the statement made by the Chief Minister to this House during the course of his own speech, and the Hon. the Minister for Housing, because whereas the Chief Minister only made a commitment or alluded to a commitment during his speech about building affordable homes – in other words, homes for sale – he said absolutely nothing about homes for rental. So I look forward, Mr Speaker, to reading the press release when, indeed, it is issued.

845 Mr Speaker, I want to finally just simply say this in response to Mr Bruzon, that they are – despite my concessions before about all of the things that they did well – the only party in the political history of Gibraltar never to have built a single flat, a single house, single accommodation on rental for Gibraltarians in the history of Gibraltar. (**Several Members:** Hear, hear.)

850 Mr Speaker, to conclude, in many areas under my responsibility the Opposition has attempted to provide the Government with the space necessary to get on with the job during the first seven months of its term in office. We have no desire to be destructive for the sake of making political capital. However, we have seen a quite cynical U-turn on manifesto promises, such as the Future Job Strategy – promises that they must have known they could never keep when elected into Government.

855 We have seen a Government still in Opposition mode, more intent on trashing the GSD's record than getting on with the job. Not a session of parliamentary Question Time goes by without the Minister for Employment referring to his predecessor Luis Montiel. His attempts to inflate unemployment figures, even when he dealt with those figures on exactly the same basis when he was Chief Minister, just echoes the way the Government unnecessarily keeps the old airport terminal operational for its cynical political purposes (**A Member:** Hear, hear.) at Gibraltar's expense, or the way they continually trash public finances, both in Gibraltar and shamefully, *shamefully* on Spanish TV as the Chief Minister has done, simply because they know it is not possible for them to pay for every single promise that they made at Election time.

860 Mr Speaker, the Chief Minister, Mr Costa, Mr Linares, all went at length criticising the expenditure on the Leisure Centre and the Bus Company, but I did not hear a single one of them stand up in this House honestly and actually tell the people of Gibraltar, 'Look here, these two assets are losing money for the people of Gibraltar. This is what we are going to do about it.' Because if they are truly losing money and it is so bad for Gibraltar, well let them say they are closing them down or tell the people of Gibraltar how they are going to deal with it?

870 It is simply not good enough, Mr Speaker, for them to continuously refer to these entities losing money, but then they do not come clean about what they are going to do when they are in Government. (**A Member:** Hear, hear.)

Mr Speaker, they can fool some of the people some of the time, but not all of the people all of the time. As they move into their four-year term, more and more people will want to cash in their chips of

875 promises made to them at Election time. At some stage, the excuses will dry up and there will be a heavy political price for them to pay. (**A Member:** Hear, hear.)

Mr Speaker, finally, may I add my voice to the voice of both the Deputy Chief Minister and also my learned friend, Mr Costa, in relation to Mr Speaker. Mr Speaker, I have only been a Member of this Parliament for four years, but I have hugely enjoyed my time here and I have always found you to be fair and consistent.

880 Mr Speaker, I also add in relation to... Mr Speaker, this is a point for Members opposite, that I hope that the Inquiry in relation to the disgraceful way in which the tax affairs of Mr Speaker were leaked to the press, that that Inquiry reaches fruition, that that Inquiry is a good thorough Inquiry and that the conclusions of the Inquiry are also made public.

885 *(Applause)*

**Deputy Chief Minister (Hon. Dr. J J Garcia):** Mr Speaker on that note, may I suggest a cup of tea?

890 **Mr Speaker:** Is it convenient for the House to recess for about 10 minutes for refreshments? This House will recess for 10 minutes for refreshments.

*The House adjourned at 5.20 p.m. and resumed its sitting at 5.35 p.m.*

895

**Appropriation Act 2012  
Debate continued**

900 **Clerk:** Budget Speeches continue.

**Mr Speaker:** The Hon. Minister for Equality and Social Services.

905 **Minister for Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, in the same way as my fellow Ministers, it is with great honour that I deliver this, my first Budget speech. I am truly humbled to be where I am today and very fortunate to have been allocated a portfolio comprising Social Care and Equality, both very challenging areas and very rewarding if we get it right – and get them right we will, Mr Speaker, because the people who will benefit from this are the most vulnerable or those who can be at a disadvantage and they deserve to have a Government that gives these issues priority.

910 Mr Speaker, I believe that a society is measured by the way that it treats its most vulnerable. We all saw how the previous Administration gave priority to pharaonic construction and expensive projects, not forgetting our luxury state-of-the-art toilets, as opposed to dealing with pressing social matters. The electorate voted for change, and change they got. Changes have already been made and significant improvements will be seen by the time that I address you again in the next Budget. The time has come to redress the balance and address the shortfalls that the community has inherited from the previous Administration.

915 Turning to the Care Agency, Mr Speaker: the Care Agency is a statutory body that deals with Social Services, including drug rehabilitation, disability services and elderly care. The Care Agency is a monster that appeared overnight in the summer of 2009, amalgamating the Social Services Agency, the Elderly Care Agency and Bruce's Farm, which had previously been run by the New Hope Trust, with no proper direction or proper structure. To those in management, it ended up being an uncontrollable beast that could not be tamed and in the end, slayed the tamer.

920 That the situation is not worse is a credit to the staff whose vocation and hard work have kept the Agency afloat and it is they who have suffered from the lack of support and direction from the previous Government. As with so many other things, Mr Speaker, it was all just a facade: scratch the surface and it was patently clear how superficial the changes were.

925 To put it bluntly, Mr Speaker, the management structure of the Care Agency is awful, and management will agree. In fact, the majority of the employees feel that because of the lack of structure and consultation in the amalgamation process, the situation is actually worse.

930 Social Services' employees felt alienated by management as there was the feeling that management did not understand the nature of the work that they do and team leaders were rarely involved in the decision-making process or with policies. The general feeling, when I speak to employees from Social Services, for example, is that one afternoon they left work at their office at the Social Services Agency and the following day they returned to work at the Care Agency, without knowing what exactly had happened overnight and without being consulted. Well, those who were able to return to work that is. Let us not forget the employees at St Bernadette's Resource Centre who were locked out for trying to assert

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(Interjections) their rights, when the Care Agency attempted to unilaterally change their contractual working conditions.

940 Even now, management is still trying to make sense of things because of the disjointed and haphazard way that both agencies were amalgamated overnight without consultation. There has been no smooth transition or homogenisation of policies even now, and, in many cases, employees' contracts have not even been legally transferred.

945 There are also issues within the Care Agency, such as irregular recruitment of staff and direct appointments being made without jobs being advertised. There are inconsistent job descriptions and requirements for various posts, and indeed, very irregularly, there is even a job description of a member of staff where he was required to report directly to the Minister, instead of the Chief Executive. In fact, there has not yet been a proper amalgamation of the two agencies, in mind, in spirit or in law. Indeed, most employees who were employed *prior* to the merger still consider themselves to be employed by either Social Services or Elderly Care.

950 Bruce's Farm was forgotten in terms of integration and management structure, perhaps because it is hidden up the Rock, out of sight and out of mind, Mr Speaker.

955 More emphasis was given to the refurbishment of the administration building at Johnstone's Passage than to the integration of staff. You will recall, Mr Speaker, that the Hon. Mr Netto in his Budget speech last year made reference to the fact that the office at Johnstone's Passage had had a total refurbishment. Like so many other things done by the GSD, so much importance was given to aesthetics. What a shame that investing in management structure and proper working systems was not given the same importance.

960 One of the greatest shocks that I discovered was that the salaries team at the Care Agency prepare salaries by hand using the antiquated Kalamazoo system. When I was told this, I genuinely thought it was a joke; regrettably, it was not. The Care Agency employs over 500 staff and the salaries of nursing staff and care workers are complicated to prepare because of the many different types of allowances that are paid. The stress that having to undertake this manual exercise causes staff each time that they prepare payroll is immeasurable, and has been expressed to me vociferously.

965 A new salaries computer programme was not commissioned until the end of March 2011, during the last term of the GSD. Its implementation has now been given priority under this Administration and finally training on the programme will commence this week. It is unforgivable that this should not have been done before.

970 Training is an essential component in Social Care. Hitherto, training across the Agency has not been focused on the individual Departmental needs. This is essential when the gamut of service users within the Agency is so diverse. The majority of the care workers do not have basic qualifications. They are the front-line staff of the service, and work with children in care, some of whom have behavioural issues, children with disabilities, adults with disabilities and the elderly in residential care.

975 Of course, there has been training in the past, but going forward, the Care Agency has now set up a team which is dedicated to driving the training and development programme forward and making it more robust, more relevant and more frequent, so that people undergo training as soon as they join the Agency. We have increased the resources in order to be able to focus on training and have introduced a new post, that of a Training Co-ordinator, to oversee the training and a further growth post of a 30-hour training assistant. In addition, we have also supported this new training team with an administrative post.

980 The Generic Core Training Programme has gone from running three times in the whole of last year to currently being in its fourth programme for 2012, and with two further training sessions planned as a minimum this year, and the aim is to develop the Programme further.

985 Furthermore, a Training Strategy Group within the Care Agency has been formed recently. The group is made up of employees from most Departments and at different levels, and they are tasked with identifying the training needs throughout the different Departments of the Agency. The group will also work together towards developing a rolling training programme that will give trainees the opportunity to gain a rounded experience within a Health and Social Care setting. At the end of this training, the trainees will have acquired experience in several areas and provide them with a good grounding to apply for posts.

990 Furthermore, we consider it important that staff should be able to attain qualifications in their field of work and be supported in doing so. Mr Speaker, while there is no doubt that in the majority of cases care staff have a vocation, it is also important that their role is more professionalised and there be accreditation. NVQ training was promised by the previous Administration, but it has been suspended for a long time now. We are determined to give staff the opportunity of gaining this qualification and the training group has identified a new Level 2 NVQ Diploma in Health and Social Care. This qualification will be covering more diverse subjects than the previous NVQ qualification.

995 In order to deliver this new course, the Care Agency is working towards developing the necessary requirements to do so. This qualification will be offered to as many people as possible and the requirements for the provision of the Level 3 NVQ Diploma are also under consideration.

In addition, Mr Speaker, the Care Agency Training Strategy Group is also focusing on the specialist training requirements identified by managers in each Department and sourcing the training to meet these.

1000 Training is the foundation of a good service and it is an area that will continue to expand in order to meet the ever-changing needs and requirements for an organisation of the Care Agency's importance. We will also work together with the GHA School of Health Studies where necessary.

1005 Historically, Mr Speaker, the Care Agency has worked in isolation with very little communication with other Government Departments. In fact, unbelievably, there has even been little communication between different Departments *within* the Agency. Given that there is such a tremendous amount of overlap with other Departments, such as Health, in particular occupational therapy, Education and Housing, very good inter-agency working relationships have been formed recently where people from the different Departments have been working with the Care Agency on a variety of projects in an *unprecedented* manner, resulting in a holistic approach and in a better end product. Unfortunately, due to the problems caused by the lack of planning and provision of resources by the former Administration, the Care Agency is an organisation that has lost all credibility externally and a lot of the staff who work within it have felt demoralised for a long time. Social Care is an important area of responsibility and a lot of attention needs to be dedicated so that its work can be of value and its employees also feel valued.

1010 As against the previous year's budget, the budget for the Care Agency will increase this year by just short of £3 million, slightly less than double last year's increase of £1.7 million. The focus of this increase, in staffing terms, will be much needed key growth posts in Social Services, in the addition of two social workers, more nurses, more care workers, more physiotherapists and increasing the complement in the training department.

1015 There is also a significant increase in the recurrent expenditure in elderly care as a result of the opening of Calpe Ward in February 2012. Furthermore, and more importantly, there will be a substantial increase in the provision of domiciliary care in the community to the tune of £550,000 and I will expand on this in further detail a little later on. There will be an increase in the services provided by Social Care, so not only will this offer support to more people who need it, but as a consequence, it will also in turn increase job opportunities.

1020 To be clear, Mr Speaker, this budget increase is not about throwing money into the service for the sake of it; it is about real investment in key positions, expanding the complement to take the service forward and therefore improving the product that we are tasked to deliver. This Budget reflects a socially just community that invests its prosperity back into the poorer and more vulnerable sectors of society.

1025 Mr Speaker, in respect of Social Services it is abundantly clear at all times, be it in child protection or adult services, that they are continually working on a reactive basis which results in not enough work being done on prevention and Outreach. This we have already addressed. Following an immediate review of the service, in order to alleviate the situation in the short-term, there will be two social worker growth posts in very important fields and an additional administrative post so that social workers can dedicate more time to social work. A further review of the service continues.

1030 One of the growth posts will be dedicated to child protection. This additional resource will permit social workers to undertake much needed Outreach work in the community. It is important to do this work and identify children who may be at risk as it is important to know the cases that ought to be on the Social Services radar. It is only if this team is adequately resourced and staffed that they are able to do this.

1035 The second growth post will be for a social worker who will be dedicated to working in the field of disabilities. It is no secret that for this Government, disability is a priority and this will be the first time that there will be a full-time social worker post specifically devoted to disabilities. (A Member: Hear, hear.) The new social worker will support the person with a disability and their family from birth through to adulthood. This will ensure that the specific needs of the person can be identified and met throughout their life.

1040 This person would, where necessary, be the link with Dr. Giraldi Home, St Bernadette's Resource Centre, the Department of Education, the Employment Service and the GHA. This has been a gap in the services to this vulnerable group of people that this Government is committed to ensuring will be met by effective inter-agency work and clear planning.

1045 Significantly, Mr Speaker, St Bernadette's have recently devised a protocol to work with the private sector in relation to the employment of service users. The Care Agency will also work closely with the Ministry for Employment in relation to supported employment. Social workers and care workers, who are the back bone of the service, will be supported by this Government in the important job that they do.

1050 Mr Speaker, the Children Act 2009 was passed in Gibraltar with little consultation with the legal profession or other stakeholders in the field. As such, there are aspects of it which are impractical. There are parts of the Act which are simply unworkable as the necessary subsidiary legislation and regulations have not been introduced, even though the primary legislation has been in force for over two years. A review of the Act needs to be undertaken. It is significant to note that although my predecessor was involved with this piece of legislation, his own Department, Social Services, was not made aware of the law coming into force, as I recall at the time in conversation with social workers telling me that they were not aware.

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Another gap in the Children Act is that it introduces a responsibility for the Care Agency to provide a panel of guardians *ad litem*, but nothing has been done about this and this has caused problems. No regulations or mechanisms, nor any panel has been created since the Act came into force three years ago.

1065 Another glaring omission in the Children Act is the lack of provision for a secure unit for children with challenging behaviour. I am referring to the power contained in section 25 of the Children Act in the UK. This provision was actually included in the early drafts of the legislation, but subsequently removed because of the consequential expenses and the implications of the provision. For the previous Administration, an injection of funds to assist a child was not considered important.

1070 It has become clear that this power is indeed necessary and this Government will back this up with the necessary financial resources. Work in introducing this provision into the legislation has already commenced, but more importantly, so has work on the supporting regulations and planning the resources and infrastructure within the Care Agency to be able to deliver the best treatment and support for children who display challenging behaviour. There will be a full review of the Children Act to identify the gaps in the legislation.

1075 In relation to the adult team at Social Services, Mr Speaker, they deal with a lot of vulnerable adults and are now able to work better given the improved relationship, both within the Care Agency and other Departments, and particularly as a result of the reform of the Elderly Care Services. When we took office, Mr Speaker, there was a backlog of Social Services reports for matters considered by the Housing Allocation Committee. This was already addressed some months ago and there is no longer any backlog.

1080 Mr Speaker, the Court Service team is managed by the Adult team and we recognise that the implementation of the Crimes Act will increase duties and pressures on the service and this is being reviewed.

1085 The current Disability Service within Social Services is comprised of the Residential Service at Dr. Giraldi and St Bernadette's Resource Centre. It is intended that the service be expanded to have more resources for the disabled in the community and to develop the service at St Bernadette's for it to be a proper resource centre.

1090 The complement of staff at St Bernadette's was recently increased by four care workers. This figure does not appear in the Estimates, as the requirement arose after the Estimates were prepared and this cost will be drawn from supplementary funding.

1095 Despite what was purported this morning, Mr Speaker, it is not the case that different Government Departments worked together, and particularly not in the field of disability. This is obvious in relation to transfers from St Martin's School to St Bernadette's. It is this Government that has set about preparing a protocol to ensure a smooth transition to avoid problems with transfers from being repeated in the future.

1100 Social Services has this year had a tremendous input with other Government Departments to ensure that there is integration of people with disabilities. A lot of work has already been done at the Elderly and Disabled Pool, which ironically, Mr Speaker, could not be used by people with disabilities because the hoists had not been maintained for years and could not be used. Furthermore, Mr Speaker, this year we have improved the GASA site by enabling access to the sea by the disabled and we have recently installed a hoist.

1105 A final point on how this Government assists those with disabilities: yesterday, we heard the Hon. the Chief Minister announce various tax benefits for the disabled, including an increase in Disability Benefit. I refer to another manifesto commitment on disability, which is to considerably increase the £30,000 budget for orthopaedic equipment. Mr Speaker, given that this is a demand-led expenditure item, the amount voted will be supplemented from the Supplementary Vote as and when required to meet the demand.

1110 Mr Speaker, although there has recently been an improvement within Social Services, it is not at the standard that it should be, but we cannot change everything overnight. I am convinced that if an Ofsted inspection were to have been carried out on 8th December, no doubt the service would have failed. We are now working very hard to bring the service to a compliant standard.

1115 In relation to drug rehabilitation, Mr Speaker, the GSD would have you believe that they had a magnificent Drugs Strategy, but let me make one thing clear, there was *no* Drug Strategy for rehabilitation in Gibraltar under the previous Administration. There was a glossy document published in 2003, but it is nothing more than just words on a page, as in practice very little has been done to implement it. The Strategy establishes a Drugs Reference Group. This was constituted in December 2005; but alas, like the Drugs Advisory Council, it stopped functioning as a group soon thereafter.

1120 Furthermore, the Strategy states that it is a five-year plan and was to be reviewed in 2008. It was never reviewed. It appears that the glossy booklet was shelved after its launch, never to be seen again, and this seems to illustrate the previous Government's attitude to tackling the local drug problem: out of sight, out of mind.

At the moment, Mr Speaker, the only Drug Service that is provided by the Government is the residential service at Bruce's Farm with aftercare. This is a three-month programme where service users, once admitted, are *not* permitted to leave the premises until the programme is completed. Mr Speaker,

1125 there is no rule that says that the 12-step programme can only be done in a strict residential setting. There is just no logic to only having a residential service available as a rehabilitation service, particularly one where the prohibitive manner in which it operates is likely to discourage addicts with jobs and families from taking it up. It is clear from the figures that this residential model – the *only* model made available by the previous Government – by itself does not meet the needs of our community. In fact, it does not even touch the tip of the iceberg.

1130 The statistics speak for themselves, Mr Speaker. There have been approximately 25 admissions a year for the past three years. This is an average of two admissions a month. Not all service users who are admitted go on to complete the three-month programme. The average of those who do complete it is around 15 a year. While effective for a lot of people who have completed the programme, and those who do have nothing but praise for all the staff involved in delivering the service, this restrictive approach is not enough.

1135 On the basis of those statistics, Mr Speaker, and the limited number of people making use of the service, one would be forgiven for thinking that there is no drug problem in Gibraltar. The truth, of course, is the contrary. It cannot be denied that there is a massive drug problem in Gibraltar and certainly that it affects more than 25 people a year. The denial of this reality by the previous Government is *unforgivable* and a concerted effort to implement its own strategy over the years would, no doubt, have alleviated the problem for *many* individuals and their families.

1140 I will illustrate the tragedy of the situation in relation to drug rehabilitation in real figures. Very shortly after taking office, I visited Bruce's Farm and there were two service users there. The following week towards mid December, there was only *one* person in drug rehab. The recurring cost of running Bruce's Farm at the time was more than £½ million a year; in fact, it was over £620,000, Mr Speaker. The number of staff employed at Bruce's Farm will be the same, regardless of whether there are two or 20 service users. For it to be empty at this huge running cost is a crime in itself, as the money could have been redirected elsewhere in order to help more people with drug problems. Bruce's Farm can safely take up to 12 or 14 residents, so it is *our* aim to be able to maximise the use of the resources available.

1150 Since January 2012, the number of residents has increased and has consistently hovered between four and six. It is clear to our Government that Bruce's Farm, as a purely residential model, does not meet the needs of our community and other options need to be considered. This was obvious to me as soon as I reviewed the statistics I have just illustrated, and we have already commenced to provide a Drug Rehabilitation Service in the community by deploying one of the Bruce's Farm counsellors to see people who, because of their circumstances, cannot commit to a period of residential rehabilitation. This has no impact on the treatment delivered at Bruce's Farm.

1155 Already, this simple action of refocusing the service, at no additional cost, has meant that there are more cases being seen in the community than there currently are at Bruce's Farm. It is promising that this is giving extremely positive results already. The indicators are that a community based model would be more effective and expanding this service further is being explored. There also has to be more Outreach support and focus on awareness and prevention, as well as greater support during aftercare to help recovering addicts reintegrate into the community.

1160 Recently, another of the Bruce's Farm counsellors has commenced working with the therapeutic team at Social Services and work has commenced undertaking Outreach work with children and young people. The team is also working on developing a more robust programme of drug awareness, particularly in schools with young people for the coming year. It is *essential* that there be a complete review of the Drug Rehabilitation Service and the resources that ought to be made available. This will be done in consultation with experts and partner agencies, and most importantly, there will be the inclusion of stakeholders.

1170 I have been fortunate to have had many in-depth conversations with recovering addicts and members of Narcotics Anonymous who have approached me since taking office and this has provided me with an understanding and deep insight into the situation. The input from former addicts is the final piece of the puzzle in getting it right and it is important that we, as a Government, work with voluntary groups, such as Narcotics Anonymous, Alcoholics Anonymous and Families Anonymous, so as to get the full picture.

1175 In short, Mr Speaker, the previous Government's Drug Strategy was nothing more than a myth, not to say a waste of money, because not enough people have been able to access the service. Drugs is one of the *biggest* problems that we face as a community and *our* Government recognises that it is also one of the most important things that we need to get right.

1180 Turning to Elderly Care, Mr Speaker, there will be a complete overhaul of the Elderly Care system in Gibraltar. The aim is to have a holistic approach to Elderly Care, with co-ordination and support from different Departments, in order to ensure that there are no vulnerable adults in our community. Changes have already begun in the way that elderly people are admitted into the service. Previously, elderly care had very little co-ordination, even within the Care Agency itself. There was the waiting list for Mount Alvernia, the waiting list for Domiciliary Care, the waiting list for the Elderly Day Centres and the Register of Vulnerable Adults. Each list was held and managed by different individuals with little or no



1185 communication between them. In fact, Mount Alvernia staff were not permitted to make the Mount  
Alvernia waiting list available to the adult team at Social Services, even though they are different  
Departments within the same Agency. Our aim is to have one list for the elderly, whether it be for  
1190 residential services or day services: there will be one point of entry and the person will be assessed as to  
their needs. There will then be co-ordination in order to provide the best service for that individual and a  
dedicated team has been put together to undertake these assessments.

Mr Speaker, when we took office, there was a waiting list for Mount Alvernia of over 580 people. The  
criteria for admission depended on the date that that person had applied, so essentially the person who had  
been waiting the longest would be at the top of the list, regardless of whether there were other people on  
1195 the list with a more urgent need for admission. Mr Speaker, this resulted in a situation which was grossly  
unfair and verging on the ridiculous, in that you could potentially have a fit 70-year-old at the top of the  
list, because they had applied to be admitted on their 60th birthday, 10 years earlier, and yet have a person  
in their 90s with dementia, who was only registered a year earlier, at the bottom of the list. It does not  
take a genius to work out that the latter would never make it to the top of the list, if there were 500 people  
in front of them. (*Interjection*)

1200 The artificiality of the waiting list also meant that staff would dedicate a lot of their time calling  
people whose names were at the top of the list, even though there was no real reason for them to be  
admitted into residential care. Invariably, on a lot of occasions those people at the top of the list felt fine  
and did not want to be admitted, so not only was this system grossly unfair, but this exercise of phoning  
1205 round has for a long time been a waste of manpower. While this policy may have made sense years ago,  
when there were few people waiting to be admitted to Mount Alvernia, at the time when it was run by the  
Mackintosh Trust, it is a fact that the need for residential care has increased tremendously over the years,  
and indeed, it will continue to increase, as we all now living longer.

However, Mr Speaker, while that admission policy may have been what the previous Government  
1210 inherited from the Mackintosh Trust when they took it over in 2000, they had 11 years in which to change  
it and adapt it to meet the requirements of today's society. Instead, they consciously sought not to do so,  
even when the waiting list exceeded 500 people.

To make matters worse, Mr Speaker, what is even more surprising is that the Care Agency Board had  
1215 been advocating that the waiting list be prioritised on a needs basis, as opposed to the date of application,  
and had been requesting that the previous Government change this unfair policy, but it ignored the advice  
of its own Board.

Mr Speaker, this morning we heard the Hon. Mrs Ellul-Hammond say that the GHA Board is where  
all authority lies. Regrettably, the previous Government took the complete opposite view of the Care  
Agency Board and totally disregarded it. As a result of *this* Government's change in the admission policy,  
1220 we have identified a list of people who are in *urgent* need of admission into residential care. These people  
will therefore be given priority as soon as beds become available, and in the meantime are assisted by  
being offered domiciliary care or respite care.

Since having introduced the criteria in January this year, 30 people have been identified as having  
1225 urgent need of residential care; of these, 17 have already been admitted and the remaining 13 have been  
offered respite or domiciliary care. This figure does not include those who have passed away during this  
time.

This shows, Mr Speaker, that the right people have been admitted first. That, Mr Speaker, is how *our*  
Government looks after our vulnerable elderly community, by giving priority to the most vulnerable. Had  
this decision not been taken, then a lot of those identified as vulnerable and in urgent need of admission  
would still be very low on the list, Mr Speaker, and probably would never had made it to the top.

1230 Insofar as domiciliary care, this is a vital aspect in the package of care available to elderly people.  
With the assistance of Home Help, people can remain in their homes and be independent for longer, and  
in many cases this is the preferred option to them than going into residential care. This Government has  
already increased the level of domiciliary care that is being provided in the community, both in terms of  
1235 the number of people it is made available to, as well as increasing the number of hours available to  
previous recipients. This year we will invest a further £550,000 in this regard, so that it can be made  
available to more people. (**A Member:** Hear, hear.) (*Applause*)

Mr Speaker, upon taking office we discovered that there was a waiting list for domiciliary care in  
1240 excess of 300 applicants. Some of these applications dated as far back as 2003, 2004, 2005, 2006 and  
2009. As with the waiting list for Mount Alvernia, we have commenced undertaking assessments of the  
needs of the people on the list in order to identify who would need it the most and therefore prioritise  
them. We will be assessing those who are still with us, Mr Speaker, as regrettably some have passed away  
while they were waiting.

1245 As of 8th December 2011, 98 people were in receipt of domiciliary care, of a total of 925.5 hours a  
week. This figure represents all domiciliary care for elderly, adults and children. At present, there are 124  
people in receipt of domiciliary care, and there is a total of 1,500 hours being provided. This means that  
there has been a total of 26 new people receiving domiciliary care and this figure includes 10 cases where

the provision of domiciliary care has enabled the person to be discharged from hospital. There are also people who previously received a maximum of two hours domiciliary care a day and assessments showed that they required more hours.

1250 In summary, there has been a 27% increase in the number of recipients and a 58% increase in funding in the provision of domiciliary care. This means an overall increase of 42.5%, Mr Speaker.

1255 One of the priorities in allocating domiciliary care has been to people who have been medically discharged from hospital wards, but are unable to go home without domiciliary care, either because they live by themselves or the person living with them could not assist in their care. This resulted in people blocking medical beds in hospital unnecessarily. Previously, funding was rarely made available for this purpose. Very early into our term of office, the Minister for Health was made acutely aware of the tremendous problem with bed shortages in the hospital and, as he has already explained, had swift action not been taken to alleviate the problem, there would have been a real crisis in hospital. Immediately, the GHA and the Care Agency set up a joint hospital discharge team in order to work on a solution to the problem and free up beds, both by identifying people suitable for admission to Calpe Ward and by discharging others home in a safe manner. Even though this was a strategy that GHA bed management had been advocating for a long time, it had not happened.

1260 GHA bed management will refer people, who have been medically discharged to the Care Agency team for assessment on the level of domiciliary care that would be required. At the same time, the matter is also referred to the GHA's occupational therapy team, who will also work on the assessment of aid or modifications that may be required to the person's flat to enable a safe return. This is yet another example of unprecedented collaboration and sharing of information between two Government agencies in order to achieve the best result, and regardless of what the hon. Lady opposite may want to make you believe, Mr Speaker, this working together is an absolute first.

1270 In fact, the feedback from GHA management is that this level of working together is much more conducive to dealing with patient issues. At present, the provision of domiciliary care is subcontracted to the private sector following contractual arrangements entered into by the GSD Administration. Mr Speaker, we have met with that agency and renegotiated the costs that Government is charged to a price that is lower than that which was previously agreed, making it cheaper and thereby enabling more hours to be provided.

1275 Another of this Government's initiatives has been to significantly increase the complement of physiotherapists at the Care Agency. Physiotherapy is an essential part of the package in improving the mobility and quality of life of residents; this is evidenced by the work that has already been done. We recognise that under the previous Administration the level of residential care has outgrown the level of physiotherapy needs provided, especially given the satellite residential care that is now available in addition to Mount Alvernia at the Jewish Home, John Cochrane Ward and also Calpe Ward.

1280 Turning to Mount Alvernia, Mr Speaker, the building is in a very tired and sorry state. An audit of necessary works is being undertaken with a view to making improvements, including the dilapidated balconies which are currently being propped up by the scaffolding that has been there for the past 10 years. At my last visit, I was shown the staff area for the kitchen employees and the facility, in its current condition, is almost inhumane – it is literally a cupboard underneath the stairs. Staff who work so hard are entitled to be treated with more dignity.

1285 What has already commenced is the preparation for the installation of air conditioning in the building following representations made by staff. This was agreed to immediately and I am glad that it was brought to my attention. I last visited Mount Alvernia a couple of weeks ago and the place was already incredibly warm, so I can only imagine how tiring it must be for staff who work in these conditions at the height of summer, given the amount of physical work that they do on a daily basis, and particularly since they cannot open the windows due to the scaffolding. What a shame that this was not undertaken before, given that the cost is relatively low, given the benefit to both residents and staff.

1290 There has been an increase to staff at Mount Alvernia this year, following an initial review of the service. This year, as I have mentioned, will see the recruitment of additional physiotherapy staff and one person has already commenced on a part-time basis. Recently, following representations by staff and the union, an additional registered nurse was added to the fourth floor at Mount Alvernia, given that this is the floor allocated to residents with complex needs and it was felt that additional support was required. This figure will not appear in the Budget because the request was made after the Budget was prepared. Again, it will be taken from the Supplementary Vote.

1295 Other recent improvements to Mount Alvernia include the introduction of a security guard at night. This will, no doubt, give the residents and their families piece of mind.

1300 Another excellent initiative that has been introduced recently, and which users of Mount Alvernia have been crying out for, for a long time, is a dedicated shuttle bus service. I have to thank my friend and colleague, the Hon. Mr Costa, for the addition of route number 7 to the Gibraltar Bus Company, which he added so promptly following representations, and it has been a remarkable improvement for people who

visit Mount Alvernia. Initially it started running on the hour, but soon after that was changed and the bus leaves Mount Alvernia every 30 minutes.

1310 Mr Speaker, there will be a refurbishment of the Jewish Home, which is very much needed. It is dilapidated to the point of becoming hazardous in areas. In November 2011, an emergency floor was opened for an additional four beds to alleviate the bed shortage problem in the GHA, resulting in staff losing their communal area. The home has now exceeded its full capacity.

1315 In addition, there have been long-standing problems with the electricians at the home, to the extent that it has been hazardous for a while for a long time. As soon as I was notified that this was a pending issue, the Care Agency called upon the Electricity Authority to advise, and the premises have now been made safe.

1320 Another example as to why a refurbishment is required, Mr Speaker, is due to some works having been undertaken some years ago. One of the bathrooms was refurbished, but to a layout which is totally inadequate, as the bath was fitted against the wall instead of in the centre of the room and as a result a hoist cannot be used. This means that the bathroom cannot be used and only one bathroom is operational and given the number of residents, this causes problems and delays. The staff working at the Jewish Home feel completely demoralised because of their working environment. The refurbishment works at the Jewish Home will be undertaken in consultation with the Jewish community, with whom I have already met and have agreed to meet on a quarterly basis to discuss matters.

1325 In relation to Calpe Ward, Mr Speaker, by early January 2012 the bed management crisis became apparent to my friend and colleague, the Minister for Health, Dr. John Cortes. He has already explained in his own Budget address the extent of the crisis with bed occupancy levels. What we heard this morning, Mr Speaker, was nothing more than a complete fallacy that the opening of Calpe Ward had no impact on bed occupancy levels. That it did relieve the bed shortage problems, Mr Speaker, is a fact, and it is not circumstantial as they would have you believe. Let me explain the situation, Mr Speaker.

1330 Bed occupancy on the wards at the GHA was at 115%. This means that extra beds had been placed on each ward in order to be able to cater for the bed shortage, resulting in having 34 beds instead of 30 on each ward. However, there was no increase in staff. As a result of Calpe Ward and the domiciliary care initiative, bed occupancy has fallen from 115% to 100% since February. (*Applause*) Bed numbers have now gone back to 30 and this allows a better quality of care to be given to the patients. Mr Speaker, this is *evidence* that we are a Government of substance and not a Government of spin, as they say.

1335 Dr. Cortes opened up Calpe Ward, a ward that has never been used in the GHA other than for elective surgery, when it was used *once* in the period of 2005 to 2006 for a period of 11 weeks for knee surgery, and it has never been used again. It was open to be run by the Care Agency in the same way that it runs John Cochrane Ward in order to alleviate the bed shortage problem. This decision was taken as an emergency measure. Calpe Ward provides 18 residential elderly care beds.

1340 Let us not forget, Mr Speaker, that Calpe Ward has always been closed. Therefore, it has always been available to the GSD to have opened it up for the same purpose that we have done, instead of just adding four beds to the Jewish Home in November 2011. (*Interjection*)

1345 Calpe Ward was opened at the end of February 2012 and this was made possible by the sheer hard work and excellent team work of both the GHA and the Care Agency (**A Member:** Hear, hear.) who collaborated very closely, for the first time, in order to make it possible for Calpe Ward to be opened in record time. The Care Agency staff requirements for Calpe Ward are eight registered nurses and 18 care workers. The Care Agency's costs of running Calpe Ward this financial year will be £746,590, of which £635,346 is staffing by way of personal emoluments, wage related allowances and social insurance. This is a significant factor in this year's budget increase.

1350 Mr Speaker, on my second day in office, I visited the old Royal Naval Hospital site and the building due to house a residential unit for Alzheimer's and dementia sufferers. I was *shocked* at what I saw. I was shown a room, which I assumed was a holding room or a storage room, but was appalled when I was told that it was a resident's room. The next logical question for me was whether there has been any specialist professional or clinical input into the design of the interior layout and I was informed that there had not. To compound matters, the Care Agency management informed me that they no longer had any real input into the design and layout.

1355 In last year's Budget speech, the Hon. the now Leader of the Opposition announced that a block at the old Naval Hospital was being converted into a specialist residential home for people suffering from Alzheimer's and dementia, and this was expected to be ready in October 2011, and that an elderly people's day hospital was being built within the same complex. In his speech, the Hon. Mr Netto announced this project and that it would contain 80 beds for people with dementia and that in addition there would be a further facility to provide a day hospital for mild to medium sufferers of dementia.

1360 Mr Speaker, let me start by providing some background into the residential unit. The initial plans for this building, in April 2010, was that it was to take 58 beds for dementia and eight beds for young physically disabled people. This was then changed in March 2011, where the bed capacity was changed to 80, losing the beds for the physically disabled. In April 2011, the bed capacity was again increased to 90.

1370 Concerns were expressed by management at the Care Agency and the bed numbers reverted to 80, and these were the plans that the contractors were working towards when we took office.

At first blush, to me, as a lay person, the layout of the site did not appear to be fit for purpose. For example, not only did we take issue with the room sizes, not a single room in all of the facility had an ensuite bathroom, not even for infection control. There were insufficient recreational and dining areas and the showers were inadequate, to name but a few concerns.

1375 The inappropriateness of the layout has been confirmed to us by a UK civil engineer specialising in dementia design, who the Government has contracted as a consultant in the design of the unit. The consultant has already visited Gibraltar three times and is in the process of finalising the revised plans for the unit to a facility which will now be fit for purpose, bearing in mind the constraints of the building. The facility will *now* provide a standard of care for its residents more closely designed with best practice.

1380 What was apparent to us, and will be apparent to anyone who reads the report, once it is completed, is that for the previous Administration this was not about people; to them it was just a numbers game.

Mr Speaker, this Government recognises the importance of completing the works to this facility; however, this will not be done at the expense of the quality of the living conditions for the residents. (A **Member:** Hear, hear.) Although the previous Administration initially announced that this facility would be ready by October 2011, and later by March 2012, the reality is that even on their own plans, it would still not have been ready as at the outset the contractor informed me that, all being well, the completion was envisaged toward the end of the summer 2012. The proposed changes will, of course, result in delay, although we have tried to minimise this by redeploying staff to continue works on the exterior of the building and other sites at the RNH, including the mental hospital, and although we have not yet received the final plans, it is envisaged that the facility will be ready for completion by the end of next year.

1390 In addition to the residential facility, the services available to people with Alzheimer's and dementia will be complemented by a Day Centre; whereas the previous Government proposed to have a small unit at the end of the garden of the residential facility for this purpose, we will refurbish Block F at the RNH site specifically for this purpose. The Day Centre will be able to provide a day facility for an average of up to 60 clients a day.

1395 The Day Centre is a pivotal piece of the services available to people with dementia, who do not yet require residential care, as they will be looked after while their family members are at work and this will enable them to remain in the community longer. The GHA and the Care Agency have been working jointly and closely in developing a strategy for dementia and the running of the Day Centre and the team have advised the design team.

1400 Mr Speaker, this morning the Hon. Mrs Ellul-Hammond implied that our commitments are to finish the GSD plans and she listed, among other things, the Mental Health and Alzheimer's and Dementia Hospitals, plans for the Debilitating Unit and the Elderly Day Centre. Let me say that it is and was always planned to have an Alzheimer's and Dementia Residential Unit, never a hospital. Given its advanced stage and the amount of public funds already invested in it, it would be foolish not to do so; but what a shame that we will have to do so much work to make it fit for purpose.

1405 Insofar as the Day Centre, it was to be an Alzheimer's and Dementia Day Centre, but a very small one. The one that we would build, Mr Speaker, is completely different and an improved model, and as for the plan for the Debilitating Unit, what plans, Mr Speaker? Initially, there were plans for eight beds within the residential unit of the Alzheimer's and Dementia Residential Unit – these were scrapped. The possibility of a Unit was explored at Block F, but there were no real plans for this and no works were ever commenced by the previous Administration.

1410 So, Mr Speaker, the answer is that these projects will continue because the investment has already commenced. That is not to say that they will be completed in the same way as the GSD envisaged. I assure you, Mr Speaker, that they will be better.

1415 The Day Centres for the Elderly – I mean ordinary Day Centres, not specialist Day Centres for people with Alzheimer's – are currently run from the morning until approximately two o'clock. They are run by Social Services every day at different locations: Governor's Parade, Albert Risso and the South District Senior Citizens' Club. The purpose of this is to provide a safe and stimulating environment for people living in the community and who otherwise would have little or no company during the day. Breakfast and lunch is provided at these centres, as well as a range of different activities. This Government, as part of its overall strategy of Elderly Care wishes to enhance the service that is provided and extend it so that more people may make use of it.

1420 We intend to have a purpose-built Day Centre at Waterport Terraces, which comprises two commercial units on the ground floor. Although these units had been earmarked by the previous Government, there were no plans or proposals and the units have been empty since the estate was completed a number of years ago. It is envisaged that this Day Centre will take up to 25 people a day and it will offer a range of activities and social interaction to stimulate the users and help them remain independent and living at home for longer. In some cases, it will reduce the need for domiciliary care during those hours.

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The Day Centre will be run on the same principle that it is currently run, although services will be enhanced because of the size of the location. It is also envisaged that it will open until five o'clock in the afternoon. By offering the facility to more people, it will eradicate the current waiting list for Day Centres.

1435 Mr Speaker, I now turn my attention to the Ministry for Equality. This Government has introduced a Ministry for Equality, and for the first time there will be a Ministry dedicated to upholding equality and human rights and addressing all forms of discrimination, and these issues will be prioritised. Equality is at the heart of this Government, as it affects so many people and cuts across so many sectors of society. We believe that it is fundamental that we have a fair society.

1440 Mr Speaker, equality is an integral part of our Government commitment and it will be embedded in everything that we do as a Government. Equality is about equal treatment and equal opportunity; it is about reducing disadvantages and bringing down barriers to build a fair society. It is not about giving *certain* groups an advantage, but rather to *remove* the disadvantage. **(Two Members: Hear, hear.)**

1445 Mr Speaker, the complement to my Ministry has been increased by an additional four staff, with a view to having the people in these additional posts help me deliver this Government's agenda on equality. With regard to disability, we will expand on the existing legislative framework. We will introduce the provisions of the United Nations Convention on the Rights of the Disabled. Work on this has already commenced and lawyers have already been instructed to review the legislation. Work has also already commenced on setting up a Disability Register so that we are able to have the proper statistical information available. We have also met with the Disability Society and the Down's Syndrome Support Group, GHITA and other groups and individuals, and have also established a working relationship with them looking at issues that affect people with disabilities.

1450 Mr Speaker, turning now to issues of gay rights. First I would say that it seems that the previous Government did not recognise that gay people have rights. They spent a lot of public funds fighting cases where gay people tried to assert them. In contrast, Mr Speaker, our Government recognises these rights and we have already embarked on the drafting of Civil Partnership legislation and hope that an advanced draft of this important piece of legislation will be ready by the autumn. The Civil Partnership legislation was introduced in the UK in 2004 and it is about time that Gibraltar caught up.

1460 But issues are not tackled simply by legislation or creating more bureaucracy. Legislation is only part of the approach and we need to take it further. It is about policy awareness, promoting good practice and engaging with groups. As a Government, we will work with people and with organisations. We have already met with a gay rights group GGR and have agreed to meet at regular intervals throughout the year, in order to discuss policy issues as well as to enable discussions in relation to issues that affect their membership.

1465 This Government is committed to set up an Equal Opportunities Commission. This organisation will be responsible for being a regulator and an advisor and will promote equal treatment. In the meantime, this work will be undertaken by the Citizens' Advice Bureau, as provided for in the Equal Opportunities Act.

1470 Mr Speaker, this morning I have been accused of offering no hope or inspiration to the women of Gibraltar who are looking for their voice to be heard **(A Member: Shame.)** and for equality policies, on the basis of a selective quote from a GBC interview that I gave, in which the hon. Lady opposite... who is actually not opposite – she is not present in the Chamber, Mr Speaker – has chosen to decontextualise and distort what I said for political effect. **(A Member: Shame.) (Two Members: Hear, hear.)** Mr Speaker, I stand by what I said in that interview, as well as what I said in my *Chronicle* article on International Women's Day, in particular that it remains a laudable objective that there should be a time where International Women's Day no longer exists, because it means that we are no longer thinking of people in *gender* terms. **(A Member: Hear, hear.)** It seems, Mr Speaker, that the hon. Lady completely misunderstands the concept of equality for women.

1480 Mr Speaker, I see that the hon. Lady has just returned. Let me start again, Mr Speaker.

**A Member:** You wish to repeat it.

1485 **Hon. Miss S J Sacramento:** Yes, let me repeat it, Mr Speaker, because it seems that the hon. Lady completely misunderstands the concept of equality for women given the arguments that she has presented are circular and contradictory. Equality is *not* about favouring women over men for jobs, nor providing women with an advantage by offering them jobs merely to fulfil an equalities quota. Equality is about providing a level playing field to everyone without any disadvantage thereafter. I firmly believe that it is a question of selecting the best person for the job. **(Two Members: Hear, hear.)**

1490 What women should be fighting for is meritocracy, where it matters not whether you are male or female and where you are assessed purely on merit, talent and skills. **(Several Members: Hear, hear.)** My job as Minister for Equality is to ensure that discrimination does not exist and it is important that we have the proper mechanism to address it and that there be redress when it does. It will be a sad day for women,

1495 Mr Speaker, when they get jobs based on their gender, and I would like to think, Mr Speaker, that I have been elected to Government on the basis of my ability, as have *all* of my other fellow Ministers, on the basis of being the best people for the job. (*Applause*)

1500 Turning to civic rights, Mr Speaker, another area of my portfolio, and let me start with Consumer Affairs. The Office of Consumer Affairs will continue to be run in the same manner this year, but with a view to it forming part of the Office of Fair Trading for the next financial year, which will then come under the responsibility of the Minister for Tourism, Public Transport and the Port, my colleague the Hon. Mr Costa. One of the main complaints regarding the current model of the Department is that it does not have any enforcement powers. Since 10th May 2012, it now has some limited enforcement powers in relation to certain timeshare and holiday products. I am advised that this is an area in particular that has been a long-standing problem for the Department, as it frequently receives complaints of this nature, but is powerless to act.

1505 This Government has recently published the Timeshare Act 1997 (Amendment) Regulations 2012. These Regulations transposed a European Directive on the protection of consumers in respect of certain aspects of timeshare, long-term holiday product, resale and exchange contracts. In particular, the Regulations impose greater consumer protection, such as providing the 14-day right of withdrawal, the right to certain pre-contractual information and the prohibition of advance payment during the period where the right of withdrawal exists.

1510 The Act will now apply to an entity that is pursuing commercial or professional activities in Gibraltar, irrespective of where the property in question is located, thus closing the loophole that rendered enforcement ineffective. The Act has given teeth to the guise of the Consumer Officer. For enforcement purposes, the Consumer Officer is able to compel the production of documents relating to the trader's business, and seize them or detain them. Notwithstanding the fact that this has been an area of concern locally for a long time, the Directive has been the subject of infraction proceedings that have been instituted on 25th November 2011, as the Directive should have been imposed as far back as 23rd February 2011.

1520 Regarding the Citizens' Advice Bureau, Mr Speaker, it continues to provide valuable advice and support in the community and next year will see its 10th anniversary. Since 2007, it has been tasked by statute with the responsibility for the promotion of equal treatment of all without discrimination. Once the Equal Opportunities Commission is set up, the latter will take over this function. Until then, the Citizens' Advice Bureau will continue to promote and advise on issues of discrimination. The issue of resources and training in this regard would be open to review.

1525 Finally, Mr Speaker, the Ombudsman's office. This is not a Government office, Mr Speaker. Its role is to keep public services in check. Its remit will now expand to also deal with complaints against the GHA. I have a financial responsibility for the Ombudsman, Mr Speaker, and that is where my input ends. The Office of the Ombudsman will soon be undergoing an evaluation of its impact in the community, at the request of Dr. Kirkham under the auspices of the University of Sheffield. This review is welcomed by the Ombudsman and it is possible that the study may provide a road map for the future direction of the office.

1530 As an aside, Mr Speaker, I am happy to report that the Office of the Ombudsman advises that the number of complaints it has received from January 2012 to May 2012 are significantly lower than previously received. There is a table that has been provided to me, Mr Speaker, from the Ombudsman's office showing the number of complaints for the same period in 2010, 2011 and 2012. For example, Mr Speaker, for the month of January 2010, there were 40 complaints; in 2011 there were 35; and in 2012 there were six. In total, Mr Speaker, the complaints against Government officers between the period of January and May 2010 were 189; for that period in 2011 were 149; and in 2012, Mr Speaker, they are only 83.

1540 Finally, Mr Speaker, I am also responsible for families and children, minority issues, women's issues and general community issues. I am excited about having recently taken responsibility for working with the Gibraltar Clubhouse Project. Although this is an organisation that is at a very early stage, it has a lot of potential, as do its members and those who are so enthusiastically driving this initiative forward. The Project has this year been mentioned in the International Handbook and is also in the Clubhouse global directory. There is a lot of work to be done by that organisation, but I am confident that they will succeed.

1545 I meet regularly with a lot of charities and organisations from the third sector. We will not underestimate the importance of listening to and working closely with such groups in order to be alive to the issues that affect them.

1550 Mr Speaker, I feel that a lot has been accomplished in the last seven months, but a lot more has to be done because so bad is the damage caused by the inaction and years of neglect on these vital services, that it will take time for us to bring the service back from the brink. The people in Gibraltar have been let down by the previous Administration and it is my personal promise that I will deliver my mandate and I very much look forward to implementing a Social Care Service that we can all be proud of.

Finally, Mr Speaker – (*Laughter*) one more finally –

1555 **A Member:** Three times!

1560 **Hon. Miss S J Sacramento:** – I would like to thank the employees of both the Care Agency and those who fall under my Ministerial responsibilities who have given me tremendous support since I took office, especially my PA, the acting Chief Executive of the Care Agency who had this most difficult job almost thrust upon her, very shortly before I, myself, began, as well as the members of the management team who have been working so closely with me during this time of transition to them, which perhaps has been particularly difficult, given the reforms that have already been made and are proposed, given the way that the Departments have been run historically.

1565 Thank you, Mr Speaker.

*(Applause)*

**Mr Speaker:** The Hon. the Minister for Traffic, Health & Safety and Technical Services.

1570 **Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, I remember that first accompanied walk towards my Ministerial office at Joshua Hassan House from No. 6 Convent Place on 12th December after the last General Election. Here, I sat, still engulfed in awe at the whole situation, with the relevant heads of Department, to be briefed on the various Ministries that I would become responsible for. I remember clearly the dichotomy of feeling that came through, the sombre and yet hopeful and expecting underlying vibes that things would be very different from then on.

1575 The same rang true throughout the different Departments, where it became clear that the senior staff had had very little involvement in decision making. Their professional opinions had generally not been consulted. Their morale was low and they felt that they had been made to become unimportant. Staff complements within Technical Services had been depleted to low levels as the vast majority of all then Government projects were at the control of No. 6. Most works had been outsourced, regardless of cost and regardless of the potential savings that could have been achieved by using the skilled and professional staff that existed within this Technical Department. Instead, they had been left, almost forgotten by the previous Administration.

1580 It is the intention of this Government to change this, and staff are now finding themselves leading in various projects and although hard-worked, they genuinely appear happy to be of value. **(A Member: Hear, hear.)**

1585 Mr Speaker, the actual inherited staff complement in Technical Services reflects a total of eight vacancies that remain unfilled, seven of which are senior, middle and junior technical grades, and essential if this Department can be expected to run efficiently once again. This reflects a staff complement 15% less of the approved non-industrial complement. Naturally, the Department had been working in certain areas and during the previous financial year, the Department had been involved in a number of projects including coastal protection and rock fall protection, as well as works in relation to their defined responsibilities, such as highways maintenance.

1590 Mr Speaker, this coming year, Technical Services has been tasked with developing and delivering various manifesto commitments involving coastal works projects, such as the beach protection works at Sandy Bay and Catalan Bay, as well as improvement works at Camp Bay and Rosia Bay. All of these are aimed at improving the condition of the beaches and bathing facilities as they currently suffer the detrimental effects of storms. It is clearly evident, as it should have been then, that without these works, maintaining sand on our beaches is simply not possible. The loss of sand, as to be expected, the dredging of which was evidently carried out in a rushed manner and without adequate beach protection measures, surely this was simply a last minute measure to ensure that bathers could at least bathe in the summer preceding an all important General Election, regardless of whether the sand would remain, as in the case of Sandy Bay, or engulf its users in plumes of dirty dust resembling that of a building site, as is presently the case in Catalan Bay.

1600 Mr Speaker, it will fall on this Government to put these things right, and works to correct all these deficiencies will commence within the next financial year.

1605 Technical Services have already started work to construct an area of reclaimed land adjacent to Western Beach, which will presently serve as a car park for beach goers. The slipway providing leisure access to the sea for small watercraft is being temporarily relocated for this bathing season, and presently facilities are being looked into in order to provide a permanent slipway for next year's bathing season so that the community may gain access to this natural leisure resource.

1610 Turning now to cliff stabilisation and rockfall protection projects: during the coming year, works will be carried out to areas affected by rock falls as part of the Government's Cliff Stabilisation and Rockfall Protection Programme. The clearing of the rockfall protection bund at William's Way will be the main project for the year. The area in question suffered a major rock fall and landslide a few years ago, and

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even though the bund did its job at the time, it now needs to be cleared to fully restore the retention capacity of this protection measure.

1620 The Highways Maintenance Programme has proceeded with ongoing repairs of roads, footpaths and retaining walls. The Department balances the need to maintain the road network against allowing vehicles to circulate, with works to critical areas being undertaken during weekends and public holidays in order to minimise inconvenience to the public. Road closures for works are avoided during peak times wherever possible, and after hours and weekend work is the default condition imposed on contractors.

1625 The new Road Maintenance Programme has already started with the most recent works being the resurfacing of sections of Prince Edward's Road and Rosia Road, both of which were badly deteriorated, as well as a stretch of Windmill Hill Road along what is a tourist entry route just before it reaches the Upper Rock Nature Reserve. Other areas will follow during the year. Funding is being provided for the purchase of equipment that will expand the ability for maintenance works to trenches, potholes and so on, to be carried out after hours using hot asphalt. At present, this material has to be imported from Spain, and as it is temperature dependent, its use late in the day to avoid disruption of traffic is restricted, by the  
1630 working hours for commercial importation on the Spanish side.

Technical Services prepares a highways maintenance programme working within its yearly budgetary allocation, but the general state of repair, or should I say disrepair, of our existing roads needs to be addressed. This requires significant investment, which has been lacking for a good number of years. In fact, it can safely be said that our roads are suffering from years of neglect. It is the intention of this  
1635 Government to accelerate the annual planned works on our roads. To this end, a comprehensive resurfacing programme is being prepared with the aim of fully tackling the condition of many of our major roads over the next three years.

Mr Speaker, work has already started on identifying a solution to the long-standing problem of loss of sand from between the paving stone joints along Main Street and other pedestrianised areas in town, such as Irish Town. Not only is this a source of complaint from the public and a potential source of accidents, especially for users of high-heeled shoes, but it also leads to the silting up of drains and sewers, which is where the sand eventually ends up. Once a satisfactory solution is identified, works will begin to permanently address this situation as per our manifesto commitment.

1645 Moving on to sewers. Immediately upon coming into office, the Government was faced with a problem involving the collapse of a section of the main sewer along Line Wall Road, which caused a blockage and raw sewage overflows into harbour waters. I remember visiting the area the following day after the Election with my colleague, the Hon. John Cortes. Technical Services' Sewers Infrastructure Section worked tirelessly to resolve the immediate problem to clear the blockage and restore flows, a task complicated by both the depth involved and the location. Other works were subsequently undertaken and completed so as to prevent further collapses from occurring in the immediate area.  
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The state of Gibraltar's main sewer and storm-water drainage networks is a matter of great concern to this Government and this has arisen from a total lack of sufficient investment and neglect in this unseen, yet essential aspect of our infrastructure over the past 16 years.

1655 To this end, the Department is in the process of developing a works plan to address this with a view to rehabilitating these networks in the short to medium term; funding has been sought for this purpose. Furthermore, Mr Speaker, projects to provide flood prevention measures at Wellington Front and Fish Market Road will be started during the year. Both of these areas have traditionally suffered from flooding problems during periods of concentrated heavy rainfall and this will be a thing of the past when the projects are completed. Funding is being provided for the purchase of equipment that will expand the Sewer Infrastructure Section's operational ability to inspect and maintain the sewerage system.  
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Mr Speaker, in this essential Department, this Administration inherited a work complement with seven important posts unfilled, reflecting 33% less personnel out of an approved complement of 21.

1665 Mr Speaker, this is also the case for the Garage and Workshop, where funding for new equipment is also being provided. This entity was yet another, I was greatly shocked to learn about. Once again, morale was low and the staff complement had been left to decline. Nevertheless, the keen and professional staff continued to provide a service to maintain the fleet of Government vehicles, including the refuse collection vehicles, despite suffering from an acute lack of resources.

1670 The situation within the Garage and Workshop is also under review, given the previous Administration's hurried signing of the Collective Agreement a few weeks before the Election, which placed them in a Government-owned company as an interim measure, one that would allow them to receive a 12% pay increase, plus an increase salary scale of two spinal points. All of this was at the expense of accepting that no further recruitment would be considered, except that out of every two persons who retired naturally, only one would be recruited. This would in essence mean the demise of the Garage and Workshop over time and the intention would have been to outsource all works to the private sector, even if this meant an increase in Government expenditure.  
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This hurried agreement, surely for electoral gain, has led to massive discontent within other sectors of the industrial Civil Service as peers now rightly seek to reap similar financial conditions and legitimate



equality regardless of the long-term consequences that these may have on the future of the relevant Departments.

1680 Presently, the Garage and Workshop has 14 vacancies in key posts out of the approved industrial complement of 37. This equates to 38%, without including the potential loss of up to five senior key players within this Department seeking an early exit package agreed in principle, but not put in place as time ran out before the Election. This will also fall on this Government to find a solution to, if this is at all possible, under the very difficult conditions set by the GSD Government.

1685 Mr Speaker, design work to install fire hydrants and provide telecommunications coverage inside Dudley Ward tunnel, both of which are manifesto commitments, and both of which should have been done at the time the works to reopen the tunnel were carried out, have also been started. The actual works are programmed to be undertaken this financial year.

1690 This brings me to a major manifesto commitment in the form of a new Sustainable Traffic, Transport and Parking Plan. Technical Services will be instrumental in co-ordinating and developing this over the coming months in conjunction with the Ministries for Public Transport and the Environment. This new plan will provide a comprehensive understanding of the existing traffic, transport and parking situation, in both quantitative and qualitative terms. It will then analyse and evaluate potential options for changing and improving these with a view to encouraging behavioural change and a shift in modal transport towards more sustainable alternatives.

1695 Mr Speaker, as can be seen, Technical Services Department will this coming financial year continue to deliver on their defined responsibilities, maintaining public infrastructure and continue supporting and providing technical input across the board throughout all relevant Government Ministries and Departments, in order to deliver on the Government's extensive and comprehensive programmes.

1700 Turning now to the Department of Traffic, Parking and Transport: Mr Speaker, I will now consider matters affecting my other Ministries, as I said the Department of Traffic, Parking and Transport, excluding Public Transport, the latter of which falls under the remit of my colleague the Hon. Neil Costa. The Government's manifesto commitment regarding the Sustainable Traffic, Transport and Parking Plan to further address Gibraltar's parking and traffic issues is well underway as previously touched upon.

1705 It is this Government's policy that such important issues as these need to be carefully and meticulously examined and expert local opinion is deemed an invaluable aspect of this. To this end, Her Majesty's Government of Gibraltar has embarked upon a very detailed review of the present traffic, parking and transport situation, and by way of cross-Ministerial and Departmental input, has chosen to seek and consult the opinion and feedback of not only the leading and key figures within the transport network in Gibraltar, but also those whose livelihoods depend on our reduced network of roads, together with the general public, who patiently endure the situation on our roads on a daily basis.

1710 Consulted parties have been appreciative and pleasantly surprised that *this* Government would actually choose to seek and take their humble opinions and feedback. In this way, Government may now start to really understand the complexities and how these affect the entire spectrum of the community.

1715 A tender has already been issued and we are now at an advanced stage in assessing and finally choosing a suitable consultant to help guide the inter-Ministerial Departments in providing a serious, sustainable and effective Traffic, Parking and Transport Plan, which is hoped will see real improvements to the lives of its road users, residents and pedestrians at large. The Trafalgar Interchange is proof that the previous Administration did *not* research this project sufficiently enough and appeared to have rushed the project, without giving due care and attention to the many pedestrians that frequently access the area and find this area difficult, if not dangerous to navigate. This area will be given priority, once the Sustainable Traffic, Parking and Transport Plan commences.

1720 Mr Speaker, a study was carried out, post-Election, into the usage of the large multi-storey car park in Devil's Tower Road, and this confirmed the general perception that the building was underutilised and making a financial loss. In this regard, Gibraltar Car Parks Limited is now optimising the car park at Devil's Tower Road and is now offering parking facilities for larger motorcycles over 500cc at this facility. Furthermore, a large area of this car park, together with the multi-storey car park by Regal House is now being used by local wholesale car dealers to store their export vehicles. In this way, Gibraltar Car Parks Limited is maximising its return on these installations, which would otherwise have been left under used, having cost the taxpayer millions of pounds.

1725 As part of this Government's preliminary assessment of parking facilities in Gibraltar, car parks are constantly being monitored in order to allow maximum usage, and hence benefit to users at different times of the year. This was seen at the Coach Park over the last Christmas period and also within school car parks during the summer period when staff are away on holiday.

1730 Post-Election, this Administration took the decision to push ahead with the three car parks at Arengo's Palace, Governor's Parade, in the vicinity of the once iconic Theatre Royal and Engineer's Lane, embarked upon by the previous Administration, as these were already at an advanced stage in their construction. The new Government's environmental concerns were reflected, including important environmental modifications, namely the provision of a brown roof with all the environmental benefits

1740 associated with it and further modifications that will help improve access to residents of the Upper Town within the latter.

1745 Mr Speaker, with a view to increasing efficiency, all HEOs, until recently under Gibraltar Car Parks Limited, were seconded to the Royal Gibraltar Police as of the beginning of June. The role of the HEOs will be extended to cover litter control, dog fouling duties, beach duty, oversize vehicle escort and aiding the RGP with general traffic duties and management. The HEOs are also being deployed to manage the frontier queues on both the exit to Spain and the second loop by the East Gate, an area prepared by this Administration in an effort to improve our vehicle holding capacity.

1750 In keeping with international road markings, which are standard throughout EU countries, all previous 'Blue Zones' have now been properly marked out as 'Red Zones'. (**A Member:** Hear, hear.) This was a common cause of complaint, especially by foreign visitors who had been caught out on numerous occasions due to this anomaly in road marking convention. Her Majesty's Government of Gibraltar has also made provisions for taxis to be able to stop within an area of the Red Zone demarcated for the sole purpose of enabling passengers to get into or alight from the vehicle.

1755 Mr Speaker, it is this Government's intention to assess and review the previous Government's policy for disabled parking bays, and will be considering meaningful changes to the issuing of Disabled Blue Badges and the rules for their usage as the current criterion used is incoherent, unfair to users and very difficult to police and control.

1760 Mr Speaker, another manifesto commitment, and in response to concerned parties, was the introduction of Regulations which enforced the legal requirement for riders of motorcycles and mopeds in Gibraltar to wear appropriate protective headgear. These Regulations provide that all motorcycle helmets used in Gibraltar must *not* be of the half helmet or novelty helmet model type. Additionally, all helmets allowed must be, or equivalent, to the British, the United Nations Economic Commission for Europe Standard, or comply with any standard accepted by a member of the European Economic Area which offers a level of safety and protection equivalent to the British Standard. Government expects this initiative will go a long way in reducing the number of serious head and facial injuries sustained as a result of motorcycle accidents and thus improve safety to motorbike users on our roads. (**A Member:** Hear, hear.) (*Applause*) The positive feedback received across the board has been overwhelming and the common perception being that this simple change in regulation was long overdue.

1770 Furthermore, as part of Government's awareness on road safety, the Department of Transport is putting in place administrative and practical procedures for the introduction of Compulsory Basic Training (CBT). This will consist of a preliminary course which must be completed by people wishing to ride a motorcycle or moped before riding on the road. This course will be introduced as soon as practically possible as a means of reducing accidents on roads caused by inexperienced riders, and will include aspects of riding both on and off-road with a qualified instructor approved by Government. This approach to learning will help candidates to gain a better knowledge and understanding of driving in preparation for the off-road module of the motorcycle test. This will also help to ensure that new motorcyclists gain the right skills and experience before riding bigger bikes. The CBT will be provided by the Department of Transport at no cost to the general public.

1780 Mr Speaker, administrative and practical procedures are also well underway for the replacement, for new drivers, of our existing driving licence, for a new photo card driving licence. An agreement for the card format has finally been reached between the United Kingdom and Her Majesty's Government of Gibraltar and we are confident that the EU Directive deadline of 19th January 2013 will be met. Besides, negotiations – which are long overdue as no serious attempt to make headway on this issue was made by the previous Administration – are presently taking place between Her Majesty's Government of Gibraltar and the Driver and Vehicle Licensing Agency (DVLA) to supply our professional lorry and bus drivers with tachograph cards. This will allow our drivers, driving throughout Europe, to legally and accurately record their activities, retain their own records and produce them on demand to transport authorities throughout Europe. This will thus put an end to the unfair competition being faced by our transport undertakings locally and drivers from across the Border.

1790 Mr Speaker, as part of our E-Government initiative, the introduction of a revised computerised theory test is in progress. This approach to learning will help candidates to gain a better knowledge and understanding of driving theory, which will help them respond to the actual practical test. It will allow candidates to take the tests on basic theory of driving, advanced theory of driving and riding via a computerised environment. This offers three multiple choice user-friendly, efficient and convenient touch-screen terminals so that candidates can answer the test questions by 'touching' the selected answer. Like the present oral tests, provisions have been made to allow this to be taken in most languages.

1800 Another manifesto commitment aimed to help tackle and reduce unemployment has been the introduction of training to assist applicants wishing to undertake the new Driver Certificate of Professional Competence for bus and lorry theory tests. This joint multi-Ministerial initiative, including the Ministry for Employment, will positively help reduce unemployment and train our resident workforce by empowering persons, who felt that changes in EU legislation had made the test process difficult, to be

able to confidently sit their theory and practical tests. This will help persons gain a further valuable qualification, which can be useful when trying to achieve employment. This initiative will also enable current drivers to drive professionally throughout Gibraltar and the rest of Europe. This training will be undertaken by the Department of Transport and is designed to improve the knowledge and skills of professional bus and lorry drivers.

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Mr Speaker, an additional joint initiative between the Ministries for Transport and Traffic to positively enhance our public service sector is the deployment of Transport Inspectors. This plan recognises the requirement to examine equipment and procedures to ensure that road haulage and public transport systems are adhered to and conform to the relevant legislation. Government is confident that this initiative will have a substantial impact on the improvement of road transport services available to the transport undertakings and community as a whole. In order to reflect a more effective and efficient forum for the general public seeking improvements to traffic matters, an innovative Traffic Commission has been appointed which ensures input from the Ministry of the Environment.

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This Traffic Commission is conducting regular monthly meetings, something unheard of in the past, and has cleared a backlog of matters referred to it in a short period of time. This, hence, accelerates the time taken between application, a decision being taken, and action. Moreover, the process for implementing requests, once approved, has been re-engineered for the completion of works. This improved working practice will improve the performance of the Commission in the execution of its duties and as previously stated, will reflect a more effective and efficient forum for the general public seeking improvements to traffic matters. I would like to take this opportunity to thank the hard-working members of the Commission who, without their energy, this improved working practice would not have been possible.

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Finally, other initiatives to improve Traffic and Transport throughout Gibraltar as a whole are being considered and will be announced in the near future.

Mr Speaker, I now turn to Health and Safety. Mr Speaker, Occupational Health and Safety has been left on the back burner for many years; once again, yet another fine example of a severely depleted, demotivated and neglected Department. It is this Government's intention to reverse this trend and has embarked on putting right what has been neglected for so many years: the Health and Safety Inspectorate.

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For this reason, and for the first time, the Government has included Health and Safety as part of a Ministerial portfolio in its own right. This rightly suggests the importance that this Government attributes to the Health and Safety of its workforce and community at large to help keep it as safe as reasonably possible through awareness and adequate inspection and supervision of the workplace. To achieve this, it is essential that we provide an efficient and well-resourced Health and Safety Inspectorate as the enforcing authority, with the adequate and effective statutory tools.

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We have also identified the need to strike a balance between enforcement, preventive investigation and other activities, such as providing advice, and to exercise a proactive and modern approach to reach out to all stakeholders. This would require influencing human behaviour by changing employers' and employees' attitudes by providing practical information and promoting standards. We need to cultivate a positive Health and Safety culture by raising awareness on the legislation among businesses, recommending standards, practices and guidance, and harmonising them throughout the industries.

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Mr Speaker, the Health and Safety Inspectorate should not only be seen as an instrument of retribution, but rather as a source of valuable advisory service and a partner in assisting employers and employees to fulfil their legal obligations. To achieve these objectives, the Principal Factories Inspector has been tasked to prepare a comprehensive report into the potential restructure of the Health and Safety Inspectorate, so as to submit this as a blueprint for the Government to consider.

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As a first step in the right direction, we have addressed the lack of resources within the Department, which have only seen two Factory Inspectors within the Department since the retirement of the previous Principal Health and Safety Inspector some years back. As a temporary measure the Government has increased the human resources in the Health and Safety Inspectorate, twofold. Finally, in collaboration with other organisations, we will be organising the European Health and Safety Week in October this year.

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Mr Speaker, as per our Government's policy, Ministries with common and overlapping interests are working together to achieve common aims and objectives in order to improve previous Government policy or to achieve manifesto commitments. To this end, the Departments that I am responsible for have been involved in a number of projects for other Ministries.

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Technical Services is developing the design for the Commonwealth Park Project and the refurbishment of the GASA Sea Bathing Pavilion for this current bathing season and will be assisting in the future GASA Sea Bathing Pavilion Project.

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The Department has also been a key player in the technical advice regarding the procurement of the intended replacement of the bus fleet and the review and potential replacement of the fleet of staff car vehicles for more environmentally friendly vehicles.

1865 The Department has also provided staff in order to carry out the Government's manifesto commitment of conducting an Annual Health and Safety Audit of each school in Gibraltar, led by the Ministry for Education.

The Department of Vehicle Licensing and Transport have also been working with the Ministry for Employment to help train persons wishing to learn new skills by way of bus and lorry training.

1870 The Health and Safety Department have conducted reviews of various Government facilities including the hospital kitchens and the GSLA Swimming Pool following the collapse of the ventilation system.

Mr Speaker, it is evident that things have changed, but it will be finally up to the electorate to decide and judge for themselves whether they want that change. I sincerely believe that this Government, one that I am proud to form part of, is pushing forward in a joint, collegiate and positive manner.

1875 Mr Speaker, I would like to conclude my contribution to this Budget session by sincerely thanking all members of staff and Heads of Departments who have helped me in my work and made my job so much easier to carry out. All members of staff have received me with open arms and I have been genuinely made to feel at home in such a short period of time, since 9th December.

In particular, I would like to thank my personal Ministerial staff, who have been key in guaranteeing that I perform my duties to the best of my ability. I sincerely hope that I may continue this work with the unrelenting help and effort afforded to me by all.

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*(Applause)*

**Mr Speaker:** The Hon. Damon Bossino.

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**Hon. D J Bossino:** Mr Speaker, I think I have drawn the short straw, being the penultimate speaker today.

1890 Mr Speaker, it is an honour for me to rise and make my contribution on the Second Reading of the Appropriation Bill in this House as my maiden speech. This has been a year of 40th anniversaries in this House. A less known 40th anniversary has been the fact that the Chief Minister and I celebrated our 40th birthdays earlier this year. Another historical coincidence has been that we each gave our first Budget speeches within seven months from being elected to this Parliament. Within nine years, he rose to the dizzy heights of the highest democratically elected office in the land.

1895 I do not know what my own personal future will bring (*Interjection*) but what I do know is that I will endeavour, to the greatest of my ability to keep the Government in check throughout my time in Opposition. I am sure I speak on behalf of all my Opposition colleagues when I say that the new splendour of his position will not dissuade us one bit from watching with cool vigilance his Government's every move.

1900 The Leader of the Opposition, Mr Speaker, has entrusted me with shadowing the Tourism, Transport, Port and Traffic portfolios. These are portfolios which, in many respects, go to the heart of our economic well-being and therefore prosperity as a community. Tourism and the Port have traditionally, and quite properly, been considered the main pillars, or as the Hon. Minister for Employment used to prefer to call them, 'sectors' of our economy.

1905 Given the fact also that my party has only until recently been in office for almost 16 years, I think it is important at this juncture to recite the GSD record in some of these areas. I say this in particular because *lamentably* our record has been the subject of a systematic, scurrilous and vicious campaign by the new Government which, in my view, has at its core the complete annihilation of what was, to all objective observers, a veritable success story, and only because the prosperous, successful and vibrant Gibraltar we left is not politically convenient to our opponents. (**A Member:** Hear, hear.)

1910 I will address this House on this theme further, but at this stage I would simply say that the party's opposite attitude is a reflection of a vacuous programme for Government.

I feel very comfortable indeed, Mr Speaker, standing in this House representing the GSD record and will now seek to make a case by reference to some statistical information which show why the GSD's four consecutive terms in office proved to be such a huge success in the Tourism sphere.

1915 Despite his *failed* attempt at denigrating our record (*Interjection*) the Hon. Minister for Tourism knows deep down inside that he has a very hard act to follow. Tourism has long been identified as one of the biggest contributors to our economy, Mr Speaker; indeed, it was identified as such by my party when in Government and therefore it has enjoyed an unprecedented level of investment over the four terms, with the result that Gibraltar's economy has enjoyed increased levels of tourist expenditure.

1920 On any perusal of the Tourism Survey Report of 2011, which was only recently been laid before this House, the only conclusion that any reasonable observer can come to is that Gibraltar has done very well indeed. For example, the overall expenditure by tourists in 2001 stood at £145.31 million, and in 2011, last year, the year closed at £279.41 million – an increase, Mr Speaker, of £134.1 million. That 10-year period saw a year-on-year increase and all of this in the context of one of the most acute world economic downturns in 80 years.

1925 The overall number of visitor arrivals increased by 3.6% in 2011, compared to 2010. Sea and air arrivals also increased by 7.1% and 25.4% respectively, or an increase from 328,000 to 351,000 in respect of visitors by sea, and an increase from 131,147 to 164,000 of visitors by air.

1930 In cruising, that huge success story that has seen the massive turn around in the fortunes of this industry for Gibraltar, there has also been an increase in passenger arrivals in percentage terms from 2010 to 2011 of 7.2%, or in visitor numbers, from 303,000 to 325,000. If a month-on-month comparison is undertaken, we can see in starker terms how successful this sector has in fact been.

1935 Let us take months which are traditionally leaner in terms of tourist arrivals. In January, for example, we have seen how visitor numbers via cruise liners jump from 2,000 in 2010 to about 10,000 in 2011, a 407.3% increase. A very buoyant and encouraging increase can also be seen in December, with an increase from 5,400 to 13,000, a 140.4% increase. Comparisons can now also be made between the most recent figures in 2012 with those of the preceding 12 years. The most recent figures take us to the month of May.

1940 Here, too, I am happy to make the comparative exercise. The figures as at May, since 2004, show increases year on year, other than a dip in 2010, with the 2012 figures representing more than double the 2004 figures or even the 2000 figures, from 48,685 in 2000 or 40,402 in 2004 to 101,545 in at the same time in 2012, which in itself represents an increase from 100,915 last year.

1945 What the official figures do not show are the cruise numbers which, given the general move in the industry to improve service, tend to be higher than they used to be, so that in some cases we are looking at crew numbers amounting to almost half of the passenger numbers. This is the reality which stares the Members' opposite in the face and because they cannot bring themselves to admit it, they have little alternative but to invent their own parallel universe of woes and disaster. (**Several Members:** Hear, hear.)

1950 Insofar as the numbers of vessels calling at Gibraltar is concerned, the Minister claimed that there has been a decreasing number of calls. He claims that there has been a *significant* loss of calls by ships. At one level, Mr Speaker, this would be worrying if the effect of this was a decrease in number of passengers, and therefore visitors to Gibraltar, who spend their money here; but he cannot make this point, however much he would want to, because, as I have already been able to show, the numbers have in fact been *significantly* on the increase. I am therefore not sure what economic impact, given the figures, the supposed significant drop in call numbers can have had on the industry, if the numbers of passengers have so clearly and undeniably gone up.

1955 The Minister in one breath bombards me with statistics which suggest that there is a drop in the number of cruise liners; yet, in another, admits that ships have got bigger and that that fact accounts for the increase in passengers. He has no compunction, Mr Speaker, in having a dig at the previous Government, and yet welcomes with all the fanfare – in fact, in exactly the same way as we used to do it – the arrival, for example, of the *Serenade of the Seas*, (**A Member:** Hear, hear.) one of those horrible large vessels, which results in increased passenger arrivals and in this case with capacity of 2,490 passengers; the arrival of which, incidentally, was secured by *his* predecessor – on his own admission in this House – given that bookings for the berth took place on 9th March 2011.

1965 But pausing there for one moment, Mr Speaker, the Minister cannot really make his charge that there has been a *significant* loss of calls good, because the figures suggest otherwise. Over the last 10 years, the average number of calls up to May is 55.8. As at May 2012, we are in excess of the average already, at 61 calls. So the Minister should choose his words wisely before he employs them.

1970 Incidentally, just to drive home the point that even a lower number of calls does not result in less visitors, in 2008, when we had a bumper year all round, 70 calls, which represented the highest number over the previous 13 years, brought 78,531 passengers, whilst the 61 calls up to this year has already brought 101,545 passengers. All the indications are that the cruising market is expanding and we, on this side of the House, will scrutinise the Government's every step over the next three-and-a-half years to ensure that Gibraltar continues to share in the success.

1975 But, Mr Speaker, I am afraid that I will continue to disappoint. Let us look at visitor arrivals by air and of those who stayed in Gibraltar, just for the sake of choosing a figure, as opposed to 'in transit', the total number increased from 52,420 to 64,739 in 2010 and 2011 respectively. I gave the figures in percentage terms earlier. In monthly comparisons, one sees the biggest hike in numbers in April, from 3,400 in 2010 to about 5,200 in 2011 – a 53.9% increase. The second biggest increase is between July 2010 to July 2011 of 44.6%.

1980 I am glad to report to the House – and it is odd that one needs to do this from the Opposition benches, Mr Speaker, given that the Government has failed to do so – that there were increases in each of the months of 2010 when compared with 2011. The *total* number of visitor arrivals by air also increased between 2010 and 2011 from 131,000 to 164,000 – a 25.4% increase, as reported earlier, and also a mere 511 passengers shy from the peak level in 2008.

1985 By land, too, the latest statistics published by the Government online shows that there has been an increase in the number of land frontier visitor arrivals year on year, without fail, since 2000. In 2000, the land frontier visitor arrivals stood at 70,310 and at 114,246 in 2011. If one does a snapshot and compares

the figures between the position up to and including March 2012 and the same point in time in previous years, that would indicate that we will this year surpass all previous years.

1990 As at 7th May the figure up to and including March is 26,628, an increase from the same point in time last year of 923, or an increase of 10,895 from 2000.

1995 In relation to hotels as well, Gibraltar has equally not fared badly at all when the statistics, as contained in the Hotel Occupancy Survey of 2011, are reviewed. Here we see how there has been consolidation in both the room and sleeper occupancy figures at around the 60% and 50% mark respectively. That is the reflection of the reality which is out there, in terms of the statistics, and a far cry from the reality which the Government and the Minister, in his school playground childish manner, tries to persuade this House is the contrary view.

2000 I am on record in this House as having welcomed and congratulated my opposite number for giving Tourism the priority position it deserves. But you see, Mr Speaker, success has to be built on strong foundations and the statistics I have been through show what can be done if this area of Government policy is handled carefully and intelligently – but I dare say that I am not encouraged by what I see.

2005 We cannot forget the context in which the party opposite was elected into office. They were in Opposition for 15 years and during most of those years, the now Deputy Chief Minister subjected the former Government to a vicious and sustained attack on Tourism. Almost like Chinese torture, he would incessantly twist the reality of the boom which Gibraltar was enjoying for his own party's political ends and paint a false picture of doom and gloom in *every* Budget speech he delivered in this House.

2010 But let us for one moment assume that the then Opposition really believed what they were saying. In those circumstances, is it not reasonable to have expected them to have deployed all the wonderful things that they would have done had they been given a chance by the electorate in the previous 15 years, and hit the ground running? Not surprisingly, it has not materialised.

2010 I say 'not surprisingly' because when challenged by the former Minister, Mr Holliday, to come up with what *they* would have done if in Government, he was never taken up on the offer. I now very much suspect that the reason for this is because they had no alternative plan at all, and I quote, Mr Speaker, from *Hansard*, what Mr Holliday prophetically said in last year's Budget session:

2015 *(Interjection and laughter)*

2020 'Last year I challenged Opposition Members the Hon Dr. Garcia, the Hon Mr Picardo and the Hon Mr Licudi to come up with their own policy statements and strategies regarding aviation, cruising, GBC and transport. It is no surprise, that none of the Opposition Members have come forward with any proposals, in any one of these issues, during the last year. Perhaps, the intention of the GSLP/Liberal Alliance, if ever elected into power'

– and this is the prophetic bit –

2025 'is to try and build on this Government's excellent initiatives and policy strategies, which not only work but have brought substantial stability and prosperity to Gibraltar.'

2030 What have the present Government come up with in terms of initiatives? More talking shops and more consulting with the industry, and I do not for one moment deny the value in consultation; but whether it is in the welcoming of Royal Caribbean cruise liners, setting up of maps and map dispensers or new airlines, the Government has been rolling out what are purely and simply GSD initiatives.

2035 We welcome them, but the only point I am making, Mr Speaker, is that seven months in – after *15 years* of intense criticism – the electorate reasonably would have expected more, much more; but the reason why the people are not getting more is because a lot had already been done and what was not 'broke' should really not be fixed. The sad and, worse still, reprehensible thing is that they unscrupulously led the electorate down the garden path on this issue, as with so many others.

2040 In relation to the Upper Rock, we have seen how there is a big gulf between electoral promise in the manifesto and what happens in reality. Instead of all of us enjoying the benefit of what they described as an 'immediate commencement' of a programme to refurbish the Upper Rock Nature Reserve, what we have seen is the commencement of nothing other than a talking shop. In what is quickly becoming a hallmark of this Government, they seem incapable of taking decisions, or at least the correct decisions, because they know that when a decision is made in Government, you will always have to disappoint someone, somewhere along the way, and this is something that they find very difficult to do. *(Interjections and laughter)*

2045 This is what we have seen in relation to the Upper Rock. Here the hon. Members simply talk of the challenge that it is to balance the amenity value – whatever that is – of users on the one hand with the commercial value for other users who rely on the Upper Rock for their livelihood; but we get not even an inkling of their thoughts on the matter, other than that they will set up some signs and do something with some water tanks.

2050 This is the case, Mr Speaker, because they *dread the day* when they will have to tell the tour operators, the taxi drivers or the environmental lobby on which side they are really on. They no longer have the luxury of taking the middle road. They either need to turn left or need to turn right.

Who are they going to favour, Mr Speaker, and who are they going to disappoint? The environmental lobby? The taxi drivers, perhaps? Because the reality is they will not be able to please everybody *all* of the time and we await on this side of the House with bated breath for a decision in this area.

2055 I deal with Port issues next, given the considerable interplay that exists between this area of policy and Tourism. Indeed, I have touched upon the cruise industry in the context of Tourism because it of course straddles the Port and Tourism areas. The Port is another important engine of our economy and it was very early on identified as such by the first GSD Government. The changes which were carried out at the Port were revolutionary and laid the foundation stones for the success which was to come thereafter.

2060 Again, one only needs to review the statistics to show how the statements I have just made are in fact supported by the hard facts. The 'Actual' Consolidated Fund Revenue for 2010-2011 was in total about £6.2 million, with the 'Forecast Outturn' figure for 2011-2012 being £6.7 million and the 'Estimate' for 2012-2013 set now at £6.5 million. There were also overall increases in 'Receipts', according to the Accounts of the Gibraltar Port Authority for financial years ended 2007, 2008 and 2009, which were recently laid before this House. These comprise items such as 'Tonnage Dues', 'Berthing Charges' and 'Bunkering Charges'. Year on year again, Mr Speaker, the figures increase from £1.4 million to £1.8 million to £2 million, if one excludes the Government's contribution.

2065 We now have, according to the latest Report, which was I think laid before the House yesterday by the Hon. Minister... looking at a figure of £5 million. If a direct comparison is made with the position up until May 2011 with May 2012, both the numbers of ships calling for bunkering and cargo are up: 2,400 to about 2,500 in respect of bunkering and 63 to 81 in respect of cargo. Ships calling for repairs are slightly down from 56 to 54.

2070 However, we know anecdotally that Gibdock is doing very well. The overall figure in terms of the number of ships calling to Gibraltar is 10,350 in 2011, slightly lower than 2010, but higher than 2009, which in itself saw the highest number of ships calling to Gibraltar, according to the figures I have available, which are from 1989. The bunker volume statistics also show the volumes maintaining themselves at 4.2 million tonnes and to put that last figure into some perspective, we were looking at 2.1 million tonnes, literally half that amount, in 1997.

2075 The figures, therefore, Mr Speaker, speak for themselves and show the vastly improved Port which we left before we left office last year. In relation to this area of responsibility, I also want to ensure, as best as I can from the Opposition benches, that the numbers keep on going up and that this activity continues to be a source of income for our economy.

2080 Even in these early days, however, I am already concerned about certain developments which are still salvageable.

2085 We have witnessed how the post of Director of Maritime Affairs is vacant after the departure of Mr Tony Davis to No. 6. The former Director was immensely useful in the marketing context and was in fact dedicated to this activity having an in-depth knowledge of the – in particular – cruising market. He knows many top level executives of the cruising companies on a first names basis and it is clear that my opposite number also saw the valuable contribution which Mr Davis can bring, given that he formed part of the Gibraltar delegation which went to the UK recently, visiting, amongst others, cruise operators. We would encourage the Government from this side of the House to ensure that somebody with Mr Davis' qualifications and experience is appointed to fill the now vacant post.

2090 Also, in relation to the Port, we have seen how seven months into their term of office we have, as yet, no appointment of the Deputy Marine Officer. This is something which I would much rather have seen developing at a quicker pace, given the crucial operational importance that this post has to the proper functioning of the Port, and I take this further opportunity, for the sake of the proper functioning of the Port, to encourage the Minister to make every possible effort to ensure that the post is filled without further delay and that the successful applicant be suitably qualified with a Master Mariner's Certificate, in order to allow him to properly deputise for the Captain, as and when he is not available.

2095 It recently, Mr Speaker, came to my attention that the Minister for Tourism did not attend the Posedonia 2012 Shipping Exhibition, which took place between 4th and 8th June. This is, to put it mildly, lamentable on the Government's part and puts into perspective the Minister's criticisms – which we take this opportunity to completely refute – of lack of follow-up after meetings with executives by the former Administration and his philosophy of pursuing, as he terms it, face-to-face meetings.

2100 Of course, the latter philosophy was also shared by the previous Administration and although apparently adopted by the hon. Member opposite, he fails completely to put it into practice, when an opportunity is given to him to attend one of the most important shipping exhibitions available to the industry.

2105 This Exhibition is attended by the major players in the industry including, but not exclusively relating to cruising. The Gibraltar contingent normally comprises representatives from the whole range of Port-

related services which are provided in Gibraltar, such as the Port Registry, Ship Repair Yard, the Port Authority, etc. My party's involvement in Government was that this delegation required high-level support in the form of the Minister for the Port himself, who attended personally. It appears from this Minister's non-attendance that he does not attach the same level of importance to this Exhibition, and if this is in fact the case, he ignores Posedonia to Gibraltar's peril.

The GSD in Government, Mr Speaker, was committed to proceeding with the project to build a new cruise terminal. This included extending the facilities so that four ships could be accommodated at any given time. The plan was also to provide for turnaround and long-term stay. These plans were the result of *extensive* discussions with cruise companies which operate in Gibraltar, whose views were very much taken on board.

This, Mr Speaker, requires forward planning, which is what my party did when in Government. We planned for what the industry would bring and require in the medium to long term in, for example, accommodation of larger vessels. It is therefore not clear to us why this project has not been proceeded with given its obvious benefits to the cruise industry in Gibraltar. If the Government is truly committed to the cruising industry, we would encourage and recommend that it proceed with the terminal without delay.

I am truly concerned for the Member opposite, Mr Costa, because he must really believe his own party propaganda in relation to the arrival of the 'New Dawn'. He cannot really believe – *à la* Disneyland – that owners of large vessels, for example, are all of a sudden to express confidence in Gibraltar only because they won the last Elections and assumed office on 9th December. He must see – because I rate him – that the possibility of new investors coming to Gibraltar, given his short tenure, must be in very large measure as a result of the very firm foundations which we left and not because of his recent discovery of the value of face-to-face meetings. If he does not, then he is simply naïve and not credible.

I now turn to my other area of responsibility, Transport. Under the Transport Head, Mr Speaker, I have very little alternative unfortunately but to raise in this House the unsavoury matter of the Gibraltar Bus Company Limited and the treatment by the Government of Mr Sardeña's Industrial Tribunal claim. (*Interjections*) I say, Mr Speaker, that I have little alternative because I would not be honouring my duty to the electorate, who gave me a seat in this House as an Opposition MP, if I failed to address head-on the 'elephant in the room' issue which hampers this area of responsibility.

It is also with considerable regret that I have to occupy time in this House to deal with this issue, because I would much rather deal with the substance of transportation which is so crucial to the quality of life in this community and our economic success.

The facts surrounding this case have been the subject of considerable press coverage and I would limit myself to recanting what has already been said in the press, and in this House, and I will do so in as neutral terms as possible. I say 'neutrally', Mr Speaker, because there really is no necessity for political punch to go into the presentation of the facts, because the facts simply speak for themselves.

The first fact, Mr Speaker, is that Mr Sardeña brought a claim for unfair dismissal against the Gibraltar Bus Company Limited, a Government-owned company. The second fact is that Mr Sardeña was represented in the Industrial Tribunal by Mr Bossano, the former leader of the GSLP and now the Hon. Minister for Employment. Thirdly, Mr Speaker, the Company defends itself throughout the proceedings, on *independent legal advice*, against the claim. Fourthly, during the course of the trial – we say almost at the end, but I am willing to concede that it was halfway through – the case stopped. The reason for this is that Mr Sardeña is charged criminally with fraud.

The significance of this – if I pause here for a moment – is that these facts are very closely linked to the facts before the Industrial Tribunal Chairman. There has been no denial of this point, which we have made openly in the press, by the Government.

Fifthly, importantly and significantly for the Tribunal claim, Mr Sardeña is found guilty of fraud. He then appeals against the conviction, but fails. The now Chief Minister represented him at the appeal. This shows further evidence, if such were needed, of the very close link between Mr Sardeña and the GSLP leadership.

Then on 8th December 2011, we have the arrival, Mr Speaker, of the 'New Dawn' and the Members opposite secure power. Instead of the case proceeding to a conclusion, in an act of clear political manipulation, (**Two Members:** Hear, hear.) the Gibraltar Bus Company is instructed, not by its Board, not by its Directors, but by its shareholder, the new Gibraltar Government, to withdraw the defence. The directors of the Bus Company refuse and are dismissed.

This action is taken in circumstances where the Bus Company had, on the face of the facts as we know them on this side of the House, every conceivable chance of succeeding. When asked whether the Minister for Transport had received legal advice, he eventually said in this House, after much squirming, that the advice had been received not by the lawyer who had been representing the Bus Company all along (*Interjection*) but by his own firm, Verralls, and for free.



The Government Minister who had originally said in the press that he had reviewed the papers on the case himself, then said in this House, after much questioning from this side of the House, that he had taken legal advice and from the firm with which he continues to be employed.

2175 Even, Mr Speaker, if this interpretation of the facts is incorrect, or this presentation of the facts is incorrect or otherwise has been inaccurately presented, surely what you do not do as a party to litigation is first withdraw the defence and then try and agree a settlement; usually, and sensibly, as all of us who practise or have practised in law will know, is it the other way round.

2180 **Chief Minister (Hon. F R Picardo):** What about the –

**Hon. D J Bossino:** We now know –

**Mr Speaker:** Order! Order!

2185 **Hon. D J Bossino:** – that public statements – (*Interjection by Hon. Chief Minister*)

**Mr Speaker:** Order! Order! (*Interjection by Hon. Chief Minister*)

2190 **Hon. D J Bossino:** Obviously, the Chief Minister (*Interjections*) is getting excited by it – (*Interjections*)

**Mr Speaker:** Order! Order! The Hon. Member is –

2195 **Hon. D J Bossino:** I am grateful, Mr Speaker.

We now know from public statements made by the Government that this remarkable and astonishing chronology of events was informed by a desire to exercise the full might of Governmental power in their hands in support of the position which they had adopted in Opposition, namely that Mr Sardeña had a ‘legitimate case for unfair dismissal’. This they described as an ‘adoption of a position’, which they claimed that people had voted for when they chose their new Government. That explanation is, with respect to the Members opposite, simply unsustainable and a weak, I would say, wholly unsuccessful attempt at white-washing their decision with democratic and political legitimacy. When has it ever been argued by a political party that a view adopted in respect of a case in which they are not even litigants should somehow be adopted as Government policy on the basis that their view, which was never explained or expressed in public – certainly not during the Election campaign and I do not think even before then – should have received a mandate at the polls? It does not wash and it never will. (*Applause*)

2200 In light of these facts – (*Interjection*) Well, then, fine. Wait for the Inquiry.

2205 In light of these facts, it is simply not plausible for the Government to hide behind the cost-cutting smokescreen which they conveniently set up for themselves – an excuse, which in the context of the facts of the case, does simply not ring true.

2210 The *Chronicle*, in the editorial of 20th April, stated, and I quote:

‘The decision not to resist an action and to settle cannot be argued solely on cost grounds. The whole of the administration of justice could otherwise often be seen as an excessive burden.’

2215 The Government now faces having to pay out what could be a huge amount of money (*Interjections*) in compensation. Within just over a month of holding the keys to No. 6, the Minister for Employment changed the rules so that the basic award which successful claimants are entitled to is no longer the subject of a statutory cap. Mr Sardeña will be entitled to – using the Minister for Employment’s own words in this House – a ‘sky’s the limit’ award.

2220 I repeat the accusation in this House now, which we made in our first statement to the press, which is that the Government’s decision is at best ill thought out and irrational, and at worst a manifestation of signs which amount to political corruption. (*Interjection*) Not *one* of their public statements, after this party’s first pronouncement on this matter, assuages any of our concerns. We look forward to the independent public inquiry on the matter, but we will be keeping a very close eye –

2225

**Procedural  
Re allegation of ‘political corruption’**

2230 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I hesitate to rise to make a Point of Order, but I think it is important that this debate has been handled, by all parties who have made interventions to date, at least within the rules of the House.

2235 An allegation of ‘political corruption’ should be made on motion, Mr Speaker, in my view. I do not think it is appropriate to make an allegation of corruption without putting a motion. It is tantamount to suggesting, Mr Speaker, that there has been abuse of position on this side of the House and I think...

All I would do, Mr Speaker, is ask the hon. Gentleman, *invite* him, to bring a motion if he wants to make that point, or at least withdraw that word and put it in any other way.

2240 **Mr Speaker:** I hope the Members will bear with me while I quickly afresh my reading of... Well, there is Standing Order 45, paragraph (6):

‘No Member shall impute improper motives to any other Member.’

2245 That is one which might be considered. Then there is also 45(12):

‘The conduct of...’

– and then it names a number of entities –

2250 ‘members of the Parliament [...] shall not be raised except upon a specific substantive motion moved for that purpose;’

**Hon. Chief Minister:** Mr Speaker, I think *Erskine May* may actually help us, or the modern version may help us more.

2255 But look, this is a debate where we say a lot of things about each other and it is right that we should and we should be free to do so, Mr Speaker. I will have something to say about the things that the Leader of the Opposition has said and the way that he characterised some of the things that were said during the Election, when he used the ‘L’ word. This is a debate where we allow ourselves to say a lot, but an allegation of ‘political corruption’ in my view, Mr Speaker, offends the Rules of the House and I think the hon. Member can put the point he is making in many other ways.

2260 I think if he wants to make that point, I *invite* him to bring a motion to do so and we will debate his view that there is ‘political corruption’; but I would ask him to withdraw it and to continue with his speech in other terms.

2265 **Hon. D A Feetham:** Mr Speaker, I am not sure that in fact the term ‘political corruption’, which is, effectively, levelled against the Government as a whole, and the criticism, really, is of the Government as an entity, actually falls within paragraph 45(6) about imputing improper motive to any other Member, or alternatively under paragraph (12), about the conduct of Her Majesty, Members of the Royal Family, the Governor, Members of Parliament.

2270 At the end of the day, the Hon. Mr Bossino is making a political point. He is not making a specific allegation against any individual Minister. He is making a political point, a quite valid political point, in our view, against the Government as a whole.

2275 Now, I do not see a reason why the Hon. Mr Bossino should withdraw the point that he has made. He has made it. It may well be, in fact, that a motion is brought because as we indicated a number of months ago we want to make more use of motions, and certainly this is an area where we may indeed bring a motion so there can be a debate between this side of the House and that side of the House on this particular issue, but I do not see that the hon. Member has transgressed in any way, shape or form, the rules. In actual fact, if you were to pick him up in relation to this, quite frankly one wonders whether half the Members of Parliament would be transgressing in relation to these particular rules and I urge the Hon. Mr Speaker to be cautious in terms of how he interprets these particular rules.

2280 But, as I say, he has made the allegation. We do not think that in fact there is a transgression, and he is moving on with the point. We may in fact bring a motion later on in the year.

**Hon. Chief Minister:** Mr Speaker, if I can just reply to that point.

2285 The hon. Gentleman needs to be careful with defending anything for the sake of defending it. If he wants to bring a motion to allege corruption against this Government, and if he thinks that that word is something that is defensible and that it is right that it should be bandied across the floor of this House, well, Mr Speaker, he defends that to his peril, because if that is the sort of language that the Members opposite think is Parliamentary language, they have been in Government for 16 years, and we have issued press statements and made references to things that have gone on and we have avoided, in this House, talking about corruption.

2290 But, if they want to ‘pull that string’, Mr Speaker, there are ways of characterising behaviour and ways of characterising behaviour, and if we go down the road of agreeing that alleging corruption against each other is acceptable in this Parliament – and ‘corruption’, Mr Speaker, is a criminal offence, and ‘political corruption’ is a criminal offence because it is corruption in office – then that allegation of a

2295 criminal offence, Mr Speaker, is not something that is going to run only in one direction and the hon. Gentleman needs to know the language that he is using.

‘Political corruption’ is specifically provided for in the Criminal Offences Act: it is the corruption of an individual in public office. That is what ‘political corruption’ is. Now if he wants to say that he is not making an allegation of an offence and that that is not what the word ‘corruption’ means, then he, as a lawyer, needs to understand what it is exactly that he is invoking under the provisions of the Criminal Offences Act.

**Mr Speaker:** And I think –

2305 **Hon. D A Feetham:** Well, Mr Speaker, may I dare to... I do not agree with that.

**Hon. Chief Minister:** [*Inaudible*] you don’t!

2310 **Hon. D A Feetham:** I have to say, no, I do not. I do not agree with that.

No one is accusing anybody on that side of the House of corruption in the criminal sense. Mr Speaker, there is absolutely no difference between my hon. Friend saying ‘political corruption’, and the Hon. the Chief Minister actually accusing us on this side of the House, when we were in Government, of choosing people and employing them *a dedo*. That is what he was saying. Well, look, it is another way of saying what my learned friend and hon. Friend, Mr Bossino has actually said.

2315 Mr Speaker, it is an accusation that the hon. Member, Mr Bossino, has made outside of this House, but there is no allegation of corruption in the criminal sense or in the financial sense made against the Government. It is a political criticism – that is what he is making. He has made it. He is moving on. It may well be that we bring a motion in the future and, quite frankly, I think that at this stage in the evening, we should get on with the Members’ speeches.

2320 **Mr Speaker:** But does the hon. – ?

2325 **Hon. Chief Minister:** Mr Speaker, may I just share with the House the definition in the dictionary – not in the law if he does not want to go down that road – of the word ‘corruption’? It is ‘dishonest or fraudulent conduct by those in power, typically involving bribery.’ *Dishonest or fraudulent conduct*, Mr Speaker.

2330 If they are not alleging dishonesty, if they are not alleging fraudulent conduct, if they are not saying that there is an offence under the Criminal Offences Act which deals with corruption in public office, then, Mr Speaker, it is very simple: he does not use the word ‘corruption’. But if he uses the word ‘corruption’ for the effect that that word has, he has to stand by it and say that he means that we have acted fraudulently, that we have acted dishonestly or that we have acted in breach of the Criminal Offences Act. If he does not mean that – and I believe, Mr Speaker, that he does not mean – well then he needs to say that he means something else and he needs to use another word. (*Interjections*)

2335 **Hon. D A Feetham:** Mr Speaker, it is not the intention of my hon. Friend, Mr Bossino, to describe anybody as being dishonest or subject to bribery or anything else. He prefixed the term with the word ‘political’ – ‘political corruption’. In fact, he should know – and I know that he has done some defamation in the past because I know that he has been on the other side in cases that I have perhaps been involved in when we were in different firms – the distinction is, if you call somebody ‘dishonest’ – or a politician ‘dishonest’ – that may well be defamatory; but when you say that person is ‘politically dishonest’, clearly what you are doing is actually making or criticising somebody in a political context. That is the reality.

2340 Nobody is calling anybody on that side of the House, either ‘dishonest’ or taking backhanders, or subject to corruption, or anything like it. It is a ‘political criticism’, that is all, and I hope that the hon. Gentleman accepts that and he allows the Hon. Mr Bossino to get on with his maiden speech.

2345 **Hon. Chief Minister:** I see. So the argument is that he said ‘corruption’, but he did not mean it.

2350 Well, look, Mr Speaker (*Interjection*) in that context, if that is a withdrawal by the Hon. the putative Leader of the Opposition (*Interjection*) – ‘putative’, it is a prefix, like ‘political’: it means ‘not really’ (*Laughter*) – of the word ‘corruption’, then look, Mr Speaker, I am prepared to accept that he did not know what he meant and he therefore does not mean ‘dishonest’, does not mean ‘fraudulent’, does not mean ‘corrupt’, and therefore that is not the allegation made.

2355 I would like to see what it is that is being said, when the word ‘corruption’ is used, if it is not the dictionary definition and it is not the definition in law. It may mean ‘very pleasant’ in the lexicon of what he means, but the word ‘corruption’ has a meaning and as long as he does not mean what he says, then I am quite happy for him to withdraw it.

**Mr Speaker:** I think I want to hear what the Hon. Damon Bossino wants to say before I make a Ruling, if I have to make a Ruling.

2360 **Hon. D J Bossino:** Mr Speaker, the Point of Order is that I am being asked to present a motion to this House to make the allegation of corruption, and it seems that we have developed from that... well, of corruption, I think was the point – I think we have developed from that point.

2365 Simply to add what my hon. and learned friend has just said, Mr Feetham, which is that this is the allegation which has been made by this party in public statements to the press. The whole of Gibraltar has heard and read that allegation being made publicly. I am not sure why, when all I was doing – and I said so when I prefixed, by way of introduction, before I launched into the summary of the facts of the case – was simply recanting what we had said, and in fact more what we had said publicly in the press, and I am surprised that the Chief Minister should want to muzzle me using technical arguments for simply restating what has been said in public in this House.

2370 **Mr Speaker:** Yes, but with respect, what is said outside this House does not necessarily make it Parliamentary language in this House, and *vice versa*. What is said in this House, you can get away with; but the fact that it has been said outside this House and nobody has taken issue outside this House, does not make it Parliamentary in this House.

2375 I am not ruling that it is unparliamentary, but that is the point I am making. (*Interjections*)  
The Hon. the Minister for Justice.

2380 **Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, the point that you make is clearly right. Whatever may be said outside the House, the hon. Members may have to answer *outside* the House, whether in press releases, in the press or in another forum; but where a matter is repeated, and the fact that it is repeated in this House, does not make that language Parliamentary.

2385 May I assist – (**Mr Speaker:** Please.) thank you, Mr Speaker – by referring to *Erskine May*? It is in fact an old edition, it is the 19th edition, at page 429, under the heading, ‘Allegations against Members’, and it says:

2390 ‘Good temper and moderation are the characteristics of parliamentary language. Parliamentary language is never more desirable than when a Member is canvassing the opinions and conduct of his opponents in debate. The same right to plain, courteous treatment in debate is due alike in both Houses of Parliament; and abusive language, and imputations of falsehood, uttered by Members of the House of Commons or the House of Lords have usually been met by the immediate intervention of the Chair to compel the withdrawal of the offensive words or, in default, the punishment by suspension. It will also be useful to give examples here of expressions which are unparliamentary and call for prompt interference. These may be classified as follows:’

2395 There is a list, and the first one on the list is the ‘imputation of false or unavowed motives’.

The hon. Members talk of corruption and they do not mean corruption in a dishonest way, they do not mean corruption in a criminal way. They talk of ‘political corruption’. That must necessarily go to the motives of a decision which... The hon. Member has not just imputed in respect of the whole Government, because the hon. Member opposite has singled out the Hon. Mr Costa as having been the maker of a particular decision and the criticism is levelled primarily at him; but it is, in any event, an imputation of a motive to the whole Government, if not to the hon. Member. It is undoubtedly, I would suggest, Mr Speaker, an imputation of a false or unavowed motive to either the hon. Member himself, or the whole of the Government, in accusing the Government or the Member of ‘political corruption’ – it cannot be interpreted in any other way.

2405 Therefore, according to the provisions of *Erskine May*, which are there for our guidance, it calls for immediate intervention by the Chair and a call for a withdrawal of the language or, in default, suspension. We are not calling, clearly, for the suspension of the Member; (*Interjection by Mr Speaker*) we are simply proposing that if the hon. Member wants to make that suggestion, he should simply bring a motion. Certainly, he should not be able to make that point and use that language in the course of debate.

2410 **Hon. D A Feetham:** Mr Speaker, the Speaker should be very, very careful indeed about the course of action that you are invited to undertake. (*Interjection by Hon. G H Licudi*) This is not an allegation against any Minister; it is an allegation against the Government as a whole, but it is a ‘political criticism’.

2415 Mr Speaker, it is a novel concept that if this side of the House questions the political motives of the Government on the benches opposite, that that somehow is unparliamentary language or is something that entitles anyone to call for censure of somebody on this side of the House. Look, we would *all* be censured, because we are constantly calling into question the political motives, both us on their side, and them on our side!

2420 The reality of the situation is that if he had used the term ‘political dishonesty’, well, what? Nobody would have said anything. He has used the term ‘political corruption’; it means exactly the same thing – nothing more, nothing less. *(Interjection)* This issue – *(Interjection)*

**Hon. G H Licudi:** *[Inaudible]* what does it mean? What is it *intended* to mean?

2425 **Hon. D A Feetham:** It is calling your political *motives* into question – absolutely! *(Interjections)* Your political motives. *(Interjections)* No, the term, Mr Speaker, ‘improper motive’ cannot possibly extend to calling into question somebody’s political motives or somebody’s political decisions. It cannot – otherwise we would be completely hampered in doing our duty, not only on our side of the House, but also them on their side of the House. ‘Improper motive’ does not go to that; it goes to something other than that, Mr Speaker. *(Interjections)* I would invite Mr Speaker to be cautious about this, because the reality is that what we do not want is a Ruling from the Chair on something like this that turns out clearly to be wrong.

2430 The hon. Member has made the statement. He says that in future he might well bring a motion – in fact, I have already said that we want to make more use of motions in the future – and he is moving on with his speech. The hon. Gentlemen opposite should perhaps be less thin-skinned about criticisms levelled against them, and the Hon. the Chief Minister is going to have plenty of time to respond. No doubt he will have a field day on Thursday responding to the hon. Gentleman and everybody else! *(Laughter and interjection by Mr Speaker)* **(A Member:** Absolutely) And you should allow the hon. Gentleman to continue with making his speech.

2440 **Mr Speaker:** I think we must move away from the point. The passage which the Hon. the Minister for Justice has cited from *Erskine May* in fact reflects what 45(6) and 45(12) says. The reason why I did not promptly intervene, as the passage suggests I should have, is the use of the words ‘political corruption’, in the context of what was said by the hon. Member, did not read to me as unparliamentary; however, now on closer examination of...

2445 Before I go to that, the point about 45(6), which talks of ‘no Member shall impute improper motives to any other Member’, I do not take the view that imputing any ‘political’ motive – leaving aside the word ‘corruption’ – any ‘political’ motive is an ‘improper’ motive because all of you here are politicians. You are all motivated by political considerations. To impute any ‘political’ motive is not ‘improper’. Now, as I say, not using the word ‘corruption’ in this particular context, but we have tolerated in this House ‘political hypocrisy’, ‘political...’ *(Interjections)* No, no, sorry, the words ‘political hypocrisy’! The question is, do we tolerate the words ‘political corruption’? *(Interjections)* Yes, ‘hypocrisy’ is a milder form of criticism of any person than the word ‘corruption’ is – that is my line of thinking.

2450 Because I see the seriousness with which the matter has been raised and dealt with, *(Interjection)* I would ask the hon. Member, is he willing to rephrase that particular part of his passage – to save me going back and having to write out a Ruling for Thursday morning? I am sure the hon. Member can rephrase it and in a manner, I think, which would take the offence out of the situation. *(Interjection)*

2455 At first glance, in the context, I did not take the view it was unparliamentary; but now that the question has been raised, would the Member repeat the passage *(Laughter and interjections)* stopping before the offensive words?

2460 **Hon. D J Bossino:** Mr Speaker, should the repetition include the ‘C’ word **(Mr Speaker:** No, no.) *(Laughter and interjections)* which has clearly so offended the Members opposite?

2465 **Mr Speaker:** No, I do not think we wish to compound the offence.

**Hon. D J Bossino:** I cannot even remember where I was, to be honest. *(Interjection and laughter)* Just bear with me.

2470 **Mr Speaker:** It was not that far back.

**Hon. D J Bossino:** No, no.

**Hon. G H Licudi:** Start with your last line. *(Interjections)*

2475 **A Member:** Take it from the top.

**Hon. D J Bossino:** Oh yes, here we are:

‘I repeat the accusation’

2480 – which and I am quoting from my speech, Mr Speaker –

‘which we made in our first statement to the press which is that the Government’s decision is at best ill thought out and irrational, and at worst a manifestation of signs which amount to political [...]’

2485 (*Laughter and interjections*)

**Mr Speaker:** Yes, exactly, in that context, I did not see it as unparliamentary, the way it was phrased; but the use of the word which is now under consideration can understandably give rise to offence.

2490 **Hon. D A Feetham:** Will the Hon. the Chief Minister accept ‘political dishonesty’ instead of ‘political corruption’?

**Hon. Chief Minister:** This is not a negotiation, Mr Speaker. (*Interjections*) This is very simple.

2495 Mr Speaker, either that is I think very easily rephrased and we carry on, or my speech on Thursday starts with that ‘C’ word and ends with that ‘C’ word.

**Mr Speaker:** Well, hopefully –

2500 **Hon. Chief Minister:** And then the temperature, Mr Speaker –

**Mr Speaker:** No, no, no!

**Hon. Chief Minister:** – the temperature will really rise in this place.

2505 **Mr Speaker:** I see that offence has been taken. Is the hon. Member willing to rephrase it or withdraw it, otherwise I will have to make a Ruling first thing on Thursday morning and we take it from there?

2510 **Hon. D J Bossino:** Mr Speaker, I am not sure how I can, other than replacing the word ‘corruption’ in deference to the sensitivity of the Government opposite, (*Interjection*) and simply replace it with the word ‘dishonesty’, if the ‘corruption’ word is so vulgar to be able to pronounced in this House.

But simply to say, the preamble... I have not had the benefit of reading the particular provision cited from *Erskine May* by the Hon. Minister for Justice, and one likes to read these things.

2515 **Mr Speaker:** Anyway, having taken –

**Hon. D J Bossino:** The preamble just says apparently, according to the Minister, that the debate in the House should be conducted in good temper and moderation and I think that both those adjectives apply to me. (*Laughter and interjections*)

2520 **Mr Speaker:** Well, I think... Anyway, (*Interjections*) I will make a formal Ruling first thing on Thursday morning on the terminology.  
Please do carry on.

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**Appropriation Act 2012  
Debate continued**

2530 **Hon. D J Bossino:** Mr Speaker, we look forward to the independent public inquiry on the matter – I think I may have already covered this point – but we will be keeping a very close eye as to the conduct of that Inquiry in practice.

Already in relation to the Inquiry, Mr Speaker, we have seen worrying signals that it may develop into another anti-GSD witch hunt, and I refer to the Government’s statement to the press that the Inquiry will go into, and I quote:

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‘...certain aspects of the Sardeña case’.

In the same editorial I referred to earlier, the *Chronicle* raises this issue and states that:

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‘Government still needs to explain what it means by “certain aspects.”’

2545 We have endeavoured at all times to keep to the facts in our treatment of this case and not enter into the name calling and party bickering which has plagued Gibraltar politics for so long, but this has been difficult, (*Interjection*) given the negative and hostile attitude displayed by the other side on what is such a sensitive issue.

Of course we know that the reason for this is that the Government has been intent all along in deflecting attention from the obvious difficulty it is in. Attack, in this case has, in their view, given them the best form of defence.

2550 I now move on to Transport policy generally, the Members opposite will be glad to know. Whether it be the airport or the tunnel under the runway, I would encourage the Government to quickly understand the importance of the linkage between good transport connections and a successful economy. The Chief Minister will be glad to hear that in an article which appears in the website of the Member of Parliament for South Shields, Mr David Milliband, a fellow socialist of his, he states that, and I quote:

2555 'It's crucial to understand that successful regions are ones which are connected to the rest of the world. Whether hard connections – like transport, airport development and fast broadband, or soft connections – like student visas for Higher Education. Investment to ensure that these connections exist is crucial.'

2560 It is this connection which was perfectly understood by the GSD in Government. We appreciated that central to our ability to enter into the next stage of our economic development was the importance of proper investment in our airport terminal, combined with maximisation of its use – a use which had been liberated by the ability to now connect to many destinations other than the UK. This Government now has at its disposal a new airport terminal, which any self-respecting and advanced society can be truly proud of and we wish it every success into the future. They are on record as having stated, almost begrudgingly, that:

'We have to try and make it work'.

2570 I encourage them to do so for the benefit of us all and I can assure the people of Gibraltar that I will do everything within my power as an Opposition MP to ensure that they, on that side of the House, do everything in their power to make it work.

2575 In relation to the tunnel, we have in the past rehearsed the supreme advantage in having a dual carriageway under the runway. We have always identified this scheme as advantageous to Gibraltar as a means of eliminating very significant traffic delays and disruption caused by the need to interrupt vehicular traffic on the takeoff or landing of aircraft on the airfield. The tunnel is also a hugely useful and attractive supporting infrastructure to the new terminal.

I need only but refer to a letter which appeared in the *Gibraltar Chronicle* edition of 30th June, which states, and I quote:

2580 'I am aware that matters concerning the new airport terminal have become party political issues, but I express these views outside of local politics and only in support of Gibraltar. [...] The new terminal building is noticed'

2585 – and I am not quoting the full letter –

'by every visitor to Gibraltar. Visitors by air naturally, but it is also the first and last building in Gib for land visitors. I can't imagine cruise visitors not noticing it from the siege Tunnel or Princess Caroline Battery.

2590 Every day the old terminal remains in use says to the world that Gibraltar cannot finish or organise anything. Gibraltar needs to project cutting edge ability and confidence – everything that is lacking in continuing to use an overcrowded, under-resourced old terminal that is no longer fit for purpose. How is a wheelchair bound user supposed to get a snack, for example?

Complete the tunnel under the east end of the runway. I hear of contamination issues. The world copes with nuclear waste. How bad can this be that it cannot be dealt with? Dig the trench and sink the road! Enough party politics! Finish this project which has huge implications for the quality of life in, and the international image projected of Gibraltar.'

2595 (**Several Members:** Hear, hear.) And here ends the letter.

My advice to the new Government would be on a similar vein to that of the author of this letter which is: put your party political prejudices to one side, swallow your party political pride and continue with these GSD projects which are so crucial to the continuing progress of our economy and therefore of our political survival as a community.

2600 If the Chief Minister's aim has always been to 'get us up to a level of a Singapore, Hong Kong etc', as he stated recently in a *Chronicle* interview, then he should 'smell the coffee' and make the transport/communications link with a successful economy soon; but I am not hopeful, Mr Speaker, because it seems that the small-minded parochial nature under which they laboured in the Opposition benches, continues to shackle them in Government, judging by the Deputy Chief Minister's contribution on the airport this morning... or perhaps yesterday. I have lost track of time now. He continues to be intent on a political assassination of my Leader and the GSD. (*Interjection*) Instead of updating this

House in his area of responsibility, which is Civil Aviation, with the future plans he has for the Airport, all he can do is look back and continue in Opposition mode. He is the Deputy Leader of the Government and he should behave as such.

2610 But if I could deal just briefly with the contracts for airport handling services which has been the subject of comment in this House and in the press, and I would say this, Mr Speaker, the whole procedure was the subject of an EU tender process and the rest of the Government should know that the appropriateness, or otherwise, to sign or not to sign a contract during the period that the Government is in caretaker mode is a decision taken with no ministerial involvement and it is right that it should be so because generally these situations represent a culmination of a tender process, as in this case, which had started before the Election.

2615 So aspersions that they wish to attach to the chronology that somehow it was dodgy, that we rushed the signing on the eve of the Election, is wholly misplaced and an 'own goal', I am afraid. This community should not forget that when they were last in Government, they entered into privatisation contracts which tied the Gibraltar Government for *20 years* at a period of time that they were a caretaker Government.

2620 Mr Speaker, I now deal with our public transportation system. Here we see, once again, this obsession with denigrating everything which is GSD. One would have forgiven the Members opposite for behaving that way – however objectionable to us on this side of the House – whilst in Opposition. But, in just the same way that they have, falsely and without justification, admonished us for behaving as if we were still in the Government benches, I admonish and condemn them for behaving as if they were still in Opposition.

2625 People have given them a mandate to govern. Well, do just that and govern. Unfortunately for Gibraltar, and rather bizarrely, they see their role in Government different to that of all western democracies, as they see it as a means of holding the Opposition to account – they are on record as having stated that.

2630 This party in Government had the political will and courage to grasp the particular nettle that was Gibraltar's fledgling and antiquated bus service with its competing private interests and simply lack of service. The new fleet of buses provided a service which was unprecedented in Gibraltar and is an initiative that we as a party are proud of. Providing a high quality and free bus service costs money and we took the decision that that cost would be a cost to the public purse; but you see, that is the decision which we were happy to make because the effect of that was that people were given a choice to use a decent, efficient, safe and first class service which I can vouch for as a user myself. (A Member: Hear, hear.) A choice, Mr Speaker, incidentally, which more and more people are exercising, if the statistics are looked at.

2635 If a comparison is made between January and May 2011 with January and May 2012, there is a total increase from 847,000 to 986,000 in passenger numbers – that is an increase of almost 140,000 passengers.

2640 Mr Speaker, the other side have complained about the cost of the bus company and how this is a net contributor to the allegedly strained public finances, but what alternative do they propose? As a responsible Government, they should be less concerned about mounting an attack on everything GSD, in order to buy political security in return, and more concerned about coming up with solutions to the problems which they have themselves – not us – identified as problems of gigantic proportions. Are they proposing to charge for the service? Are they proposing that a private venture takes over which will in turn, more than likely, charge for the service? How do they propose to ensure that the buses are up to scratch in terms of the service, the state they are in, safety and efficiency? These are the questions which will require answers, if the criticism is that the service is a drain on the public purse and that the taxpayer should not foot the bill. If that is their view, then spell it out.

2645 If their ideology, as the champagne socialists that they are, is shrink Government, then let them have the courage of their convictions and look at the people, who they promised so much to at the last Election, in the eye, and tell them that they now have to pay for the service.

2650 Of course, all the actions of the Government in fact point the other way. At the time of the Election, they promised the electorate in true nationalistic style that, and I quote:

2660 'We will make bus transport free *only* for residents of Gibraltar and those holding Gibraltar ID cards.'

2665 They repeated that same claim on numerous occasions in the press, without once qualifying the use of the word 'only', until it was announced to the Spanish press at the press conference at No. 6 in February 2012, that this free 'Residents of Gibraltar only' public service would, in fact, be made available to Spanish workers on the grounds that they are taxpayers.

Quite apart from the 'all things to all men' charge, which very quickly comes to mind, Mr Speaker, it really runs counter to the massive concern expressed of the financial hole, which they claim is the public bus service. If that is the case, the last thing you do is to make it free at all, or if you promise to make it



2670 free to residents, also make it free to, not only Spanish workers, but any worker in Gibraltar. The inherent inconsistency of the Government's position in this speaks volumes of their lack of principle, focus and vision and of their incapability of showing true signs of governing.

2675 Once again, in the context of the bus card, we again see how that party's only role in life seems to be to propose anything which runs counter to anything which the GSD did. Without giving any reasoning, the GSLP in its manifesto said that they did not agree with the GSD 'club card' system, which was a perfectly good and effective system. The GSD 'club card' system addressed the abuse which was being encountered when tourist agencies were selling the fact that Gibraltar provided free buses, with the result that genuine users were competing for the significantly limited space available. It addressed this issue by imposing an administrative burden which, in effect, resulted in the tourist paying for the service.

2680 What do we have now? Well, they seem to have gone full circle and adopted the GSD bus card, in terms of its form, except that it is accompanied by a hugely complicated system of eligibility, which I strongly suspect is open to abuse and, in any event, purports to end up, I think less successfully than our system, with a result which we in Government managed to achieve in the first place. Free use for *bona fide* users of the service and no use for the abusers of the system.

2685 It is an obvious fact, of course, that as time goes by, the buses get older and thought has to be given to replacement. It is not true, Mr Speaker, that the Government was not forward planning. The opposite is in fact the case, given that a programme to replace the buses was very much in hand and options as to what was required to affect the change were being considered going forward before the last General Election.

2690 But I note that my opposite number, the Minister for Transport, said this morning that he is looking at the replacement of the fleet and he can rest assured that I will be quizzing him further on this in the upcoming sessions of the House. (*Interjection*) What should not be allowed to happen is to allow the current fleet to deteriorate. The anecdotal evidence that we are receiving is that the air-conditioning systems are not functional and some seats are broken. Only this morning, Mr Speaker, I was told that elderly people are having to stand in overcrowded buses with the danger that that entails and the electronic signage system, which shows the number of the bus at the front section, does not work on some of the buses.

2695 Why are the buses being allowed to deteriorate? Has the Government not itself 'tested the market' – which is what they criticised us for not doing – as to whether the maintenance service could be cheaper? I am sure there is a reasonable explanation for allowing the buses to go down the tubes as they are doing and it is not just a malicious and vindictive way of ensuring that another GSD project is assigned to the rubbish bin. I certainly hope that there is such an explanation because the people who will suffer the consequences of such unforgivable action would be our community.

2700 Finally, in relation to the buses, I am frankly astounded that five months after the former directors of the bus company were dismissed, no new replacement has been found. It is shameful on the part of the Government that they should allow a company responsible for our public transport system to be without a corporate head for so long.

2705 The GibiBikes Scheme, Mr Speaker: this Scheme was introduced by the previous Administration, having been identified as one of the important features of its Transport Plan. The current Government takes – as I have already outlined in relation to all GSD projects – a negative and dim view of the Scheme by relishing on the clear teething problems which it faced. This House should not lose sight of the fact that this project was a pioneering one for Gibraltar and there were bound to be issues.

2710 I am glad, however, to see from replies given by the Minister for Transport, Mr Costa, at the last question-and-answer session, that matters are moving in the right direction, insofar as the discussions with the company supplying the equipment are concerned, and that the contractor is currently mobilising to finalise the project.

2715 We are confident, on this side of the House, that if the political will exists, the project can succeed. In this context, it is very encouraging indeed that the further roll-out of the Scheme, which in effect means that the other bike stations are installed and made operational, will result in a more attractive system and therefore greater usage, which in turn will result in a lessening of vehicular traffic and decongesting of our roads. The previous Government was willing to make the necessary investment, because it took the view that it was worth it. We did not have the privilege of seeing Gibraltar's first ever urban bike scheme come to a fruitful conclusion, but from these benches, Mr Speaker, we sincerely hope that it reaps the benefits it was designed to reap.

2720 On traffic, no one can deny that the previous GSD Administration, throughout its four terms in office, made huge strides forward. Whether you look at the substantial increase in the provision of free parking – something which was anathema to the previous GSLP Administrations – new roads, widening of roads, enhancing road safety, new roundabouts, free bus service in new buses, the urban bikes scheme, there is no denying, Mr Speaker, that the last Government made a serious and, in my view, successful attempt at tackling Gibraltar's traffic problem.

2730 This party published Gibraltar's first ever Plan in April 2010, following extensive public consultation. The Plan rightly sets out the projects which had been completed during the course of the previous GSD

Governments and then set out a game plan of what was to happen over the following years. What is wholly unclear to me, sitting on this side of the House, is why the Government seems to have decided to put the Plan to one side and then start the process again. Again, is this nothing other than that the poor Plan was always doomed to failure on the grounds that it was nothing other than a GSD inspired plan?

2735 The Government is entitled to have its own view on life, but unless you have a plan of your own which is the ‘bee’s knees’, then it makes little sense to me to start the ball rolling again. By all means review matters, develop what was there, and come up with something that we had not thought before; but to ignore what was there, is that a good way to address the issue? With traffic, there will always be new issues and challenges coming up which face any community, particularly a small, successful one which  
2740 has very limited space as this one, but does everything have to be subjected to the party political test? Indeed, the Chief Minister is on record in this House as having said that the Parking and Traffic Plan – for that read the GSD’s – ‘is a thing in constant motion’. Was that a moment’s lapse perhaps?

2745 What is clear is that the new GSLP Traffic Plan is increasingly being used as the excuse behind which the Government hides behind when asked traffic related questions. It is almost always, ‘Well, we will have to wait and see what the new Plan brings.’ Again, here I ask them to get on with it and govern for the good of all.

I am equally bemused, Mr Speaker, as to the replies which I have received from the Government on this question. Again, from this vantage point, and judging by the answers I am getting from the Minister for Traffic, it really does look like a dog’s dinner and he does not know whether he is coming or going.  
2750 Again, here there is lack of focus, vision or indeed a plan. They first announced that the consultation exercise commenced on 11th January to end on 30th January. He was of the view and he is on record in this House as saying that this two-and-a-half week period provided sufficient time for a proper consultation. When I asked him at the first session, in what was a rather – and the Chief Minister may recall – lively exchange, whether they had in fact identified who the ‘interested parties’, which they had themselves identified from the press statement were, and who they said were going to be the beneficiaries of the consultation exercise by the Government. I sensed, Mr Speaker, at the time that the reality was that there were no ‘interested parties’ as such, but that the wording was the result of poor drafting. In other words, a copy and paste job from the party’s electoral manifesto.

2760 I therefore offered as a possible way out for the Government whether they in fact meant the public at large. It came as a complete surprise when the arrogant reply came from the Chief Minister that I was not to propose answers and that there were people that had been identified and that a full answer would be given at the end of the consultation period – i.e. post 30th January. It came as a further surprise when after all that the Minister then tells me at the following session of the House in February that the interested parties were the general public after all. When I put to the Minister that the Chief Minister had told me in fact that there were people who had been identified by the Government and that those interested parties would be consulted by them, he tells me, poker faced – this is the Minister – that the Government have not identified these parties and that it was completely left open to the general public; but the story, Mr Speaker, does not end there.

2770 In the February session, the Minister then announced that the public consultation exercise had been completed and that the data collated was being analysed and a summary spreadsheet of all the findings was being prepared. When asked in March for details of the findings following the consultation exercise, I was told that in fact the public consultation exercise had not quite finished, describing it as ‘fluid’ and that it was not until a User and Trip Survey had been carried out that these could be made public.

2775 Then, lo and behold, on 11th May before the following session of Parliament, the Government advertised for tender the consultancy services in respect of a sustainable traffic, transport and parking plan. The Minister advised this House in the June session that the successful applicant will be required to assist the Government in the development of a new sustainable, transport and parking plan. Part of the services to be provided would be, in fact, the carrying out of the User and Trip Survey. It is very telling, Mr Speaker, that no mention in any of the previous sessions of the House or, indeed, in the press had been  
2780 made of the possibility that the Government would be going out to the private sector for assistance in relation to the formulation of the Plan.

In summary, all of this already shows that the Minister and his Government have no plan of action – it acts without vision and is simply out of its depth. Mr Speaker, this embryo Government is showing already that they have no plan of their own – generally I mean, not in relation to traffic. They are devoid of any ideas. They are so visionless as to where they want to take and develop Gibraltar that they can do nothing other than get a kick out of delving into the books and pathetically rubbing their hands collectively with glee, when they stumble across what *they* consider to be evidence of unreasonable financial expenditure, as another stick with which to hit the previous Government.  
2785

2790 The people of this community deserve better and they will soon learn that the people of this community will expect better. This behaviour is nothing other than symptomatic of a party which, despite languishing in the Opposition benches for almost 16 years, had in fact run out of ideas. Any political and objective observer will tell you that this is normally the effect of a party which has run out of steam after

exercising power for a long period of time, but not one in Opposition. I suppose, Mr Speaker, that that is the reason why they were rejected by the electorate on four occasions in a row.

2795

This rather strange and bizarre behaviour is also symptomatic of the obvious fact that the party opposite still cannot understand that they are in Government and behave, on their own admission, as if they were in Opposition. Indeed, and I quote the *Chronicle* again, in its editorial today, (*Interjections*) where they say:

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‘The Opposition Leader, Peter Caruana’s advice to the Government’

– obviously –

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‘to “look forward and get on with the job” has to be right.’

The party opposite used a policy of seduction to win votes where money was no obstacle – an attitude which was inherently contradictory to the position they adopted with regards to public debt. The Chief Minister may have used his own mellifluous eloquence to get him past the winning line on the last occasion, but in the process, Mr Speaker, he has created a tiger by promising what he knows he cannot deliver and he will end up inside this.

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Many who voted for them on 8th December on the promise of a ‘New Dawn’ are seeing, with the greatest of regret, how the ‘New Dawn’ is being perpetually afflicted by a dense and menacing Levanter cloud. Roll on 2015!

2815

(*Applause*)

#### Procedural

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, after those final compliments from the hon. Gentleman, he will see I have sent him a document to look at. I do not think anyone can bear it any more, and I therefore move, Mr Speaker, that the House do now adjourn to 9.00 a.m. – and I am sorry it is going to have to be 9.00 a.m. – on Thursday, when the Hon. Mr Netto will be the final speaker on the Bill, before I reply.

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**Hon. J J Netto:** Thursday?

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**Hon. Chief Minister:** Thursday at 9.00 a.m.

**Hon. D A Feetham:** Mr Speaker, there is not going to be any debate on the adjournment – (*Laughter and interjections*)

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Mr Speaker, may I also remind you, you said that you were preparing a Ruling for Thursday. May I remind you that, in fact, my hon. Friend, Mr Bossino did actually substitute the word ‘corruption’ for ‘dishonesty’ – ‘political dishonesty’ – during the course of the – (*Interjection*) Absolutely, we do not resile from anything that we have said. We do not believe that anything that he has said is any way, shape or form either in breach of the Rules or improper, but in the spirit of trying to move on, the hon. Member did in fact substitute the word ‘corruption’ for ‘dishonesty’.

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**Mr Speaker:** [*Inaudible*] I invited him to substitute... Sorry, the hon...

2845

**Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, we have handed over a copy of a further extract to the hon. Member from *Erskine May*. It is an appendix of unparliamentary expressions – it is on page 445 – and I hand up a copy, just for your guidance.

**Mr Speaker:** Thank you. Does that appear there?

2850

**Hon. G H Licudi:** It includes the word ‘corrupt’, ‘corruption’ and also includes the word ‘dishonest’, and clearly, the whole issue depends on the context in which the word is used.

We do not believe that where language is unparliamentary, the matter can simply be saved by adding the prefix ‘political’, otherwise any sort of language would be available to be used in this House and we –

**A Member:** Including ‘dog’...? (*Laughter and interjections*)

2855 **Hon. G H Licudi:** I leave it to you to consider. (*Interjections*)

**Hon. D A Feetham:** Mr Speaker, I am not sure the word political ‘dog’ actually... where that is actually going to go! (*Interjections and laughter*)

2860 Mr Speaker, there is absolutely – (*Interjections*) It just does not even get beyond first base. Of course the word ‘dishonest’ can be in its context unparliamentary, but the words ‘politically dishonest’ in the context used by Mr Bossino cannot possibly be unparliamentary or in breach of Standing Orders, and here we are wasting our time and wasting Mr Speaker’s time with a Ruling for Thursday!

2865 **Mr Speaker:** It is not a waste of my time. I am sure I am going to learn something as I go along. When I invited the hon. Member to substitute the word, I had ‘political shenanigans’, something like that in my mind. (*Interjections and laughter*)

Anyway, I now propose the question, which is that this House do now adjourn to Thursday, 12th July 2012 at 9.00 a.m.

2870 I now put the question, which is that this House do now adjourn to Thursday, 12th July 2012 at 9.00 a.m.

Those in favour. (**Members:** Aye.) Those against. Passed.

This House will adjourn until Thursday, 12th July 2012 at 9.00 a.m.

2875 *The House adjourned at 8.45 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 9.00 a.m. – 1.10 p.m.**

**Gibraltar, Thursday, 12th July 2012**

## The Gibraltar Parliament

The Parliament met at 9.00 a.m.

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

### **Ruling by The Speaker Use of the phrase ‘political corruption’**

5 **Clerk:** Sitting of Parliament, Thursday, 12th July 2012.

**Mr Speaker:** At the end of a long day on Tuesday I did say that I would deliver a ruling this morning. I am glad the hon. Member is back: I thought I would have to rule in his absence.

10 In the course of his speech during the debate on the Second Reading of the Appropriation Bill, the Hon. Damon Bossino said, when referring to the Government’s involvement in the Sardeña matter before the Industrial Tribunal, and I quote him:

‘I repeat the accusation that we made in our first statement to the press, which is that the Government’s decision is at best ill thought

15 out and at worst a manifestation of signs which amounts to political corruption. Not one of their public statements, after this party's first pronouncement on this matter, assuages our concerns.'

The Hon. the Chief Minister challenged the use by the hon. Member of the phrase 'political corruption' as offending against Standing Order 45 sub-paragraph (6), which reads:

20 'No Member should impute improper motives to any other Member'

and sub-paragraph(12), which reads:

'the conduct of Members of the Parliament shall not be raised except upon a specific substantive motion moved for that purpose'.

25 *Erskine May* at page 444 of the 24th edition – which is the 2011 edition – contains some useful commentary on personal allusions and unparliamentary expressions:

30 'A good temper and moderation are the characteristics of Parliamentary language. Parliamentary language is never more desirable than when a Member is canvassing the opinions and conduct of his opponents in debate.'

It continues at page 445:

35 'Expressions which are unparliamentary and call for prompt interference include:  
1. The imputation of false or unavowed motives',

and at 4.

'Abusive, insulting language of a nature likely to create disorder.'

40 The Speaker has said, in this connection, that whether a word should be regarded as unparliamentary depends on the context in which it is used. Expressions are *still* unparliamentary even when based on a quotation from elsewhere.

45 In the course of the debate that followed on the Point of Order my attention was drawn to the appendix of unparliamentary expressions contained at page 445 of an earlier edition of *Erskine May* which reads:

'From time to time the Chair has intervened to deal with the use of certain expressions in debate which in the context in which they were used were abusive or insulting and of a nature to cause disorder'

50 and lists some of those expressions, among which appear the words 'corrupt' and 'corruption'.

It goes on to state:

'It must however be emphasised not only that the list is not exhaustive but also that the permissibility of some of them would depend upon the sense and temper in which they were used.'

55 That appendix has not found its way into the 24th edition but, insofar as those words and expressions listed therein continue to be in use in common parlance, I am happy to be guided by it.

60 From the context in which that phrase was used I understood the hon. Member to allege nothing more than a 'misuse of political power' and, for that reason, I did not intervene to compel the withdrawal of the offending words. If the hon. Member will now confirm that that was the sense in which the expression was used by him then I will have been vindicated in my original assessment of his intent.

**Hon. D J Bossino:** I do, Mr Speaker.

**Mr Speaker:** Thank you very much.

65 This ruling is based entirely on my view of the sense in which the words were used, and I must stress that it is generally *not* permissible for hon. Members to bandy about words such as 'corrupt' or 'corruption' in the proceedings of this House. Nor does the addition of the adjective 'political' make words or expressions which would otherwise be unparliamentary, palatable.

70 Hon. Members elected to this House are well able to, and must, therefore, strive to articulate their views and arguments without resorting to insulting or abusive language, particularly in pre-prepared speeches to the

drafting of which clearly much time and thought will have been devoted.

I conclude by re-iterating the view I have previously expressed in this House that I know of no argument that has been enhanced by insults or abuse.

75 **Hon. P R Caruana:** Mr Speaker, may I address the Chair on Mr Speaker's ruling, for which we are grateful.

Mr Speaker has indicated, if I have correctly understood him, that he does not think that the addition of the adjective 'political' makes any difference. With respect, Mr Speaker –

80 **Mr Speaker:** Not any difference, more palatable.

**Hon. P R Caruana:** Well, with respect, it goes – and I would ask the Chair to consider that – actually, it goes to the very root of the distinction that he himself has made, as to acceptable and unacceptability of my colleagues' strand.

85 There are two sorts of corruption; corruption where money changes hands and improper payments are made and received – that is not political corruption, that is financial corruption. *Political* corruption – and therefore you put the adjective in front of it, 'political', to make it clear that you do not mean the other one – by adding the word 'political' corruption to the front of it, you are making it clear that you are *not* alleging that the politician has charged a fee for or that money has changed hands but rather that you mean precisely  
90 abuse of political power. If you simply use the word corruption it is open to both interpretations because corruption can either be abuse of power to help your friends, with or without the passage of money, or it can mean, as politicians – happily not in Gibraltar but elsewhere in the world – appear to do, to charge money for the exercise of power. So, I want to make it clear that, both in our parliamentary and our extra-parliamentary statement, we have always meant 'abuse of power', which is why we added the adjective 'corruption', as  
95 opposed to leaving the adjective 'corruption' out.

**Mr Speaker:** 'Political'.

**Hon. P R Caruana:** Sorry, political corruption. I meant to say that.

100 Having made that clear, Mr Speaker, there is one issue on which you may enjoy expressing your view before you vacate the Chair, and that is this, because it has arisen both in the context of *this* issue and the previous one, when a four letter word beginning with the letter 'L' was used. There is a sort of folkloric view in this House, often heard – I think, in fact it was heard on the lips of the Chief Minister when this incident took place, I was not in the House to hear it myself – that, to do that, you have got to bring a substantive  
105 motion. There is a view, long-held amongst parliamentarians in Gibraltar, that what you cannot say *outside* of a substantive motion, you *can* say if you make it the subject matter of a substantive motion.

Mr Speaker will be aware that when I have tried that in the past he has taken the same view of the use on the language in the substantive motion that he had when he objected to its use *outside* the context of a substantive motion, which leaves this Parliament, and I suppose all Parliaments in which that rule applies if, indeed, it is the correct rule, with the conundrum if there *is* a Government or an Opposition Member who has  
110 lied in the House, or if there is a Government or, for that matter, an Opposition Member in the context of cash for questions or whatever, that *is* guilty of corruption, is there no way that the Parliament of a country can be the place where its own members and where its executive can *actually* be held to account for possible corruption and possible lying? That can only be done on the street, [*inaudible*] it can be done everywhere except in the Parliament.

I do not profess to be an expert on *Erskine May*. My view has always been that proceedings in this Parliament historically have never been with a rule book in the hand – there has always been a fair amount of latitude. But this is important because it does raise the question of whether Oppositions have a duty to expose  
120 governmental corruption or, indeed, Members on the other side a duty to expose Opposition Members' corruption or abuse of position and, if so, whether it has to be done outside of this House or whether we have to tiptoe around an allegation of lying or corruption, describing all its ingredients, so that people sitting there will know what we mean but without actually using the word, because it is the word and not the concept that is important.

125 I really would appreciate the views on that, but on a considered basis. Mr Speaker does not have to reply now.

130 **Chief Minister (Hon. F R Picardo):** Mr Speaker, if I can just start with the first issue. Of course we accept your ruling, and I am very grateful that you have taken the time to make a considered ruling on this issue, which I think is important, although my hon. learned friend had actually changed the word in his speech during the course of the intervention that we had on Friday, and went back and re-phrased it as ‘political dishonesty’ he will recall, as *Hansard* will show.

So, Mr Speaker thank you, nonetheless, for that ruling.

Taking the issue that the Hon. the Leader of the Opposition has raised that simply by characterising corruption as *political* corruption one moves it away from the suggestion of impropriety and that –

135 **Hon. P R Caruana:** Not impropriety, financial impropriety.

140 **Hon. Chief Minister:** – at least from the concept of financial impropriety, Mr Speaker – I think is wholly wrong, for this reason. He was not in the House to hear the debate that we had on this issue but the offence under the Criminal Offences Act of ‘corruption’ is corruption in public office and it does not have to be financially motivated specifically. So, therefore, Mr Speaker, the offence is ‘political corruption’. In other words, somebody who holds a political office, who allows themselves to do something in exchange for something which need not be cash... so, therefore, Mr Speaker, I think in relation to the issue of adding the word ‘political’ in front of the word corruption – I do not think it cures the ill.

145 It has been the case – and we all know that it has been the case, if we have been in this House for some time – but by adding the word ‘political’ in front of other words to describe behaviour like, for example, ‘political dishonesty’ that we talked about and settled on, on Tuesday, ‘political hypocrisy’ that we have often had bandied around the floor of the House, we are saying to each other ‘You are representing two points of view which are inconsistent in your political discourse.’ But, Mr Speaker, to move from that to saying that ‘political corruption’ is an acceptable turn of phrase I think is a major leap forward and I would ask you to resist that attempt to water down your Ruling – which I think, rightly, looks at the temper and manner in which the corruption word itself, without any preface, is used, rather than trying to find a way where it might stealthily be used in every debate going forward.

150 Mr Speaker, finally, I think that the Hon. the Leader of the Opposition fails to understand what Standing Orders provide. Standing Order 45 (12), which you referred us to earlier, actually says that issues relating to conduct shall not be raised, and it has traditionally been on that rule that the issue of the ‘L’ word has settled, other than by substantive motion.

155 Now, Mr Speaker, when it comes to the motion, and having had the honour to be a Member on the Opposite benches for seven or eight years, I have been threatened by the hon. Member with a substantive motion on the ‘L’ word I think on more occasions than most, and I take that as a badge of honour. He never brought the motion – I did not realise it was because you told him he should not bring it perhaps in the terms that he might have most enjoyed – but I do recall that, in this debate last year, there was a motion brought against me and you interfered, rightly, to temper the wording of that.

160 Now, Mr Speaker, it is of course, in the hands of this Parliament to determine whether a Member has been ‘corrupt’, or whether a Member has ‘lied’ to the House. Of course it is, Mr Speaker. But it is the *language* that is used in the process of determining that, that the rules deal with and, therefore, Mr Speaker, because somebody may have said something which is an untruth does not mean that we cannot have a motion that deals with that in parliamentary language. And the parliamentary language, Mr Speaker, as the hon. Gentleman well knows, is that a Member has ‘misled the House’, and there are more words thought of in the dictionary than just the word ‘lie’ in order to be able to express that and to reach a conclusion in this House – and I sincerely trust that it will never be necessary for us to enter into such a motion – either originating from the Opposition benches, or originating from the Government benches, because what we must do is at least accept that none of us here are here to be corrupt, or are here to mislead the House, even if we have differences of opinion as to what behaviour constitutes ‘misleading the public’. But if we were to have such an instance, Mr Speaker, the mechanisms are there in Standing Orders to do it, and all that you from the Chair ask is that we do that in temperate, parliamentary language.

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180 **Mr Speaker:** I will certainly take up the Hon. Leader of the Opposition’s invitation to consider these matters on an academic basis, as opposed to any particular issue which remains pending before the House today. Probably while I am sunning myself at one of our beaches during the summer months, I will contemplate my navel and come up with something.



185 But on the question of the word 'lie', if I may confess, only about six weeks ago the Speaker of the House of Commons ruled that the use of the word was permissible – which I disagree with – in the context of a motion which was then before the House in connection with the conduct of the Culture Secretary in the United Kingdom but, again, I disagree with that. But I will bear in mind what I have been invited to do and will, hopefully, come up with something wise.

**Hon. P R Caruana:** Although, Mr Speaker, the precedent set at Westminster cannot be inviolable when it suits and – (**The Speaker:** No, no!) – not to be followed when it does not.

190 **Mr Speaker:** No, with respect, I do not consider myself, as Speaker of this House, to be bound slavishly by *everything* that emanates from Westminster. We look to Westminster for guidance. They are a far more experienced Parliament than we are, so I will always be guided by anyone wiser than I am. But, as I say, I reserve the right to say I disagree with [*inaudible*] your ruling...

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### Appropriation Act 2012 Debate continued

200 **Mr Speaker:** Can we move on to the Hon. Jaime Netto.

**Hon. J J Netto:** Mr Speaker, It is a pleasure and an honour to deliver my seventeenth Budget address to this House.

205 This time it will be the first occasion that I do so as a member of the Opposition. In giving my address, I am conscious of the fact that this is the first Budget presented by the new Government, a Government that has not yet completed one year in office and that it needs more time to implement its own policies. I have therefore tried to be responsible in my assessment and criticism of the Government in relation to its performance within my areas of responsibilities –social security, social services and health and safety.

210 Mr Speaker, in this year's presentation of the Estimates Book, we see that Head 5, in the Estimates Book for 2011-12, comprising Social Security, the Care Agency and a number of other organisations providing services to the community, has now been split into two different Heads in the Estimates Book for 2012-13. One is the new Head 26, dealing with Social Security matters and the other one is Head 16, which deals with the Care Agency and the various other organisations providing services to the community. To be able to properly analyse the expenditure that covers the same services provided to all groups of people today against the previous expenditure in 2011-12, I need to add the Estimates shown for 2012-13 of £36,108,000 in Head 26, with the Estimate of £21,481,000 in Head 16. This gives me a total of £57,589,000 against the Forecast Outturn of £53,509,000, a figure which is obtainable on page 95 of the new Estimates Book. This represents an increase of 7.6%, in money terms, over a period in which the Index of Retail Prices percent has been 3%. Therefore, after adjusting for inflation, we see an increase of 4.5% in real terms.

220 In order to compare like for like, the financial provision made by the GSLP/Liberal Government against that provided by the GSD Government, I have repeated the same exercise for the figures in the 2011-12 Budget, using the same parameters and the actual expenditure for 2011-12 was £48,142,547 against the Forecast Outturn of £53,509,000. This represented an increase of 11.2% in money terms over a period in which the Index of Retail Prices percent was 3.7%, thereby representing an increase in real terms, after adjusting for inflation, of 7.2%.

225 Mr Speaker, what these figures show us is that the rate of growth for the Budget sought in this Appropriation Bill, dealing with the overall services of what can generically be termed as the 'welfare state' in a loose sense, was greater with a GSD Government than under a GSLP/Liberal Government; in fact 2.7% greater. This, Mr Speaker, at a time when the state of the economy has never been better and where revenue over expenditure in the Government coffers has never been greater, thanks to the previous GSD Government. This brings into question all the comments made by the hon. Members opposite, when in Opposition and at the time of the General Election, that the GSD Government had never invested in the welfare state and that all the money available to the previous Government only went into grand projects like the magnificent new airport terminal. Given that we were chastised by the Hon. Neil Costa – who I notice is not here in the Chamber – during the previous term of office, for what he used to say was 'inadequate funding', and now that

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the new Minister for Social Services uses the mantra that these services are woefully under-resourced, why then have they not used this golden opportunity to put right such under-resourcing at a time when they can afford to do so, thanks to the economic prosperity inherited from the outgoing GSD Government? The answer, Mr Speaker, is because it was a pack of lies then by the Members opposite.

240 Mr Speaker, The Minister for Equality, in her contribution to the Appropriation Bill, stated that by having a Minister dedicated for the first time to equality issues that this was an important step taken by this new Government. She also stated that this will mean that 'vulnerable people will be given priority'. Seconds later, almost in the same sentence, she went on, in her now inimitable and unnecessarily high-handed style, to spew a barrage of unfounded allegations that, I had tried to change the Classroom Aides' conditions of employment unilaterally at St. Bernadette's Occupational Centre.

245 Mr Speaker, her personalised criticism is not something that I am concerned about, but for the hon. Lady to say that 'priority will be given to vulnerable people', and then, almost in the same sentence, misconstrue the facts surrounding the dispute at St. Bernadette's is quite another and I am not going to let her get away with it. The hon. Lady also needs to be consistent with her own statement and not be all things to all men.

250 Mr Speaker, the dispute at St Bernadette's was about *some* Classroom Aides deciding not to carry out their full duties within their job description and, as a consequence of that unilateral action by them, to disregard their duties to disabled persons, which brought about a negative effect on the services provided to vulnerable people. No one's contract was changed unilaterally. Now, let's be clear, I don't make apologies for the fact that, as Minister for Disability, I placed the interest of disabled persons before the unreasonable position taken by some employees, notwithstanding the fact that I have continued to be a trade union member since the age of fifteen and an old-fashioned socialist.

255 What the hon. Lady cannot say, on the one hand, is that vulnerable people come first, but then criticise me for doing exactly that. Her position is not just contradictory, but shows the venom of her political inclination towards character assassination. And, for the record, in relation to the suspension without pay, it wasn't once, it was twice, and if I was placed in the same position again, I would do it again, and again because, for me, vulnerable people come first. (A Member: Hear, hear.)

260 Despite the fanfare of the Minister for Equality about how she will now be the saviour of minority groups, how come she has not once in her speech mentioned the plight of Moroccan workers? Is it because she may think that they cannot vote at General Elections, or is it because she doesn't care at all? It is quite shameful that the new Minister for Equality does not have on her radar screen the interest and welfare of Moroccan workers, most of which have lived in Gibraltar for 40 years.

265 In this regard, I do appreciate, however, that the Chief Minister is on a bind here, because on the one hand he has indicated to me that he is willing to make significant progress on the issues raised by me but, on the other, he has to contend with his Minister for Social Security who has been, is, and continues to be, totally against giving Moroccans equal treatment on benefits that that they have directly or indirectly contributed to. That said, the Chief Minister cannot sit on the fence permanently without deciding what to do. Either he comes on the side of moral obligation towards the Moroccans, or he adopts the traditional stand of his Minister. If he takes the moral stand, he will certainly have me congratulating him for his principles, but if he chooses to ignore this issue, he can rest assured there will be those, like me, that will continue to fight for a principled cause.

270 Mr Speaker, the hon. Lady, the Minister, charged with responsibility with women's issues, went on to lecture my hon. friend, Mrs Ellul-Hammond – as if my colleague needed a lecture from her – on why the Government will not pursue positive discrimination policies for women within the Government or society. Mr Speaker, neither my hon. friend nor, indeed, the GSD, is advocating positive discrimination policies. What *she* was talking about was positive action that the Government needs to pursue to give women a greater voice and role.

275 Just to give the hon. Lady an example of a very successful GSD Government policy on positive action for women, was the abundance of professional continual development courses for Civil Servants. As a result of this sustained 16 year investment, today we see many women Civil Servants in middle and higher management posts that did not exist under the last GSLP Government, which never took any positive action for women or, indeed, for the Civil Service either. Well, when I come to think about it, not only did they not do anything but they tried to decimate the Civil Service. The then Hon. socialist Chief Minister tried to privatise it, and I am glad to say that, thanks to my efforts in this matter, I successfully thwarted such right-wing policies of the then socialist Chief Minister. So, for a Minister with responsibility for women's issues not to know the difference between positive action and positive discrimination shows that it is all talk and no

substance in this Government.

295 As my hon. friend, Mrs Ellul-Hammond, said, thanks to the GSD's commitment to social equality and social justice, the 15 years of a GSD Government has addressed much better the balance towards a more meritocratic society. The GSD helped close the gap between men and women through the introduction of social policies, such as maternity grants and equalisation of pension rights; the support of working parents, the school lunches and family-friendly hours; and encouraging upward social mobility for women through training within the public sector.

300 We now seek a concerted effort to positively encourage more women to participate in bodies linked to influencing policy-making; and the introduction of further meritocratic policies, such as equality legislation. And even today, it is pathetic for a so-called socialist Government to wait for a European Directive in order to implement paternity leave in the private sector. If they were real socialists, they would have the boldness to do it right now. They even have the very successful legislation on maternity leave, brought about by the GSD Government, as a tool to emulate and implement the paternity leave, or is it that they need outside consultants, as with the Hon. Minister Cortes, to tell them how to do it?

305 As expected, the Minister for Social Services has claimed that, thanks to this new Government, they have brought about a 'new dawn' in which they will put right the necessary resources that are needed to provide adequate services to vulnerable people, and this will be manifested by the increase in expenditure and staff, as shown in the Estimates Book. Well, it certainly is a new dawn of glitter and press release spin, but one that lacks substance and honesty to state the enormous improvements brought about by successive GSD Governments in the field of Social Services. **(Some Members: Hear, hear.)**

310 I will take the 'Hear, hear' and the chance to have a bit of water.

As far as the expenditure argument is concerned, let us not forget that when we came into Government in May 1996, the budget we inherited from the outgoing GSLP Government for Social Services, and the Elderly was £1,870,000. Today the forecast outturn for recurrent expenditure for the financial year 2011-2012 is £17,991,000. This is an increase of 962% in money terms and an increase of 673% in real terms, after adjusting for inflation. Therefore, on this count alone, if the hon. Lady, the Minister for Social Services, thinks that we have not invested enough then, when compared to the pittance that existed under a GSLP Government, surely she will have the honesty to condemn her political mentors between 1988-96 in the field of Social Services and the Elderly as woefully under-resourced.

320 The problem with Members opposite is that they don't know, or keep to the text, of the things that they state in their manifesto. Take, for instance, the example of 'Orthopaedic Equipment' on page 82 of their manifesto. It states,

325 'The budget for orthopaedic equipment is presently just £30,000 and this will be increased considerably'.

Well, given the remark, I quickly went to see how much this sub-head was going to be increased by, so I dashed to the Estimates Book, went to Head 26 – 'Social Security' – down to sub-head 2 – 'Other Charges' – (2) (b) 'Home Help', and what do I see? I see that the Estimate for 2011-12 was £30,000, the Forecast Outturn is £30,000 and the new Estimate for 2012-13 is – wait for it. Any guesses from the Government benches? £30,000!

330 So, I then looked at (2) (c) – 'Contingencies' – and what do I see? I see that the Estimate for 2011-12 was £35,000, the Forecast Outturn is £35,000 and the new Estimate is – wait for it. Any guesses from the Government benches? £35,000! So, what can we conclude? Either at the time of the Elections they did not know what they were talking about, or they said one thing at Election time and now they are doing another.

335 Mr Speaker, the Hon. Minister for Social Services told us, in her Budget address, that the expenditure for orthopaedic equipment will be supplemented further by viring from other Heads or sub-heads, as and when this is necessary during the new financial year. Well, Mr Speaker, what I tell her is: 'Welcome to the real world of politics', because this is precisely what I did in some years in which the demand for further equipment surpassed the expenditure allocated under this sub-head. So she is saying she would do exactly what I did despite *all those criticisms* when they were in Opposition. Or perhaps it suddenly dawned on the hon. Lady when preparing her speech that her party in Opposition used to criticise me on this issue, realised that I would expose the inconsistency and hypocrisy on the part of the new Government and, at the last minute, sought to justify it. Well, Mr Speaker, the hon. Lady needs to understand that she can't have '*el pan mantecado por los dos lados*'. Either she criticises both the GSD and the GSLP/Liberal Government, or she acknowledges that when her colleagues criticised the GSD Government this was without any substance in

truth? So which one of the two is it? She needs to answer that question.

Again, Mr Speaker, in relation to the recruitment of extra staff, as shown in the new Estimate Book, the hon. Lady has claimed that this shows how woefully inadequate human resources were under a GSD Government in order to provide services to vulnerable people. Again, the hon. Lady needs to do the same exercise as stated before and have the honesty to state that personnel employed by the previous GSLP Government was a tiny, tiny fraction of the figures that we have today, making the Care Agency today the third biggest Government organisation after the GHA and Education, a colossal increase by the GSD Government. The employment of an extra 35 Care Workers and Social Care Workers, welcome as it is, is a small amount compared to increases in our time. Here, as elsewhere, in the Opposition political discourse during this Budget session there is an inherent contradiction; there is no money in the coffers because of the large public debt, but we have the money to employ an extra 35 workers. Could it be that, thankfully, our economy and the state of public finances are so good that it allows us to increase numbers?

Again, Mr Speaker, in her Budget address, the Minister for Social Services stated 'we have created a new post of Training Officer'. Well, Mr Speaker, this is not true: the hon. Lady obviously doesn't know what she is talking about. The fact that we can see in the Estimate Book for this new financial year a new post of Training Officer, does not mean that *she* took the decision to have a Training Officer dedicated to pursue training issues in the Care Agency. Mr Speaker, the post and the person leading the training started in my period in Government, as a direct result of my decision, as Minister, to continue to develop further more dedicated training courses throughout the Care Agency. This is a fact, and for the hon. Lady to claim credit for something that she should know was my decision, and not hers, shows a level of political immaturity which she needs to quickly snap out of. What she should do is go back to her office, get the right information, and apologise to Parliament at the first possible opportunity.

Also, Mr Speaker, the hon. Lady has stated that the coming into fruition of the Alzheimer's and Dementia Hospital and the Day Centre Facilities would further provide more job opportunities. Indeed, the completion of these ongoing GSD initiatives would have meant that whoever was returned to Government would have had to increase the number of jobs, even if we continue to witness today further delays in the opening of these facilities. It should be noted from the Estimate Book within the Improvement and Development Fund (IDF), sub-head (g) – 'Old Naval Hospital Conversion and Refurbishment Works', that there is a Forecast Outturn of £9,911,000 of works done, with a new Estimate for 2012-13 of £1 million to complete. It is obvious that, despite her attempt to rubbish what has already been done, the project is virtually complete. One hopes that, with the bulk of the works now done, we don't witness further delays and there is no attempt to claim credit for another GSD project.

Whilst talking of delays, Mr Speaker, we have a situation in which already the new independent living for the elderly at the old St. Bernard's Hospital has been completed since this last April, as stated by the Minister for Housing in Parliament, the Government has not yet opened up the facilities, thereby unnecessarily compounding the number of elderly people waiting for a place at Mount Alvernia, or by having some elderly people bed-blocking at St. Bernard Hospital, for social reasons, as opposed to medical ones. What has happened since April is that there is a tug of war between the Minister for Housing and the Minister for Social Services. The Minister for Housing quite rightly has understood from the beginning the concept behind the refurbishment, which is to provide able-bodied independent elderly persons with the accommodation it has been intended from the beginning of this project, whilst the Minister for Social Services is intent to modify the concept behind it and alter the facilities on the basis that the refurbishment is not fit for elderly persons with disability or mobility problems. This she wants to do in order to politicise the refurbishment with spurious argument that the refurbishment is not fit for purpose.

Frankly, it is a scandal that the Minister for Social Services should put petty party politics before the interests of the elderly. What the Government needs to do is to spend less time drafting press releases and getting on with finalising these GSD projects, whether this is the airport terminal, the tunnel, the power station, the Alzheimer's & Dementia Hospital or the independent living accommodation for the elderly in the old St. Bernard's Hospital, (**Members:** Hear, hear.) thereby bringing huge, huge benefits to the people of Gibraltar. This Government needs to come out of Opposition mode, and get on with governing Gibraltar! (*Interjections*).

The problem with the current policies with regard to Social Services and the Elderly is that there isn't any clear coherent policy at all. What we have is a continuation of GSD policies – even though they are constantly ruffling them – but when it comes to specifying their own policies, as stated in their manifesto, they lack detail. So far they have continued with the Alzheimer's & Dementia Hospital, although at a sluggish pace;

405 they have pledged to set up the Day Care Centre advocated by the GSD; they have increased Domiciliary Care funding, as has been the case under the GSD Government; they have continued the GSD Training Programme for the Care Agency – even though the hon. Lady refuses to provide me with a copy – continued with the programmes and services for Looked After Children, the Elderly, the Disabled and those with a substance abuse condition. Yes, there has been a tweak here or there but, despite the rhetoric of political distortion, nothing fundamental has changed.

410 On the fundamentals, the new Government is running services very much on the successful GSD formula, and the enormous amount of funding we put in place. Even the new announced policies of moving the current Day Centres for the Elderly to Waterport Terraces – which was the projected policy of the GSD, if re-elected – and, indeed, the changes to the admission policy for Mount Alvernia, one in which the GSD Government had already discussed and agreed to change upon being re-elected. So I am glad that someone, somewhere, is passing on to the Minister for Social Services the plans we had if we had got re-elected, and that she then uses these as announcements as if it were their policies. At the end of the day, we both work in the interest of Gibraltar.

415 On the other hand, Mr Speaker, with regard to the GSLP/Liberal policies on Social Services and the Elderly, we notice the following. When I have asked in Parliament, ‘when will the Disability Action Plan be introduced?’, the Hon. Minister for Social Services stated, ‘We are meeting all representative organisations. Once this process is complete we will be in a position to assess the content of the plan’. When I asked the Minister, ‘What features will the programme of life planning for disabled persons have and when will they implement this manifesto commitment?’ she said, ‘Yes, the Government is in the process of identifying individuals with disability.’ Well, one wonders Mr Speaker, whether it’s going to take the hon. Lady four years to identify who, and where, the disabled people are. I dare advise the hon. Lady that, by calling a meeting to her office of senior management of the Care Agency, Social Security, Health Authority, Education and Employment, by the end of the meeting, which should last not more than an hour, she will know who and where the disabled people are, and without the need of an iPad or a Mac Apple.

**Chief Minister (Hon. F R Picardo):** Apple Mac!

430 **Hon. J J Netto:** Apple Mac, sorry. I am grateful to the Chief Minister for that.

Mr Speaker, when I asked the Government ‘When will they transpose the UN Convention on the Rights of Disabled Persons?’, the answer was, ‘It’s not done yet, but we are working on it’.

435 When I asked, ‘What employment grants will be made available to disabled persons in order to optimise supported employment?’, the answer was a predictable one: ‘We are meeting all representative organisations. Once this process is complete, we will be in a position to assess the content of the plan and provide a cost’.

440 So far, Mr Speaker, the only quick and decisive action taken at the start of this term of office, with regard to disabled persons, has been to withdraw the Disability Allowance to disabled persons in employment. Mr Speaker, the Chief Minister, in his address, announced that disabled persons in employment will no longer have their Disability Allowance removed from them completely, as was the case before. Instead, the Disability Allowance will be removed on a staggered basis, and 25% of it will remain payable indefinitely and will not be removed. The truth is that when the Minister for Social Security gave instruction to the Department to remove the allowance to disabled persons in employment he did not have any inclination or willingness then of taking into account the personal circumstances of disabled persons.

445 The measure announced to preserve 25% is a direct result of *my* intervention in this House when I said that, before doing this, they should look into the specific personal circumstances of each individual person, given that many need to purchase either specialised equipment, or medical services, or both, and to remove the allowance was unjust. Therefore, I am pleased that my direct intervention has proved effective in changing their ill-thought policy at the time, even if they choose not to acknowledge my contribution. It is no wonder that the Chief Minister, in his address, did say this goes beyond their manifesto commitment. And it is incorrect to state, as the Chief Minister stated, that the Disability Allowance used to be removed before in the period of the GSD Government. The fact is that, notwithstanding the administrative system in place we, the GSD, chose not to remove the allowance.

450 Mr Speaker, yet whilst this goes on, the Government is about to lose a golden opportunity with regard to sustainable employment opportunities for the disabled. Last week, actually two weeks ago now, the Government placed a tender for the provision and operation of a portable/prefabricated kiosk at the children’s park at the Westside promenade. What I would suggest to the Government is to freeze the tender process and,

instead, look into the opportunity, as it exist in many parts of the world, whereby disabled persons can organise themselves into either charitable organisations or co-operatives in order to provide a service to the community, with the profits being re-invested for the development of further sustainable employment for disabled persons. Mr Speaker, the variety and extent of services that can be provided in the services of a kiosk could generate the kind of occupational activities that are necessary for some disabled persons to feel rewarded and motivated, and if the example works, then it can be extended to other places in Gibraltar.

Mr Speaker, if I can quickly just stop there: I would really like the Chief Minister or perhaps the Deputy Chief Minister, who looks into the question of tenders, to really look into this matter, even if it is a simple moratorium on that particular tender notice, in order to allow them to have the opportunity to look at my consideration. I am more than willing, if he wants to, for me to bring on a private note my suggestion, my view. I think it is a golden opportunity. It can create sustainable employment for disabled persons and if he can put just a mark on his notes and consider the matter I would be extremely grateful, not for me but at least for disabled people.

Mr Speaker, moving on, the most *astounding* remark made by the Minister for Social Services in her contribution on Tuesday was when she said and I quote, ‘the Children Act was passed with little consultation with interested parties and that the proposed legislation was not placed for consultation within Social Services’. Well, Mr Speaker, one wonders the depths of disingenuousness that the hon. Lady is prepared to sink to. The fact is that nothing could be further from the truth. Mr Speaker, the facts are that, in this matter, the GSD Government issued a White Paper annexing the draft Children Bill, with a narrative explaining the proposed draft and that this went out to NGOs, the legal profession, the management of the Care Agency, and all other relevant stakeholders. When it went out to consultation we considered the various comments and included some in amendments. The process took months. It was an unprecedented level of consultation. And doesn’t the hon. Lady not know either, from her own practice in family law, that the Ministry for Justice and my own Ministry then, prior to the issuing of the White Paper, constituted a working committee composed of senior management of the Care Agency, the legal profession and NGOs, which lasted for 2 years in the elaboration of the Children Act. Mr Speaker, there was at the time considerable interest in the media, depicting press statements and media coverage of the work of the committee. Perhaps the hon. Lady was not living in Gibraltar at the time. (*Laughter*) Mr Speaker, if this is not consulting, as the hon. Lady is claiming, then we need to redefine the meaning of the word ‘consultation’.

The issue here is that the hon. Lady has a pathological inclination to rubbish everything that the GSD Government has done, and in order to achieve this objective, anything goes, so long as the political untruth uttered is repeated often enough for the next four years. Her comments do not stand up anywhere near to the facts. As a lawyer, she should know better. Whether the hon. Lady likes it or not, the GSD Government does have a most impressive record for having achieved enormous improvements for all vulnerable groups in Gibraltar, and certainly a much better record than the awful legacy we inherited from the GSLP Government. (**Members:** Hear, hear.)

Mr Speaker, before moving to the subject of the elderly, there is one Government policy that worries me in the Care Agency. This is the introduction of the 11-month contract, which does have serious implications for the quality of service to Care Agency service-users and for our relationship with our neighbours on the other side of the frontier. There is no doubt that the introduction of this policy has been forced into the Care Agency by the Minister for Employment.

This policy is designed for the purpose of applying unwanted and excessive pressure to British and Spanish employees, so as to pave the way for getting rid of them and then employing unemployed Gibraltarians. This policy worries me on several counts. The fact that the Minister for Employment is driving, behind the scenes, such a move against hard-working and conscientious employees will mean that the Agency will be put under pressure to maintain the high standard that has been the hallmark of services to all service-users. It is no wonder that a petition by the family of service-users is already taking place. This policy can also have a double whammy effect, in that employees made redundant by the Care Agency, as a result of the actions of the Minister for Employment, will inevitably result in press comments on the other side of the frontier, thereby exacerbating the hostile climate that now exists as a result of the Government’s bad handling of the fishermen’s dispute. If this occurs, the Minister for Employment will have to share responsibility for a deterioration of relations across the frontier, something he obviously never cared or bothered about.

Mr Speaker, all things being equal at the time that a new vacancy arises, we would all agree that a Gibraltarian should get the job, but what the Hon. Mr. Bossano is pursuing is a very different matter. He is forcing good employees, in existing jobs, to 11-month contracts, with a view of replacing them by locals,

515 regardless of whether they are suitable or not. This is un-socialist, it is anti-trade union, and probably illegal. Already such a plan has produced one victim. As a result of trying to impose the 11-month contract to the Nursing Co-ordinator, Mrs Lynne Cowen, she has decided to return to the UK and plans are already afoot to have her position filled with a charge nurse of the GHA by direct appointment *a dedo*. The whole episode, Mr Speaker, has the hallmark of devaluing the service in the Care Agency, demoralising the staff, unnecessarily worrying the families of service-users, and increasing conflict across the frontier between ordinary working people. (A Member: Hear, hear.) It is therefore necessary for the Chief Minister to show leadership in his Government and put a stop to the antics of his Employment Minister before things get out of hand.

520 Moving on to matters to do with Housing, but only in relation to the elderly and disabled, I have to say that again the policy of the new Government is very much to continue with the success of GSD policies of the past, but the pace in which they are going about doing this is starting to concern me.

525 Already, I have stated that the independent living accommodation block for the elderly at the old St. Bernard Hospital has been finished since this last April and, instead of getting on to offer these facilities to the elderly, the place remains closed as a result of the dispute between the two Ministers mentioned: a tragedy for the elderly people in need for this facility! Perhaps the most astonishing remark given in Parliament by the Housing Minister was when I asked the Hon. Minister what new housing provisions will be made available for disabled persons and their families by the new Government? The answer was to say that they will continue with the policy of allocating ground floor flats in the Government housing stock, plus when the new affordable housing blocks emerge, this will allow disabled persons and their families to live satisfactorily therein. Well, upon hearing this, I thought to myself, where on earth has the new Housing Minister been living for the last 16 years! Why then give the impression, as they did in their manifesto, that additional and specific housing properties was going to be built by the GSLP/Liberal Government for disabled persons and their families? Again Mr Speaker, a question of all things to all men, without the slightest intention of doing anything about it.

530 On another question early in the New Year, Mr Speaker, I asked the Hon. Minister for Housing, whether the new Government will continue the GSD programme of lift installations, and whether they would use the rest of the previous financial year to prepare the tender documents for lift installations so as to commence early in the new financial year 2012-13. The answer by the Minister to both questions was 'yes.' Therefore, Mr Speaker, when I received the draft Estimates Book I searched the pages for the Improvement & Development Fund, Head 102 – 'Projects' 5(w) and, thankfully, I see listed the heading, 'Government Lifts'. Then I move my eyes across to see the estimate provided and, to my astonishment and bewilderment, I see the figure of £50,000. Now, Mr Speaker, I am not a Quantity Surveyor, but from my own experience at the time when I was the Housing Minister, I can tell that the average price for the construction of a shaft, and placing the lift with its appliances and machinery used to cost £75,000. Given the number of years that I have now left Housing I would not be surprised if the average cost could oscillate between £100,000 to £150,000 just for one lift – or even more. Therefore, with the provision of £50,000 for the financial year 2012-13, the Government will not be able to start fulfilling its Election pledges, even if they have the pretty pictures to show the different Tenants Associations.

540 Would the Minister for Housing not acknowledge that when, at the time of the Election, when they distributed leaflets telling voters that they could be trusted with their promises, that this has turned out not to be true? And when they promised the tenants of Laguna Estate, 'Vote for us and we will immediately start construction of the lifts after the Election, it was simply a pack of lies in order to get their vote by false pretences. And does the Government not understand that, by delaying, or not carrying out, the very successful GSD rolling programme of lift installation, all it means is that the quality of life of the elderly and the disabled is being constrained and devalued by the inactions of this Government?

555 Mr Speaker, another GSLP/Liberal manifesto promise with regard to the elderly is to build another block of flats, like the very successful ones the GSD did in Bishop Canilla and Albert Risso Houses. Yet again, when I look into the Estimate Book, I see a token amount of £100,000 for 'New Housing Projects' in Head 102 – 'Projects'. I heard *nothing* from the Minister for Housing or the Chief Minister on this. Building 1,400 affordable homes is well and good but we need to continue building rental homes and homes for our elderly, too, and I hope that in the announcement that the Minister for Housing quite curiously said that he would make imminently that they say something about this, too. I say 'curiously' because, like my colleague the Hon. Mr. Feetham, I thought Budget time was all about making such announcements. Between Mr. Cortes making announcements on Facebook and the hon. Member saying that housing projects will be announced in a press release shortly, I am beginning to wonder what Parliament is for.

570 The other area of importance with regards to services by the Housing Ministry to the elderly, and those with regard to a disability or medical condition, refers to the response time in prioritising such works in Government flats. At the beginning of this term of office, I asked the Minister for Housing for the amount of outstanding conversions of showers from baths and the time it would take to do the work. The answer from the Minister at the time was that there were 66 and that the works would be done in three months, something that at the time I thought was too bold for an answer, taking into account that this aspect of work only forms one part of the overall context of works by the Housing Works Agency. Now, of course, we know that not all the outstanding works have been done and there remains some still waiting beyond the three month deadline given by the Minister.

575 More recently, in fact at the last sitting of Parliament, I asked both the Minister for Health and the Minister for Housing if they could provide me with the number of outstanding works to be done in Government flats, arising from reports by the Occupational Therapy Department. Given that the answer provided by both differed, I had the inconvenience to ask the Minister for an explanation as to why the two figures given were different. Instead of providing a sensible explanation, or deferring the answer until they could seek clarification from their respective civil servants on this issue, I was subjected to a torrent of vitriol by the Minister for Health and the Minister for Social Services for having had the temerity of having asked for an explanation.

580 We witness the spectacle of the Minister for Health talking about '*heights* of hypocrisy' and the Minister for Social Services, who could not wait to have her moment of glory, saying that quote 'on one occasion a person had even died as a result of waiting for the works to be done'. Unquote. The hon. Lady felt compelled to try and score what she thought was a knockout political point, regardless of the fact that, only 30 seconds earlier, the Minister for Health had conceded that, unfortunately, delays do occur with these types of work, either because the equipment sought has to come from abroad or because of delays in the execution of the works.

585 Whilst I will deal in one moment with the '*heights* of hypocrisy' for the benefit of the '*new kid on the block*', does the hon. Lady, the Minister for Social Services not realise that even if it were true that, in one case, unfortunately, somebody might have died before the works were done, her comments raise the question of how many other people would have died between 1988-1996 when the '*so-called*' socialist government did not even provide, or thought of having, a sub-head for those unfortunate persons who could not afford the equipment or the work. And if this whole issue is such a tragedy for Members opposite, given that in their manifesto they stated that they were going to increase the Fund considerably, why then in the Estimate Book does it show the same amount as was the case when the GSD was in Government? Mr Speaker, hypocrisy, hypocrisy, hypocrisy. (*Interjections*)

590 What this whole episode highlights is that, despite the much proclaimed fanfare of a collegiate Government that is always in constant e-communication through their iPads, what it shows is that the left hand doesn't know what the right hand is doing! Hence the vitriolic attack against me for exposing the myth. One can always suggest to the hon. Members opposite that to improve communications further between Ministers they should get in touch with companies in the Silicon Valley in California in order for them to obtain the latest technology in holograms. This would allow the hon. Members of the Government not just to be in touch electronically, but also to have a three dimensional image of themselves in virtual reality in order to get their act together. One drawback for the people of Gibraltar, in case the Government would be thinking of projecting their images into people's living rooms, is that it will have serious adverse health risks to them which will require additional funding for the GHA for counselling therapies due to Government spin and fantasy.

600 Mr Speaker, the Minister for Health took offence in Question 548/2012 because I was seeking to find an answer to the different figures being produced by different members of the Government. Instead of providing an adequate answer as to whether such outstanding works would be done in this financial year, he conveniently digressed away from the question by saying that it was the height of hypocrisy by the GSD to accuse the new Government of delays in the execution of the works.

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615 **Mr Speaker:** I should remind the hon. Member he is using the word '*hypocrisy*'. It is one of the words on the glossary of words not permitted.

620 **Hon. J J Netto:** Can I prefix it with '*political*', then?



**Mr Speaker:** I beg your pardon?

**Hon. J J Netto:** Can I prefix it with 'political', then?

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**Mr Speaker:** Anyway, I should remind Members it is not acceptable.

**Hon. J J Netto:** Well, this is what *he* said.

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**Mr Speaker:** I know but, previously, it was used –

**Hon. J J Netto:** I am quoting what he said.

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**Mr Speaker:** I know, but I am taking up the point from the point where the hon. Member used the word 'hypocrisy' and, for good measure, repeated it twice more, so it is three times as unacceptable.

**Hon. J J Netto:** Well, Mr Speaker, one wonders –

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**Hon. Chief Minister:** Mr Speaker, on a Point of Order. You actually said earlier, in the course of the ruling, that the fact one was *quoting* from a source did not in any way, either, exempt the words.

**Hon. J J Netto:** He can say it, but I cannot. Is that what you are saying?

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**Mr Speaker:** No the point made (*Laughter*), the point made by the Hon. Chief Minister and that I have already made in my ruling is the fact that when you are quoting someone else does not make it more palatable here.

**Hon. J J Netto:** Well, Mr Speaker, one very much welcomes an exposition of the word that *he* said and that I am not saying now – (*Laughter*)

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**Mr Speaker:** That suits us well.

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**Hon. J J Netto:** For the benefit of Members of this House and for the benefit of members of the public, in this tabulation of examples, we can compare the delays of carrying out O.T. works in Government flats, against the fact that the Socialist Government – of which he is now one – never provided for any money, or resources, to do this kind of work between 1988- 1996.

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Perhaps the fact that, after the construction of Dr. Giraldi Home it stayed closed for two years because, in the words of the then socialist Chief Minister, 'employing professional people would be too expensive'; or rejecting a plea from the Board of Governors of Mount Alvernia to have an increase to the GSLP Government subvention was denied by the socialist Government when, at the time, most occupational activities at Mount Alvernia were carried out free by the Friends of Mount Alvernia, or that the building was closed by two thirds because it needed money for refurbishment; or the fact that hundreds and hundreds of elderly persons did not have either income at all, or very little, and it took a GSD caring government to introduce the Minimum Income Guarantee...

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Mr Speaker. the truth is that I could go on and on... so if the Hon. Minister has a desire to speak of the things which I cannot say, but *he* said it, that is fine with me, but let's keep the argument empirical and not theatrical. (**A Member:** Hear, hear.)

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Mr Speaker, another example where the left hand does not know what the right hand is doing in Government is in relation of the close collaboration that should exist between the Care Agency and the Employment Service. At the beginning of this term of Parliament I asked how many Looked After Children were in training programmes. The Minister for Employment answered – although I should say in a supplementary question – that there had been a lack of communication between both Agencies, which had resulted in the Care Agency not passing the details of the then seven juveniles affected by this, and that this would be rectified *immediately*. Today, some seven months later, there continue to be at least five Looked After Children still awaiting a work placement in order to start learning the importance of training in occupational skills in order to set such juveniles on a strong path for the future. This lack of communication

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and effort shown by both Agencies is worrying, as the Care Agency does have parental responsibility for the welfare of any Looked After Child. Any further delays in actually delivering such opportunities will have a detrimental effect on the juveniles at a time which is crucial in their lifetime development as a person. I do *sincerely* hope, that by the time I ask this question again, which will be in a couple of weeks time, the matter will have been finally resolved.

Mr Speaker, the Chief Minister in his inaugural Budget address alluded once more to the fact that the previous GSLP Government did a wonderful job when *they* introduced the Standard Minimum Wage, well ahead of the UK Government. However, given the manner upon which they did it, which was so disgraceful, I feel obliged to put the record straight once and for all. To the extent that the Standard Minimum Wage was introduced in 1989, this is certainly correct but, given the incomplete story of this GSLP Government initiative, I will take the trouble to complete the picture, so that ordinary people can draw a proper conclusion from a very 'un-socialist' piece of legislation at the time.

In August 1989, the GSLP Government introduced the Standard Minimum Wage Order in Gibraltar for weekly paid employees only. The only discernible reason for restricting the Standard Minimum Wage generally was that, at this time, the Administrative Assistants' hourly rate of pay was £1.68 for a 16 year old person, £1.82 for a 17 year old person, £2.22 for an 18 year old person and £2.36 for a 19 year old person. This, obviously, was less than the hourly rate of pay for the newly introduced Minimum Wage of £2.50. Therefore, the GSLP Government designed a Minimum Wage Order in which the GSLP Government as an employer could use the *deliberate loophole* of not applying the Minimum Wage to its *own* employees because Administrative Assistants were paid monthly. So we had a *so-called* socialist Government deciding, as an employer, to keep its own Administrative Assistants below the Minimum Wage. Quite shameful and, to boot, when private sector employers found out, at the time, that by transferring their weekly paid employees to monthly paid, they could pay less than the hourly rate of the Minimum Wage, we witnessed a movement to circumscribe the legislation, thereby negating the Minimum Wage concept as a living wage. Mr Speaker, to borrow a popular phrase from the Hon. Mr Costa, 'Shame' on the socialist Government of 1988-96. (*Interjection*)

Mr Speaker, It took a GSD Government to close the *deliberate loophole* created by the GSLP Government, thus making all employers in Gibraltar comply with the minimum wage both in the private and public sector for weekly and monthly paid employees. This was set as from the age of 16 thereby, closing all the deliberate loopholes of the *so-called* socialist Government. (**A Member:** Hear, hear.)

Mr Speaker, in terms of the big issues, to keep an on-going eye within the Social Security Department – the reform to the Social Insurance that the Minister has alluded to in previous Question and Answer sessions in Parliament – it remains to be seen how the details of such proposed reforms, inasmuch as future funding liabilities is concerned, and inasmuch as the benefits to be drawn by current and future recipients, develop. One hopes that, despite indicating this matter in his address, he will give plenty of advance notice of any changes, not just to Parliament, on such an important and fundamental issue, but also to the social partners in the Trade Unions and the business organisations about the general principles behind the reform and the details of such, so that people can be better informed of what is likely to affect them now and in the future in such an important area of our lives.

Mr Speaker, the Government in their manifesto, talked about legislating in order to protect people fully from discrimination. Although one feels that this is yet one more commitment that has been kicked into the long grass, what the Government can do, as I was doing as Minister for Social Security in the short term, is to continue to update antiquated and discriminatory legislation within Social Security matters. At the moment, for instance, same sex couples are not taken into account for the purpose of certain benefits, such as Unemployment Benefits, Social Assistance, Minimum Income Guarantee, etc. Changes to the existing rules can be done quickly and promptly without having to wait for the completion of a review of all current legislation. Indeed, they might also wish to review how benefits affect common-law partners, too. This is something that can be done within the next six months if the will is there.

Mr Speaker, moving on to my last area of shadow responsibility, which is Health and Safety, well, Members will remember that, whilst talking of Social Services, I stated that the Government lacked a coherent policy at all. However, with regard to health and safety, we don't even have an idea of an idea in terms of what to do. This however is a pity, because when I went to the IOSH inauguration in the John Mackintosh Hall earlier this year, the Minister did inspire me at the time when, in his speech, he did say, 'the problem with Health and Safety practices is that it is very reactive and not proactive'. So when I heard the Minister say that, I thought to myself, well, here is a man who knows what to do and is going to make a big difference in

735 showing how to overcome them. Unfortunately, Mr Speaker my expectation was short-lived. The only glimmer of hope so far is that the Minister has indicated to me that the Government might employ some more Factory Inspectors, although this is not shown in the new Estimate Book. That said, Mr Speaker, the Hon. Minister for Health & Safety's contribution to the Budget Address sadly lacked vision, enthusiasm and knowledge of the issues that need addressing.

740 Mr Speaker, month after month when I ask my questions about which industry groups have been targeted for inspections, the practical totality has been to the construction industry. There seems to be no desire, willingness or concern about using the existing resources available to spread more evenly across the whole spectrum of all industry groups, giving the same treatment for inspections across the whole breadth of the legislation that they need to monitor. It is as if the Government is signalling to all other industry groups, other than the construction industry, 'Do whatever you like, legal or not, because the policy of the Government is to turn a blind eye.'

745 But it gets worse, Mr Speaker. The whole episode of the KGV Hospital shows how the Government prefers to abandon common sense rather than allow good practices to prevail. Instead of accepting that the trainees on the scaffold had been unsupervised for many days, and that good practice for trainees would have meant wearing hard hats, it automatically rejected *all of this* simply to give an erroneous image that the Government never gets anything wrong. Well, what trainees need is to be supervised and taught in order to avoid potential hazards, and to be supervised in order that they may learn a trade and to wear hard hats so that good standards are instilled on the youngsters, thereby avoiding future accidents.

750 Mr Speaker, for the last six months I have been asking the Minister for the statistics in relation to 2011. At first the Minister told the House that his ministry had bought a new software programme and that, by April, the figures would be available. Then, when I asked the question again, he told me that there had been some difficulties with the new software programme, but he would be in a position to give me the data soon. Today, I still have not got the data and the Minister just has not got a clue as to when the data will be available. Lately, as seen in the last session of Parliament, the answers given to my questions do not even provide a clear and precise breakdown of the information requested. What we are witnessing is that, as time passes, instead of improving the systems and procedures inherited, we are actually going backwards.

760 Mr Speaker, if the Hon. Minister for Health & Safety sincerely wishes to have a proactive policy for health and safety, then he could well start by looking at *my* policies, at the policies that *I* developed between 1996-2000. In that period, I constituted a Health & Safety Advisory Council with specialised practitioners who used to advise me, as Minister, for the development of Government policy. We started doing Codes of Practice in order to self-regulate specific industry groups or activities, we held annual health and safety seminars in which large numbers of organisations and trade unions participated, and we applied a holistic approach to health and safety legislation across the whole spectrum of industry groups.

765 In a nutshell, there are three pillars for a proactive approach to health and safety. The first, up-to-date legislation. Two; proper monitoring and enforcement across the whole spectrum of all industry groups; and, thirdly, ongoing training and awareness to all industry groups and social partners.

770 I really hope that I may have given the hon. Member some food for thought in the development of proactive policies on health and safety as, otherwise, we are never going to get this show on the road.

In summary, Mr Speaker, I can conclude that, so far into the term of the new Government, in relation to spending into the 'Welfare State', the rate of growth has been less than last year's budget of the GSD, after adjusting for inflation, down by 2.7%.

775 The new facilities for the elderly at the old St. Bernard's Hospital remain closed, despite the facilities being ready for use, as a result of a dispute by the Minister for Social Services, who is more intent to score cheap political points than improving the services available for the elderly.

The Government is not honouring its pledges with regard to the disabled and the elderly, and is lowering the standard of services in the Care Agency as a result of the introduction of the 11-month contract.

780 Finally, on health and safety, the Government just has not got a clue on how to develop any positive ideas and, instead, feels content to just plod along and dig its head in the sand.

Mr Speaker, as always in my Budget addresses, I would like to give my sincere thanks to the staff at the Department of Social Security, and the Care Agency for their hard work and dedication to the services they provide to the community. Also, in my new role as an Opposition Member, to all the staff in Parliament for their guidance and help in adjusting to my new role. Without their help, my work would certainly have been much more difficult.

785 Thank you, Mr Speaker. (*Applause.*)

**Hon. Chief Minister:** Mr Speaker, I think that might be a convenient moment to break for five minutes before I reply.

790 **Mr Speaker:** The House will recess for five minutes.

*The House recessed at 10.20 a.m.  
and resumed its sitting at 10.30 a.m.*

**Mr Speaker:** The Hon. the Chief Minister.

795 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, two long days of speeches!  
Ministers have put a *massive* amount of detail into the public domain about the progress of a new Government, seven months in, and also what will happen for the next 12 months.

800 Mr Speaker, before I carry on, I think it is appropriate, at this juncture, to congratulate all the novice speakers in this debate, on both sides of the House – but, really, one might have expected a lot more from the Members on the Opposition benches. The Government feels that there has been so little substance raised in the speeches of the hon. Members opposite that one might as well simply get up and commend the Bill to the House because there is very little relating to the Estimates that has been raised at all.

None of them, in my view, have done *any* meaningful analysis of any of the numbers in the Estimates Book: not really until this morning from Mr Netto, any comment about expenditures up or down.

805 Nothing really at all, Mr Speaker, on the massively important import duty reductions that we have delivered to Main Street, to stimulate the retail distributive trade.

Not a peep, Mr Speaker – not a peep – about the changes that take the lowest paid out of taxation this year, and next year even more.

No comment, Mr Speaker, on the increases in the minimum wage.

810 Mr Speaker, I did not hear a dickybird from the other side about the fact that we are taking pension income outside of the computation for taxation. Not a dickybird, Mr Speaker! Well, at least Mr Figueras acknowledged the new Government's very positive approach to the environment, by our reduction of import duties on hybrid vehicles to 2% - a flat rate of 2% and a very generous system of cash-backs that is introduced for the first time in this Budget.

815 So, instead of comment on any of those issues, congratulations, perhaps, to the Government for such a well-balanced Budget, Mr Speaker, (**A Member:** Hear, hear.) what did we get, instead? A re-run of all the arguments from the Election that they lost and then, Mr Speaker, something quite novel, which was a team reading of the *Hansard* between January and June. They all read very well, but that was all it was! It was us being treated to the arguments pre-8th December and what it is they have asked questions about and promoted debate at Question Time, which is not about debates, on the issues that they have raised.

820 Well, Mr Speaker, I remember when the Hon. now the Leader of the Opposition used to rule the roost on this side of the House, he used to tell the hon. Lady, Miss Montegriffo, who I had the pleasure of being in this House with – for reasons that I will come to later, when she was here is important – in this debate he used to say to her that she simply spent her Budget speech regurgitating her press releases and questions from previous sessions. And I recall, Mr Speaker, at one stage he said that was cumulative and, actually, she had been in Parliament for many years and, by the time she left, she did speak for quite a while.

825 But what a humiliation, Mr Speaker! What an utter humiliation, to now see him and his whole team do exactly the same thing. Exactly the same thing. Except, of course, without Miss Montegriffo's innate political flare and panache. I almost felt for him, Mr Speaker – and my feelings of empathy grew as I heard him rely on an argument, not from 8th December 2011, not from this Election, but from an Election 40 years ago – from the 1972 Election.

830 Mr Speaker, 1972 is the year when Mr Bossano was first elected to this Parliament, it is the year when Mr Bossino and I were born! What currency and argument from the 1972 'Big Lie' Election – well, actually, you know what, Mr Speaker, perhaps it is because 1972 is the year that I was born, the arguments struck a chord with me: the 'Big Lie' Election. I found myself, for once, in 'man bites dog' category: I actually agreed with him. I think there was a lot to be said in characterising the Election of 2011 as a 'Big Lie' Election because, you see, Mr Speaker, in the same way as Sir Joshua had seen off the 'Big Lie', so had we. So had we.

835 In 1972, the electorate saw through a big lie. That was *his* argument when he made it on Monday. Well, Mr Speaker, if the analogy is appropriate, then the electorate saw through a collection of big lies in 2011. (**A**

840 **Member:** Hear, hear.) Does he not want to hear it? Sir Joshua *won* in 1972. *We* won in 2011. The ‘Big Lie’, as he characterised it – and this is his argument, not mine – must, therefore, have been on the lips of the incumbent. And if the analogy, Mr Speaker, is to be seen through, then the ‘big lies’, if that is analogous to 2011, must have been on the lips of the incumbent and that is him. *He* was the incumbent in 2011.

845 Well, Mr Speaker, at least in 1972 there was only *one* alleged lie. You see, in 2011, in the analysis of the hon. Gentleman, there was more than one ‘big lie’ at the Election. He took a complete scattergun approach at what he says were our ‘lies’ at the Election. He said, Mr Speaker, that debt was actually what he always expected it would have been in 2011, that our manifesto *is* unaffordable, and he said, Mr Speaker – repeatedly – from the moment of this Budget debate, if not before, up to and including Election Day, that we, and in particular I, were unfit to govern.

850 Well, Mr Speaker, just like in 1972, the lies that he said then were on the lips of the incumbent were seen through by the electorate. We know that the public chose the right team for Government and the right manifesto for the future of our nation. What we did not all know was that the hon. Gentleman would find it quite so difficult to get over, that, seven months later, he is *still* trying to make the same arguments that the electorate saw through, that he is *still* going on about it.

855 Mr Speaker, he was Chief Minister for 16 years. I think the public will have forgiven him for having raised the same arguments that he tried to raise in the General Election at the Ceremonial Opening of the House. The man has been there for 16 years: twenty one days after losing an Election, he still wants to continue fighting it. I do not think it was a particularly elegant address at the ceremonial opening but I think the public might have forgiven him for it.

860 But, Mr Speaker, in the seven months that there have been between now and the Election I thought he was starting to realise that his role in this place now is to ask questions and he less frequently breaks out into soliloquies, into chiefly soliloquies, that you have to pull him back from. One would have thought that, by now, by the Budget debate, we would all know what our roles are in this new world order. But he gets up, Mr Speaker, and tells us that *we* have to snap out of Opposition mode and stop rubbishing *his* ‘golden legacy’.

865 Well, Mr Speaker, *he* needs to snap out of it. Why is it that he has put himself in a position where he is going to invite me to *explain* the hollow ‘golden legacy’ to all and sundry. Has he taken leave of his political senses? Does he not realise it is going to be worse for him in the long run to make allegations of that sort?

870 The reason why we sometimes have to criticise what happened before 8th December 2011 is because there is important material that has to be put into the public domain. And the reason he wants us to stop doing that is because he knows that there is a lot that, justifiably, will not stand up to scrutiny when it is put out in the public domain. In fact, Mr Speaker, he made a list of the things that we had said about events pre-8th December 2011 and he enumerated the *excellent* press releases that have been issued by the Government dealing with all of those issues.

875 But did he tell us what the counter-arguments were? Have they replied to all of those press releases? Where are, Mr Speaker, the detailed explanations? Where are the rebuttals to all of those arguments? Nowhere.

880 Mr Speaker, we had to say to the public, who are entitled to know, that pretty pictures in the GSD manifesto were paid for by the taxpayer. I thought it was bad enough that they were using taxpayers’ money to fund their campaign in *Seven Days*. (**Hon. N F Costa:** Shame!) Pictures in their party political manifesto paid for by the taxpayer and yet we have not heard a word either of explanation or apology from the opposite benches. They have just made a list of the things that they would rather we did not say.

885 Mr Speaker, on the Culture and Heritage Agency, where we had a debate across the floor of this House, where I gave him the Principal Auditor’s Report, he has said twice in Question Time that he is going to deal with all the criticisms that the Auditor made, that I raised in the course of those debates. Mr Speaker, nothing has been said to date. Nothing! Either the bold assertion that ‘everything was done properly’ but no descending to particulars. Well why, Mr Speaker – why is that the case? Well, it is simple, because there are no good explanations for the many issues that we have raised and the hon. Gentleman, taking something out of the most basic 2.0 Rulebook, as it is known in modern parlance, on how to manage the press, do not want to go into a political argument that they know they cannot win.

890 Just for a moment moving on to something that Mr Bossino talked about – editorials in one particular local newspaper – let me assure him, Mr Speaker, that for the Government to put into the public domain information relating to the things that the previous administration did is not trial by media. Trial by media, Mr Speaker, was the sustained attack on me and on my colleagues, and on me in particular, which was funded and orchestrated from No. 6, Convent Place, when the party he now sits on the opposite benches with was in

895 power. *That* was improper use of Government resources. *That* could properly be referred to using the word that he used, then withdrew, and which you have, quite rightly, said we should not bandy lightly across the floor of this House. £150,000 of taxpayers' money spent on GSD propaganda to attempt – *attempt* – trial by media against members of the now Government, then the Opposition.

900 Well, Mr Speaker, they used to say that *Seven Days* was not a taxpayer-funded political rag but, if any proof were needed of what *Seven Days* was, *vide* the fact that the said publication is no longer in print, once the taxpayers' subsidy was choked off and proper democratic accountability re-established as from 9th December 2011 – that new dawn, Mr Speaker, the sun of which so burns their eyes... So, Mr Speaker, when Mr Bossino makes the mistake of making a reference to the 'c' word, I warn him not to develop that theme too much or it may come back to haunt his colleagues who were previously in Government, in the months and years to come, to the *massive* political benefit of the current Government.

905 But what rudderless and leaderless Opposition they have become and what an interesting role my old classmate, Mr Bossino, is now playing in it. Mr Speaker, can you imagine, last year, anyone in the GSD delivering a speech in flat contradiction of the political theory of the then Chief Minister, now Leader of the Opposition. Never, Mr Speaker. In fact, I would less fancy the chances last year of a GSD Minister who went off-Caruana-message than I might have fancied my own, actually taking him on from where he is sitting today. (A Member: Hear, hear.) (*Laughter*)

910 But I won, when I did take him on and yet, this year, Mr Speaker, hardly seven months after he lost power, he is already being challenged on core GSD messages – but not by his Deputy, the one who sees himself as the shoe-in for his job. No, but none other than by, Mr Bossino, whose address was totally contrary to the GSD dogma on what our Election programme is. And if it was not enough that he said it in this House, I congratulate him, Mr Speaker, for sticking to the message and saying it last night in his snippet, or sound-bite, on GBC's *Newswatch*.

920 Well, Mr Speaker, we know that the GSD approach – it is a political approach, it is up to them – is to develop a theme and stick with it, even if it does not work: if you say it often enough, you hope that that will stick. It is the media world in which the Leader of the Opposition was brought up in the mid 90's. It used to work then. I do not think it works now, with so much disparate social media etc, but it used to work then, when there were two or three television channels and the odd newspaper that everyone would read. Repeat it, repeat it, repeat it... and it will stick, whether it is true or not, whether it is realistic or not.

925 Last year the theme was 'Picardo is this, Picardo is that' – it does not matter that it would not stick – and, this year, Mr Speaker you can see those themes developing. One does not have to be a rocket scientist to observe what one's political opponent is trying to do. So, Mr Speaker, *everything* we do is a U-turn – even though we said we were going to do it and it is set out in our manifesto! All we are trying to be is 'all things to all men', and just because we get on with people, Mr Speaker, we talk to them and we do not tell everyone what it is that they have to do and impose our will on them – 'all things to all men.'

930 Importantly, Mr Speaker, and this is why this is relevant to this analysis, the GSD dogma, in seven out of eight speeches – sorry, six out of seven speeches – Mr Netto went on for so long I thought it was almost two, that is value for money for you – the thread is that we promised *too much* at election time, that our manifesto was *too full* and we cannot afford to deliver on our manifesto commitments. And *that*, Mr Speaker, is why we are talking about the problems of public finance – as an excuse, a door the Hon. the Leader of the Opposition said, through which I will walk whenever I want to cry off any of the manifesto commitments that we cannot then fund – not because the money is not there but because we did not cost our manifesto properly. That is the thread and it has been constant since the ceremonial opening of this House.

940 Well, Mr Speaker, imagine my surprise when, off-message, stage left, I heard Mr Bossino say yesterday in this House, and on GBC, that we have actually an empty, vacuous programme for government. So, six out of seven say we have got too much to do, we cannot afford it and one out of seven says 'That is why you are spending so much time criticising what we did, because you have got nothing to do, nothing to be getting on with, there is nothing in your programme.' Well, somebody is standing out from those benches, Mr Speaker! I commend him for taking that line, even though, of course, both lines are completely wrong. Our programme, which people have rightly chosen, is the fullest, most ambitious, most properly costed and deliverable programme that Gibraltar has ever selected at a General Election! (*Applause*) (A Member: Hear, hear.)

945 But could it be that somebody is actually going to challenge Mr Caruana before he finally goes? Well, Mr Speaker, it may be that it is Mr Bossino. I guess that, for both of us, life really does begin at forty! (*Laughter*) What happens on the Opposition benches is a matter entirely for them. I am not going to get involved in their

950 leadership issues, as the Hon. the Leader of the Opposition used to so enjoy doing when he was Chief Minister and, look, I know that a kiss from this side of the House to anybody there in respect of the leadership is probably a kiss of death so I have no intention of pressing my lips to anybody's flesh across the way.

955 What is clear, and it is becoming clearer beyond peradventure, is that there really is not, on substance, other than on spin – on substance – a unified message coming from those benches any more. So, some of them, Mr Speaker, say that we have too much to do and we cannot afford it. Others say that we have nothing to do except act like an Opposition. Well, Mr Speaker, look, hapless, divided and rudderless – hapless, divided and rudderless – that is what the Opposition has become in the seven months since they lost the throne of office.

960 In fact, Mr Speaker, it is neither of those because, if hon. Members opposite had bothered to actually listen to the speeches to which they had already carefully crafted replies, they would have realised, actually, quite how advanced we are on delivery of the manifesto which the people chose in December. How, Mr Speaker? We have actually re-committed ourselves to delivery of the manifesto commitments. I have not walked through the door that the Hon. the Leader of the Opposition suggested I was purporting to prepare to walk through, and what we are sure of is that we will deliver on these manifesto commitments without having to walk through the trapdoor that the Hon. the Leader of the Opposition was setting for us.

965 Mr Speaker, perhaps that is why they so fear the press releases of Dr. Garcia when he sets out more and more fully completed, entirely delivered and honoured, manifesto commitments already in just seven months. They must *hate* it every time those lists with hundreds of completed commitments hit the news racks. *Our* political success is the salt to the fresh wound of their electoral failure.

970 One of the main things that we are already delivering on is the reduction of our nation's debt. I have already shown, in my first intervention, that this year – in this financial year – we will be reducing gross debt by one eighth, that is, Mr Speaker, from £518 million, down £68 million to £450 million, bang on track to deliver the 50% reduction in gross debt that is set out in our manifesto.

975 Could they at least not have said that, although they believe that we should be reducing, if we want to reduce anything, *net* debt, could they at least not have said, 'Well, look, your manifesto says you are going to reduce gross debt by half – one eighth in your first four years – if you continue to deliver, it will be four-eighths in four years, ie. half: you are on track to deliver that which we believe you should not deliver but, *chapeau*, you are on track? No. Well, I suppose, Mr Speaker, it is a novel concept because, as the Hon. the Leader of the Opposition, when he was incumbent Chief Minister, said during the course of the General Election debates and, in particular, one interview on radio, for *them* their manifesto is an expression of hopes and wishes, not a binding commitment with the people, as it is for us. I guess that is why it does not matter to them that we are delivering on what we promised. It has never been relevant to them.

980 Why is it that we *have* to deliver on debt reduction as a priority? Well, because, Mr Speaker, whatever he may say now, the hon. Gentleman knows that debt has got too high in the spending frenzy that he embarked on in order to try to get himself re-elected. I guess that is what happens when a tired administration tries to spend its way back into power.

985 But what demonstrates all that, Mr Speaker, in financial and accounting terms – which is what this debate should always be about – is the *stunning* statistic that I disclosed during the course of my intervention on the Second Reading to move the Bill. I told the House then – and I feel I have got to repeat it because it is essential that the hon. Members opposite understand why we make this argument – they spent *more* on capital projects in the *last two years* of the last Parliament than they had in the 13 previous years since 1996. They spend *more in two pre-election years* than they ever had before. It is an absolute political scandal, Mr Speaker.

990 But it is worth analysing how the debt grew, in gross and net terms, under the hon. Members when they were in government and, Mr Speaker, of course the figures I am going to refer to are all the figures provided to me by the Treasury and the Ministry for Finance.

1000 Also, Mr Speaker, it is worth noting, and I will do this analysis at the same time, how it is that that growth in gross public debt and net debt is *completely contrary* to what the hon. Gentleman used to say were the 'golden rules' of his economics. In this debate, Mr Speaker, before your time and before my time, in 2001 the hon. Gentleman explained that the fourth of what he then called his four economic policy objectives was this; that capital should be invested, whilst maintaining reserves at a prudent level, whilst maintaining public debt at a prudent level and using mainly budgetary surpluses to finance capital investments and thus ensuring that we do not raise public debt significantly or substantially and thus avoid mortgaging future generations with things we do today.

1005 He did not say then, Mr Speaker, whether the raising of debt etc. that he was against was in cash terms, in ratio terms, or as a percentage of GDP, but it is really not relevant that he did not say that because, before the hon. Gentleman was possessed by the desire to build a Pharaonic project like the air terminal, which has mortgaged to it, in our view, Mr Speaker, many generations of Gibraltarians *and* hypothecated to it the many other projects that should have come before such a lavish air terminal, he said more about the 'golden rules'.

1010 In 2003 he re-visited his 'golden rulebook' and there he was specific about what he meant in respect of his fourth rule. The fourth golden rule, as explained to this House in 2003, was a prudent, conservative – that word does suit him – policy of public finances that will curtail public borrowing and maximise public reserves. *Curtail* public borrowing: well, in 2003, before I was elected, in that Budget debate the Hon. the then Chief Minister gave himself, as he was wont to do in these debates, a glowing report for having complied with his four 'golden' economic policy rules.

1015 That year, Mr Speaker, the position was that gross debt was £78 million on a borrowing limit of £100 million. It was actually the Hon. Mr Feetham, the leader, then, as he was, of a third party, who spent much of the 2003 campaign *criticising* that level of debt. Incidentally, Mr Speaker, Mr Feetham was then also proposing the introduction of capital gains tax, raising the tax of Category 2 citizens by 50% and calling the Theatre Royal – which the hon. Gentleman used to call 'his vision' – a white elephant. Well, what can I say!  
1020 (A Member: A lot.)

1025 Anyway, I just pause there, Mr Speaker, to tell the hon. Gentleman that I have in my office a painting by the excellent Gibraltar painter, Karl Ullger, of the Theatre Royal as it used to be: it does not belong to the Ministry of Culture, it belongs to me. It is from my personal collection, and I hang it in 6 Convent Place to remember *always* the dangers and folly of Chief Ministerial visions and where they can take us – almost £10 million down a visionless black hole. I suppose Mr Feetham and I still agree on some things! Perhaps more than one might air in this debate.

1030 Well, Mr Speaker, let's cut forward from that glowing report he gave himself in 2003 to last year, to 8th December, in fact to 7th December – the evening of 7th December – when he and I had the pleasure of debating at the leader's debate with Mr Azopardi. Then he said something that caught Mr Azopardi, Mr Neish and myself completely unawares. The whole Election campaign had been predicated on the gross debt of £480 million but, on that day, the hon. Gentleman let the stink bomb down in the studio that, actually, *gross* debt was closer to £520 million!

1035 The hon. Gentleman last year in this debate – surprise, surprise – also gave himself a glowing pre-Election report, much as he had done in 2003. But in 2003 his glowing report was based on having complied with the 'golden rule' that was to curtail public debt. In 2011, the glowing report ignores the fourth 'golden rule' and gives himself a glowing report, despite gross debt having rocketed.

1040 Well, Mr Speaker, bang goes another GSD myth. The 'golden rule' had been smelted to dust. The once economic policy objective, the curtailing of public borrowing, was now a rotting, forgotten footnote to Gibraltar's economic history. Borrowing had rocketed. Prudence was banished to her room, and debt was the financial drug of choice. The principle that we should not mortgage future generations was hypothecated to the lure of spending one's way back into office.

1045 Goodbye, golden rules! Therefore, Mr Speaker, when the analysis continues we will demonstrate goodbye to the myth of the 'golden legacy'. In fact, Mr Speaker, if Mr Feetham, who is the one who usually enunciates the vein, the spin of U-turn – he is the one who talks about the U-turn, that is his mantra – wants to know what a U-turn looks like, he should learn from his fading leader's tossing and turning on debt.

1050 If the public want to see a U-turn, Mr Speaker, all they need to do is look at the 'golden rule' of 2003 and the Estimates Book of 2011/2012. That is a U-turn and the rest, as they say in Spanish, *es historia*. But then – Mr Feetham may not want to hear it – anybody who goes from being the putative leader of the GSLP to becoming the putative next leader of the GSD does not need the hon. Gentleman to teach him what a U-turn is. I guess that he has his tongue firmly on his cheek when he says that *we* want to be all things to all men. But I must say, Mr Speaker, I guess that going from anti-GSD putative leader of the GSLP to being anti-GSLP putative leader of the GSD is a little bit like a military march, 'Left, right, left, right'. So much so, Mr Speaker, that now every time that I watch one of the splendid parades that the Royal Gibraltar Regiment put on and I see them march off to the refrain of the Sergeant Major's, 'Left, right, left, right', I am always put in  
1055 mind of the hon. Gentleman going from the GSLP to the GSD!

Mr Speaker, when the Hon. Leader of the Opposition was first elected as Chief Minister in 1996 he also made great play of the fact, in that first Budget debate, that he was going to ensure, then in respect of companies, that all Government expenditure was reflected in the Estimates. He said, in his first Budget



1060 speech, that the book had been restructured for that purpose and this brought clarity at last to the public  
 1065 accounts of Gibraltar. Well, Mr Speaker, how that attitude changed. Another U-turn: so many millions of  
 recurrent company losses were parked off-balance sheet by the hon. Member that one can only conclude that  
 that must have been designed, as his lustre as a political leader faded, to try and artificially boost numbers to  
 reflect a better economic performance than was the case in pre-election years. Indeed, Mr Speaker, keeping  
 those losses out might have produced a much larger surplus every year but it would not be a real surplus at all.  
 1070 It would have been, as it was, a surplus born from that discipline of economics that he used to cry off so  
 much. It would have been, Mr Speaker, a surplus of voodoo economics – voodoo economics – that he decried  
 so often and then gorged himself on in the final years of his stewardship of our public finances.

Let us face it, Mr Speaker, even in the simple grocery example that he gave of accounts, you have always  
 got to factor in all your recurrent expenditure before arriving at your net cash surplus position. And he is  
 1075 wrong, and in my view, he knows that he is wrong when he says that we have included in the £28 million  
 amounts which amount to capital before we make the deduction on the surplus. He says, Mr Speaker, that we  
 are including there not just recurrent expenses but capital expenditure. It does not, Mr Speaker. The £28  
 million does not include *a penny* of capital expenditure. *All of it* is recurrent. All of it is recurrent and,  
 therefore, is *rightly* applied to the calculation before determining what is left over, ie. the surplus. Every  
 1080 single amount deducted is a recurrent, continuing cost, not a capital cost.

I told him where the capital costs of the company losses would be met from, from the I&D. There is no  
 secret in that at all, and it does not affect his surplus. So, Mr Speaker, when he makes an argument that we  
 included, in the £28 million deduction, some capital elements, he is wrong. And unless he has completely  
 1085 forgotten everything that he knew on 7th December, before we both met our fate at the polls, he knows that  
 what he is saying is not true, and I am left, Mr Speaker, with the view that there can only be one conclusion,  
 as a result. That is that he is setting out to mislead the general public.

Mr Speaker, we now also know the figures for unemployment given to us last year were not correct. Mr  
 Bossano gave us the detail of that. But I guess it sounded good, in an Election year, to pretend that  
 unemployment was down. It sounded good to say, when you are going to the polls, ‘remember there are less  
 1090 unemployed’, but it was not true, Mr Speaker. Therefore, Mr Speaker, I assume that there was a hidden  
 meaning when the then Minister of Employment under the hon. Gentleman came to this Parliament, brought  
 us the Employment Survey and you said, when he tabled it that, it was ‘ordered to lie’. I have not quite  
 picked up how easy it is to use the ‘L’ word in this House!

The reality, Mr Speaker, was that there were many more unemployed. And it was given away by the Hon.  
 Mr Feetham in the course of the pre-Election debates when he said he had calculated what the Future Job  
 Strategy would cost. Well, of course, it did not make sense, based on what *his* interpretation of what the  
 Future Job Strategy was and the numbers of unemployed that there were, but he was bandying about the  
 figures that he was bandying about. Mr Bossano has told us the reality of that in this debate, Mr Speaker. The  
 Employment Survey this year is ordered to inform the public of reality, and not to lie, and we have the good  
 1095 news, in the course of this Budget debate that, each month now, Mr Speaker, there are more Gibraltarians in  
 employment in our economy. *Exactly* the trend that we want to see, but apparently a *huge* disappointment to  
 the hon. Members opposite, who are Members for *el campo de Gibraltar* more than they are the Members for  
 the local resident unemployed.

In fact, it was interesting to hear the Hon. Mr Feetham talk about our obligations under the European  
 Treaty. He will know that I have given the same answer in this House about what the Treaty of Rome says  
 but, Mr Speaker, I did not perceive that that was an attack by Mr Feetham on the policy of the Government. I  
 concede that, in saying what he said, he was not attacking Mr Bossano, he was not looking for a *mano a mano*  
 with anyone on this side of the House, Mr Speaker. This was all part of a wider political plan, because it  
 1105 seemed to me, Mr Speaker, that that remark about Gibraltar, and Gibraltar’s obligations under the EU Treaty  
 etc., was a carefully aimed dagger at the heart of the person who stood up in this House and said that the  
 Government was implementing a new plan to ensure that, in cleaning and in construction companies, no  
 Government contract would be given to any company that did not henceforth employ as many Gibraltarians as  
 possible (*Applause*) and he said it, Mr Speaker, with the support of those of us who were then sitting where he  
 sits now. But it was none other than the Hon. the now the Leader of the Opposition, then the Chief Minister,  
 1110 who made that speech.

So, Mr Speaker, when Mr Feetham now appears to take a contrary position and Mr Netto takes a contrary  
 position and starts talking about the need to create employment opportunities for people in the *campo*, I  
 appreciate that this is another manifestation of the rudderless and leaderless Opposition that we now face and,

1115 of course, in that very clear and pointed contradiction to that policy enunciated by the hon. Gentleman when he was Chief Minister, perhaps a first step towards the heart that makes those statements. Or, Mr Speaker, another U-turn.

1120 One year a GSD leader says 'we will favour local residents for employment'. Another year – almost 365 days to the day – a previously anti-GSD GSLP member, putative GSLP leader, now anti-GSLP, putative GSD leader says the opposite. Well, thank goodness, Mr Speaker, that we are committed, as the hon. Gentleman said *he* was last year to, first and foremost, reducing local resident unemployment and that *this* party is the party delivering on all its commitments and Joe Bossano is in charge of that and is doing a magnificent job implementing the policy that the Hon. the now Leader of the Opposition enunciated from this place last year. Thank goodness, Mr Speaker, that this rudderless, almost leaderless Opposition did not win the Election and that we did and are delivering beyond expectation.

1125 Another one of our commitments is that we will not be putting up utility charges. We thought, Mr Speaker, having heard the hon. Gentleman in last year's debate, that that would mean that it would stick post the 3% increase in electricity charges that he announced to the House last year. Imagine our joy when we found that, in fact, we could go further and, because the 3% had not yet been introduced, we could, in effect, stick to where we are and therefore reverse the 3% increase that the hon. Gentleman had announced last year!

1130 But, look, I agree, talking about electricity that, if possible, the power station going forward should not be an issue of division. We all agree that something needs to be done as quickly and as reasonably as possible about our three existing, ageing facilities and their location. But why is it so urgent, Mr Speaker? Because we have had 'power station' from most of them: 'power station, power station, quick – tunnel, power station.' Well, Mr Speaker why is it so urgent? Why is it that the Government has been here for seven months, even when it was here for two months, for three months, for four months, for five months, for six months, was being told: 'Power station, it is urgent. You have got to do it quickly: power station, urgent. Do it now.' Mr Speaker, is it, perhaps, because they did nothing about it in 16 years? Or, at the very least, in the past *nine* years when they were in possession of the PB Power Report that told them, in 2003, that by 2010 we would all be suffering power cuts because of the state of Waterport Power Station?

1140 Mr Speaker, if they were told in 2003 that something had to be done and by the time we were elected in 2011 – almost 2012 – nothing had been done, could they at least, when they urge us to do something about the power station, put their hands up and say 'please act quickly, because we didn't?' Is that not at least the politically honest, mature approach to take if we are going to be non-partisan about this?

1145 Mr Speaker, 2003 to 2011, December 2011, almost 2012, is two Parliaments – *two* Parliaments – and, as I will tell Mr Figueras later when I deal with his intervention, in that period of eight years he will not be able to rely with many of the excuses that he referred to in the course of his intervention as to why progress had not been made.

1150 Mr Speaker we have been here seven months – they had *96 months* to do something about it! And moreover, Mr Speaker, I am going to give *you* an exclusive today: you, Mr Speaker, and just the people within these four walls and anybody who might be listening – just between you, me and the microphone – the thing that was not said by the hon. Members during the General Election campaign that they have tried to re-run in argument in the past 48 hours of debate of this House, is that when they *finally* did something about it, in the dying months of the *ancien* regime, what they signed up to but did not tell anyone during the Election campaign... because they wanted to be all things to all men, which is what they say when we do not say something during an Election campaign. Do they say it because they want to be all things for all men? So, therefore, what is good for the goose is good for the Opposition gander. What they did not say in the Election campaign about their new power station was that, in order to finance it, the document that *they* were going to sign for financing would commit Gibraltar to increased electricity charges by 5% every year for 20 years! (A **Member:** Shame, shame!) (*Applause*)

1160 Mr Speaker, if they did believe in transparent and open Government, if they did believe that during a General Election campaign one has to explain all the nuances of every potential policy, if they did believe that finances were not too high, or debt was not too high, why did they not tell us that, actually, for the power station they would have increased the cost of electricity by *100%* over the 20 year period and that the party opposite them, in the General Election campaign, were saying zero electricity rises. That is the choice, in fact, facing the public on 7th December but hidden from them by the hon. Members. So they kept *that* pretty quiet during the General Election campaign, Mr Speaker.

1165 Let me turn now to one particular aspect of what the Hon. the Leader of the Opposition said about public debt. And I promise, Mr Speaker, that I am not going to keep him three and a half hours, like he used to keep

1170 us. I am just going to do a little bit more of analysis. As I have said before, when we first arrived in office  
there was barely £20 million left for Gibraltar to spend. We had not yet been brought our first and very  
convivial cup of tea at No. 6 Convent Place when the highest official at the Treasury put before us a  
1175 resolution. A resolution, Mr Speaker, that was necessary to go beyond the £20 million because the borrowing  
limit was going to be reached and, therefore, we needed to come to this House to seek further funding and £20  
million in December, with four months left to run of the financial year, was not very much! Especially given  
the millions of pounds committed to GSD capital projects still to be incurred!

We were advised, Mr Speaker, given the rate of burn – cash burn on these projects – ‘You have got to go  
to the House as quickly as possible with this resolution, in order to be able to exceed the current legal limits  
on debts’. Mr Speaker, I almost fell backwards. Not out of concern, because I know that with the people that  
1180 I have in my team, with cash I have no problem. This party will comply with its obligations to reduce debt  
and to increase the GDP. But, Mr Speaker, what was it that I said in what I regard to be my famous, not  
infamous, Facebook podcast? That we were reaching the limit on debt, we were reaching the limit on debt and  
this could not go on and, Mr Speaker, I have it on good authority that the campaign that the hon. Gentleman  
ran against that podcast was actually something he had promised all the people around him would be one of  
the things that would win them the Election – Picardo’s *mistakes* in the Facebook podcast.

1185 One of the themes of the Election was how high debt was, and one of the themes of the podcast, the  
famous, successful – obviously we won the Election – podcast, was that we were reaching the limit on debt. I  
was told repeatedly in this House, I faced a motion on it, Mr Speaker, and I arrive at No. 6 Convent Place, I  
have not yet sat down, they have not brought me my cup of Earl Grey, (*Laughter*) and the highest official in  
the Treasury tells me: ‘You had better quickly go to Parliament and get this resolution approved because you  
1190 are going to hit the limit on debt.’

Mr Speaker, the hon. Gentleman brought the motion on the Facebook podcast, spent six months  
rubbishing *me* and it and, in his first intervention in the *Ceremonial Opening*, disclosed to us, by what he said  
about the resolution and what he has said about it 48 hours ago, that he knew exactly as much as the officials  
1195 at the Treasury knew about those numbers and about the need to come with a resolution to this House to get  
further funding because, otherwise, we were going to hit the limit on debt. QED, Mr Speaker! *He knew* that  
the limit on debt was going to be exceeded and that it required, therefore, an action of this House, either by  
change of law or workarround of the law, as provided for in the existing legislation, to exceed the limit set out  
in the law. And he actually offered us, Mr Speaker, very generously, his support, should we bring such a  
resolution to the House and he repeated it again in *this* debate that he would have done that.

1200 Mr Speaker, does he think we are going to fall for a trap like that? To borrow more when we have  
promised to borrow less? But what does this mean in respect of the central arguments that he put? Given that  
he wants to re-run the General Election campaign, let us re-run it, Mr Speaker, but let us re-run it with all the  
information on the table – with *all* the information on the table. That argument was clearly, objectively, only  
1205 capable of resolution – if you will excuse the pun – in favour of the argument put by us that we were about to  
hit the limit on debt. And once you hit the limit you either come to this House and change the law as to how  
the formula calculates debt or you change the provisions of maximum debt by a resolution of this House.

So, Mr Speaker, despite the bluster and the eloquence, for which I have always had the maximum respect,  
we were right and he admits it, whilst pretending not to. That means that the hon. Gentleman is actually  
1210 himself what he called me in the last debate, on these Estimates a year ago. *He* Mr Speaker – and I am using  
his words – is the ‘political con artist’. He admits the crime, Mr Speaker, in the same sentence as he pleads  
not guilty. ‘The debt is not too high, you are not going to reach the limit, there is nothing to worry about.  
Come to the House with a resolution and you will be fine!’ Mr Speaker, why come to the House with a  
resolution to go beyond the limit if we are not going to hit it? His argument, Mr Speaker, does not admit of  
any intellectual rigour once all the facts are on the table.

1215 Mr Speaker, in his analysis now, in this debate, he said that Mr Bossano, when he was Chief Minister, was  
more bullish about debt levels in 1996 than I am now in respect of the ratio to GDP. He even went back to, I  
think, one of the debates in 1988. Well, Mr Speaker, if he wants to look at what Joe Bossano’s attitude was in  
1996 to debt then we also have to look at what *his* attitude to debt was in 1996. You see, in 1996, *net* debt  
1220 was *zero*, and he says that the appropriate measure of debt is not gross debt, it is net debt. Net debt was zero.  
There was a gross debt of £83 million, £60 million of reserves in Community Care and other reserves. I  
reminded him last year, Mr Speaker, on that gross debt of £83 million, on a GDP of £327 million, he said that  
the level of debt, his party said that the level of debt was ‘a millstone round the necks of Gibraltarians’. That  
was the campaign. ‘Gibraltar is bankrupt. £83 million of debt. Gross debt is a millstone round the necks of

1225 Gibraltarians.’ That was his attitude to debt in 1996, and yet now, Mr Speaker, he calls the ‘golden legacy’ of £520 million of gross debt on a GDP of £1 billion perfectly manageable.

1230 Because he does not like what we are doing, when looking at the recurrent side of the book, by bringing in all the recurrent expenditures from his companies, he says – headline grabber, spin artist of the mid 90’s that he is – ‘You are cooking the books!’ Well, Mr Speaker, if by applying all the recurrent expenditure properly, and without capital, to all the recurrent income, before calculating the surplus, we are cooking the books, well, then, Mr Speaker he is a veritable Nigella Lawson without pouting lips. He is a Jamie Oliver without the Cockney twang. His forked economic analysis is worthy of a number of Michelin stars, but only for the creative aspect to his accounting. Mr Speaker, saying that we are ‘cooking the books’ is a very serious allegation, which suggests that, in seven short months after the cup of Earl Grey, we have been able to persuade the Financial Secretary, the Accountant General and everyone in their Departments to re-state expenditure in an inappropriate manner. How dare he impute such professional breaches to people who also served *him* so loyally for so many years.

1235 Mr Speaker, at least he had the decency to say, after the Election, on a number of occasions, including in this debate, that they would have increased the legal debt limit for the power station and the tunnel, although he never made any remarks about how they were going to pay for the power station eventually.

1240 Mr Speaker, there again, looking at the ‘big lies’ of the Election campaign – another admission! A power station and the tunnel would have been paid for with further public debt. Well, Mr Speaker, I am vindicated. I went round the estates saying that if the hon. Members won the Election they would finance their manifesto with D.E.B.T – debt. We were right, we were right! So, thank goodness, Mr Speaker, that Gibraltar was not captured again by the GSD and escaped the asphyxiation of debt and borrowing that we would have been subjected to if they had pulled the wool over people’s eyes and people had not, as they did in 1972, seen through the ‘big lies’ that were presented to them by the incumbent at the General Election.

1245 On another occasion, Mr Speaker, he said that we were bringing in items of capital expenditure against recurrent expenditure or against recurrent income, something which I told him is not the case, but he said that we are mixing apples and pears in that respect. Well, look, Mr Speaker, by analogy he must have made a veritable fruit salad of the Government’s finances. He has changed the layout of the Estimates Book, in the 16 years that he has been in Government, more than anyone has ever before. He has changed the legal definition of net debt twice, he has really messed it up so much, Mr Speaker, that it is impossible to follow the Book from year to year and he finally got himself caught up in the mix on 8th December, and I think will never politically recover from that.

1250 I recall that, on this debate, on every occasion that I have been in this House, he used the opportunity to tell Mr Bossano that he felt that leaders around the world who lost political elections should immediately resign and make way. I believe, Mr Speaker, that I am now echoed in putting the same thing to him by at least two Members of the Opposition benches. But, Mr Speaker, he is still a master at least of spin, or at least attempted master, if much diminished, but nonetheless a master of that dark art of spin. He said the GSD have left Gibraltar, or ‘*a Gibraltar*’, that shines when contrasted to the rest of the EU. Their hands must have hurt, Mr Speaker, from the amount of banging that they did on the table, but what sparse ambition for our nation. How can they clap and hail the fact that we are doing well, compared to Spain or Greece, or the rest of the EU? If he had said ‘With growth rates beyond Hong Kong and Singapore I leave you a golden legacy’, they should have *bled* their hands in banging the table. But to compare us to Spain, to Greece, to the EU that is suffering, and to cause on his own benches such fervour really shows what little ambition they have for where our nation should be and how we should be performing economically.

1260 Mr Speaker, in that context, and given the ‘golden legacy’, and the ‘golden rules’ and how well they have done, one would have thought that *they* would have they seen themselves as clearly to be returned to office on 9th December, as they announced constantly whenever they could, so why, Mr Speaker, why sign contracts 24 hours before the Election? A week and a half before the Election? Why the frenzy of signatures if you are so assured because you have done such a great job? Surely there is no need to insure oneself, or the people one has been doing business with, against an *impossible* eventuality of an Election lost?

1270 There were many contracts signed just before the Election. Some of them were signed as contract extensions on 30th November, committing the Government, already in the middle of a General Election campaign, already as caretakers, to millions of pounds of expenditure: some of it in respect of consultancy fees, payable, in some instances, in almost hundreds of thousands of pounds a month! And again, without tender, and signed by the person who used to sit outside his door when he was the incumbent at No. 6 Convent Place. In some months up to £120,000 of expenditure committed to on 30th November. The Hon.

1280 Mr Bossino said, in respect of a press release on that subject issued by the Government ‘Well, the GSLP did it, too, so what are you complaining about?’

1285 Well, Mr Speaker, in what was undoubtedly, I must say, the most eloquent of all the speeches from the Opposition benches, even including the Hon. Mr Caruana’s lacklustre contribution this evening... but Mr Bossino needs to look at what the Constitution says now and what it said before 2006. Given that one of the ‘golden legacies’ that they claim they have left Gibraltar and us is the new Constitution, one would have thought that each of the Members would be able to recite some of their most operative sections by rote. Does he not remember how we were taught to learn Chaucer and recite it at the drop of a hat? Can he not recall section 45 (9) of the Constitution? Does he not know that it was not there in 1996 and it was included in 2006 at the *insistence* of the then Chief Minister? And does he not know, Mr Speaker, that *that* clause since 2006 *prohibits* a Government, once an Election has been called, from committing the Government of Gibraltar to expenditure? Is he saying, Mr Speaker, that if it is done by a wholly owned Government company, the Constitution does not apply? Is that the rule, as they interpret it? Is he saying, Mr Speaker, that if the director of that Government company sits outside the door of the then Chief Minister, closer than his secretary, and commits the Government to expenditure through a company, contrary to the rule in the Constitution, that that is alright? Mr Bossino should know, Mr Speaker, in my view, that eloquence will not be enough to put him in the place that he appears to be gunning for. He needs to be more careful, Mr Speaker, when he spits into the air next time.

1295 The hon. Gentleman says, of course, that we should not be going back to that point, we should only be looking forward, but they spent most of the time that *I* was in Opposition in debates of this sort, talking to us about what happened between 1988 and 1996. In fact, Mr Bossino today talked about – or when he gave his speech – what had happened in 1996 when he talked about agreements signed during a General Election campaign. So they do not want *us* to talk about what happened before 8th December but *they* want to be able to talk about what happened before 1996.

1300 One of the ‘golden legacies’ that they like to talk about, Mr Speaker, is the on-line gaming industry that we have been bequeathed. There are two types of politicians – those who say the world started ‘when I was elected’ and those who say ‘I will build on and fix, where necessary, what was there before’. In the Budget speeches that I have read, in particular the Budget speeches of May 1996, which were the first when the hon. Members were in power, he will see that there were members of the then GSD who acknowledged what the GSLP had done before the date of the Election and said they would build on it, people of the temperance of Mr Azopardi and people of the temperance of Mr Montegriffo. There was one Member, who moved the Bill, who pretended that the world had started the day that the GSD was elected, or *otherwise*, Mr Speaker, would he not have acknowledged that the remote gaming industry already existed before 1996, that the first licence was granted by the Hon. the then Chief Minister, Mr Bossano, before 1996, to Ladbrokes, that, in those days, that vision was in the GSLP?

1310 Look, I am quite happy to admit that it was developed by the GSD since then. Because I am not one of those politicians, Mr Speaker, who believes that the world started on 9th December 2011. We have identified what we said was wrong on 8th December and what we will fix, but Gibraltar did not start then. Neither did it start when they were elected in 1996. But I commend to Mr Bossino and to anybody else who may be on the Opposition benches a read through the contributions of his present leader in this debate to see how it is possible to move Genesis forward from the Garden of Eden to the Mackintosh Hall on the day that the GSD were elected in 1996 and to say that Rome was not built in a day, will make him quiver when he sees the way that the hon. Members opposite pretended that *everything* started with them.

1315 Another ‘golden legacy’, Mr Speaker, in the list of ‘golden legacies’ – I am starting to think that Odyssey should be contacted to try and find these golden coins that nobody can locate – was company tax down by three quarters – a ‘golden legacy’. Mr Speaker, that was not by choice, that was with a gun to the head because the hon. Members’ *first* plan in respect of corporation tax was to reduce all companies to zero and it was despite the first ‘state aid’ gun to the head, only with a second ‘state aid’ gun to the head that that would not be acceptable that they moved to the 10% plan. So things which one does with a gun to one’s head, one really should not then claim, three years later, is one’s ‘golden legacy’. But I could see how things were going and how badly things were developing for the Leader of the Opposition when he claimed for himself one other ‘golden legacy’ – the bus shelters! If I had not been sitting, I would have fallen from a standing position! What a legacy, Mr Speaker! For a man who has portrayed himself, and persuaded others to portray himself, as a political giant of Gibraltar, to claim the *bus stops*! Mr Speaker, even I could argue that he has better legacies than the bus stops... He is a very good interior decorator, Mr Speaker. No. 6 looks very good

indeed.

1335 'A stable and secure Gibraltar' – a stable, secure and prosperous Gibraltar, that is the legacy. Wow, 'stable and secure' with the world in the worst credit crisis in which it is in and 'prosperous' with half a billion pounds of debt, £20 million to spend in the final quarter and the Financial Secretary saying to you 'there is a paper you need to take to the House quickly': not even he can believe that porky.

1340 The world did not start on 9th December and we will build on what we believe is there that is worth building on and we will fix the things that were there that we believe need fixing and we will do new things, but we will do it, Mr Speaker, with a much more prudent approach to debt and a much healthier approach to employing local residents.

1345 Mr Speaker, talking of legacies, the GSLP did leave an *excellent* legacy to us in 1996. And yet, despite my very carefully worded invitation about Community Care, not even a peep from the hon. Gentleman as to what his proposals might have been that he referred to during the course of the earlier interventions that I alluded to in my intervention. Not even a 'I will tell you privately'. So, Mr Speaker, I think it is possible now for listeners – and I hope, in the future, readers – to realise that what the hon. Gentleman said before in 2010 and in 2011 that he was going to replace Community Care with an alternative system which would be future proof *and* would mean nobody would suffer any loss, he had no alternative system, he was speaking with forked tongue firmly in cheek on this, and on so much else, to the electorate.

1350 Mr Figueras, who I consider to be a close personal friend, said that Ministers' speeches on this side of the House were like Opposition speeches, not Ministerial speeches, because we referred back to what had happened seven months before instead of only looking forward to what was going to happen in the future. Well, Mr Bossino says nothing is going to happen in the future because there is nothing in our manifesto...  
1355 But the hon. Gentleman, if he is going to be a politician, needs to engage some time in understanding the place in which he comes to do gladiatorial political battle. He needs to read some of the *Hansards* of what it was that his hon. predecessors for the GSD used to do as Ministers.

1360 There was not one Government speech whilst I was in this House as an Opposition Member between 2003 and 2011, that did not say, 'Mr Speaker, between 1988 and 1996...', 'between 1988 and 1996'... It was constant. I still hear it. Mr Netto, who now *should* be giving an Opposition speech, gives the same speech from the Opposition benches in relation to the GSLP, as he used to give from the Government benches. So before spitting up in the air, the Hon. Mr Figueras should do a bit more reading to understand that if he is trying to – with that device – ridicule these Ministers, he is ridiculing *those* Ministers who used to do the same thing when they were here.

1365 Mr Speaker, it is one thing to do it seven months after you are elected. When you are dealing with a Book that, in great measure, represents – as I said when I started – eight months of income and expenditure under *them* and four months under *us*, it is perfectly justifiable, when you talk about the whole year, to talk about what happened before you were elected, because the year includes parts and months when one was not elected. But, Mr Speaker, *his* party - and therefore he must agree that it was right because he stood with them based on that record - used to do it *sixteen years after* the GSLP had gone into Opposition. And he said, I guess not taking his cue from those who say that we only need to look forward, he said on planning, 'How can you take the position you take, given what the GSLP did in respect of the Dockyard Gates?' – I think that was in 1989 – and I am not going to say which was the Minister responsible, or who was the Minister responsible.  
1370 He opens himself and, unfortunately, his Leader to a retort which is not pleasant, which is to say 'Look, actually, I was in school when the gates to the Dockyard were destroyed. I don't know what was behind that, but I was in Parliament and in politics when the Rosia Tanks were destroyed (**Members:** Hear, Hear.) (*Applause*) on their watch – the tanks from which *Victory* victualled herself before going to Trafalgar... and he is going to come to this House to talk about planning and heritage.

1375 And then he said, Mr Speaker 'They are sitting there, although they have the slimmest of victories in the polls'. That was a theme that trickled through all of those benches. Well, Mr Speaker, you know what, I used to say that, too. I used to say that, too, and I suppose it is not a bad thing that nobody enjoys massive majorities, although when you use the term 'majority' you need to be careful, in our Parliament, not to seem not to understand the fact that there are three more here than there, which is quite a *big* majority, given that, before, the majority used to be one, and one is talking in electoral percentage terms.

1380 The Hon. the Leader of the Opposition used to say, when he was Chief Minister – and I used to goad him, he might remember – 'You got in by a whisker over four hundred votes'. 'So what', he used to say, 'I am here, you are there: the people have chosen.' So, look, Mr Speaker, if it was the 'slimmest of majorities' he and I need to take only one cue together from that, which is slim – we have to accept that we are here and they

are there.

1390 And ‘Government projects are not going to planning, as you said they would,’ he said. Well, Mr Speaker,  
 look, the position has been made clear to him so often that I am going to assume that, despite the fact that he  
 has got ears, he can’t hear. Government projects are already going for guidance to the DPC. The position  
 going forward has been made clear by the Deputy Chief Minister. Unless there is a security reason, things do  
 go for guidance to the DPC *already*. ‘But’, he said, ‘you have got to ensure, as a Government, that you lead,  
 1395 that you build, that you do what the community needs. You have to build airports...’ Well, we are going to  
 have to build airports and that is a reason, apparently, why Governments should not go to the DPC because  
 you have got to build airports, you have got to get on with it.

Mr Speaker, does he never listen to the British news? Has he never read a British newspaper? Does he  
 know what the potential for one runway to be built at Heathrow is causing, in terms of analysis in the United  
 1400 Kingdom? The number of processes through which an application for a new runway at Heathrow will have to  
 go through, or the opening of a new runway at Gatwick, or the creation of an airport in the Thames Estuary?  
 Does he know that? Does he know that, or is it that he pretends not to know it and therefore suggests that, in  
*our* community, *our* citizens should have less rights than those in the United Kingdom who might have an  
 airport, to take his example, built next to them?

1405 That is why, Mr Speaker, he has been told, repeatedly, that absent security concerns, urgency concerns,  
 safety concerns, all the things that Dr. Garcia told him, this Government will be going for opinions to the  
 DPC and fulfilling our wider manifesto commitments in respect of the DPC but I guess, Mr Speaker, that is  
 not what he wanted to hear. What *we* say is never going to affect the fact that they want to say something  
 which may be contrary to reality.

1410 ‘Paralysis on the power station’, said the newly elected Minister for the Environment and I thought that  
 this was one of the many jokes that he and I have shared over the years which I enjoy so much. Paralysis on  
 the power station: Mr Speaker I am not going to tell him again when the problems with the existing facilities  
 were first identified and the failures of his Party in respect of that. But, I will tell him this, I will tell him this:  
 1415 the arguments deployed to justify the delay from the moment that the GSD was told that Waterport Power  
 Station was no longer going to be viable after 2010 are not, cannot, enjoy play from 2003. There was no  
 residential development near Lathbury that could have injuncted the Government in 2003. There was no  
 financial crisis that might have made it impossible to secure financing in 2003. *All of those excuses* deployed  
 in this debate, and before, by the hon. Members have played *only*, if one accepts that his Party delayed the  
 necessary steps to build a new facility *until* there was already a residential facility close to Lathbury and there  
 1420 was already a financial crisis.

Then he said ‘all these environmentalists’ on the Government benches, what are they doing creating  
*double* car parking in the town area, I suppose influenced by the very laudable ‘In town without my car’  
 campaign. Look, Mr Speaker, there are people who live in town and they also deserve a place to park, or is it  
 that GSD policy is to develop car parks in residential areas outside of the town area, but never to provide for  
 1425 people in the town area. We believe, Mr Speaker, that if we needed more parking in the area of NOP because  
 there is a need to provide also for people who live in the town area but, that’s alright, they all know now that  
 he does not believe that they deserve a place to park. And, anyway, they say they still can’t believe that  
 Commonwealth Park will happen and all the rest of it. He will see, Mr Speaker, when he walks along the  
 grassy byways and highways of Commonwealth Park.

1430 He said that the World War II fortifications demolished was ‘a scandal’, that this showed that we were not  
 committed to the Government being subjected to the planning process. Well, Mr Speaker, is it that he doesn’t  
 know, despite being told repeatedly in this House that this was a GSD-approved project that was already  
 ongoing when we were elected, or is it that he is saying ‘Get on with things, but even if they were things that  
 were started before you were elected and started by my Party, now you take them to the Development and  
 1435 Planning Process and stop them half way through’? Is that what he is saying? That has no logic at all and I  
 am just going to assume, Mr Speaker, that he did not have time to clear his speech with those more senior on  
 the Opposition benches, who might have pointed out to him that he was actually going to commit “political  
 hara-kiri of his credibility by taking that position.

1440 But he went further than *that*, Mr Speaker. On that issue he says: ‘When I was told that they had  
 demolished the World War II walls, I could not believe my luck’. Those were his words! Those were his  
 words. ‘I could not believe my luck’. Well, Mr Speaker, it shows he really didn’t care about the World War  
 II wall. It is an admission that he *is* a political opportunist, that all he wants to do is to rubbish, rubbish,  
 rubbish. He doesn’t care about the wall, he cares about the argument he is going to build because the wall had

1445 been demolished, without thinking, of course, that it was *his* Party that started the project and decided to demolish the wall.

1450 There was a bit that I heard – I forget – I think it was during the course of the last Question Time, where people were expressing concern that World War II veterans had not been consulted in the demolition of this wall. Of course, concern expressed by the Party that ordered the demolition of the walls, but now *faux* concern that World War II veterans had not been consulted on the demolition of the walls. So, Mr Speaker, how can we juxtapose that *faux* concern with ‘I couldn’t believe my luck when I heard the news that that the World War II walls had been demolished’. I will put it down to this. It is his first Budget debate. All he cared about was writing a speech to fill an hour: when he has made public statements all he cared about was writing a press release to fill a column, writing, though, Mr Speaker – and I say this in political terms, never in personal terms, I hope – his own political obituary because he has displayed in this first substantive debate, where he had an opportunity to wow us and perhaps even take a putative step towards the leadership of his Party, that all he has displayed is cynical – (*Laughter*) don’t worry, I am going to sponsor Jaime Netto, as well, (*Laughter*) – cynical opportunism and cack-handedness by disclosing his feelings of glee. I honestly, honestly, expected better. I really think that we are not getting bang for our £25,000 of his Opposition salary.

1460 And then he said, Mr Speaker, look at what has happened in one establishment at the beach. No planning permission in respect of something refused by the previous administration. Well, he also needs to check his law. Temporary Erections – amusing though that may sound! (*Laughter*) – do not require planning consents. It is only permanent structures that require planning consents. What that establishment required, as a consent, was landlord’s consent. Nothing to do with the DPC. The Government, as landlord, allows people to do things on property, as head lessor, or doesn’t allow it. That is the control that Government has. Government, as landlord, has given consent for things to happen there but, Mr Speaker, he should be very careful, in my view, not to push too hard on the door of the treatment meted out to that particular establishment last year, and in years before, by *his* Party when they were in office, because he might find, Mr Speaker, that that actually opens the door to bigger problems than he bargained for. Perhaps, next time, he should have his speech checked by one of the more senior members of his Party before he gives it because, then, he went on to say, ‘The GSLP, in Government, when they were last in Government, they did not have a Ministry for the Environment: we created it’. Wrong! You need to check these things. Of course there was a Ministry for the Environment in 1996 and the argument is so contradictory, Mr Speaker, because, on the one hand, he says you don’t *care* about the environment... Doesn’t he know that there *was* a Ministry for the Environment? Doesn’t he know that the Upper Rock Nature Reserve was created by the GSLP? (**A Member:** Hear, hear.)

1475 Doesn’t he know that there was no culling of apes before 1996? Doesn’t he know, Mr Speaker, despite the constant references to it in this place and in the press, that the Nature Protection Act was made in 1991? Did he miss that? Wasn’t he saying that Mr Cortes cares too much about the environment and that is why he is hard-headed? And now he says ‘Ah, but you are the Party that doesn’t care about the environment’. Where is the logic, Mr Speaker?

1480 It is not difficult. Come on, at least to deliver a speech that is internally logical. But he says that caring for the environment, in effect, may be bad for the economy. Mr Speaker, wrong again. Caring for the environment actually creates many economic opportunities – many – not least in Tourism. Look at my Budget measures and how those may stimulate some businesses and do well for the environment, as well. And I know, Mr Speaker, that what it is with Commonwealth Park is actually a quite genuine and quite proper, I think, political fear that when this magnificent park is developed in the centre of our city – and I very much hope he comes and enjoys it, and he parks his hybrid or his electric car in one of the car parks – that that will be such a magnificent facility that the people of Gibraltar will (a) always thank those who did it and (b) never forgive those who opposed it.

1490 I think that what happened here, you see, Mr Speaker, is that Mr Figueras really had nothing to say about the *excellent* and exemplary manner in which Dr. Cortes is running the Environment Ministry. ‘Mr Environment’, now Minister for the Environment. So with nothing to say, Mr Figueras, like the others, decided to run a critique of our Election campaign and our Election strategy, which was so successful, and had nothing other than that to say – I can understand that representing the Party that took five years, *five years*, to prepare an Environmental Charter – that it was drafting a Charter, that it was looking at ‘the detail of every word’, that this was going to be ‘a Charter for Gibraltar’, but then came up with a Charter which was one word different from the Overseas Territories Environmental Charter that had been there for ten years.

1495 What can he say on the environment? Even the penguins in the Antarctic Territory beat us to the Environmental Charter. Well, look, Mr Speaker, I think his speech on the environment was really a much



1500 better contribution, or would have been a much better contribution to the comedy channel than it was to the debate on these Estimates: 'Commonwealth Park is just a pretty picture for their manifesto'.

1505 No. But, look, if it was, at least we paid for it! We didn't rely on everybody's tax pennies to fund the pretty pictures in our manifesto. If it *is* just a pretty picture, at least we paid for it. And he seems to be *against* planting more trees. I mean he must be the only person represented in a Parliament with a responsibility for the environment, who is *against* planting more trees. Against – I just couldn't get it. Is this actually happening? I suppose, Mr Speaker, I couldn't believe my luck... A person with parliamentary responsibility for the environment saying that there should be less trees. I mean, where is he living, Mr Speaker? Planet Clarkson? Was he in Top Gear mode when he said he would insult Dr. Cortes by calling him a tree-hugger? Mr Speaker, to Mr Cortes, to me, to every Member on these benches, a tree-hugger is a compliment, not an insult. Please feel free, petrol head!

1510 Anyway, I thought he was wrong, though, Mr Speaker. I thought he was wrong to then take on Dr. Cortes for having used a ministerial car. As I told him afterwards, but I think it is important to put it on the record, the reason Dr. Cortes has had to use a ministerial car is because he had a broken leg from which he has not yet fully recovered and he cannot walk certain distances and, for that reason, he uses a car. But always for longer distances, as I understand it, than the Hon. Mr Reyes who, as he will recall, I had cause to criticise last year in this debate for having used a car – a ministerial car – to take him from National Day concert at the coach park to his home at Harbour Views. The Hon. Minister explained that he had been to other functions that evening and that is why he had the car. Fair enough, Mr Speaker, but look, if he was then going to go home after the concert, one would have thought, given the sort of concern that the Hon. the Member for Planet Top Gear has now put, one would have expected that Mr Reyes would have wanted to walk home the short distance between the coach park and his home and relieved us of the burden of overtime for the chauffeur.

1520 Mr Speaker, I mean honestly, despite my deep personal affection for him – and that will endure despite our political differences – I am sorry to say that, in political terms, he is becoming just an unfunny comedian who really needs to ensure he doesn't lose the day job. He said, as well, that I had rightly been taken on for saying that culling of apes was 'killing' of apes, for using that sort of language in respect of that matter. Well, Mr Speaker, can somebody please tell me what 'culling' means, because the last time I checked it meant killing and he says that I should not have used that argument when I was talking about the apes, because that was inflammatory. If that is the case, if when *they* were setting out to kill apes – which they called 'culling' because culling means killing – I should not have used the killing word, I should have used the culling word because, otherwise, I was being emotive and over dramatic. Well, then, Mr Speaker, he needs to tell his colleagues, Mrs Hammond and Mr Feetham, that they should *certainly* not use the culling word in respect of whether people are in employment or out of employment. Because culling meant *killing* a year ago and it means killing today. And if it was over-dramatic to use the word culling to describe killing, which is what it means, then how unnecessarily over-dramatic is it to use the word culling to describe whether somebody gets a job or doesn't get a job?

1535 Anyway, Mr Speaker, that policy of culling, which he commends to Dr. Cortes as the right thing to do because it was *their* policy, their policy of *killing* mammals – which was their policy and he now appears to be so proud of – doesn't he know that, because of the pressure I put, and others with me, from the International Primate Protection League etc., they stopped it. Does he know that, Mr Speaker? Doesn't he know, Mr Speaker, when he makes his political argument that the population of Macaques in 1996 was lower than the population of Macaques in 2011? So, Mr Speaker, who is he trying to kid? He can't make a monkey out of us; he is making a monkey out of himself with those arguments.

1540 So, on all of those issues, Mr Speaker, on an increasing population of Macaques, on a delay on building a power station, on *all* of those issues, when he complains, when he wants to understand what went wrong, when he wants to press, let him press and ask and look to the side, and not forward, because the fault lies on the benches opposite, not here. He said, Mr Speaker, that we haven't progressed enough in respect of alternative energy because the hon. Gentleman, Mr Cortes, has an adverse, hostile, reaction to wind turbines affecting birds. Well, that is actually a view that I and all the other Members here responsible for the governmental environmental filter may share in some respects, and may be resolved in some other respects, as technology changes. If there is not a wind turbine in Gibraltar today, in July 2012, it is not because Dr. Cortes has stopped it, it is because Mr Caruana wouldn't allow them before 8th December 2011. So look to your left to ask the question.

1550 Alternative energy should be a priority, I agree. Look at the answer that Ernest Britto gave me – if you do your research on this issue – when talking in this House about the GSD's commitment to alternative energy in

1555 the 2007 manifesto, where he *admitted* that they had done nothing and not enough and they were going to miss their own targets. That's why, Mr Speaker, we agree with him: alternative energy is just not a priority now, *it should have been* a priority before.

1560 So look left and ask the question why has nothing been done for sixteen years. The 'bad old GSLP', he says: well, Mr Speaker, look, there is as much good and bad old GSLP here as there is there these days, so perhaps he should also look left to his next putative leader if wants to make those arguments – an infection of course Mr Speaker, that doesn't affect Mr Bossino, given that he and I were together with Mr Garcia in another Party at the time. But, anyway, Mr Speaker, in that alleged vein of the old GSLP 'spectre' that they like to raise – not the 'good old GSLP', the 'bad old GSLP' – in that vein, Mr Reyes said that people are saying – faceless people – that only party supporters of the GSLP will be appointed to middle and top management in the Civil Service under us. Where has he been? Do they believe that people will simply forget what happened in the last twelve months of their reign, because that is how appropriately one can describe the manner that Government was run before. Actually, what has happened since 8th December, but which is ignored by Mr Reyes for the purposes of putting together the speech that he obviously quickly needed to scribble to deliver, is that we have released the Civil Service to start filling vacancies for itself, with the PSC, with nobody being told who gets appointed to where, with nobody being appointed *a dedo*. Who is it that we are going to forget who was made Grade V in the GSD *a dedo*? Or was then made a Civil Servant *a dedo*? Who was appointed to the Culture and Heritage Agency *a dedo*? Whose salary was fixed *a pluma*. That's not just us saying it, Mr Speaker. It is not *us*. It is the Principal Auditor saying those things, Mr Speaker. They want to raise a spectre, Mr Speaker, an image. Well, that's their spin of things going wrong and heads being cut off. But, Mr Speaker, it can't stick, and it won't stick because, if there is one cardinal rule in politics, criticism has to be based on reality, not fantasy. Otherwise it does not stick.

1570 Well, Mr Speaker, we come to that part of the debate where I felt I had to rise to make a Point of Order. In what was otherwise, in terms of delivery only, an excellent maiden speech, on which I congratulate my old classmate, Mr Bossino, he marred the whole debate and *his* contribution, by a massive wobble on the use of the 'C' word – the word corruption – which Mr Speaker said we should not be using in Parliamentary language. Clearly, Mr Speaker, something designed to grab headlines. It was designed to grab a headline in their press release: it grabbed a headline. It was designed to grab a headline here: it grabbed a Point of Order and a Ruling. But, look, I am very grateful to the hon. Members, in the course of their wobble, for having admitted that when they put the eye catching word 'corruption' in their press releases and when they used it in this House, although I hope that, given Mr Speaker's Ruling, we won't be going down that route, they don't actually mean 'corruption', they just mean not so nice. So, the headline that said 'political corruption' meant political behaviour that was not so nice.

1585 **Hon. P R Caruana:** Now that is not true. No, Mr Speaker, that is not true. That is... What he has just said is simply not representative of what we have expressed in this House. *We meant* corruption, in the context that we used it, which the Speaker has ruled not to be out of order. I do not see why he is re-inventing what anyone who has been sitting in this House still remembers.

1590 **Mr Speaker:** I think we reached a conclusion that the hon. Member who used the word accepted that it was really intended to mean 'a misuse of political power'. I think that was the final conclusion.

1595 **Hon. P R Caruana:** Yes and, on that basis, the use of the word was not out of order. That was your Ruling.

1600 **Mr Speaker:** Because of the context, yes.

**A Member:** Exactly.

1605 **Hon. Chief Minister:** Well, Mr Speaker, he needs to read what his deputy/putative Leader said during the course of the debate and what the wobble actually was - because he was not here at the time - and then he will see exactly why I have said what I have said. It doesn't relate to this morning, it relates to late on Tuesday.

So thank you for having clarified, late on Tuesday, that 'corruption' does not mean corruption because, Mr Speaker, I am quite happy to have a debate on corruption, if he wants and I hope that we don't ever have to go

1610 down that route in this Parliament because if misuse of political office is what corruption means, then, Mr Speaker, we are going to have a lot of fun analysing again, how much was paid to *Seven Days* for what period, how much was paid to what law firm for what period, how much was paid to what individual lawyer for what period and what that individual lawyer might have been paid for in that period. Not least, Mr Speaker, what taxpayers' money may have been used for, including funding pictures in party political manifestos.

1615 But, Mr Speaker, on the Sardeña case, he said 'It is totally improper of you to have dropped a defence and then negotiate a settlement. That is the evidence of what you are doing wrong. That is the evidence of how badly you are behaving. That shows that you have misused your public political office.' Mr Speaker, dropping the defence and then allowing the Industrial Tribunal to come up with the compensation is exactly –  
 1620 *exactly* – what the GSD did in Government in respect of the other Industrial Tribunal case, Joanna Hernandez. *They* did it, Mr Speaker, so all of the things that he has said *ab initio* of that political 'C' word is exactly what his *current* Leader did in respect of another Industrial Tribunal case. Again, Mr Speaker, next time check it out before you spit up into the air.

1625 Mr Bossino, who was developing this concept of how the economy had grown under the GSD – he said it again last night – this 'golden legacy' that we must not vanquish. But let's do a bit of maths here, you know. They don't want *us* to go back to before 8th December, but *they* want to constantly go back to before 8th December. Well, let's go back to 1996, which they used to enjoy doing so much. The rise in GDP between 1988 and 1996 amounts to an average rise in GDP of 14.6% per year. That is worth banging on the table.

1630 The rise in GDP in the *sixteen* years between 1996 and 2011, on average per year, is 11.5% – that is a whole quarter down. A whole quarter down. So if I *was* to accept the hon. Gentleman's argument that we have had a 'golden legacy' – which for the reasons I have carefully gone through, I have shown him is an unsustainable argument – if I *was* to accept that, at least on GDP, he should have the confidence to get up and say, 'You are right. The golden legacy was the GSLP golden legacy on growth of GDP between 1988 and 1996.'

1635 He should go further, Mr Speaker, and say the golden legacy in respect of reserves was the GSLP golden legacy because, when you look at reserves compared to borrowing, and you include the £60m in Community Care, that was a golden legacy compared to £520m of debt in an economy of one billion.

1640 And when it comes to the quality of democracy, Mr Speaker – look, this is a bruising debate, it always is – but the level of communication that there now is between the Leader of the Opposition and the Chief Minister, the information that Members have about when Parliament is going to meet, the attempt to accommodate them as much as possible which I think has been seen from the attitude the Government has taken to this debate in particular, the opportunities for Questions, the opportunities for motions, *that*, Mr Speaker, has just been *transformed* since 8th December.

1645 Despite how well that may be going, elderly people have to stand on the bus, he said. At least we were spared, Mr Speaker, fifteen questions on the bus timetable, which is how he started in January but we will put that down to a learning curve. Elderly people have to stand on the bus. Well, Mr Speaker, I agree with the hon. Gentleman that should not happen. Whenever there is an elderly person standing on the bus, there is something wrong. We have got to make sure that either a younger person gets up and lets them sit down or that we have better systems to ensure that elderly people do not stand on the bus. We need to ensure that there are not broken seats, but we have been here for seven months, they have been there for sixteen years. Their  
 1650 buses are nine years old, eight years and six months old, the day they left office, with broken seats.

1655 So, Mr Speaker, taking all those things into consideration I assume that his speech in that respect was a *slap in the face* to the Hon. the Leader of the Opposition. An intended slap in the face, another step, perhaps, towards the Chair it appears he is so interested in slyly taking. Because, wasn't it, Mr Speaker, under the old GSD administration that elderly people were not just standing on the bus, elderly people were left standing at the bus stop, not the ones that protected you from the sun, the ones before them, because the buses were full of tourists because they were free for everyone. What a disaster, Mr Speaker. (*Applause*)

1660 He is right. (*Applause*) He is right, slyly and coily as he does, to slap his Leader in the face for having done that. Well done, Mr Bossino, and I extract from what you said, what you wanted extracted and deliver it in that way for you.

1660 My concern for the elderly, Mr Speaker – that, obviously, does not apply to the elderly at Both Worlds (*Laughter*) – there is a concern for the elderly in other geographical areas, I assume. But, look, I am delighted, Mr Speaker, that the elderly at Both Worlds *are* considered by this side of the House and, therefore, also have their service. He also complained that, for five months, the bus company had been without directors. *Five*

1665 *months* the bus company had been without directors. It cannot be, this is bad for governance, bad for governance. Right, okay. I extract from what he said, Mr Speaker, rightly and coyly and slyly, another slap in the face for his Leader and I am happy, because he has obviously got vested interests, that I should be the one to deliver it but look, it is fine. (*Laughter*) He and I are obviously understanding each other because wasn't it, Mr Speaker, not the Gibraltar Bus Company, GBC, but the Gibraltar Broadcasting Corporation, GBC, that was without a General Manager, or a CEO, for almost *four years* under the previous administration.

1670 (*Applause*)

If it is bad for governance for GBC, the bus company, to have not had a CEO for five months, what did it do for governance at the Gibraltar Broadcasting Corporation, GBC, for *it* not to have a General Manager or a CEO for *four years* and defending that in this House, as they were. So, Mr Speaker, the hon. Gentleman wants me to say those things, I can appreciate, from his speech, but he is not foolish enough to have said those things, without understanding the consequences of the argument and he wants me to deliver that slap in the face to his present Leader and I do, not with pleasure, because I don't think that politics should be about slaps in the face. But, Mr Speaker, GBC, the broadcasting company, was without a General Manager through a General Election campaign, and we have said how dangerous that was, we have maintained that we think that that was dangerous and that, in our view, did serious damage to governance at GBC.

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1680 Having said that, Mr Speaker, I am going beyond GBC. If he says five months for a vacancy is too long, he needs to understand that not just at GBC, but throughout the Civil Service, his Party in Government, his Leader – I was going to say previous Leader, excuse me, his Leader, mustn't pre-empt anything – left *hundreds* of vacancies open in the Civil Service, in the Development Corporation, in Agencies, hundreds open and that is why we have had to unblock promotions.

1685 So if leaving a vacancy open is bad for governance, as he says, and he is clever enough to have understood these things, then he must also be saying to me, deliver another slap in the face to the man who led the previous administration and tolerated that. And I reluctantly accept his invitation to do so and realise that he is clever enough to have said all of those things, knowing that it would result in that. Because the other alternative, Mr Speaker, is that he has said those things without thinking of the political consequences, without putting them in the political context and would have been very foolish to do so. And out of respect for the fact that we come from the same *alma mater* and in the same year, I will believe, and wish to believe, that he actually was much more politically astute than that. But then, Mr Speaker, he describes the mild mannered and temperate Deputy Chief Minister, who would not hurt a fly because he is such *buena gente*, Mr Speaker, as 'vicious' (*Laughter*) – as vicious. Mr Speaker, he does not understand 'vicious'. He does not.

1690 By addressing these arguments that they have put, and not *them*, I am being a pussycat compared to what the mover of this Bill in this House was like last year. If he wants to see viciousness, Mr Speaker, he needs to see the hon. Gentleman with the venom on the tip of his fangs wringing for my neck last year. If he wants to see political annihilation, he needs to see a Party that stood here and didn't just go to play the man instead of the ball, which might have been bad enough, they went to play the man, his personal life, his political life and his professional life, all as part of the cynical attempt to save themselves from electoral defeat. I commend to the hon. Gentleman a reading of the last debate in this House, in particular his current Leader's Reply. I actually enjoyed it as a study in psychology.

1695 And then, Mr Speaker, the Hon. Mr Netto called Miss Sacramento, this morning, a 'character assassin'. A character assassin! Come on! I mean, I will keep saying this, you have got to hang your political argument on a hook of reality. All Samantha Sacramento has done since she was, rightly, elected to this House by the people of Gibraltar, who deposited their trust in her and us, is work hard to sort out the mess that she found at the Social Services Agency, and well done for what she has done to date. (*Applause*). But 'character assassination, viciousness and annihilation', Mr Speaker, come on! Mr Bossino and Mr Netto – and Mr Netto was here – Mr Bossino at least should read the *Hansard*.

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1710 Never, Mr Speaker, never whilst I am Chief Minister will there be a Budget session of Parliament like the one last year. Never ever, because the then Chief Minister approached it with such personal animosity towards the then Leader of the Opposition, with such attempts to denigrate me, personally and professionally, that I believe that the office of Chief Minister was brought into disrepute and the people of Gibraltar delivered their verdict on who was, and was not, fit to be Chief Minister on 8th December, 2011. (*Applause*)

1715 And we are talking of Tourism, Mr Speaker and, again, I know that he has been very sly and very politically astute by saying that we are wrong to have made no investment - despite our promises - in the Upper Rock in the past seven months. I once again pick up his request that I should slap in the face his current Leader for the *sixteen years* of under-investment in the Upper Rock. But, Mr Speaker, next time – it is getting

1720 tiresome – next time he wants to deliver a political slap to the GSD, can he please stand up and do so himself. I have already been put in a position where I have to deliver three: can he please – because I know he thinks and he realizes that this is going to be the consequence of saying stuff like that about the Upper Rock – can he please deliver the next slap himself. It might do him good; it might raise his profile in the Party.

1725 Then Mr Feetham said that the GSLP had built nothing for rental for people who are on the housing waiting lists in the 80's to 90's. Look, Mr Speaker, again you see you test an argument and you apply pressure to an argument by looking at the facts that underlie it. We might not have built as much housing for rental as they did, we might not have developed an estate, but housing for rental we did develop as part of the existing estates. So if you want to be taken seriously, and an anti-GSD putative Leader of the GSLP, now anti-GSLP putative Leader of the GSD, must want to be taken seriously, at least initially by his Party and then by the electorate, *you have got to get your facts right*.

1730 Then he said all this business about employment: 'I myself put 47 people in employment in construction when I was Minister for Justice'. Mr Speaker, he was talking about putting Gibraltarians in employment and then he said that that was contrary to EU law. He said the more that this is talked about, the more it imperils Gibraltar because you are employing Gibraltarians at the expense of Spaniards – and then promptly continues talking about it and he is the only one who is talking about it! But, Mr Speaker, it is transparently clear that he does not care about imperilling Gibraltar. All he cares about is that he should become Chief Minister at some stage in his life and that, Mr Speaker, means that, first, he wants the chair to the left of him and then he wants the chair opposite him. That's all that matters. (*Interjection*)

1735 That's all that matters. And he will accuse the Government, Mr Speaker, of any falsehood or of any failure that *he* thinks will get him closer to assisting him in that agenda. But let me take one point, Mr Speaker, because, again, you see I don't think these arguments have been thought through. If *he* put 47 people in employment in the construction industry in Gibraltar in the last few months that he was Minister for Justice, what the bleeding heck was the Minister for Employment doing? That Minister for Employment that he represents in another capacity and is saying to us we should take on to do a job that obviously *he*, when he was a ministerial colleague didn't believe that he could do. But, of course, Mr Speaker he did not care about young people until a few weeks or months before the General Election. Because he says to us, we don't want people languishing as trainees on the minimum wage. We don't want people languishing as trainees on the minimum wage.

1740 Mr Speaker, how can they say that with any shred of political credibility, when they allowed those same young people to languish in their scheme at *half* the minimum wage. (*Applause*) It beggars belief, Mr Speaker. I assume what he is saying to this House is that he is maintaining the position he had before the General Election, that the Future Job Strategy is not affordable and that what he is saying by saying we do not want them languishing as trainees on the minimum wage is that he wants us to take them back and *cut their pay in half*. It is not going to happen, Mr Speaker. But the level of political hypocrisy is just *staggering*. Political hypocrisy –

1755 **Hon. P R Caruana:** The word hypocrisy can now be used.

**Hon. Chief Minister:** With the epithet political.

1760 **Hon. P R Caruana:** Sorry, if the epithet is political, [*inaudible*] applies to the Opposition.

**Mr Speaker:** No, I have not ruled against the Opposition using that phrase.

1765 **Hon. P R Caruana:** [*Inaudible*]

**Hon. Chief Minister:** But, Mr Speaker, look –

**Mr Speaker:** No. Political hypocrisy, I have not ruled against the Opposition for its use.

1770 **Hon. P R Caruana:** The word 'hypocrisy' has been referred to this morning as being on the list of forbidden words.

**Mr Speaker:** Yes, but –

1775 **Hon. P R Caruana:** Putting the word ‘political’ in front of it is thought to be unsuccessful in sanitizing it.

**Hon. Chief Minister:** And so, Mr Speaker, despite the *nervousness* on the Opposition benches, I have to go on and say to the hon. Gentleman you have got to be very careful with what you say, unless Mr Feetham is also engaged in this astute game, which is to criticize things done by my predecessor – his current Party Leader – in a manner that then he knows is going to result in my getting up and slapping his current Party Leader around the political face because of the things he used to do. I think Mr Bossino is astute enough to pick that up. I didn’t think *he* was, but I will give him the benefit of the doubt.

1780 ‘Don’t dumb down entry into the Civil Service’, he said. Well, Mr Speaker, doesn’t he know, in respect of the public sector, that the ones who dumbed it down the most are them, when they were in Government. Given that people were taken into the public sector who have absolutely *none* of the qualifications that one was always required to have to enter into the public sector, some with no qualifications at all, some of them even without speaking English because they are not local residents – incredible, Mr Speaker. It is incredible! It beggars political belief.

1785 And then, Mr Speaker, he has this game where he tries to characterise Mr Bossano as the person baiting him to go downstairs and he talks about the *mano a mano*. Why does he make me get up in this House and say that people are not stupid and that when they read *Hansard*, they will see that the phrase, *mano a mano*, is only on *his* lips, that he comes up with the terminology of the *mano a mano*. He baits, he cajoles, he tries, he swings and then he says, ‘Ah, you challenge me to a *mano a mano*.’ How cheap, Mr Speaker, to bait the Father of the House, a man thirty years his senior. But I guess that is what ends up with debates being personalised and petty.

1790 And they criticise, Mr Speaker, our Future Job Strategy and how that might have had an effect in the Election campaign and Mr Bossano has explained how well that is going. And they say it was an Election bribe. Well, Mr Speaker, clearly it was not, but what is coming across from this re-running of the General Election campaign is actually quite a convoluted *chapeau* from the Opposition benches, because what they have done is say ‘This is what you did for the General Election campaign: this is what you did and this is how you did it.’ Of course, what they don’t say is – ‘and you won. Well done’. So thank you for the compliment, we take it in the spirit in which it was not intended.

1800 So he said, Mr Speaker, in respect of one particular thing on the age of consent and the Criminal Offences Act, ‘we have got to protect our young people. We have got to stop internet paedophiles from grooming young people in Gibraltar.’ All of the things that everybody would agree with, Mr Speaker, because that is where he likes to be, on the ground where he is all things to all men. That is where he feels more comfortable. And he presses the Hon. the Minister of Justice, who has other responsibilities, and does such a fantastic job in all of them, for not having transposed the Criminal Offences Act version that is now available into law already in the seven months that he has been there. And he says he will give us a year, otherwise he will be ‘hard on our heels’. I can feel the rabbits trembling already, Mr Speaker.

1805 He was in Government for four years and I am not going to say that his arrival on those benches is what was the final *dénouement* of the GSD because that is much more convoluted than that. But, in those four years, he had time to draft a law, bring it to Parliament and make it law – and he didn’t do that. Four years! Four years of internet paedophiles not being subject to the punishment that they should be, subject etc. Now we are here seven months and we should have done it already, otherwise it is all our fault. Doesn’t he remember, Mr Speaker, that I had to put questions and a motion on this issue? Mr Speaker, doesn’t he remember that he was here for four years with the power to bring a Bill and get it passed and just suspend one or two sections, if necessary. *If he had a shred of real concern* in respect of any of the matters that he highlighted, he would have acted, instead of meekly keeping quiet, as he did when he was told to shut up and sit down by his then Leader.

1810 Then he says to us, Mr Speaker, on that and on other issues, ‘I have always tried not to politicise issues. I want to work for the good of Gibraltar.’ But, Mr Speaker, again these things have to be hung on a hook of reality.

1815 Does he think for one minute that we, or people outside this place, are stupid enough not to see through his *faux pretense* at constructive politics? Doesn’t he think, Mr Speaker, that people now know him and his political style well enough to know that the only thing he is interested in working for is not Gibraltar, it is P.O.W.E.R., Mr Speaker, and I don’t mean the station. All he is interested in is in pretending to depoliticise issues in order to get closer to the chairs that he craves. Well, he still doesn’t appear to understand the difference between an announcement and a restatement. All this banging on about Facebook, saying things

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1830 which Mr Cortes did not even put on Facebook, about directions to police etc. etc. He just doesn't care, Mr. Speaker, that what he is saying is picked up in Madrid – the *Partido Popular* comment in the Spanish press about the fact that they are siding with them on the '99 Agreement. He does not care because it has never been about Gibraltar and Gibraltar's widest interest. Never! It has always been about becoming Chief Minister.

1835 Mr Speaker, advice was given, or comment was made, in respect of Macbeth's own ambition, which in that Scottish play was said to have 'o'er leaped' itself and fallen on itself. I commend to him, Mr Speaker, more reading of Shakespearian tragedy and less watching of Laurel and Hardy, if he wants to make a serious contribution to debates like this, because his quotes were from a Laurel and Hardy episode rather than from the Bard. Bless you. And he becomes, in this House, an advocate for the same argument as Mr Margallo, for the same argument as Mr Landaluce, for the same argument that Mr Masa put in the Spanish press. Well, look, I suppose they have to be represented. They have to be represented. Whatever it does for our community, it has to be represented here in some way.

1840 Mr Speaker, this is the politics that does so little for our community, but the politics of substance, the politics that really is designed to deliver for our people, that, Mr Speaker, is the politics that Joe Bossano has represented for forty years and I want to pause for a moment, Mr Speaker, to embarrass him again, and congratulate him on his 40th intervention in this debate. (*Applause*)

1845 It is relevant because, of course, Mrs Hammond was talking about 'culling' of Spanish workers and we had that issue with the word 'culling' and whether it was killing or not. It is really, Mr Speaker, quite unfair to use that argument to describe the work that Joe Bossano is doing to get more Gibraltarians into employment. But, Mr Speaker, I am afraid I have to say to Mrs Hammond that her contributions will also be tested and the quality of them will be tested by checking them against empirical data to analyse whether what she is saying stands up to scrutiny or was wrong. And I am sorry to say to her that, on a *simple* reading of her speech, it falls at the first hurdle.

1850 I agree with her that the more women there are in this House, the better. But, Mr Speaker, it is not true to say that, on this occasion, Parliament has more women than ever in it, one on each side of the House. That is what she said – she can check her speech and if she likes I will read it for her. Since the year 2000 and until the year 2007, Mr Speaker, there were two women in this House, one on either side of the House, Miss Marie Montegriffo, with whom I had the pleasure of serving as a Member of the Opposition, and Mrs Yvette Del Agua, who appears to have quickly slipped out of her memory now that the people rejected her in the Election campaign. So Mr Speaker, *everything else* that she has said has to be seen in the context of the fact that she got something *as simple as that wrong*. As simple as that. And it is not difficult to check that, because one of the magnificent reforms that we made shortly after being elected and which Dr. Garcia led, was the creation of a Parliament website, *Parliament.gi* and there, Mr Speaker, I was able to confirm myself my recollection by checking the results of the 2000 and 2003 General Elections.

1855 So, Mr Speaker, Mrs Hammond, who I welcome to this House as much as I welcome all the other novices who have contributed to this debate, needs to understand that there needs to be rigour in checking one's facts before coming to this House with argument. Mr Speaker, Mrs Hammond also said that Dr. Cortes has visited the UK on three occasions. It appears from Dr. Cortes' diary, which we checked in order to make sure that we are not getting this wrong, that he has only been to the United Kingdom on *two* occasions to deal with these issues: one to deal with GHA matters and one with environmental matters, but we stand to be corrected, if Mrs Hammond, who said that he had been there on three occasions, to build her argument about how he was going off to take advice, if she can substantiate that there were, in fact, three occasions.

1870 And she said, Mr Speaker, that the NHS has been characterized as seriously dysfunctional, that Dr. Cortes refuses to listen to experienced professionals in the GHA who might help him ensure the GHA doesn't go down that route. Well, in fact, Mr Speaker, Dr. Cortes has consulted *more* than any previous Minister of a GSD administration. *Some* people are saying to Dr. Cortes – the professionals – 'Wow, it is the first time I have ever been in the Minister's office: thank you for listening to me.' One very high ranking member of the management of the GHA, perhaps the most high ranking except for the Minister, has said to the Minister, that he has listened more to anyone than ever before and that he puts in more *hours* than any Minister ever before.

1875 She said that the Board was not meeting often enough with the Minister. Well, in fact, it has met more already with the Minister that it met with the previous Minister. In some years there were no meetings of the Board, or one only in one year.

1880 The Board, Mr Speaker, had concerns before 8th December about KGV but nothing was done so the Board was not listened to. Now it is listened to and quickly action taken on KGV. She does not like the policy of openness and of holding meetings in the open, but doesn't she know, Mr Speaker, that that is the

1885 way that similar Boards meet now elsewhere in the European Union. But at least I respect the fact that she stands up and says that she is *against* transparency, she is *against* openness and she wants to move *back* to secret meetings of the Board of the GHA.

1890 Mr Speaker, I met with consultants before the General Election and I have had meetings with various consultants after the General Election, so has the Minister. Mr Speaker, they have been kept aware of exactly what discussions and proposals are being maintained in respect of their contracts, and have had more information, and have had more debate and made more progress in respect of their contracts in seven months with this administration than in sixteen years with the previous administration. And, Mr Speaker, in respect of her arguments about what a fantastic GHA they left us – another ‘golden legacy’ – and the record that she talked about, doesn’t she know, Mr Speaker – or perhaps she is the most politically astute of all, and really wants *this* slap in the face delivered to the now *departed* Leader of the Opposition – that, since 2006, there have been recommendations for urgent action to develop a dementia facility and *nothing was done about it* and Gibraltar, therefore, now has a *serious* problem with elderly people who cannot be cared for at home and for whom there is no space in a medical hospital.

1900 Mr Speaker, Mr Netto this morning I also congratulate for having made what I considered to have been his most animated intervention in the time that I have been in this House. He said that the Minister of Social Services had said nothing about Moroccan workers, he never mentioned them. Well, Mr Speaker, the time I have been there on those benches I don’t recall serious mention of the plight of Moroccan workers *at all* by the hon. Member, or any Member here. Is it, Mr Speaker, that he forgot about them for sixteen years and has remembered about them now because it sounds good? Well, I will tell him what, the policy conference of Unite was very clear about how they felt about the treatment of Moroccan workers before 8th December and very happy about what has happened since then. But there, Mr Speaker, and not for political gain, I know that what he is doing is setting his Leader up because he knows the problems that he created for them.

1905 And then he went on to talk, Mr Speaker, about the disability allowance. I didn’t hear him talk about the *increase* in the disability allowance. I didn’t hear him talk about the fact that disabled people are being taken out of taxation. I didn’t hear him talk about the plans there are for disabled people to have sheltered, indefinite future-proofed employment going forward. I didn’t hear him talk about the fact that they are going to earn a lot more and they are on the minimum wage. None of that. Just ‘you shouldn’t take the disability allowance from them at all’. Well, Mr Speaker, the disability allowance was removed *entirely* from a disabled person before 8th December if they went into employment – *entirely*.

1910 And after 8th December it is removed on a staggered basis but 25% always remains payable. *And* when they go into employment, instead of earning half the minimum wage, they earn the full minimum wage and because they are disabled people, all of that – the minimum wage full amount and the disability allowance – which *might* take them into taxation, depending on how the disability allowance and the minimum wage rises, is exempted from a tax computation. And they are *massively* better off as a result. I didn’t hear him talk about any of that but I heard him talk about a hologram. Maybe, Mr Speaker, it is one of the things we could create with a Mac Apple in the future! (*Laughter*).

1915 He said that we should create holograms of ourselves. (*Laughter*) No need, Mr Speaker. We are all perfectly comfortable in our own skins. But one of the things I am going to pursue, as a result of his intervention, is the creation of a hologram of the Member who used to stand *here* in these debates and the feeding into the hologram of the *Hansard*, so that when we do televise - not just on GBC, as the Hon. Mr Feetham suggested - but in every media, making available a feed from this Parliament to all newspapers, to all broadcast media, to all internet facilities, maybe one of the things we should be re-running are the episodes going back, as well as current, so that people – or rather, as that *Seven Days* used to put on its front page so often – ‘Lest we forget’.

1920 Well, Mr Speaker, the Hon. Mr Reyes said that people were having their heads cut off, as I said before, but it has no credibility. Have they forgotten, when he talks about senior people only being promoted if they were members of the GSLP, have they forgotten – or is it that Mr Reyes also wants me to give his Leader a slap in the face ? – the *enchufes* that went on in the twelve months before the General Election, let alone sixteen years? Have they forgotten that, Mr Speaker? I don’t think they have. It is just that for pensioners, for workers, for the business community, for the disabled, for young families, this has been not just a good Budget, it has been an *excellent* Budget.

1925 But, Mr Speaker, for the Opposition, this has been a very bad Budget indeed. No imagination, no analysis, just a re-run of the General Election arguments, which they lost. But, Mr Speaker, I want to thank them for not having done better. They are, single-handedly, embarked on a process to guarantee us the public



- 1940 support in increasing numbers at the next General Election. Please, Lady and Gentlemen, do keep it up.  
My concern, Mr Speaker, is to see what little value for money the Opposition are giving to the people of Gibraltar. I mean, what a poor performance, what an inability to co-ordinate to sing from one hymn sheet. There are so many factions by the end of my analysis, Mr Speaker, I really don't know who is going to be the next Leader of the Opposition. But in that context, as I started, Mr Speaker, I realise, that when we put our minds to it, how much we can agree on.
- 1945 For the reasons I have already gone through in detail – excruciating detail for them, I know – it was a 'Big Lie' Election. The *lie* that employment was about four hundred, the *lie* that debt was under control, the *lie* that we had healthy cash reserves, when it was almost running out at £20m, *lies* that are uncovered now. A 'golden legacy', Mr Speaker? Unemployment at over 1,000, housing over 1,600 people on the waiting list, four times what they inherited when the best Housing Minister Gibraltar had ever had, Pepe Baldachino, left office in 1996, and a debt, Mr Speaker, of over half a billion pounds. A 'golden legacy' much like the 'golden rules', abandoned, smelted, rotting.
- 1950 And on democracy, Mr Speaker, on democracy, that we were failing in not coming to this House and giving full answers etc. And Mr Feetham saying that it is 'terrible', in public statements, that we would not read our press releases of 2006 to him and would not read our manifesto: we would just refer them to him.
- 1955 Wasn't he here, Mr Speaker, when I asked a written question and an oral question that the Hon. the then Chief Minister and Leader of the House felt were similar and decided that he was not going to answer the oral one and I could have the written one and, therefore, prevented us from having a debate on the issue.
- 1960 Mr Speaker, we have delivered a development and planning process that is more open than ever, a Parliament that is more open than ever, a timetable which they can use to plan their professional lives around their political responsibility but they say, Mr Speaker, that *everybody* wanted monthly meetings. Well, Mr Speaker, I take once more, finally before I sit down, the opportunity that Mr Feetham gives me, either because he is too stupid to realise that I am going to do it, or because he is very astute indeed and wants me to do it, to say that the fault that we did not have monthly meetings of this Parliament for the previous sixteen years was of the current Leader of the Opposition.
- 1965 Mr Speaker, they have called me many things in the past year but I am certain that politics are about substance. It is about what people really see, it is about reality and it is not about making an issue where there is none. And I would invite them, Mr Speaker, in particular all of those – and I have lost count of how many there are now on those Opposition benches who want to be Leaders of their Party – to become Leader of the Opposition, to have a chance to take a jump at the chair in which I now sit, to understand that, despite how much they denigrate me – and I am not one to sing my own trumpet – I am actually the most successful Leader of the Opposition ever, having held the post only for seven and a half months before elevating myself, thanks to the confidence of the people of Gibraltar, to the post of Chief Minister. So, perhaps, instead of so much denigration, a bit of study of how we did it. (*Laughter*)
- 1970 Mr Speaker, this is not an austerity Budget, it is a Budget of common sense and prudence. This is not a Budget crafted pretending we are in splendid isolation from the rest of the world, but a Budget for the less well off, for the disabled and for business. And nothing that has been said by the Members opposite has addressed that careful calibration that we have done to deliver on all fronts and implement the best manifesto Gibraltar has ever seen.
- 1975 *Nothing* that has been said so much as dents the public's confidence that this Government is clearly on track to deliver. Nothing, Mr Speaker, to deter me from once again commending this Bill to the House. (*Applause*)
- 1980 And I move Mr Speaker that we now adjourn for a good lunch.
- 1985 **Mr Speaker:** May I suggest that I put the question to conclude. It will only take five seconds, I hope. I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ending on 31st day of March 2013 be read a second time.  
Those in favour. (**Members:** Aye.) Those against. Passed.
- 1990 **Hon. Chief Minister:** Mr Speaker, I now move the House do adjourn until 2.30 p.m. this afternoon.  
**Mr Speaker:** Is that convenient to all the hon. Members?  
*Members agreed.*

1995

**Mr Speaker:** This House will adjourn until 2.30 p.m. this afternoon.

*The House adjourned at 1.10 p.m and resumed its sitting at 2.30 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 2.30 p.m. – 5.25 p.m.

Gibraltar, Thursday, 12th July 2012

## The Gibraltar Parliament

*The Parliament met at 2.30 p.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Order of the Day

**Appropriation Act 2012**  
**Committee Stage and Third Reading to be taken the same day**

**Clerk:** The Appropriation Act 2012.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all Members agree.

**Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (*It was agreed.*)  
Committee Stage and Third Reading will be taken today.

**A Bill for an Act to amend the Magistrates' Court Act  
First Reading approved**

15 **Clerk:** A Bill for an Act to amend the Magistrates' Court Act.  
The Hon. the Minister for Education, Financial Services, Gaming, Telecommunications and Justice.

**Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Magistrates' Court Act should be read a first time.

20 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Magistrates' Court Act be read a first time.  
Those in favour. (**Members:** Aye.) Those against. Carried.

25

**Magistrates' Court (Amendment) Act 2012  
Second Reading approved**

30 **Clerk:** The Magistrates' Court (Amendment) Act 2012.

**Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

35 **Mr Speaker,** this is a very short Bill. It simply amends section 9 of the Magistrates' Court Act, so that for the word 'seventy' there is substituted the word 'seventy-two'.

The effect of this is that magistrates – lay magistrates – who sit on the Bench as Justices of the Peace will not be required to automatically go on the supplemental list and therefore retire from the Bench at the age of 70; this will happen at the age of 72.

40 This Bill comes about, Mr Speaker, as a result of representations made by the Gibraltar Magistrates' Association. They felt that causing Justices of the Peace to retire when they reach the age of 70, in their words, 'causes a loss of valuable knowledge and expertise to the judiciary, given the experience lay magistrates can bring significant depth to the Bench' and they felt it was not in the interests of the judiciary.

45 Having canvassed the views of the Chief Justice and the Judicial Services Commission and also of my hon. colleague, Mr Cortes, who was himself an active Justice of the Peace, just before the Elections, we have come to the conclusion that it is right to increase the age from 70 to 72, in line with judges in any event. But it will be, of course, up to the Bench to decide in respect of any particular person whether they are fit and active to continue sitting until that age.

50 That is the simple purpose of this Bill, Mr Speaker.

**Mr Speaker:** Before I put the question does any hon. Member wish to speak on the general principles and merits of the Bill?

The Hon. Daniel Feetham.

55 **Hon. D A Feetham:** Yes, Mr Speaker, we will be supporting the Bill. It is a sensible move. I have always felt myself that there is an inherent contradiction in the way that we allow, for example, Court of Appeal judges to sit here in Gibraltar, and some of them are obviously over 70 years old and yet we force lay magistrates to retire at the age of 70, so certainly we feel it is a sensible move. It will provide the justice system with a valuable resource – people who are experienced – for an extra two years, and we will be supporting the Bill.

60 Mr Speaker, may I also take this opportunity, perhaps, to ask – I did not hear it from the Chief Minister in his reply – the hon. Gentleman whether he wants to associate himself with my words yesterday in relation to the honour awarded by Her Majesty to the President of the Gibraltar Courts?

65 **Mr Speaker:** Does any other hon. Member wish to speak on the general principles and merits of the Bill?

The Hon. the Chief Minister.

70 **Chief Minister (Hon. F R Picardo)** Mr Speaker, I am grateful for the opportunity to rise to deal with that point.

The hon. Gentleman is right, he said those things in the course of his intervention and I was dealing with the politics of his intervention in the Appropriation Bill and did not associate myself and the Government with that honour, which I now do and I am happy to do.

75 Sir Murray Stuart-Smith has been associated with Gibraltar in the Court of Appeal and as the first Head of the Judiciary in Gibraltar after the legislative changes that were voted for by this House. The hon. Gentleman knows that we did not agree with the structure of that, but that is not to denigrate from the job that Sir Murray did, when he was in Gibraltar, when he associated himself with Gibraltar for the benefit in the end of the jurisdiction.

80 **Mr Speaker:** I do not suppose the mover of the Bill should add anything?

**Hon. G H Licudi:** Mr Speaker, simply to say that we are grateful for the support of the Opposition on this matter. It is going to bring matters in line at the age of 72 and hon. Members in line with that initiative.

85 Hon. Members will see that there is another Bill in the Order Paper, which is not going to be taken today, which amends the Supreme Court Act, which essentially does the same for lay assessors.

There will in fact be a slight amendment to the Bill, for which I will give notice, but it will not affect that particular part, so that everybody that sits on the Judiciary will have a common age of 72.

90 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Magistrates' Court Act be read a second time. Those in favour. (**Members:** Aye.) Those against. Carried.

95 **Magistrates' Court (Amendment) Act 2012**  
**Committee Stage and Third Reading agreed to be taken the same day**

**Clerk:** The Magistrates' Court (Amendment) Act 2012.

100 **Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

105 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (*It was agreed.*)  
Committee Stage and Third Reading will be taken today.

110 **COMMITTEE STAGE**

**Appropriation Bill 2012**  
**Magistrates' Court (Amendment) Bill 2012**

115 **Clerk:** Committee Stage and Third Reading, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House should resolve itself into Committee to consider the following Bills clause by clause: the Appropriation Bill 2012; and the Magistrates' Court (Amendment) Bill 2012.

120 *In Committee of the whole Parliament:*

125 **Appropriation Bill 2012**  
**Clauses considered and approved**

**Clerk:** A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2013.  
130 Clause 1.

**Mr Chairman:** Clause 1 stands part of the Bill.

135 **Clerk:** Clause 2, Consolidated Fund Expenditure – Head 1, Treasury, subhead 1, Payroll.

**Mr Chairman:** Clause 2, Head 1, Treasury, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

140 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 2, No. 6 Convent Place, subhead 1, Payroll.

145 **Mr Chairman:** Head 2, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

150 **Clerk:** Head 3, Customs, subhead 1, Payroll.

**Mr Chairman:** Head 3, Customs, subhead 1, Payroll stands part of the Bill.

155 **Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges, stands part of the Bill.

**Clerk:** Head 4, Broadcasting, subhead 2, Other Charges.

160 **Mr Chairman:** Head 4, Broadcasting, subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 5, Income Tax, subhead 1, Payroll.

165 **Mr Chairman:** Head 5, Income Tax, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

170 **Clerk:** Head 6, Parliament, subhead 1, Payroll.

**Mr Chairman:** Head 6, Parliament, subhead 1, Payroll stands part of the Bill.

175 **Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 7, Human Resources, subhead 1, Payroll.

180 **Mr Chairman:** Head 7, Human Resources, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

185 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 8, Immigration and Civil Status, subhead 1, Payroll.

**Mr Chairman:** Head 8, Immigration and Civil Status, subhead 1, Payroll stands part of the Bill.

190 **Clerk:** Subhead 2, Other Charges.

**Hon. D A Feetham:** Mr Speaker... Mr Chairman, I beg your pardon.

195 EU format passports and Identity Resident Cards, the increase in expenditure: I presume that the new format of ID cards will presumably make them more difficult to actually forge – what about the EU format passports?

**Chief Minister (Hon. F R Picardo):** Mr Speaker, if the hon. Gentleman looks at (2)(b), that is the EU format passport and he will see that there is an increase in expenditure from the forecast outturn.

200 What happens there usually, as I understand it – and in fact not from my time in Government, but from my time in Opposition, when we used to query this issue – when you see an amount of about a quarter of a million being spent, that is usually stock being brought in of passport books and those are the EU format passport books; and then the Identity and Residence Card which is what the hon. Gentleman has identified, which is the potential change in the way that those cards are dealt with to avoid the problems with forgery etc.

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**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 9, Financial Secretary's Office, subhead 1, Payroll.

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**Mr Chairman:** Head 9, Financial Secretary's Office, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

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**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 10, Procurement Office, subhead 1, Payroll.

**Mr Chairman:** Head 10, Procurement Office, subhead 1, Payroll stands part of the Bill.

220

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 11, Civil Aviation, subhead 1, Payroll.

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**Mr Chairman:** Head 11, Civil Aviation, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

230

**Hon. D J Bossino:** Mr Chairman, I note that under 'Other Charges', (1)(d), there is a reference there to Aviation Security and there seems to be a bit of a jump from the actual expenditure to, I think, it is the estimated column of about £78,000. Is that on account of the 40 new employees being employed by the Borders Agency or not?

235

**Deputy Chief Minister (Hon. Dr. J J Garcia):** The expenditure on the Borders Agency is on page 165, so that is something else.

240 **Hon. D J Bossino:** Mr Chairman, if I can assist, I think... Mr Chairman, I have a note here taken from the Deputy Chief Minister's address on Monday, where I think you were going to employ a dedicated quality control officer – maybe it has got to do with that.

245 **Hon. Deputy Chief Minister:** No, Mr Chairman. I am told the increase in the salary of Mr Gonçalves, that salary is to be included with salaries at the top and this time it has been included at the bottom. (*Interjection by Hon. J J Bossano*) Because they are consultants, that is right.

**Hon. Chief Minister:** Created by the hon. Members opposite, before 8th December. (*Interjection*)

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

250

**Clerk:** Head 12, Town Planning and Building Control, subhead 1, Payroll.

**Mr Chairman:** Head 12, Town Planning and Building Control, subhead 1, Payroll stands part of the Bill.

- 255 **Clerk:** Subhead 2, Other Charges.
- Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.
- 260 **Clerk:** Head 13, Health, subhead 2, Other Charges.
- Mr Chairman:** Head 13, Health, subhead 2, Other Charges stands part of the Bill.
- Clerk:** Head 14, Environment, subhead 1, Payroll.
- 265 **Hon. S M Figueras:** Mr Chairman, in relation to the Ministry on payroll, it has been transferred to Technical Services. Perhaps the hon. Gentleman can explain, can just confirm what we suspect, which is that because he is in two Ministries, the Ministry staff has been reallocated too?
- 270 **A Member:** We can't hear.
- Hon. S M Figueras:** In relation to the Ministry of the Environment, can he just confirm what we suspect is that, given that he is in two Ministries, Health and Environment, that they have just been transferred to Technical Services for better use? It is just that the Head is now under Technical Services, as per the note.
- 275 **Hon. Chief Minister:** No, Mr Speaker, that has got less to do with anything related to the Department, but what I told the hon. Members when I presented the Bill at the First and Second Readings, the way that the Book has been reorganised, so that it flows better in a particular way.
- 280 So if the hon. Gentleman looks at what I said, that is why he would have seen actually, a moment ago, when we were considering Town Planning, that Town Planning had moved from the Enterprise Head. Previously, they were grouped in a different way; now they are grouped in a way that we hope will be easier to follow in future years, so you will not have the instance of Heads disappearing and that is the rejigging of Heads which I talked about and which was done principally by the Financial Secretary, in the way that he felt it was easiest to understand the Book, now and going forward.
- 285 **Hon. S M Figueras:** I am grateful for the clarification.
- Mr Chairman:** Head 14, Environment, subhead 1, Payroll stands part of the Bill.
- 290 **Clerk:** Subhead 2, Other Charges.
- Hon. S M Figueras:** Mr Chairman just a couple of questions in relation to this. In relation to subhead (3) and Apes Management, the forecast outturn was £42,000 versus an estimate of zero and now a new estimate of zero – perhaps, and I do know that the Management Plan is being reviewed – but perhaps the hon. Gentleman could provide just a little more information in relation to that particular anomaly?
- 295 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Sorry, in respect to what exactly?
- 300 **Hon. S M Figueras:** Under 'Other Charges', subhead (3).
- Clerk:** Subhead 2(3).
- Hon. S M Figueras:** Subhead 2(3), yes – (a) and then 'Apes Management'.
- 305 **Hon. Dr. J E Cortes:** Ah yes. No. It is elsewhere... (*Interjections*)
- Hon. S M Figueras:** *Como que está* elsewhere? No, no... There are two instances of Apes Management: (f) is also there, but it is also listed under (a).
- 310 **Hon. Dr. J E Cortes:** Yes, Mr Chairman, this is because these employees have now become civil servants and therefore they appear elsewhere under the salaries. They were former GDC who opted to join the Civil Service and it is purely a shifting of the sum from one place to the other. It is not that anybody has disappeared and it is not at all related to the Management Plan.
- 315 **Hon. S M Figueras:** I am grateful.



Then further down, at (f) where the hon. Gentleman first pointed on the mention of the Apes Management, there is an extra provision of £20,000 also. Is this as a result of the consultation and the redrafting, the recosting of the Barbary Apes Management Plan?

320 **Hon. Dr. J E Cortes:** This is in advance of that so that there will be funds available to be able to initiate the programme, but it does not consider whether that will encompass everything.

325 Since clearly the new Plan would not start at the beginning of a financial year, we would not expect a full 12 months' worth and therefore there is a token plus amount there in anticipation of the Management Plan.

**Hon. S M Figueras:** I am grateful and, Mr Chairman, just one other point on that and that is under (h) Control of Seagulls – there is a reference to GONHS and then 'Other Contract'. There is a forecast outturn of £103,000 and an estimate of £110,000. We have discussed in the House that the FERA contract was now complete. Perhaps the hon. Gentleman could clarify a little bit on that?

330 **Hon. Dr. J E Cortes:** Yes, the FERA contract is complete, but was completed during this financial year and, therefore, part of the £110,000, I am not exactly sure how much, but it is possibly about £70,000, but I do not have the information here.

335 But part of that £110,000 is in order to be able to pay for the FERA contract last year, which ended a few weeks ago, in this financial year.

**Hon. S M Figueras:** Grateful, Mr Chairman.

340 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 15, Housing – Administration, subhead 1, Payroll.

**Mr Chairman:** Head 15, Housing – Administration, subhead 1, Payroll stands part of the Bill.

345 **Clerk:** Subhead 2, Other Charges.

**Hon. E J Reyes:** Yes, Mr Chairman, for the sake of clarity, under subhead (2)(j), it says Government Rental Estates and there is an estimate of £1 million there. Is the Hon. Minister able to enlighten anything in what actually refers to Government Rental Estates – expenditure in respect of what?

350 **Minister for Housing and the Elderly (Hon. C A Bruzon):** That is (2)(j)?

**Hon. E J Reyes:** Subhead 2(2)(j), yes .

355 **Hon. C A Bruzon:** And what does the hon. Member wish to know?

**Hon. E J Reyes:** It says Government Rental Estates are making a new provision for £1 million – £1 million to go towards what? Is it repairs, is it – ?

360 **Hon. C A Bruzon:** Yes, exactly that: it is a provision for the works.

**Hon. E J Reyes:** For repair works or ....

365 **Hon. C A Bruzon:** Maintenance, repairs for all Government Estates that are currently contracted out, particularly to GJBS.

**Hon. E J Reyes:** Thank you, Mr Chairman.

370 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Hon. D A Feetham:** Can I, Mr Chairman, ask: is that £1 million also in respect of the cladding of the three estates that he mentioned during the course of his speech? (*Interjection*) No? It would be I&D.

375 **A Member:** Yes.

**Clerk:** Head 16, Family and Community Affairs, subhead 1, Payroll.

380 **Hon. J J Netto:** Yes Mr Chairman, if I may, obviously this is a new Ministry for Family and Community Affairs and on page 59, we have the new structure that will support the Ministry. So we have the SEO, the HEO, the EOs, the Personal Secretary and the Administrative Assistant. What, perhaps, I would like, if it is possible, from the hon. Lady, the Minister whether she can enlighten me as to these which are new posts, which ones are already filled or which ones are still empty or which ones are occupied on an acting basis, perhaps?

385 If we can go quickly, perhaps... The SEO post which is at the top of the Ministry, has that been filled at the moment or not?

**Minister for Equality and Social Services (Hon. Miss S J Sacramento):** Mr Chairman, there is only one person in the office, the former HEO, who is acting SEO.

390 **Hon. J J Netto:** So therefore all the other posts are not filled at the moment (**Hon. Miss S J Sacramento:** No.) – something that will eventually go through. Okay.

**Hon. Miss S J Sacramento:** Yes, Mr Speaker.

395 **Hon. J J Netto:** Okay, that is fine, Mr Speaker.

**Mr Chairman:** Head 16, Family and Community Affairs, subhead 1, Payroll stands part of the Bill.

400 **Clerk:** Subhead 2, Other Charges.

**Hon. J J Netto:** Mr Chairman, if I may, on Other Charges – over on the next page, item (6) Equality, could the hon. Lady perhaps enlighten us what this new expenditure will be for?

405 **Hon. Miss S J Sacramento:** Mr Speaker, that is a figure estimated in particular for the setting-up of the Equal Opportunities Commission.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

410 **Clerk:** Head 17, Education, subhead 1, Payroll.

**Hon. Mrs I M Ellul-Hammond:** Mr Chairman, can I refer the Hon. Minister to the previous page of the Establishment figures, under 'Head Office'. I note there is an increase of three Executive Officers. Are these the one for Bayside, one for Westside, or are they all for... and the other one for Head Office?

415 **Minister for Education, Financial Services, Gaming, Telecommunications and Justice (Hon. G H Licudi):** These ones include those two: the one for Bayside and the one for Westside. There is an increase in the complement in Education of an additional Executive Officer. That person previously came under Training, but now we have split Education and Training, and Training comes under the Ministry of Employment; but we have retained some responsibilities in the Department of Education for professional training rather than vocational training and therefore there is one post which now comes under Education which previously came under Training.

Mr Chairman, given that we are on the Establishment, can I just correct one figure, simply for the record, otherwise the wrong impression might be given.

425 Under the College of Education, where we see Teachers, we see last year there were 20 and this year, it suggests 18 and that could suggest a reduction in the complement of teachers. That is in fact incorrect. The correct figure should be 20 also for this year.

The corresponding decrease would come under Schools, where it says Teachers, where all the schools are global in terms of the number of teachers, that would come down to 344.

430 But I can in fact say, Mr Speaker, that as a result of a staffing exercise that has been done, the figure for the complement will increase, although it does not need to be changed here. It will increase in September and it will in fact be 23 teachers in the College and the number under Schools will clearly come down, but that is for September.

But for the moment, I wanted to correct that and show that there is no decrease in complement and it is in fact 20, as at 1st April 2012.

435 **Hon. Mrs I M Ellul-Hammond:** I am grateful to the Hon. Minister, because in fact I was going to ask him about that.

440 I have another couple of questions on Payroll. If I can refer the Hon. Minister to page 64, under 'Temporary Assistance', (d)(I) Specialists: there is a reduction of £264,000 in the estimate. Can he explain why this reduction?

445 **Hon. G H Licudi:** Yes, Mr Speaker. I am in fact very pleased that there is a reduction in this figure. This figure is what was used, £440,000-odd was used for supply teachers and it was under this Head that the supplies that were on permanent supply were paid.

Now of course they are no longer permanent supply. We have, as I have announced on a number of occasions, increased dramatically the complement of teachers. Therefore we expect a reduction in the need for supply workers and consequently that figure has fallen.

I am very grateful for the opportunity to explain that.

450 **Hon. Mrs I M Ellul-Hammond:** And Mr Chairman, further down under Temporary Assistance, there seems to be a new subhead (V), Prison Enterprise, £11,000. Could the Hon. Minister perhaps elaborate on that a little further?

455 **Hon. G H Licudi:** Yes, Mr Speaker. There is a need, from time to time, to send a teacher, a supply teacher, possibly a retired teacher to the Prison In particular, whenever there is a juvenile in prison, we do not want to neglect their educational needs. In fact I did say in my Budget address, I seem to recall, that we are making provision for education in the Prison and that is what that is intended to cover, either for the payment of the supply worker or, if we use a retired teacher as we have been using this last term, for example, when there has been a juvenile in prison, that will be taken from that Head.

460

**Hon. D A Feetham:** That is in addition to the teacher that has been teaching up there, I think it is once or twice a week, over the last *x* number of years? So it is in addition to that?

465 **Hon. G H Licudi:** Yes, this is in particular in relation to juveniles and sending someone specifically for the juvenile, apart from, clearly, the hon. Member is referring to where there is a classroom facility in the Prison and there is education imparted to those people who are either in remand or are convicted prisoners and that will clearly continue.

470 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, under Training, (g) Salaries, can the Hon. Minister explain: the £53,000 relates to which particular training post?

475 **Hon. G H Licudi:** As I explained earlier, in relation to the establishment, the Executive Officer and we are envisaging, there is also an Administrative Officer that will be part of the complement for Training so those two salaries are included there.

**Mr Chairman:** Head 17, Education, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

480 **Hon. Mrs I M Ellul-Hammond:** Yes, Mr Chairman, with respect to Scholarships and (b) Discretionary, as part of the £478,000, there is an estimate of £110,000 for new scholarships and grants and £52,000 for tuition fees. If the Government's policy is to stop the discretionary scholarships, should this not be under the heading or subheading of mandatory scholarships?

485 **Hon. G H Licudi:** No, Mr Chairman. The discretionary award has not been completely eradicated. What Government has done is extend the mandatory scholarship provisions, in particular for people who want to do a masters and post graduates, but there are people who want to do other types of courses.

490 For example, someone who has not wanted to go for teaching and then wants to do a PGCE, they ask for a discretionary award. Someone who wants to do a conversion course, having done a degree and maybe wants to do a conversion course to Law, that would come under the discretionary award.

495 So you will see that the amount has been reduced because, as I explained during my Budget speech in fact, a fifth of the 70 applications for discretionary awards that there were this year, 49 were considered mandatory and therefore came under the other Head, but there is still going to be an ongoing requirement and we have still made a substantial provision, even though we have extended the mandatory scheme, we have still provided for a substantial amount in order to meet these other ones that need discretionary awards.

**Hon. Mrs I M Ellul-Hammond:** Mr Chairman, under subhead 9, Trainee Nurseries, this token figure of £1,000, is there a likelihood of it increasing?

500 **Hon. G H Licudi:** Possibly, Mr Speaker. What we have done is created the subhead and put a token amount there. The hon. Member is aware of the Government's commitment in respect of a free nursery education option for children just before the mandatory school age. I know there is going to be a question on that at another time, but that is simply creating a token provision. In the event that that is needed, going forward, then we will increase the amount that is required.

505  
510 **Hon. D A Feetham:** Can I just go back to the answer that you gave earlier? Do I take it then that the Government policy is that, in relation to masters and doctorates, those are subject to a mandatory award, but if somebody, for example, wants to become a school teacher, where the decision as to whether the Government funds that year that teachers will do – that extra year after your degree that teachers will do in the UK; or indeed, for example, if you do a law degree, and you then want to go off and do the Bar, or do the Law Society exams, that those will be discretionary?

515 **Hon. G H Licudi:** No, Mr Speaker, on neither account. Perhaps I might need to explain this issue of the teacher... the PGCE, in particular.

Where the extra year, or the additional studies that are required, are part of the professional qualification that is required, in order to be able to embark on a career, so that where somebody does a law degree, for example, and then wants to do the bar or the vocational course with the (A Member: LPC.) LPC for solicitors, that will clearly be included as part of the award and is considered mandatory.

520 In the same way, where somebody wants to be a teacher and indicates they want to do a degree and then go on to do a PGCE, that is always included; but where somebody does something else and *then* decides to do a PGCE, traditionally that has been considered part of the discretionary award and applications may well be made for that. But not where somebody indicates from the outset that they want to be a teacher: that will clearly be funded from the mandatory base.

525 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, just one final question under Other Charges. Under subhead (10), Training and Development Courses, is this a new subhead for which £600,000 has been estimated? And perhaps he could explain further what this money will be for.

530 **Hon. G H Licudi:** Mr Chairman, as I explained earlier, we have now split Education and Training, and separated Training to a different Department; but the Department of Education has kept responsibility for training, primarily within the Civil Service, for professional training within the Service, so this is a new provision that is made but previously came under the general Head of 'Training' both for vocational and professional, which was managed within the same Department. But given that part of the responsibility has now gone to the Ministry of Employment, we have retained an element of responsibility and therefore need funds for that training, in particular professional development for the Civil Service.

540 **Hon. Mrs I M Ellul-Hammond:** I am sorry, in fact I do have one final question, Mr Chairman. Under subhead (11), Contribution to Gibraltar, GDC Staff Services, there is a figure of £53,000. Is this the same one that was for the training officer on the previous page under Training Salaries or what education post is that in relation to? Subhead (11).

**Hon. G H Licudi:** Mr Chairman, we are trying to find out the precise information in fact.

545 The position is that, previously under Training, there was a contribution to GDC staff services. If the hon. Member looks at page 66, towards the bottom of the page, under 'Other Charges', there is £376,000.

As I have said, we are retaining in the Education Department some part of the training and one of the officers is a GDC officer, so that covers a salary for that purpose.

550 **Hon. E J Reyes:** Mr Chairman is that the office I referred to on page 63, just before the summary, where the Establishment has been listed, it says 'Gibraltar Development Corporation Staff' and for this year is a provision for one? So that must be corresponding to that one.

**Hon. G H Licudi:** Yes, Mr Chairman. The hon. Member is absolutely right.

555 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 18, Policing, subhead 1, Payroll.

560 **Mr Chairman:** Head 18, Policing, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges, stands part of the Bill.

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**Clerk:** Head 19, Financial Services, subhead 1, Payroll.

**Mr Chairman:** Head 19, Financial Services, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

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**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill –

**Hon. D A Feetham:** Just in relation to that, the same point as the hon. Lady, so the contribution to the Gibraltar Development Corporation staff services, £250,000, that then relates back to the three GDC employees, £250,000?

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**Hon. G H Licudi:** Yes, those are employees in the finance centre who are GDC employees.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

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**Clerk:** Head 20, Prison, subhead 1, Payroll.

**Mr Chairman:** Head 20, Prison, subhead 1, Payroll stands part of the Bill.

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**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 21, Gibraltar Law Courts, subhead 1, Payroll.

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**Mr Chairman:** Head 21, Gibraltar Law Courts, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

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**Hon. D A Feetham:** Yes, Mr Chairman, the provision of £60,000 is the security that the hon. Gentleman referred to during the course of his speech, so that is the estimate of the cost of the security service for the Courts?

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**Hon. G H Licudi:** Yes that is correct, that is the amount that the Courts Service has requested for the service that they want to provide through security guards.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 22, Gibraltar Regulatory Authority, subhead 2, Other Charges.

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**Mr Chairman:** Head 22, Gibraltar Regulatory Authority, subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 23, Attorney General's Chambers, subhead 1, Payroll.

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**Mr Chairman:** Head 23, Attorney General's Chambers, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

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**Hon. D A Feetham:** Mr Chairman, the £230,000, Briefing Out – Specialist Matters: can he explain why there is a significant jump in the briefing out of specialist matters? I think I have got an idea, but I would just like the hon. Gentleman to confirm it.

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**Hon. G H Licudi:** Mr Chairman, there is an ongoing case on which Counsel from London is engaged, which requires specialist advice.

**Hon. D A Feetham:** So it is one case?

625 **Hon. G H Licudi:** There is one case which will clearly require a certain amount of funds; but this is the estimate for the general funds needed for the whole year – maybe for other matters as well. But the increase from what we have had this year to what we expect next year is accounted for, primarily because of that particular case.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

630 **Clerk:** Head 24, Legislation Support Unit, subhead 1, Payroll.

**Hon. D A Feetham:** Mr Chairman, can we go back to Establishment?

635 **Mr Chairman:** Certainly, yes.

**Hon. D A Feetham:** I see 'Law Drafter' and there is an increase from two to four. Is that because the law drafting complement is going to be increased, or is it because there is a shift from, say, the EUID onto here or is the intention to recruit two extra drafters?

640 **Hon. G H Licudi:** Mr Chairman, that is precisely because of an increase in the complement with additional drafters engaged. The process is almost complete. I would have hoped that the drafters would have been engaged already.

645 It does not represent a reduction in the EUID drafters; in fact on the contrary, we are also increasing the complement of drafters in the EUID by another two.

**Hon. D A Feetham:** Well, I think it is very much needed.

**Mr Chairman:** Head 24 –

650 **Hon. D A Feetham:** Sorry, one more?

**Mr Chairman:** Yes, of course.

655 **Hon. D A Feetham:** Can the hon. Gentleman just explain in the light of that, there are two more bodies and yet one looks at Payroll over the page, the actual payroll comes down from £356,000 forecast outturn to £296,000. I know that part of that is because of the £44,000 relating to the Industrial Tribunal, that is moving to Employment, presumably.

660 But of course, even taking that into account, one would have expected a higher payroll figure, bearing in mind that you are recruiting two law drafters and if I know something about what is paid to law drafters, one would have expected actually to see an increase on the forecast outturn.

**Hon. G H Licudi:** Mr Chairman, the complement has been increased. The law drafters are not actually in place at the moment. Therefore we are not incurring *at the moment*, the expense of –

665 **Hon. D A Feetham:** So it is an estimate?

**Hon. G H Licudi:** It is an estimate and it really depends on the time that the law drafters are engaged. It may well be that that... It is as the hon. Member says, just an estimate and it may well be that that increases when we come to the forecast outturn for next year.

670 I will also say that the post of Senior Officer, although the complement is currently vacant and therefore that expense is not being incurred, so that will probably be taken into account.

**Mr Chairman:** Head 24, Legislation Support Unit, subhead 1, Payroll stands part of the Bill.

675 **Clerk:** Subhead 2, Other Charges.

680 **Hon. D A Feetham:** Mr Chairman, Printing and Stationery goes down from the forecast outturn of £210,000 to £130,000. Is that because the Government has taken a policy decision in perhaps not contracting out some of the stationery and printing, for example in relation to some of the Bills, but rather sending them by electronic means to lawyers and accountancy firms, etc?

**Hon. G H Licudi:** Mr Chairman, as the hon. Member well knows, he was rather busy producing Bills last year, a few of them really quite substantial. That happened last year and that is why the forecast

685 outturn went up so much from an estimate of £93,000 to a forecast outturn of £210,000, but we considered that that was extraordinary expenditure which is not likely to be repeated year on year.

What we have in fact done is increase the estimate from last year's estimate, but it does not take into account the very substantial Bills and legislation that the hon. Member brought to Parliament last year.

690 **Hon. D A Feetham:** So it is due to the wonderful work the Ministry of Justice did last year!

**A Member:** Hear, hear!

695 **Hon. G H Licudi:** Mr Chairman, all that work, like the Insolvency Act, the Crimes Act, the Legal Aid and everything that they drafted, but they never implemented.

**Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to subhead 2(2)(c) – GHA Complaints – Independent Review Panel – is the £30,000 sum there for a continuation of the GHA Complaints Review Panel? Because it is not under appendix A for the Public Services Ombudsman. If he could clarify this?

700 **Hon. Dr. J E Cortes:** Sorry, the clarification that – ?

**Hon. Mrs I M Ellul-Hammond:** Yes, it is the same, it has remained there, as it did last year, so does that mean it continues as it was?

705 **Hon. Dr. J E Cortes:** No, Mr Chairman, the complaints system is under review, but we do not have dates for the implementation of the review, so it was logical that the existing provision should remain, because the system remains as is until it is reviewed. That is the only reason why it is there. There is no implication that it will remain beyond this financial year.

710 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 25, Gambling Division, subhead 1, Payroll.

715 **Mr Chairman:** Head 25, Gambling Division, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

720 **Clerk:** Head 26, Social Security, subhead 1, Payroll.

**Mr Chairman:** Head 26, Social Security, subhead 1, Payroll stands part of the Bill.

725 **Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 27, Employment and Labour, subhead 1, Payroll.

730 **Hon. J J Netto:** Mr Chairman, although really it is a Health and Safety question but unfortunately it falls within Head 27, which is Employment. If we look at page 96, where we have the Establishment figures and we look at the top level, Employment and Labour, half way through the middle, we see Health and Safety Officer III, one and Health and Safety Officer IV, two.

735 What I would like to know, if it is possible, by the Minister for Health and Safety, in relation first of all to the Health and Safety Officer III, whether the person carrying out those functions at the moment is on an acting basis or on a permanent basis.

Also in relation to the Health and Safety Officer IV, for which we have two and two – two for 2011-12 and two for 2012-13 – one at least is in post. I would like to know if the other is a vacancy which is outstanding or if perhaps someone is filling that particular extra post?

740 Perhaps, if the hon. Member, the Minister for Health and Safety could provide some information.

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** The vacancy for the Health and Safety Officer III, that vacancy has not been filled. Obviously that will be put right, that vacancy will have to be...

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**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Yes. In the course of this year.

750 **Hon. P J Balban:** During the course of this year.

**Hon. J J Netto:** I am grateful for that. That answers one of my two questions which is relation to Health and Safety Officer III.

755 But, in relation to Health and Safety Officer IV, to the best of my recollections, I know that there is one in post, but what I do not know, given that we have two here, whether there is an outstanding vacancy to be filled later on during the course of the financial year or perhaps whether somebody is actually acting in that post already.

760 **Hon. P J Balban:** Mr Chairman, there has actually been no change in this, from the past. We have two persons in the Department, one of whom is covering the vacancy for the third, for Officer III. That is how it has been for quite a while, since the previous Head of Department retired, quite a few years ago.

**Hon. J J Netto:** So just for the sake of confirmation, the answer is yes to my question? Yes.

765 Can I also ask, because I do recall some months back – quite a few months back – at question and answer sessions, that I had seen some other people within the Civil Service which had been drafted in to support the factory inspectors and the hon. Member actually confirmed that. I think that he actually classified him under a different name. I have got the face of the chap, but I cannot remember the name, which is immaterial. But those particular persons, who are assisting currently the two factory inspectors, I do not see them here. Is it because they are in a different – ?

770 **Hon. J J Bossano:** Because they were short of staff, Mr Chairman, what has happened is that we have given them support from another Department, so that instead of the two inspectors having to go to one place, there is an inspector and somebody to help the inspector, as it were, who has been sworn in and so forth, to comply with the law, which allows each one of the two inspectors to work independently of the other. Before they had to go both to the one situation, because we were told one could not go alone.

775 The people who are providing the support are people who are already in the Service and are in another Department, but have got qualifications related to safety, but have not worked as Health and Safety Inspectors and not in this complement and are not being paid as such.

780 **Hon. J J Netto:** So do I take it then that those two particular persons are civil servants and their figures are reflected in another Head? Is it the Housing Works Agency?

785 **Hon. J J Bossano:** That is right. The effect of being able to give them that back-up is that they are able to handle more work because each one of the qualified persons can go on his own with somebody to assist him, whereas before the two went together.

**Mr Chairman:** Head 27, Employment and Labour, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

790 **Hon. D A Feetham:** Mr Chairman, on Payroll: number (1) Salaries, you have an actual 2010-11 of £338,000, then it jumps to £870,000 estimate and a forecast of £846,000 and then it comes down to £410,000. Is that GDC related, the decrease from £846,000 to the £410,000?

795 **Hon. J J Bossano:** There is no reduction anywhere that is GDC related, because what has happened is that in the provision originally, in last year's Budget, the people who moved from the GDC to the Civil Service were not included. Had they all decided to stay, then all their pay would have appeared under 'Personal Emoluments'. Given that a lot of the people in the employment are in the GDC it appears under 'Other Charges'. But it is not that there is a decline because people have been removed from the £846,000.

800 If the hon. Member looks at the numbers in employment, he will see, on page 96, that the numbers from last year and from this year have not changed, because change is whether some people are shown as being in the GDC, where you have got 48 instead of 20. Part of that is the fact that there were people in training, in Bleak House, in the ERDF all of whom are now in employment. So you have got –

805 **Hon. D A Feetham:** Is there any explanation for the decrease from £846,000 to £410,000?

**Hon. J J Bossano:** Well, I need to find out exactly how the £846,000 was actually made up...



Apparently, Mr Chairman, the £846,000 was put there at the time when it was thought they were all moving into the Civil Service.

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**Hon. D A Feetham:** That is exactly what I thought – that it is GDC related.

**Hon. J J Bossano:** So in fact, yes, but it is not GDC that... They were erroneously included in the Civil Service, because the £874,000 did not include GDC.

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So the drop should have happened in the forecast outturn, not in this year's estimate. There were people who were being added there from the GDC who eventually decided not to stay in the Civil Service and came back to the GDC and therefore –

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**Hon. D A Feetham:** That is what I thought was the explanation, yes.

**Hon. J J Bossano:** – the £846,000 is in fact an overstatement, because not coming out meant that it was treated... They were supposed to have been moved in April, even though the decision was not taken until October. In October, after the Elections, a number of them were given the option and most of the people in the Labour Department decided to stay with the GDC.

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That figure should have been corrected, so the drop should have been reflected in the £846,000, and not in this financial year. That is the explanation of the figures.

**Hon. D A Feetham:** Yes, I understand exactly – there is a difference of opinion in relation to what happened, but I understand what the figure relates to! That is what I thought.

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**Mr Chairman:** Are we content to move to Other Charges now, yes?

**Hon. J J Netto:** Yes, Mr Chairman, on Other Charges –

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**Clerk:** No, not yet – we are not there yet. Sorry about that.

**Mr Chairman:** No, I did rule, so to speak, that subhead 1, Payroll stood part of the Bill, when the Hon. Daniel Feetham asked for the question.

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**Clerk:** Subhead 2, Other Charges.

**Hon. J J Netto:** Yes, thank you.

On Other Charges, 2(2)(d), which is 'Health and Safety Programme', we have a small amount of £1,000 in the new estimate, just the same as it was in the forecast outturn and indeed as it was in the previous estimate for the last year. For my own benefit, given that I am going through a learning curve, when we talk about 'Programme', what programmes are we talking about? Is it that it is a payment for a licence of a programme, perhaps that the factory inspector may be affiliated to the HSE in the UK? Could the Hon. the Minister for Health and Safety please clarify for my benefit?

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**Hon. J J Bossano:** Mr Chairman, like the amount voted last year in the Budget and the outturn, I think there is a sum that the Health and Safety Unit has to meet all running expenses of the work they have to do. There is no breakdown for last year. It is not broken down into £1,000 made up of x pounds for so and so. It is a figure that they ask for as part of the running expenses. That is how it was last year and we simply repeated the amount, because they asked for the same money as they had asked for the previous budget.

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**Hon. J J Netto:** So for the sake of clarification, running expenses as opposed to paying a licence for a programme to have accessibility to data, the UK, HSE –

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**Hon. J J Bossano:** There is no indication in the breakdown of last year that it was used for anything specific, other than on whatever running expenses they may need to meet. Therefore when it was included in this year's Budget, it was included on the same basis as in last year's Budget without identified items of expenditure.

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**Hon. J J Netto:** Mr Chairman, the reason why I ask this really is because the Hon. Minister for Health and Safety, in much earlier question and answer sessions, did say they had purchased a new programme in order to be able to input the day-to-day information that inspectors actually carried out. So I thought that perhaps there was a connection between the software programme that the hon. Member, the Minister for Health and Safety was talking about and this figure here.

870 So there is no connection at all – is that the case?

**Hon. J J Bossano:** Mr Chairman, if that were the case and this were for a new item, it would mean effectively that we have cut down £1,000 from last year's Budget. This is simply a repetition of the amount of money that they got last year, which they have used for odd expenses.

875 If there is something new this year which was not there last year, it would require additional funding.

**Hon. J J Netto:** I accept that. So if that is the case, the expenditure for the new software programme that the Hon. Minister for Health and Safety stated in the House some months ago, where is that reflected then?

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**Hon. P J Balban:** At present, nothing has been spent on a software programme because we have been acquiring trial versions of certain programmes. No programme as yet has satisfied the demands and the needs for statistical analysis so no programme has been selected yet.

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**Hon. J J Netto:** I accept that, but obviously your Department must have *purchased* a programme?

**Hon. J J Bossano:** It is possible to obtain, from the people that specialise in providing these things, trials that work for a while and then stop working after which you have to buy. At the moment, they are still exploring different alternatives for which we have not paid so far, and if I can stretch it for the 12 months, we will not pay for it. (*Laughter*)

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**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

895 **Hon. D A Feetham:** Well, Mr Chairman – Other Charges, paragraph (3)(b), the £11 million, that is provision for the Future Job Strategy – £11,149,000? Is that so?  
'Additional Contribution' under 'Gibraltar Development Corporation', number (3).

**Hon. J J Bossano:** The footnote shows the money on page 153.

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**Hon. D A Feetham:** If you go to... it does not actually explain it. What it says is it is a transfer from... It is receipts from the Consolidated Fund.

905 **Hon. J J Bossano:** And the payment from the Consolidated Fund to the GDC on page 153 is included in the expenditure of the Fund which, of course, includes the 'Government Financed' which this year amounts to over £12 million. The contributions from the Consolidated Fund that go to pages 153 to 154 –

**Hon. D A Feetham:** Page 153, yes, I have got it: £1,300,000 –

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**Hon. J J Bossano:** – as payment.

**Hon. D A Feetham:** – and the... but that relates to the Future Job Strategy?

915 **Hon. J J Bossano:** It is related to it, but not necessarily that the amount that is going to be spent on the Jobs Strategy is just from there, because remember that this includes funding from the EU for some of the costs of the persons that are in that training. So therefore, you have got, in pages 153 and 154 –

**Hon. D A Feetham:** I see that.

920 **Hon. J J Bossano:** – the money that is spent, on the expenditure side, and if the hon. Member looks at the top of Appendix B, on the Receipts, he will see that there is a contribution from Head 27, Employment which is the contribution that is paid, £11,149,000.

925 **Hon. D A Feetham:** Yes, but I can see that the... So effectively what you are saying to me is that the £12 million – the £1,364,000 plus the £11,149,000 – does relate to the Future Job Strategy, but may be used for something else?

**Hon. J J Bossano:** No, I am saying that the Future Job Strategy will cost more than that, because in addition to the money that we are putting in, we will be getting EU funding.

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**Hon. D A Feetham:** But that is at number (21), Other Recurrent Expenditure: you have EU Projects, Government Financed, £5,661,000; Planned European Structural Funds – again, exactly the same amount.

**Hon. J J Bossano:** If the hon. Member looks at the actual expenditure in 2010-11, which was £1½ million, that is what used to be provided as an additional contribution from the Employment Head to the VTS. That is now £11,149,000.

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So the subhead (3)(b) is the same subhead (3)(b) that existed in 2010-11, which was then £1½ million. The actual –

**Hon. D A Feetham:** That is salary, isn't it? Those are the salaries?

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**Hon. J J Bossano:** No, these are operational expenses. Salaries are subhead 1. This is Other Charges. The cost of the people in the Jobs Strategy is independent of the cost of the employees of the GDC. The cost of the employees of the GDC is shown on page 153 as Salaries in the Employment field.

So if the hon. Member looks at the amount the GDC receives, he will see that the £11,149,000 is at the top of Appendix B on page 153 –

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**Hon. D A Feetham:** Page 153, yes, I have got it.

**Hon. J J Bossano:** – and that is the same money that is being shown as going out of one end –

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**Hon. D A Feetham:** It is the question I have asked before.

**Hon. J J Bossano:** – and coming in at the other.

If the hon. Member says, 'Well, where is that money being spent?' then that money is being spent partly in the payment to individuals in training and partly for the salaries of the GDC employees. (**Hon. D A Feetham:** Right.) It comes to *more* than £11.1 million –

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**Hon. D A Feetham:** Because you are dealing with both.

**Hon. J J Bossano:** – because it gets supplemented by EU funding.

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**Hon. D A Feetham:** And hence the £5.6 million at page 154.

But both figures together, that includes the estimated costs of what it is going to cost over a year to actually pay the trainees, which was estimated by the hon. Member in his speech at about £11 million.

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**Hon. J J Bossano:** About £12 million.

**Hon. D A Feetham:** £12 million, alright.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

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**Clerk:** Head 28, Statistics Office, subhead 1, Payroll.

**Mr Chairman:** Head 28, Statistics Office, subhead 1, Payroll stands part of the Bill.

975

**Clerk:** Subhead 2, Other Charges.

**Hon. Mrs I M Ellul-Hammond:** Mr Chairman, with respect to subhead 2(1)(e), Statistical Surveys, is this £186,000 in relation to the Census?

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**A Member:** [*Inaudible.*]

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 29, Port and Shipping, subhead 1, Payroll.

985

**Hon. D J Bossino:** Mr Chairman, under the previous page, where we have a reduction in the number of GDC staff from 10 to two, a reduction of eight, can the Hon. Minister give us an explanation as to why that is the case?

The overall reduction is seven, because you employ one extra AO and it goes from three to four. But there is a substantial reduction in GDC employees.

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**Hon. J J Bossano:** Well, Mr Chairman, there is no reduction in the number of bodies that are in the Public Service. It is just that out of 164, approximately half of them stopped being GDC employees and

995 opted to become civil servants and therefore they disappear from Other Charges and appear in Personal Emoluments.

I do not know the exact distribution of the people that are no longer in the GDC, obviously, but the total, or that was there a year ago, is the same total that is there this year – except that initially they were all GDC; at one stage during the year, it was intended they should all be civil servants and therefore they would all have disappeared; and then eventually we finish up with a situation of about 50:50.

1000 So in different Departments... The bulk of the GDC is in Employment and Tourism and in other parts of the Public Service, you will find one or two people who retained GDC status, even though the majority chose not to.

There is at the bottom a drop of seven and that can only be because the seven are now somewhere else.

1005 On the page overhead, there is a footnote, Mr Chairman, showing where they have gone to, which is on Tourism, page 108. So the people who disappeared from this place have appeared in the other one, page 108.

1010 **Mr Chairman:** Head 29, Port and Shipping, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

1015 **Clerk:** Head 30, Tourism, subhead 1, Payroll.

**Hon. D J Bossino:** Mr Speaker, maybe the Minister for Employment can enlighten me as well, that there is a bit of movement here between GDC and what I assume is the Civil Service.

1020 There is a reduction under (vi), from 71 to 32, that makes it – if my maths is correct and it may well not be – a reduction of 39. I think of those 39, 29 go into the Establishment section, which last year I think had a figure of zero and now it is 29; and then the overall result is that you had 71 last year and now you have 61, so there is a reduction of 10.

1025 So clearly the reduction comes from the GDC staff. So of those 39, from 71 to 32, 29 go into the Civil Service, presumably, and then there are 10 which are, at least in this sheet of paper, unaccounted for. Where did those 10 go?

Presumably we should have had the eight we were talking about earlier in Port and Shipping coming into Tourism, if I have followed the Minister for Employment's explanation correctly.

1030 **Hon. J J Bossano:** They have to be somewhere, because I know we have got the same numbers! *(Laughter)*

**Hon. D J Bossino:** The total number is exactly the same, we just do not know where they all are! Where are they?

1035 **Hon. D A Feetham:** We are assuming the books balance! *(Laughter)*

**Hon. J J Bossano:** I know we are paying for it, so they must be somewhere. *(Laughter)*

1040 It appears that some of those are now in the newly created agencies like Culture and so on, and therefore the relationship is that they would be paid out of the contribution from the Consolidated Fund to the Culture Agency and so forth.

1045 The bottom line is that there has *not* been a reduction in the numbers, but there has been movement from people. The clearest movement was the movement which split the original complement between the GDC and the Civil Service. There has been a smaller number that have finished up maybe with the Culture Agency or the Coastguard Agency or something like that, but the people are doing basically jobs that were being done and were on the previous year's Estimates.

So it is not that there has been a reduction in the complement in terms of the work that was being done and that they are doing something which is now being paid out of a new Head which did not exist. Where they have moved, they have moved and they have taken their pay with them.

1050 But the bulk, I would say 90% are either GDC or Civil Service and there is an odd 10% that have gone to other places, which it should be possible to identify exactly where they are, obviously. **(A Member: Yes.)** *(Interjection)* By homing in on the names of the individuals, we can find where they are being paid from. So we can get that for the hon. Member, so he knows where they are.

1055 **Minister for Tourism, Transport and the Port (Hon. N F Costa):** Mr Chairman, as the Hon. the Minister for Employment is saying, I from memory can remember five individuals who were previously

under Tourism that have gone to different agencies and different locations, but rather than give their names out, I could tell the hon. Gentleman the people that I remember and we can also find out for him who are the other five people and where they have got to, if he wants to know.

1060 **Hon. D J Bossino:** Yes, there are 10 less.

**Hon. N F Costa:** There are not 10 less people; it is just that those people have been deployed to different places.

1065 **Hon. E J Reyes:** But there are 10 less to do the workload of Tourism, yes?

**Hon. J J Bossano:** They have taken the work and the money and it has all gone together.

When it has moved, it has moved not because there are now less people doing the same work that was previously being done by more. It is that the work, the pay and the individual have moved.

1070 So, therefore, the money that was there last year – subject to the fact that they were of course earning more this year as a result of having Civil Service status, irrespective of where they are... Apart from that difference, the nature of the work, the grading of the individual and the rate of pay, except that it is now on a parity with the Civil Service grade, is still the same in this year's Estimates as it was in last year's Estimate. There has been no reduction in that respect.

1075 So where there is a body and a rate of pay missing from one Department, it is because the work, the pay and the person are somewhere else.

**Mr Chairman:** Head 30, Tourism, subhead 1, Payroll stands part of the Bill.

1080 **Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

1085 **Clerk:** Head 31, Public Transport and Commercial Affairs.

**Hon. D A Feetham:** Mr Chairman, can we go back to the Terminals Expenses? (**Hon. J J Bossano:** Tourism?) Yes, Tourism, Other Charges, (11)(h) X-ray Machine Repairs and Maintenance. Is that a new head or is that a transfer from Port and Shipping? But I am not aware that there is an X-ray machine in the Port.

1090 **Hon. J J Bossano:** Security, I would imagine. (*Interjections*)

**Hon. N F Costa:** Yes [*inaudible*].

1095 **Hon. D A Feetham:** Oh, it is a *baggage* X-ray – sorry, I was thinking about something more sophisticated that they have in Algeciras and also in Tarifa, which is the X-ray in relation to people.

**Mr Chairman:** Head 31, Public Transport and Commercial Affairs, subhead 1, Payroll.

1100 **Hon. D J Bossino:** Mr Chairman, again there is a substantial reduction in the numbers of AOs, from one year to the next, of six. Is that also in relation to the GDC issue or is it something else?

1105 **Hon. J J Bossano:** The people here were previously under the Enterprise Head that was working out of the Europort area and that function has now been transferred to the new Enterprise, Employment and Training, so the reduction there has been the loss of that facility. The individuals have been deployed to other work, because they have not passed on to me.

1110 **Hon. D A Feetham:** This is effectively the extra six, in page 96, about European Union Programmes and –

**Hon. J J Bossano:** That is right and the European Union Programme and the people who provided leaflets and information and so on that were under Joe Holliday before –

1115 **Hon. N F Costa:** Yes, which was called Invest Gibraltar.

**Hon. J J Bossano:** Invest Gibraltar, that is right.

1120 **Mr Chairman:** Head 31, Public Transport and Commercial Affairs, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

1125 **Hon. D J Bossino:** Mr Speaker, I would home in on subparagraphs (2), (3) and (4), which are described as ‘Marketing, Promotions and Conferences’ and the second one, ‘Business Support Office’, and each have an estimate of £20,000. It was not there before. Is that because of the amalgamation in the Budget Book of Public Transport and Commercial Affairs? No?

1130 **Hon. N F Costa:** Well, Mr Chairman, it is related to the answer the Hon. the Minister for Employment gave a few moments ago. Before, there was the Ministry headed by Mr Joe Holliday and as the hon. Gentleman has just said, that has been divided, or rather the Invest Gibraltar part, etc has been taken by the Minister for Employment to fulfil the function of inward investment and we have created the new Ministry, which is Commercial Affairs. As a result, because there has never been a Ministry of Public Transport and Commercial Affairs, this is the first time there has had to be provision for this.

1135 **Hon. D J Bossino:** I am grateful.

**Mr Chairman:** Subhead 2, Other Charges, stands part of the Bill.

1140 **Clerk:** Head 32, Technical Services, subhead 1, Payroll.

**Mr Chairman:** Head 32, Technical Services, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

1145 **Hon. S M Figueras:** Yes Mr Chairman, subhead 2(3)(k), ‘Cleaning of Street Gullies’: there is an increase from last year’s figure of £90,000, which has been quite stable between actual in 2010-11 estimates and forecast outturn, to £120,000. Perhaps now that it is in Technical Services, the hon. Gentleman for Technical Services can explain why the 33% increase.

1150 **Hon. P J Balban:** Can you repeat the Head and subhead please?

1155 **Hon. S M Figueras:** Yes, subhead 2, Other Charges, section (3) Operational Expenses, (k) Cleaning of Street Gullies. (*Interjections*) It was £90,000 and it was Environment. (*Interjection*) Yes, I am aware of that. It is just I am wondering why the difference of £30,000 year on year, from actual to estimate.

1160 **Hon. P J Balban:** Mr Chairman, the increase in this respect is due to the fact that the recommendation came from the Head of Technical Services that more investment was needed in the cleaning of street gullies – in the past not enough had been spent on this very important part of the infrastructure. They have been pushing for an increase for a while now and it is reflected in this year’s...

**Hon. S M Figueras:** And this increase will be paid in its totality to the current contractor, Wastage Products Ltd, which is listed in the Environment section?

1165 **Hon. J J Bossano:** What there is is an increased provision on the basis that they have argued that the £90,000 that they were getting was not enough to do all the cleaning that is required.

1170 Presumably, we shall see during the course of the year how they go towards spending that amount, but given that this is a specialist area, it is not the kind of thing that you can say ‘Let’s go out to tender and see how many people have got street gully cleaning lorries.’ These are the ones that go and suck all the stuff out.

**Hon. S M Figueras:** So just to clarify that: it is in response to the initiative or approach by...?

**Hon. Chief Minister:** It is in response by the Chief Technical Officer’s recommendations.

1175 **Hon. J J Bossano:** On a bid to increase the amount. We were caught on an off day and we gave him a 30% increase, basically! (*Interjections and laughter*)

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

- 1180 **Hon. Chief Minister:** Mr Speaker, if I might just assist the House because there is now a full explanation here and it may be useful for the hon. Gentleman to know, given the interest they have in it. Apparently, it all arises because there has been an increase in the number of gullies due to the construction of new roads and therefore there is more to clean.
- 1185 **Mr Chairman:** Subhead 2, Other Charges, stands part of the Bill.
- Clerk:** Head 33, Driver and Vehicle Licensing, subhead 1, Payroll.
- 1190 **Hon. J J Netto:** Mr Chairman, in Payroll, Salaries, we have an estimate of £578,000 and the forecast outturn for the previous financial year was £700,000. Do we have an explanation why the constant drop? I see even compared to the estimate of last year, there has been a continued drop – is there an explanation for this?
- 1195 **Hon. P J Balban:** Mr Chairman, I can confirm that there appears to have been actually an under-funding there.
- Hon. J J Netto:** Sorry, I do not quite understand what he means by an ‘under-funding’. Could he expand this further? (*Interjections*)
- 1200 **Hon. J J Bossano:** Not enough money to pay the 30 guys, that is what he is saying! (*Laughter*)
- Hon. G H Licudi:** It will have to be increased.
- 1205 **Hon. J J Bossano:** That will need to be increased!
- Hon. G H Licudi:** Not enough money has been put under that Head and that will need to be increased.
- 1210 **Hon. J J Netto:** Oh, I see! (*Interjections and laughter*)
- Hon. J J Bossano:** This is to compensate for the 30% extra we gave in the salaries! (*Interjections and laughter*)
- 1215 **Mr Chairman:** Head 33, Driver and Vehicle Licensing, subhead 1, Payroll stands part of the Bill.
- Clerk:** Subhead 2, Other Charges.
- Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.
- 1220 **Clerk:** Head 34, Utilities, subhead 2, Other Charges.
- Hon. S M Figueras:** Yes, Mr Chairman, in relation to subhead (1) in Other Charges, (a) Contribution from Revenues Received, there is an increase of £2 million there. Is there any explanation as to the significant increase? It represents about 7% to 7½%. I wonder whether there is any particular reason for it.
- 1225 **Hon. S E Linares:** There could be a couple of reasons for this. Basically, it could be because... it is an estimate, but it is because either the water consumes a lot of electricity and therefore there will be an increase of revenue from AquaGib to the GEA and also the increase of housing – people living in different houses, therefore there is an increase. It is an estimated increase of an extra £2 million there.
- 1230 **Hon. Chief Minister:** Mr Speaker, if the hon. Gentleman cares to look at page 9 on the Revenue side, he will also see how the fuel hedge has increased. (*Interjections*) Page 9, Utilities: there is a difference there in the cost of the hedge that he will see. (*Interjections*)
- 1235 **Mr Chairman:** Head 34, Utilities, subhead 2, Other Charges stands part of the Bill.
- Clerk:** Head 35, Collection and Disposal of Refuse, subhead 2, Other Charges.
- 1240 **Hon. S M Figueras:** Mr Chairman, there is a general point/question and one more specific relating to the actual estimate for the coming year. I note the transfer of refuse collection from the Environment

Ministry to the Minister for Sports, Culture, Heritage and Youth. I wonder whether perhaps there is an explanation for that, although it is just a reallocation.

1245 **Hon. S E Linares:** It has been considered a Utility and therefore I am the Minister for refuse collection and it has been transferred from the Department of the Environment to a Ministry that I have now, which I run is the GIC – Gibraltar Industrial Cleaners.

1250 **Hon. S M Figueras:** Right, and then, more specifically, there is an approximately 7% increase in the estimate over the cost. Is there any – ?

**Hon. S E Linares:** It is to do with what I said in my Budget speech, the extra 7 and the extra lorry that we are going to introduce, plus two more that will be employed later.

1255 **Hon. S M Figueras:** I am grateful for that.

**Mr Chairman:** Head 35, Collection and Disposal of Refuse, subhead 2, Other Charges stands part of the Bill.

1260 **Clerk:** Head 36, Sport and Leisure, subhead 1, Payroll.

1265 **Hon. E J Reyes:** Mr Chairman, on subhead 1(2)(d), it says there ‘Pension Contributions’ and there is now a new estimate of £1,000. If I recall correctly, there are three industrial staff members – it is reflected on page 124, so there has been no change there. These are long serving civil servants, which I have always understood did not have to contribute towards their pension scheme. So is this £1,000 here because there has been a change in staffing and it is a new civil servant entrant or is it just in order to have a token provision which may not even materialise?

1270 **Hon. S E Linares:** The explanation given is that this is to do with the three employees that are down in the Authority and therefore, if they need –

**Hon. E J Reyes:** They are not from the Authority – the three –

1275 **Hon. S E Linares:** No, no they are not from the Authority; they are *working for* the Authority –

**Hon. E J Reyes:** Right, the three civil servants.

1280 **Hon. S E Linares:** – although they are civil servants. It is a token sum. If there is a need to bring in that they move somewhere and they need to be replaced, this is the total sum for the pension contribution.

**Hon. E J Reyes:** Mr Chairman, yes, if I understood correctly, it is just a token sum, should there be –  
(**Hon. S E Linares:** Absolutely.)

1285 But my understanding is there has not been a movement. The three individuals who were last here happen to be the same ones – long-serving ones, so there has not been... It is just hypothetical in case it happens.

**Hon. S E Linares:** They are still there.

1290 **Mr Chairman:** Head 36, Sport and Leisure, subhead 1, Payroll stands part of the Bill.

**Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

1295 **Clerk:** Head 37, Fire Service, subhead 1, Payroll.

**Mr Chairman:** Head 37, Fire Service, subhead 1, Payroll stands part of the Bill.

1300 **Clerk:** Subhead 2, Other Charges.

**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.

**Clerk:** Head 38, Culture and Heritage, subhead 1, Payroll.



- 1305 **Mr Chairman:** Head 38, Culture and Heritage, subhead 1, Payroll stands part of the Bill.  
**Clerk:** Subhead 2, Other Charges.  
**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.
- 1310 **Clerk:** Head 39, Postal Services, subhead 1, Payroll.  
**Mr Chairman:** Head 39, Postal Services, subhead 1, Payroll stands part of the Bill.  
**Clerk:** Subhead 2, Other Charges.  
**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.  
**Clerk:** Head 40, Civil Contingency, subhead 1, Payroll.
- 1320 **Mr Chairman:** Head 40, Civil Contingency, subhead 1, Payroll stands part of the Bill.  
**Clerk:** Subhead 2, Other Charges
- 1325 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to subhead 2(1), Civil Contingency Planning, with regard to the increase from the estimate of 2011-12 of £134,000 to the outturn of £583,000, can the Hon. Minister confirm, is this, I am assuming, in relation to the explosion at the North Mole?
- 1330 **Hon. S E Linares:** Absolutely. That is the increase, and therefore this year there is just a slight increase from £134,000 to £140,000.  
**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.  
**Clerk:** Head 41, Youth, subhead 1, Payroll.
- 1335 **Mr Chairman:** Head 41, Youth, subhead 1, Payroll stands part of the Bill.  
**Clerk:** Subhead 2, Other Charges.
- 1340 **Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.  
**Clerk:** Head 42, Gibraltar Audit Office, subhead 1 Payroll.  
**Mr Chairman:** Head 42, Gibraltar Audit Office, subhead 1, Payroll stands part of the Bill.
- 1345 **Clerk:** Subhead 2, Other Charges.  
**Mr Chairman:** Subhead 2, Other Charges stands part of the Bill.
- 1350 **Clerk:** Head 43, Supplementary Provision, subhead 1(a), Pay Settlements; subhead 1(b), Supplementary Funding.  
**Mr Chairman:** Head 43, Supplementary Provision, subhead 1(a), Pay Settlements and subhead 1(b), Supplementary Funding stand part of the Bill.
- 1355 **Clerk:** That concludes clause 2.  
**Mr Chairman:** Clause 2 stands part of the Bill.
- 1360 **Clerk:** Clause 3, Consolidated Fund Contributions.  
Subhead 1, Contribution to wholly owned Government Companies.  
**Mr Chairman:** Head 44, Contribution to Government-Owned Companies, subhead 1, Contribution to wholly owned Government Companies stands part of the Bill.
- 1365

**Clerk:** Head 45, Contribution to the Improvement and Development Fund, subhead 1, Contribution to the Improvement and Development Fund.

1370 **Mr Chairman:** Head 45, Contribution to the Improvement and Development Fund, subhead 1, Contribution to the Improvement and Development Fund stands part of the Bill.

**Clerk:** That concludes clause 3.

1375 **Mr Chairman:** Clause 3 stands part of the Bill.

**Clerk:** Clause 4, Improvement and Development Fund.  
Head 101, Works and Equipment, subhead 1, Works and Equipment.

1380 **Hon. J J Netto:** Mr Chairman, if I may, on item (x), which is Government Furniture and Equipment, I see an estimate there of £½ million. Does the £½ million represent the total bid that Department Authorities and Agents submitted to Government or is this a fraction of the bid?

1385 **Hon. Chief Minister:** Mr Speaker, I do not think it is the full amount bid. I assume it is what was bid and what has been approved.

**Hon. J J Netto:** I can understand that but that was the total amount of the collected bids from all the Government Departments, Authorities and Agencies?

1390 **Hon. Chief Minister:** Mr Speaker, what I am told is that the figure is much, much higher, as is usually the case, and that the amount approved this year, is, as the hon. Gentleman can see, much more – £½ million more – than was approved for last year and about £325,000 more than was approved the year before that.

1395 But never I am told is it... Sorry, I am giving you the wrong number – £½ million more than has been approved for a couple of years under that Head – never I am told is the bid approved, because it is all the bids together and it is a lot more than the £½ million that has been approved.

1400 **Hon. J J Netto:** Yes, Mr Chairman, I do appreciate that is always the case, but what I am asking is whether... He may not have the information available, but perhaps the civil servants behind him may have the information available as to what was the total bid requested, regardless of what the Government, rightfully, may put in the Estimates Book.

**Hon. Chief Minister:** Mr Speaker, I do not have the information available. I can tell him that it is £½ million more than has been approved for a couple of years –

1405 **Hon. J J Netto:** I know that.

**Hon. Chief Minister:** So that is a point worth making, if he understands.

1410 If I can see where he is going, then the point I am going to make to him is that it is £½ million more than has been approved for the past two years. I do not have the information, Mr Speaker. I think that what we have to debate is what has been approved and that is what has been approved and...

1415 **Hon. J J Netto:** Well, Mr Chairman, I am not asking whether it is more or less or whether it is the same. All I am asking is even if he has not got the information himself, which I can appreciate, that information might be available by the civil servants sitting behind him and if it is available...

1420 **Hon. Chief Minister:** I am sure it is available because all the bids are available and could be totted up, but I am not going to open the door to giving the hon. Gentleman access to the bids that are made, because we would be here all day, every single day for the next 365 days, if we had to debate not just what it is that the Government is *proposing* we should spend, but what it is that every single Department *asks* the Government that they should be spending. And it has never been the case in the 16 years that he has been in Government and we have been in Opposition that that information has been shared, Mr Speaker.

1425 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, with respect to subhead 1(a) Education, could the Hon. Minister explain what the £2 million estimated is going to be for?

**Hon. G H Licudi:** Mr Chairman, in answer to a question last month and also during the Budget debate yesterday, I did give details of some of the capital expenditures that we would be doing, including the extension at Notre Dame, the other extensions and other projects that we would be doing.

1430 What the hon. Member will see is that we are, in fact, increasing by 33% the provision for capital expenditure. In my answer last month, I did say also that other projects would be done during the course of the year, apart from the ones that I specifically mentioned, and we have got provision here for some other projects.

1435 **Hon. Mrs I M Ellul-Hammond:** Yes, which have not been identified yet.

And, Mr Chairman, in relation to subhead 1(h), Contribution to Gibraltar Health Authority, I again ask the Hon. Minister the same question: the £3.3 million, what will that be going towards?

1440 If I remember correctly, the Hon. the Chief Minister mentioned £1 million of that was going to the new patient transfer vehicles and KGV refurbishment, so that leaves about £2.3 million, which I do not think was addressed in the budget.

**Hon. Dr. J E Cortes:** Mr Chairman, yes, £300,000 is earmarked to the colon cancer screening; £1 million is for ambulances; there is provision there also for the Community Mental Health premises at Coaling Island; also to provide wheelchair access to the garden and there is also scope there for replacement of equipment. There is also provision there for initiation of projects to relocate the kitchen and to relocate the ambulance staff.

There will be others coming in the year, but those are the main items that the money is going to be dedicated to.

1450 **Hon. Mrs I M Ellul-Hammond:** I am grateful.

And, Mr Chairman, in relation to subhead 1(r)(iii), for the City Fire Brigade, £150,000 have been earmarked. Can the Hon. Minister confirm if this is in relation to the smoke extractor system?

1455 **Hon. S E Linares:** Partially, it is the extractor. There are things like pumps and other equipment which they have asked for, and also to do with the ambulance – some repairs to the ambulance that they have, so that would add up... In fact they asked for £295,000 and then it was slashed to £150,000.

**Hon. S M Figueras:** Mr Chairman, in relation to Works and Equipment, subsection (1), Contribution to Gibraltar Electricity Authority of £1 million, can someone other than the Minister for the Environment, who is unfortunately not in the Chamber at the moment, confirm that that is the contribution he mentioned in his Budget speech towards alternative energy? I suspect but I would just like to have confirmation.

The Hon. Minister for the Environment has returned – maybe he can shed some light on it?

1465 **Hon. Chief Minister:** Mr Speaker, this relates to Works and Equipment principally, which is what would be covered by capital, so for example, things like the flood lights on the Rock face etc, are covered by this. The big item of expenditure in respect of this is an interconnector and switch gear and that accounts for almost two-thirds of the material.

1470 The hon. Gentleman will know that when I made my statement a couple of months back about the position in relation to the power station issue, we said that we would be continuing, through the GEA, to do the works in respect of switch gear, etc -

**A Member:** And main cables.

1475 **Hon. Chief Minister:** – and main cables etc. The *infrastructure works*, as they are known, are not just in relation to Lathbury, but also in relation to the rest of the ‘grid’ – and I say ‘grid’ in inverted commas – and that is what that principally relates to.

1480 **Hon. S M Figueras:** I am grateful for that.

One more point I would like to raise in relation to paragraph or section... it was (p)(iii), Drains and Sewers. We know that the Government has been busy in the last few months dealing with the collapse of the Line Wall sewer. In the Budget speeches and in answers to questions in the House, the Hon. Minister for Technical Services had referred to the fact that not enough investment had been made in them. However, it just strikes me as odd that the estimate is not significantly higher than what it had been or indeed what has already been spent on the drains and the sewers.

1485 Perhaps the Hon. Minister can enlighten us as to why maybe the works already done have constituted a significant enough improvement that that is all they need to provision for it.

1490 **Hon. P J Balban:** Mr Chairman, the money, the funding actually being asked for in that respect is a token amount. It has been prior to beginning work on a sewer rehabilitation programme to bring the sewer and the stormwater systems up to a standard over a number of years.

1495 **Hon. S M Figueras:** I am sorry, Mr Chairman, just under paragraph (r), Essential Services and Equipment, Royal Gibraltar Police, there is £150,000 there as an estimate. An indication as to what that would be applied to would be helpful – particularly in the context of them having received two very fast launches very recently.

1500 **Hon. Chief Minister:** Mr Speaker, if I may, just on the launches: the launches are provided for in 1(v), if he reads on – nothing to do with the launches there. (*Interjection*)  
I am telling him it is not the launches. I will leave the Minister for Justice to deal with the other.

**Hon. G H Licudi:** Mr Chairman, this is just general provision which is made for general equipment which the Police may require during the year.

1505 **Hon. S M Figueras:** I only asked simply, because there was no estimate or provision for it in the past and that was the only reason I have raised it. (*Interjection*) I am grateful to the Minister for Justice.

1510 **Hon. D A Feetham:** Is that equipment relating to what the Police might actually need in relation to PACE; or actually is it repairs to New Mole Police Station and perhaps also Central Police Station?

1515 **Hon. J J Bossano:** Mr Chairman, I think if the hon. Members look at the footnote (i), this is now a breakdown which was in fact previously shown as 'Other Departments, Agencies and Authorities'. It was a global sum from which people drew from what they needed during the course of a year, in the expectation that every year they need to replace something or repair something, so in fact there is much more money than there was last year, if we actually add all the things with a footnote (i) and compare it with what has disappeared. But the increase has not been done in the global figure, because then everybody would have been able to access, presumably, to get an equal share of the increase. It has actually been divided more in relation to what people have identified at the beginning of the financial year that they are likely to need.

1520 So in respect of the individual items with a footnote (i), it means that Members are now able to see, out of that block vote, what is intended to go to each different Department.

As Members are well aware, there is nothing to stop us viring from one Head to another, if one is underspending and the other needs more money.

1525 **Hon. G H Licudi:** Mr Chairman, in relation to this particular amount of £150,000, this follows clearly a bid by the Royal Gibraltar Police for funding for diverse equipment. It includes matters such as equipment needed for the marine section, for the diving unit, scenes of crime, community support, special equipment, office furniture, transport, so there is a myriad of various heads of equipment which they need in capital expenditure, which are now provided under this £150,000.

1530 **Hon. D A Feetham:** Mr Chairman, if we look at 'Housing: Works and Repairs', we look at the estimate for 2011-12 of £2 million and the forecast outturn £3.8 million, and now it is down to £1 million, which I note is actually lower than the actual for 2010-11, is there an explanation for the actual decrease in the provision made for Housing Works and Repairs; or is it...? Well, it cannot be a token figure, because it is a million pounds, but is there an explanation for it?

1540 **Hon. Chief Minister:** Yes, Mr Speaker, of course there is an explanation: it is very simple. The forecast outturns and the estimates for the previous year show what costs were in part of the process of developing estates whilst they were in Government, whilst we are at the beginning of the process of the developments that we are aiming for.

So the £1 million that he sees there is a token for the work that will commence this year.

1545 **Hon. D A Feetham:** So that includes the projected building of new accommodation as well as repairs. Is that what he is saying?

1550 **Hon. Chief Minister:** Yes, Mr Speaker, this includes, for example, in some instances, where he knows we are in the process of doing works which are beyond – (**A Member:** Preparatory?) Yes, (a) preparatory and (b) beyond the old simple works and repairs that there have been in other estates. At Laguna, at Glacis, at Moorish Castle, the hon. Members will have seen works which include cladding and which include that type of work which goes beyond simple works and repairs.

1555 **Hon. D A Feetham:** Yes but this is the... I asked about... This million pounds is the million pounds that appears under Housing, that I asked earlier on about, and you may recall I asked, 'Did that million pounds relate to, or partly relate to, the cladding of the three estates that was part of the announcement by the Minister for Housing?' and the Hon. the Minister for Employment said to me, 'No, no, no, it wasn't that.' (*Interjection*)  
Now...

1560 **Hon. Chief Minister:** Mr Speaker, the state that we are at at the moment is – it may be a surprise to hear this – but it is principally being done in-house in the Housing Department, all of the preparatory work, all of the cladding, etc. We have not gone out to expensive consultants or anything like that, so there has been no need to show other expenditure here in respect of that. (**Hon. J J Bossano:** So far.) There may be in the future a need to do so.

1565 **Hon. D A Feetham:** So basically I was right some moments earlier, when I said the million pounds related not to the cladding, but to –

**Hon. Chief Minister:** No, it relates to –

1570 **Hon. J J Bossano:** Not putting up the cladding, really.

**Hon. Chief Minister:** Not putting up the cladding, that is right. It relates to all the preparatory work that needs to be done in order to do that.

1575 **Hon. D A Feetham:** Well, it cannot possibly relate to the putting up of the cladding, because the cladding of actually three estates is going to cost above £50 million. It is a substantial expenditure.

**Hon. Chief Minister:** It certainly costs more than £1 million.

1580 **Hon. D A Feetham:** So it must be preparatory towards that – that is what I was asking.

**Mr Chairman:** Improvement and Development Fund – Expenditure, Head 101, Works and Equipment, subhead 1 stands part of the Bill.

1585 **Clerk:** Head 102, Projects, subhead 1, Beautification Projects.

**Hon. S M Figueras:** Mr Chairman, on Other Projects, subhead 5(s) is one that jumps out. It is the Smart Bikes.

1590 **Clerk:** We are not on there, Mr Speaker.

**Mr Chairman:** We are still at subhead 1, Beautification Projects.

**Hon. S M Figueras:** Oh apologies, Mr Chairman.

1595 **Mr Chairman:** Okay subhead 1, I imagine there are no questions. Subhead 1, Beautification Projects stands part of the Bill.

**Clerk:** Subhead 2, Roads and Parking Projects.

1600 **Hon. D J Bossino:** Mr Chairman, may I ask for an explanation for the massive reduction under 2(a)(i) (*Interjection and laughter*) from £8.6 million, which is the forecast outturn, to £½ million for this coming year by way of estimate?

1605 **Hon. Chief Minister:** Mr Speaker, as the hon. Gentleman knows, the development of the tunnel, for all the reasons that have been ventilated in the past six months, is not progressing at the moment. There is the litigation and there is, as I told the House in an earlier intervention, the possibility of a new tender having to be created, in order to see what the real cost to completion – the balance to complete, so to speak – of that project would be, given the present state in which it lies.

1610 Therefore, there is a token there, Mr Speaker, for some of the expenditure which there will be, because there is some continuing expenditure, just to have the site safe as it is at the moment, and post procurement process, there may be another figure there.

**Mr Chairman:** Subhead 2, Roads and Parking Projects stands part of the Bill.

1615 **Clerk:** Subhead 3, Relocation Costs.

**Mr Chairman:** Subhead 3, Relocation Costs stands part of the Bill.

1620 **Clerk:** Subhead 4, Reclamation Projects.

**Mr Chairman:** Subhead 4, Reclamation Projects stands part of the Bill.

**Clerk:** Subhead 5, Other Projects.

1625 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to subhead 5(f), Old St Bernard's Hospital Demolition and Conversion Works: is this £1.36 million the amount needed to complete the conversion of this site?

1630 **Hon. G H Licudi:** Mr Chairman, as the hon. Lady well knows, there were plans to convert that for educational purposes. A bid has been put to do some preparatory work. But as I have indicated, no final decision has been taken, so there has been a provision made, but the final decision as to the use of the site has not been taken yet.

1635 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, is that the whole site or is this just the front part which was going to be converted to a school? This includes the...

**Hon. G H Licudi:** The old part of what used to be St Bernard's Hospital is the part at the top which was to be worked for – (*Interjections*)

1640 **Hon. S M Figueras:** The lower part was also part of the Hospital. (*Interjections*)

1645 **Hon. G H Licudi:** Yes, there was a demolition carried out and there were continuing works in relation to that demolition to make it safe, but there has been a provision in respect of the bottom side of the old St Bernard's Hospital. As I said, there is a provision there, but no final decision has been taken as to precisely what is going to happen with that site.

1650 **Hon. S M Figueras:** And, sorry Mr Chairman, just for some more clarification, is there a decision as to the use of what was originally the new wing, before what was demolished was made – the wing where St John's Ward, Victoria Ward were originally and the chapel? (*Interjection by Hon. G H Licudi*) Okay, there were two annexes. (*Interjections*) Is it the Mackintosh Wing?

1655 **Hon. Chief Minister:** Mr Speaker, is the hon. Gentleman talking about the area which was next to the lab, more or less? (*Interjections*) The Mackintosh Wing, along Lower Castle Road? (**Hon. S M Figueras:** Yes.) Mr Speaker, that is the housing that is being developed for elderly occupation.

**Hon. Mrs I M Ellul-Hammond:** So, Mr Chairman, the Hon. Minister can confirm that this is, in effect, a token figure, till a decision is made as to what that bit is going to be converted to? Yes.

1660 I was just surprised with the £363,000 added to it; I thought the rounded figure of a million would be a good indication of a token figure.

**Hon. G H Licudi:** Certainly more than a token figure, but as I said, the final decision has not been taken as to what is actually going to be done.

1665 **Hon. Mrs I M Ellul-Hammond:** And, Mr Chairman, in relation to subhead 5(g), the Old Naval Hospital Conversion and Refurbishment Works, a million pounds has been earmarked for this. Again, is this a token, albeit a high figure?

**Hon. G H Licudi:** Sorry, which number?

1670 **Hon. Mrs I M Ellul-Hammond:** Subhead 5(g).

**Hon. Miss S J Sacramento:** Mr Chairman this is a basic estimate. We are still awaiting a quote for the cost of the redesign of the unit.

1675 **Hon. S M Figueras:** Yes, Mr Chairman, one additional point relevant to the Hon. Minister for Transport on the Smart Bikes – subsection (s) which refers to the Smart Bikes. The estimate is for £1,000. Now, I know that they are having these negotiations and discussions with the supplier, and the £1,000 is just a token amount, obviously, to see how things progress – is that the case?

1680 **Hon. N F Costa:** Yes, Mr Chairman, as the hon. Gentleman has pointed out in the light of the answers to his questions and the Hon. Mr Bossino's, as a result of these negotiations, we have put a token figure and we will be able to say exactly how much that is in due course, once those discussions have concluded.

1685 **Hon. D J Bossino:** If I can ask, Mr Chairman, the Minister for Traffic, presumably that explanation given by the Minister for Transport also applies to item (x) in relation to the plan?

**Hon. P J Balban:** Mr Chairman, that is right: the £1,000 is merely a token figure.

1690 **Hon. E J Reyes:** Mr Chairman, on subhead 5(l), the Main Guard, which is, as it says in brackets, the headquarters for the Heritage Trust, although no expenditure was entered into last year, there had originally been an estimate of half a million pounds which was arrived at in consultation with the 'wish list' of the Trust in itself. I see that has now been reduced to £100,000.

1695 Is the hon. Member able to say whether it is because the project has been drastically reduced in size or is it because it will be ongoing from one financial year to another, and therefore for this year only a £100,000 is required?

1700 **Hon. S E Linares:** Yes, Mr Chairman, it is exactly what the hon. Member is saying, that it will be phased in. So we are starting the project with the Heritage Trust with £100,000 this year. If more funds are needed this year, they will be put in but we expect it to be more phased in, rather than a one like previously stated, which was the £500,000. That would have been probably the total cost of the whole project, so we are phasing it in.

1705 **Mr Chairman:** Subhead 5, Other Projects stands part of the Bill.

**Clerk:** Subhead 6, Equity Funding – Gibraltar Investment (Holdings) Ltd.

1710 **Mr Chairman:** Subhead 6, Equity Funding – Gibraltar Investment (Holdings) Ltd stands part of the Bill

**Clerk:** That concludes clause 4.

**Mr Chairman:** Clause 4 stands part of the Bill.

1715 **Clerk:** Clause 5.

**Mr Chairman:** Clause 5 stands part of the Bill.

1720 **Clerk:** Clauses 6 and 7, Gibraltar Development Corporation – Appendix B.

1725 **Hon. D A Feetham:** Mr Chairman, if we go to page 154 – and we were talking about this earlier on – Planned European Structural Funds, £5,661,000, can the Hon. the Minister for Employment confirm that an application for those structural funds has been made; and also whether the application has been made on the basis that the money is going to be used for the funding of Government-sponsored training schemes?

1730 **Hon. J J Bossano:** The application that has been made has been made in respect of the ongoing VTS that was approved already on the basis of the new rates. That has gone through and that has been accepted, so the level of funding per individual is now a reflection of the new rate that we are paying, and we are getting 50% of that.

1735 But the expectation that is included there, of course, is not yet something that has happened. That is to say, we are providing for what we think will be the possible maximum number of people that will be going through the system, but the hon. Member knows, from the answers we are giving him, that the numbers at present are not at that level. We cannot ask for the money, so that we get the money in case we put so many people through. It has to be substantiated because we do not get money for all the people that we put through, because there are conditions attached to new funding in terms of age and in terms of

periods of unemployment, which would not necessarily apply to some of the categories that we are putting through the system, given that the employer has got now a say in the selection of a potential trainee, that was not there before.

1740 In terms of the training, for example, in the construction industry, at Gibdock and so on, that is different because there, we are able to increase the numbers ourselves, since there is no employer involved. That is to say, for example – I think the last intake last year was 40 into the Construction Training Centre – if we are able to bring more people in, it will not be on the premise that we have already identified who those people are likely to be working for in two years' time, when they reach NVQ

1745 level 2.  
So if we are able to, as a result of putting more resources into construction training, which I have already mentioned in my speech was something that we will be looking at this summer, if we are able to take in 80 instead of 40, then that would be reflected there and it would be reflected in the fact that we ask for more money for that.

1750 But in terms of the people who are in ETCL, the flow of people in ETCL is not something that we can, in anticipation, make a bid for, until the people are already in place, and only in respect of those that meet EU criteria, which will be less than all the people we have.

1755 **Hon. D A Feetham:** Yes, in actual fact most of the people, I think there is a very high percentage of Construction Training Centre trainees, actually eventually found a job, because they are highly qualified.

It is in relation to VTS trainees, where the uptake by employers was less than 50%.

1760 But can he help me with this: was part of the satisfying whoever it is in Europe that actually provides this funding, that the VTS trainees were undertaking Government-sponsored training schemes and also, secondly, is this something that is going to be something that an application is going to be made every single year? Because, of course, one assumes there is going to be an intake of VTS trainees next year. Presumably there will be another application next year.

So there are two questions, essentially.

1765 **Hon. J J Bossano:** There has to be an application made each year under the programme and there has been in the past. Right! In the past, the training courses were for people doing six months and this time they are longer, but in fact, in all the employer-related guaranteed employment, it is only intended to be less than a year, because the ones that are longer than a year are really the ones that are going to be going through a training scheme like the construction training or the nursing training, which have got a requirement that people do so much in a sort of semi-academic environment, in order to get the necessary qualifications.

1770 For example we have got some people who are being trained as cabinet makers. They are being trained as cabinet makers and they are people who had already some carpentry skills. In those areas, although we are getting EU funding – in fact that particular project, for example, has had ERDF funding and EU funding – so what we are doing is that in the money we are getting from the EU to support new business start-ups, there is an element that is included which requires new jobs being created, as part of the condition.

1775 In the new jobs being created, we are also claiming financial support from the ESF and we are funding the other half. So in nearly all those cases, we are talking about annual requirements involving new individuals. In the cases that last more than one year, then it is in cases which are not linked to employers training the trainees, but the organised training like the construction training or Gibdock or the nursing and so forth. So they go beyond a year.

1785 **Hon. D A Feetham:** Yes, but for European purposes and for the purposes of the funds, the VTS employees are being treated as Government-sponsored trainees.

**Hon. J J Bossano:** Absolutely, yes.

**Mr Chairman:** Appendix B stands part of the Bill.

1790 **Clerk:** Appendix C, Gibraltar Regulatory Authority.

**Mr Chairman:** Appendix C, Gibraltar Regulatory Authority stands part of the Bill.

1795 **Clerk:** Appendix D, Borders and Coastguard Agency.

**Mr Chairman:** Appendix D, Borders and Coastguard Agency stands part of the Bill.

**Clerk:** Appendix E, Gibraltar Health Authority.



1800 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, with respect to Recurrent Payments, Ambulance Service, point (5), Salaries: could the Hon. Minister explain the increase from the estimate of 2011-12 of £826,000 to £971,000 as the forecast outturn, and then it is back down for this year's estimate to £889,000, when the staffing numbers have actually stayed the same?

1805 **Hon. Dr. J E Cortes:** Yes, Mr Chairman, this will have been as a result of the Agenda for Change Agreement that considerably increased the salaries of most health workers.

**Hon. Mrs I M Ellul-Hammond:** Therefore, Mr Chairman, why has the estimate then gone down by £72,000? Why has it not then remained at the £971,000?

1810 **Hon. Dr. J E Cortes:** I suspect that there will have been an element of retrospection involved last year, which would not apply this year. So it has come back down to a more realistic figure, but still above the previous year.

1815 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in respect still with the Ambulance Service, point (7) for Allowances, I notice that the estimate allows for a decrease of £100,000 for allowances for the Ambulance Service.

1820 **Hon. Dr. J E Cortes:** It is exactly the same explanation: the allowances were also part of the Agenda for Change.

**Hon. Mrs I M Ellul-Hammond:** Mr Chairman, continuing with Payments, point (22) – Dressings, Medical Gases and Tests: could the Hon. Minister explain the reduction in £100,000 earmarked for that, please?

1825 **Hon. Chief Minister:** Sorry... Excuse me, it is not a reduction of £100,000 on what is earmarked for that; it is a £200,000 increase on what was earmarked for that.

**Hon. Mrs I M Ellul-Hammond:** Yes, but £100,000 less than the forecast outturn.

1830 **Hon. Chief Minister:** From the forecast outturn, but £200,000 increase.

1835 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to point (23), Provisions, can the Hon. Minister explain what it means by 'Provisions'? Does this include the kitchen and the provisions within the kitchen?

**Hon. Dr. J E Cortes:** Yes, Mr Chairman.

1840 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to point (34), the School of Health Studies Expenses: there has been an increase of funding. Is this to do with the increased bursary for the student nurses?

1845 **Hon. Dr. J E Cortes:** Two reasons: an increase in the bursary; and also the fact that we will be taking another intake of nurses, while the previous intake has one more year to complete, so that this year, we will in fact have two intakes of nurses, one in its final year, one in its first year.

**Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to point (35), Insurances and Claims: there is a decrease again in the estimate. Is this because the cover has been decreased?

1850 **Hon. Dr. J E Cortes:** Mr Chairman, when it comes to claims, you never know what you may be up against, so one tends to be a little bit conservative in one's provision, because it is something that we cannot predict. There has to be some leeway and so it is slightly less than the previous estimate, less than the forecast outturn, because I suspect that last year, there may have been rather a lot of claims.

1855 **Hon. Mrs I M Ellul-Hammond:** Finally, Mr Chairman, on page 171, under Capital Expenditure, there is £2 million for Works and Equipment and £300,000 for the Colon Cancer Initiative. This figure is also... is this part of what is already under the I&D...?

**Hon. Dr. J E Cortes:** It is exactly that: it is just shown here for clarity.

1860 **Mr Chairman:** Appendix E, Gibraltar Health Authority stands part of the Bill.

**Clerk:** Appendix F, Housing Works Agency.

**Mr Chairman:** Appendix F Housing Works Agency stands part of the Bill.

1865 **Clerk:** Appendix G, Care Agency.

1870 **Hon. J J Netto:** Mr Chairman, if I may, in relation to the establishment figures, as seen on page 176, if the hon. Lady perhaps goes down to the Rehabilitation Centre, I see in the little table being offered there, that the cooks for the Rehabilitation Centre that used to be seen there, in previous financial years, are not seen in the new financial year. So what I would like to know is whether the cooks have been transferred, perhaps, to another place of the Care Agency – perhaps the Mount Alvernia – or is it perhaps because the cooks are now seen within the figures of the industrial staff?

1875 **Hon. Miss S J Sacramento:** Mr Chairman, they are reflected under the industrial staff.

**Hon. J J Netto:** So basically, now, we have... They have not been transferred; they are still in Bruce's Farm, but the figures are now represented in industrial, as presumably would be the cooks for Mount Alvernia as well?

1880 I think that perhaps if I try to be helpful here: what pages 175 and 176 do provide is where the people are by location, basically.

Now, the problem I have is that if you go to page 175, the top tabulation there, which is Elderly Care, you have all the people working there, including the technical officer, the store supervisors and all of them are there in Mount Alvernia; but we do not see there any cooks.

1885 If you go to page 176 and you go to the tabulation on the Rehabilitation Centre, the figure for cooks was there, but not in the new financial year.

I am just trying to make sense of this, whether the only logical explanation we have is because all cooks, regardless of whether they are in Mount Alvernia or in Bruce's Farm, they are up there, under industrials, because the only other cooks that I can think of are in St Bernadette's.

1890 If we look perhaps at St Bernadette's because... So the cooks at St Bernadette's are not there either, so the only logical explanation is that they are all under industrial staff, within the global figure of industrial staff. Is that the case?

1895 **Hon. Miss S J Sacramento:** Yes, Mr Chairman, they are all reflected under industrial staff and there continue to be cooks at the Rehabilitation Centre and the other places.

1900 **Hon. J J Netto:** Mr Chairman, moving on to, within the Care Agency, Appendix G, on page 178, item (16) which is Special Care Abroad, we have a figure there, an estimate for the new financial year of £896,000. Does the hon. Lady know, or can she tell me, how many people this figure will cover, in terms of placements abroad? Is it four, five or six? It has got to be around that figure.

**Hon. Miss S J Sacramento:** Is the hon. Gentleman asking for the total figure or the figure for the increase? Is it in relation to the increase or the total figure?

1905 **Hon. J J Netto:** No, no, I am not asking for the increase; all I am asking is, for that amount of money, how many people does it support, in terms of placement abroad – abroad from Gibraltar?

**Hon. Miss S J Sacramento:** Mr Chairman, it is in relation to six adults and also includes travel.

1910 **Hon. J J Netto:** So six adults, which includes of the six, one child – is that what you said? *(Interjection)* Sorry?

**Hon. Miss S J Sacramento:** Yes, it is five adults and one child – I beg your pardon, yes.

1915 **Hon. J J Netto:** And is the placement in the UK or, given the circumstances of this particular person, perhaps in another country?

**Hon. Miss S J Sacramento:** Mr Chairman, I believe I have already answered this question in response to Parliamentary questions.

1920 On a confidential basis, I am happy to remind the hon. Member confidentially, but not now, Mr Chairman.

1925 **Hon. J J Netto:** Mr Chairman if I may, if the hon. Lady goes to page 179, item (39), Health and Safety Expenses, I see an estimate of £1,000. Although we are not talking about a huge amount of money, I see that the estimate for the previous financial year was £10,000 and the forecast outturn £9,000. Now, £1,000 in relation to £10,000 is almost like a drop of 90%. Can the hon. Lady explain why the drop by such an amount?

1930 **Hon. Miss S J Sacramento:** Mr Chairman, this is because previously Health and Safety was sub-contracted to a private entity, and it no longer is; it will now be undertaken in-house, under the auspices of the Minister with responsibility for Health and Safety, and obviously the saving is reflected in the Estimates.

**Mr Chairman:** Appendix G, Care Agency stands part of the Bill.

1935 **Clerk:** Appendix H, Gibraltar Port Authority.

1940 **Hon. D J Bossino:** Mr Chairman, can I ask the Minister responsible for the Port for an explanation which accounts for the increase under (19), described as ‘Inspections’, from I think there is a forecast outturn for this year of £75,000 – a decrease rather – and then it decreases to £10,000? Why is that the case, given that in previous years we have a figure... the actual expenditure last year was £96,000 and an estimate was made of £100,000?

1945 **Hon. N F Costa:** Yes, Mr Chairman, previously the work was sub-contracted and now we have a bunkering superintendent in the Gibraltar Port Authority, which explains the variance.

The subcontractor payment was for £90,000 and of course, now that we have a person in post, there is a salary which does account for the saving, of course, and it is much better to have someone working in-house.

1950 **Mr Chairman:** Appendix H, Gibraltar Port Authority stands part of the Bill.

**Clerk:** Appendix I, Gibraltar Electricity Authority.

1955 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to point (30), GHA Related Expenditure, the Authority is estimated at spending £33,000. Could one of the hon. Members opposite explain what this figure is in relation to?

1960 **Hon. Dr. J E Cortes:** The electrical services of the Health Authority are in fact provided by the Electricity Authority and that will explain why there is a payment. I suspect that perhaps there may have been an overlap as to whether the payment was made before or after the financial year.

But as I say, the relationship is that the electrical services are provided by the Electricity Authority, and are not provided by GHA personnel.

**Mr Chairman:** Appendix I, Gibraltar Electricity Authority stands part of the Bill.

1965 **Clerk:** Appendix J, Gibraltar Sports and Leisure Authority.

1970 **Hon. E J Reyes:** Mr Chairman, under Payments, subparagraph (21), it says ‘Hockey Pitches’ and then there is a small roman numeral (ii). I believe that is possibly a misprint or typographical error and it should be a ‘(iii)’ instead, corresponding to the note at the bottom that says:

‘From 2011/2012 Hockey Pitches expenses included under (10) Running Expenses’.

Am I correct in that assumption?

1975 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Yes, Mr Chairman, I am grateful for the hon. Gentleman to have noted that. So it has been noted.

Thank you very much.

1980 **Mr Chairman:** Appendix J, Gibraltar Sports and Leisure Authority stands part of the Bill.

**Clerk:** Appendix K, Gibraltar Culture and Heritage Agency.

1985 **Hon. E J Reyes:** Mr Chairman, there is, in the Establishment, there is a provision for one Technical Grade 4. Looking at the very back of the Book, on page 227, where the salaries are given for Technical Grades 2 and 3, there has been an omission of Technical Grade 4. So that is missing from the actual printout here. We have no idea what that salary scale or range would be.

1990 **Hon. S E Linares:** Yes, Mr Chairman, there is an omission there, but this officer in the general Establishment is an officer who is seconded from the Civil Service into the Agency, and has been, sort of, 'slotted into' the Technical Grade 4, because it was a type of personal to holder, but it is equivalent to a Technical Grade 4. I realise there is not, at the back, a Technical Grade 4.

1995 This can be included and because of the information given at the beginning of the Culture and Heritage Agency and it is to do with the halfway restructure that has been going on; but there will be a Technical Grade 4 added at page 227, which has been highlighted by the hon. Gentleman.

**Hon. E J Reyes:** I am grateful, Mr Chairman but can I, in a cordial and friendly manner, advise the Minister, if the person has been seconded, then one has to be careful that he is not accounted for both in his permanent and pensionable Department and then here.

2000 For example, I did not raise an eyebrow, if we go back to the Sports and Leisure Authority, I know because of my tenure as Minister there, other than all those listed here from Grades 1 to 13, there is an actual operative who was seconded from our Department and therefore does not appear under this heading, because I believe he actually comes from Technical Services.

2005 *So de jure*, his head of Department is someone in Technical Service and on a day-to-day basis, he actually reports physically to ensure that his time keeping is correct to the Chief Executive of the Sport and Leisure Authority and that has been working fine for many years. So rightly so, the Sports and Leisure Authority does not account for him in its Establishment here, because he still appears on the other side.

2010 I just want to make the hon. Member aware – and he does not have to give me an answer today – that he should double-check that we do not have a double accounting for this individual and then one day our figures do not tally. Had he still been accounted under the other one, there would have been no need for me to ask what a Technical Grade 4 salary range would be.

2015 **Hon. S E Linares:** Yes, this is the information that was given by the Head of the Culture, because it happens to be on the Culture side, and she actually equated him to a Grade 4. So I appreciate what the hon. Member is saying and I will look and see that there is not a doubling up. Apparently, this is also subject to a question –

**Hon. E J Reyes:** Yes, I was going to say, Mr Speaker, I did give notice of the question –

2020 **Hon. S E Linares:** – to a question which has been put to the –

**Mr Chairman:** Order!

2025 **Hon. E J Reyes:** Yes, it might be very useful for the Minister if I actually leave the question in, because it allows him an opportunity to then answer back in Parliament.

If, however, I do get the information in some other format, then I will inform the Chairman, in his capacity as the Speaker of the House, that I might even withdraw the question at that moment in time, if within the week's space, I have received the answer.

2030 But we will wait and see and we will sort it out in an amicable manner. All we want to do is to make sure we all have the correct details for any future reference.

**Hon. S E Linares:** Mr Chairman, I will be happy to answer the question when it is posed, and we can air it out here, no problem.

2035 **Mr Chairman:** Appendix K, Gibraltar Culture and Heritage Agency stands part of the Bill.

**Clerk:** That concludes clauses 6 and 7.

2040 **Mr Chairman:** Clauses 6 and 7 stand part of the Bill.

**Clerk:** The Schedule, Parts 1 to 5.

**Mr Chairman:** The Schedule, Parts 1 to 5 stand part of the Bill

2045 **Clerk:** The Long Title .

**Mr Chairman:** The Long Title stands part of the Bill.

2050

**Magistrates' Court (Amendment) Bill 2012**  
**Clauses considered and approved**

2055 **Clerk:** A Bill for an Act to amend the Magistrates' Court Act.  
Clause 1.

**Mr Chairman:** Clause 1 stands part of the Bill.

2060 **Clerk:** Clause 2.

**Mr Chairman:** Clause 2 stands part of the Bill.

**Clerk:** The long title.

2065 **Mr Chairman:** The long title stands part of the Bill.

*The House resumed.*

2070

**BILLS FOR THIRD READING**

**Appropriation Bill 2012**  
**Magistrates' Court (Amendment) Bill 2012**  
**Third Readings approved; Bills passed**

2075

**Clerk:** The Hon. the Chief Minister.

2080 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the Appropriation Bill 2012 and the Magistrates' Court (Amendment) Bill 2012 have been considered in Committee and agreed to.

I now move that they be read a third time and passed.

2085 **Mr Speaker:** I now put the question which is that the Appropriation Bill 2012 and the Magistrates' Court (Amendment) Bill 2012 be read a third time and passed. Those in favour –

**Hon. Chief Minister:** Mr Speaker, I call for a division on the votes.

2090 **Mr Speaker:** Those in favour of the Appropriation Bill 2012. (**Several Members:** Aye.) I think we take the voices first, then we take a poll, as the Hon. Chief Minister has asked for.

Those in favour of the Appropriation Bill 2012. (**Members:** Aye.) Those against. Passed.

**Mr Speaker:** In view of the request for a poll, the – (*Interjection and laughter*)

2095

**Clerk:** Is it on the Magistrates' Court (Amendment)?

**Hon. Chief Minister:** No, no, on the –

2100

**Clerk:** On the Appropriation? Right.

**Mr Speaker:** On the Appropriation.

In that case, before we proceed on that, perhaps the Clerk will call out the names of all the Members in alphabetical order. (*Interjections and laughter*)

2105

**Clerk:** Just waiting for a list.

**Mr Speaker:** I think the request by the Chief Minister has caught the Clerk totally unprepared! We do not have an alphabetical list of Members. *(Laughter)*

2110 **Hon. D A Feetham:** Mr Speaker, I have not actually looked at the Rules in relation to this, but –

**Mr Speaker:** Any Member may call for a poll.

2115 **Hon. D A Feetham:** Even when there is no question that we are going to be voting in favour, not against the Bill?

**Mr Speaker:** There is no requirement, in my understanding, for there to be any –

2120 **Hon. D A Feetham:** I have not looked at it, as I said –

**Mr Speaker:** No, my understanding is that any Member may, after the voices are heard, ask for a poll to be taken.

We are looking at Standing Order 53(2):

2125 ‘At the conclusion of a debate the question shall be put by the Speaker and the votes may be taken by voices Aye or No and the result shall be declared by the Speaker, but any Member may claim a division when the votes shall be taken by the Clerk asking each Member separately how he desires to vote and recording the votes accordingly.’

2130 **Hon. D A Feetham:** Isn’t it the interpretation of the words ‘may claim a division’?

**Mr Speaker:** That is what the Hon. the Chief Minister has requested. *(Interjections)*

One must bear in mind, in the House of Commons, in most cases, the Members actually do troop out of the House behind the Speaker’s Chair into either the Aye or the No lobbies, so it is a different manner of proceeding generally.

2135

**Hon. Chief Minister:** That is what the House dividing is about. The House divides into the lobby to vote.

2140 **Mr Speaker:** Is the Clerk ready?

**Clerk:** More or less!

*A division was called for and voting resulted as follows:*

2145 Ayes 16, Noes 0

**FOR** **AGAINST**

Hon. P J Balban None

2150 Hon. J J Bossano  
Hon. D J Bossino  
Hon. C A Bruzon  
Hon. Dr. J E Cortes

2155 Hon. N F Costa  
Hon. Mrs I M Ellul-Hammond

Hon. D A Feetham

Hon. S M Figueras

Hon. Dr. J J Garcia

Hon. G H Licudi

2160 Hon. S E Linares

Hon. J J Netto

Hon. F R Picardo

Hon. E J Reyes

Hon. Miss S J Sacramento

2165 **Absent:** Hon. P R Caruana

**Mr Speaker:** The Appropriation Bill –

2170 **Clerk:** I beg your pardon! We have left out the Hon. S J Sacramento.

**Hon. Miss S J Sacramento:** Yes, Mr Speaker.

**Several Members:** Hear, hear! (*Applause*)

2175 **Mr Speaker:** I think that vote was anticipated, because the note here says 16 in favour. (*Laughter*)  
The Appropriation Bill 2012 is carried unanimously, subject to one absent.  
Those in favour of the Magistrates' Court (Amendment) Bill 2012. (**Members:** Aye. ) Those against.  
Carried.

2180

#### Procedural

2185 **Clerk:** The Hon. the Chief Minister.

**Hon. Chief Minister:** Mr Speaker, I have the honour to move that this House do now adjourn to Thursday, 19th July, at 9.15 a.m. and I give notice to the House, Mr Speaker, that Chief Minister's Question Time will not be on Thursday afternoon, as a result of a discussion between me and the Leader of the Opposition. It will now be on Friday morning, but the House will sit for other Questions on Thursday.

2190

**Mr Speaker:** I now propose the question which is that this House do now adjourn to Thursday, 19th July 2012 at 9.15 a.m.

2195 I now put the question which is that this House does now adjourn to Thursday, 19th July 2012 at 9.15 a.m. Those in favour. (**Members:** Aye.) Those against. Passed.

This House will now adjourn to Thursday, 19th July 2012 at 9.15 a.m.

*The House adjourned at 5.25 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 9.20 a.m. – 12.43 p.m.

Gibraltar, Thursday, 19th July 2012

## The Gibraltar Parliament

*The Parliament met at 9.20 a.m.*

5

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

10

### SUSPENSION OF STANDING ORDERS

15

#### **Standing Order 7(1) suspended to lay a report on the Table**

**Clerk:** Sitting of Parliament, Thursday, 19th July.  
Suspension of Standing Orders, the Hon. the Chief Minister.

20

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with the laying of a Report on the Table.

**Mr Speaker:** Those in favour. (**Members:** Aye.) Those against. Carried.

25

### DOCUMENTS LAID

30

#### **Papers laid before the House**

**Clerk:** Papers to be laid, the Hon. the Chief Minister.



35 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to lay on the Table the Annual Report of the Gibraltar Regulatory Authority for the year ended 31st March 2012.

**Mr Speaker:** Ordered to lie.

40 **SUSPENSION OF STANDING ORDERS**

**Standing Order 7(1) suspended  
to proceed with answers to Questions**

45 **Clerk:** Suspension of Standing Orders, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order proceed with answers to Questions.

50 **Mr Speaker:** Those in favour. (**Members:** Aye.) Those against. Carried.

## Questions for Oral Answer

55

### DEPUTY CHIEF MINISTER

60 **Notre Dame School extension  
Consultation with Development and Planning Commission**

**Clerk:** Answers to Oral Questions.  
Question 670, the Hon. S M Figueras.

65 **Hon. S M Figueras:** Yes, Mr Speaker. Can the Hon. Deputy Chief Minister confirm whether information and guidance from the DPC has been sought in relation to the extension to Notre Dame School announced by the Hon. Minister for Education during his speech at the 2012 Budget session?

70 **Clerk:** Answer, the Hon. the Deputy Chief Minister.

**Deputy Chief Minister (Hon. Dr. J J Garcia):** Mr Speaker, yes.

**Hon. S M Figueras:** I am grateful, Mr Speaker.

75

### HOUSING AND THE ELDERLY

80 **Government rental flats  
Outstanding works**

**Clerk:** Question 637, the Hon. J J Netto.

85 **Hon. J J Netto:** Mr Speaker, can the Government provide an explanation as to why the Minister for Housing and the Minister for Health both had a different answer to the number of outstanding works that need to be undertaken in Government flats as a result of reports made by the Occupational Department of the GHA in the last sitting of Parliament, and in addition state what the actual number of outstanding works are, the cost involved and whether such works are expected to be carried out in this new financial year of 2012-13?

90

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

95 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, the reason why the Minister for Housing and the Minister for Health each had different answers to the questions regarding occupational therapy reports is because the question submitted to each Minister was worded differently, such as to cause divergence in interpretation.

100 Whilst the question put to the Minister for Health can only be interpreted to request the number of *outstanding* OT reports, the question put to the Minister for Housing can be, and in fact was, interpreted to request the total number of reports *originated* – not outstanding – by the OT department.

100 There are currently 43 outstanding OT works, each estimated to cost in the region of £2,000 – sorry, ‘£2k’ – and it is expected that all currently outstanding works will be completed during the current financial year.

105 **Hon. J J Netto:** I am grateful, Mr Speaker.

**Government rental flats  
Details of those empty and awaiting repairs**

110

**Clerk:** Question 638, the Hon. E J Reyes.

115 **Hon. E J Reyes:** Mr Speaker, can the Minister for Housing confirm, further to his answer given to Question No. 531/2012, how many flats are currently empty and awaiting repairs, giving a breakdown in respect of:

- 120 (a) pre-war and post-war flats;  
(b) flat size composition;  
(c) the dates as from when these flats have been empty;  
(d) the nature of repairs which are required to be undertaken before they may be reallocated?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

125 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, I will now hand the hon. Member a schedule containing the information requested.

125 Given that the hon. Member is requesting this information at each meeting of Parliament, in order to facilitate access to the data requested to him and to members of the general public, it will be added to the statistics published on the Government website on a monthly basis and will therefore mean that he will have the information without having to ask for it.

130 In addition, the information requested at Questions 639 to 647, 649 to 652 and 655 will also be published on the Government website.

**ANSWER TO QUESTION 638**

Further to my answer given to Question No. 531 of 2012, up to 121 flats are currently empty and awaiting repairs.

Table 1 shows the number of empty flats for cleaning/refurbishment (post and pre-war) by room composition.

Table 2 highlights the number of empty flats per year and room composition. Specific dates per flat cannot be provided.

The following table provides the required breakdown:-

**Table 1 - By room composition (post and pre-war)**

Composition	Category Type				Total
	Refurbishment Technical Decision		Cleaning		
	Pre-War	Post-War	Pre-War	Post-War	
6RKB	3				3
5RKB	3				3
4RKB	16	5	1		22
3RKB	25	25	4		54
2RKB	15	12	1		28
1RKB	4	7			11
<b>Sub-Total</b>	<b>66</b>	<b>49</b>	<b>6</b>		<b>121</b>

**Table 2 - Empty flats awaiting refurbishment/cleaning per year**

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	TOTALS
6RKB	2						1					3
5RKB		1	1								1	3
4RKB	2	11	3	4	1	1						22
3RKB	9	34	6	1		2	2					54
2RKB	6	14	4	2					2			28
1RKB	1	5	2	1						1	1	11
<b>TOTAL</b>	<b>20</b>	<b>65</b>	<b>16</b>	<b>8</b>	<b>1</b>	<b>3</b>	<b>3</b>		<b>2</b>	<b>1</b>	<b>2</b>	<b>121</b>

**Hon. E J Reyes:** Mr Speaker, I seem to have most of the information required here; however, in relation to my sub-paragraph (c), I was requesting the dates from when these flats have been empty, and I do not quite feel I have got the full information requested there.

135

**Hon. C A Bruzon:** Mr Speaker, if the information has not been provided, there must be an explanation. I will do my best to forward this information to him, if possible, as soon as I can.

**Hon. E J Reyes:** I am most grateful, Mr Speaker.

140

**Hon. J J Netto:** Mr Speaker, can I ask a minor question, just simply for clarification purposes?

Looking at the first table at the top there, under the column of 'Refurbishment Technical Decision', what is the scope that encompassed technical decisions? What I am thinking aloud, just to give the hon. Member an example, is are we talking about obviously refurbishment in terms of carpentry, plumbing, but in addition to that which would be done by the Housing Works Agency? But in addition to that, are we also talking about when the electricians, the one in Wellington Front, also have to provide new installations to flats? Will that come under this category or, will that be something different?

145

**Hon. C A Bruzon:** I will find out for him. I do not know the answer to that, Mr Speaker. I do not want to guess. What you want to know – if I may just make sure that I have understood the question – is whether the electrical work done by the official electrical department forms part of this or not. Is that what you want to know?

150

**Hon. J J Netto:** At the end of the day, Mr Speaker, all I want to know is... just to look at the definition of whatever is meant by 'technical decision'. What does it encompass? Does it mean normal refurbishment work in the flat, does it mean electrical, and perhaps I am even missing some other type of work which is not to do with the other column, which is to do with cleaning. So all I am trying to do is to understand what comes under that particular category.

155

**Hon. C A Bruzon:** I imagine, Mr Speaker, that it means exactly what the hon. Gentleman is implying: general jobs linked with the refurbishment of the flat, anything to do with the internal equipping of the flat to make sure that it is ready for allocation.

160

165

**Unsafe dwelling report  
Numbers requiring urgent decanting**

**Clerk:** Question 639, the Hon. E J Reyes.

170 **Hon. E J Reyes:** Can the Minister for Housing confirm, further to his answer given to Question No. 532/2012, how many reports of unsafe dwellings are currently pending and how many of these require urgent decanting due to Health and Safety considerations?

175 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, further to my answer to Question No. 532/2012, I can confirm that there are no reports of unsafe dwellings currently pending which require decanting due to Health and Safety considerations.

180 **Hon. E J Reyes:** Mr Speaker, my question was not how many were due to Health and Safety; it said how many unsafe dwellings are currently pending and, if there are any pending, are there any that fall then into the category that require urgent decanting due to Health and Safety.

185 The Hon. Minister might have to end up giving me the same answer, but for the sake of clarity, the question was how many reports of unsafe dwellings. If it is zero, then subsequently the next part is also zero, but there could be two, and then, of those two, have any of those required urgent decanting due to Health and Safety?

190 **Hon. C A Bruzon:** I will try, next time, to give him the answer in two parts. I have understood it to mean whether there are any pending, and there are none.

**Government rental flats  
Breakdown of jobs pending or incomplete**

195 **Clerk:** Question 640, the Hon. E J Reyes.

200 **Hon. E J Reyes:** Can the Minister for Housing confirm, further to his answer given to Question No. 533/2012, how many jobs are currently listed as pending/incomplete in Government rental flats, giving a breakdown of internal and external repairs, as well as stating the general nature of the works and by whom these are being carried out, broken down into categories of both pre-war and post-war housing stocks?

205 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, I will now hand the hon. Member a schedule containing the information requested.

210 I can read out at least the general answer that: since my answer to Question 533, there are 619 internal jobs currently listed as pending; and since my answer to Question 533, there are 3,491 external jobs currently listed as pending.

**ANSWER TO QUESTION 640**

I submit a reply to this question primarily broken down by (a) internal jobs and (b) external jobs, as follows:

- (a) Since my answer to Question No. 533, there are 619 internal jobs currently listed as pending within the Housing Works Agency. These jobs are categorised as follows:-

<b>Work Category – Internal Repairs</b>	<b>Pre-war</b>	<b>Post-war</b>	<b>Total</b>
Bath for shower conversion	1	18	19
Bathroom Unit replacement	3	37	40
Carpentry repairs	21	112	133
Cleaning of flat	7	3	10
Drains, rodding and cleaning	1	5	6
Emergency repairs	1	16	17
Masonry repairs	14	54	68
O/T Repairs/refurbishments	0	22	22
Painting	6	81	87
Plumbing repairs	14	157	171
Refurbishment – empty flats	9	37	46
<b>TOTAL</b>	<b>77</b>	<b>542</b>	<b>619</b>

- (b) Since my answer to Question No. 533, there are 3491 external jobs currently listed as pending to be carried out by external works contractors. External jobs vary in nature ranging from repairs to building fabric, to waterproofing/roofing. It is impossible to deliver a detailed categorisation of all 3491 jobs. The following condensed categorisation applies:

Work Category – External Repairs	Pre-war	Post-war	Total
External Building Contractors	564	2043	2607
Windows Replacement Contractors	101	783	884
<b>TOTAL</b>	<b>665</b>	<b>2826</b>	<b>3491</b>

215 **Hon. E J Reyes:** Mr Speaker, can the hon. Minister guide me a bit through this schedule? I have got the figures here, but the part saying... The general nature of the works is shown in the first part, for example, the bath or shower conversion and so on, but then I asked by whom these were being carried out. Is that contained in the schedule or does he have the answer in addition to this?

220 **Hon. C A Bruzon:** I think the answer will be in another question, Mr Speaker, but any internal jobs, of course, are carried out by the Housing Works Agency staff themselves and/or small companies that are called in to help out. External jobs, of course, are organised by the Housing Technical Staff based at the City Hall.

**Hon. E J Reyes:** Thank you, Mr Speaker.

So, as a follow-up of that, if internal jobs are either handled by the Agency or contracted out, I am missing details of who are the contractors who are being allocated these tasks.

225 **Hon. C A Bruzon:** I think the hon. Member will see that the contractors and the small businesses that do the works are part of our other answers to questions that he has asked.

**Hon. E J Reyes:** Okay, Mr Speaker, I accept that for now. Yes.

230 **Clerk:** Question –

**Hon. J J Netto:** Mr Speaker, if I may –

235 **Mr Speaker:** The Hon. Jaime Netto.

240 **Hon. J J Netto:** – it is just that I am looking at the figures being provided by the Hon. Minister and I notice that, in terms of OT repairs/refurbishment works, there is a total outstanding in that column of 22, and I am just thinking aloud, given that in Question 637 the hon. Member said that there was a total of 43 OT works outstanding, is there an explanation for the difference of those two figures?

**Hon. C A Bruzon:** I have not got an exact answer for that. I am just going to suggest that the figures given here refer to certain types of work. Maybe the others refer to bath-to-shower conversion, but I am not 100% sure.

245 What I could do, if the hon. Member wants the exact explanation, is I could put the question to my technical staff and answer it in another question next time, maybe, (*Interjection*) or you write to me in my... (*Interjection*) Sí.

250 **Hon. J J Netto:** Yes, Mr Speaker. I suppose that if the hon. Member can write to me with an explanation as to why, it would probably be much simpler and easier to see – there must be a reason for it, obviously – why we have two different figures and what is the logic behind it.

I would be grateful for that, Mr Speaker.

255 **Hon. C A Bruzon:** I think I may be beginning to have an answer for the hon. Gentleman. The general question asked earlier this morning refers to outstanding works or works reported to the occupational therapist as requiring attention. This refers to the actual physical jobs that are being done this month. (**Hon. J J Netto:** Oh?) That is what I suspect, but I will make 100% sure and come back to him.

**Hon. D A Feetham:** That cannot be right, can it, because it says... The question was:

260 ‘Can the Minister for Housing confirm, further to his answer given to Question No. 533/2012, how many jobs are currently listed as pending/incomplete...’

265 But anyway, if you could write to the Hon. Mr Netto and also write to the Hon. Mr Reyes in relation to all the other queries that we have raised, we would appreciate it.

**Hon. C A Bruzon:** I will be glad to do that, Mr Speaker.

270

**Government rental flats  
Numbers empty and available for reallocation**

**Clerk:** Question 641, the Hon. E J Reyes.

275

**Hon. E J Reyes:** Can the Minister for Housing state how many flats have become empty and therefore available for reallocation since his answer to Question No. 534/2012?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

280

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Since the answer given to Question No. 534/2012, 14 flats have become empty and therefore are available for reallocation.

285

**Homeless persons  
Applications for housing**

**Clerk:** Question 642, the Hon. E J Reyes.

290

**Hon. E J Reyes:** Can the Minister for Housing confirm, further to his answer given to Question No. 535/2012, how many applications for housing from homeless persons are currently being dealt with, indicating the dates when these applications were made?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

295

**Minister for Housing and the Elderly (Hon. C A Bruzon):** I will now hand the hon. Member a schedule containing the information requested.

**ANSWER TO QUESTION 642**

A total of 19 applications for housing from homeless persons are currently being dealt with.

The breakdown of dates as from when these applications were made is as follows:

June 2010	2
October 2010	1
November 2010	4
December 2010	1
March 2011	1
May 2011	1
September 2011	1
January 2012	2
March 2012	3
April 2012	3

300

**Government rental flats  
Repairs completed**

**Clerk:** Question 643, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing state how many tenants, since his answer to Question No. 536/2012, have had their pending repairs completed in respect of Government rental flats, giving a

305 breakdown of how many were internal and external repairs and broken down into categories of both pre-war and post-war housing stock?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

310 **Minister for Housing and the Elderly (Hon. C A Bruzon):** I will now hand the hon. Member a schedule containing the information requested.

There have, in fact, been a total of 423 tenants who had 539 jobs completed. The details are on the schedule.

**ANSWER TO QUESTION 643**

Since the answer given to Question No.536 of 2012, there have been a total of 423 tenants that had 539 jobs completed, as follows:

**INTERNAL**

	Completed jobs	No. of tenants
Pre-War	38	29
Post-War	272	209
<b>TOTAL</b>	<b>310</b>	<b>238</b>

**EXTERNAL**

	Completed jobs	No. of tenants
Pre-War	109	92
Post-War	120	93
<b>TOTAL</b>	<b>229</b>	<b>185</b>

315

**Government rental properties  
Number of tenants requiring works**

**Clerk:** Question 644, the Hon. E J Reyes.

320

**Hon. E J Reyes:** Can the Minister for Housing confirm, further to his answer to Question No. 537/2012, how many tenants are currently listed as requiring works to be done by Government as landlords, broken down into categories of both pre-war and post-war housing stock?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

325

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, further to my answer to Question No. 537/2012, 1,570 tenants are currently listed as requiring works to be done by Government as landlords, of which 251 reside in pre-war flats and 1,319 reside in post-war flats.

330

**Government rental flats  
Breakdown of jobs completed**

**Clerk:** Question 645, the Hon. E J Reyes.

335

**Hon. E J Reyes:** Can the Minister for Housing state how many jobs, since his answer to Question No. 538/2012, have been completed in respect of Government rental flats, giving a breakdown of how many were internal and external repairs and the nature of works undertaken broken down into categories of both pre-war and post-war housing stocks?

340

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, I will now hand the hon. Member a schedule containing the information requested.

345

The general answer is that a total of 573 jobs have been completed in respect of Government rental flats.

Out of this total, 344 jobs were internal jobs completed by the Housing Works Agency and 229 were external jobs completed by the Ministry for Housing. The details are on the schedule that is being handed to them now.

**ANSWER TO QUESTION 645**

A total of 573 jobs have been completed in respect of Government rental flats.

Out of this total, 344 jobs were internal jobs completed by the Housing Works Agency and 229 were external jobs completed by the Ministry for Housing. These are further broken down as follows:

Work category – Internal repairs	Pre-war	Post-war	Total
Bath for shower conversions	-	2	2
Bathroom unit replacement	-	4	4
Carpentry repairs	3	24	27
Cleaning of flat	3	4	7
Drains, rodding and cleaning	1	7	8
Emergency repairs	23	134	157
Masonry repair	-	10	10
Other – asbestos removal	1	1	2
Painting	-	10	10
Plumbing repairs	13	103	116
Refurbishment – empty flat	-	1	1
<b>TOTAL</b>	<b>44</b>	<b>300</b>	<b>344</b>

Work category – External repairs	Pre-war	Post-war	Total
General	76	23	99
Letterboxes	33	90	123
Lifts	-	7	7
<b>TOTAL</b>	<b>109</b>	<b>120</b>	<b>229</b>

350

**Hon. E J Reyes:** Mr Speaker, for the sake of my own clarity, the 344 jobs that were carried out by the Housing Works Agency, it obviously follows, were carried out by the employees of the Agency themselves. However, the external jobs that were completed by the Ministry for Housing – who actually carried out those works? Is it contractors that the Ministry for Housing took on, or who undertook the task?

355

**Hon. C A Bruzon:** Absolutely right, yes, Mr Speaker, the external jobs that are organised by the staff of the City Hall are big external jobs. The Housing Works Agency, which is responsible for carrying out internal refurbishment and cleaning of flats, sometimes require assistance, and for this purpose they employ small companies – not the kind of company that would be contracted to carry out much larger external works.

360

**Hon. E J Reyes:** Would the Hon. Minister have any details of which were the companies involved?

365

**Hon. C A Bruzon:** I think the answer to that question will appear later on in the Order Paper.

**Clerk:** Question –

370

**Hon. J J Netto:** Mr Speaker, can I try and expand, if I can, a little bit what the Hon. Minister is saying in terms of the big jobs – I think I am using his own words, ‘big jobs’ – that are outsourced from the City Hall, as opposed to the Housing Works Agency? Could he elaborate, perhaps, what he means by the big jobs?

Is he actually saying ‘big jobs’ in the sense that it is a certain threshold as far as cost is concerned, beyond which they would go to the private contractors; or is it that it is a specific type of work that may



375 go to contractors; or is it perhaps that some works, regardless of the cost or the type, may have gone to the Housing Works Agency for a considerable period of time, upon which then the Housing Department in the City Hall may decide there have been people waiting for too long and it is about time that the work gets done?

Is there a definition of what we mean by ‘big jobs’?

380 **Hon. C A Bruzon:** I think I can explain it quite simply by saying that external jobs that I have described as ‘big jobs’ entail scaffolding, fixing of roofs, that kind of thing. Smaller internal jobs are inside the house and are done by the Housing Works Agency, sometimes with the assistance of small companies.

385 **Hon. J J Netto:** I understand that, Mr Speaker, but what I am trying to establish is whether... Is it just roofs, the only thing that goes outsourced, or is it that there are other types of works which may have a cost value beyond which there is a line and you say, ‘Well, look, this is just too big and therefore whatever is beyond x or y then goes...’ That is what I am trying to...

390 **Hon. C A Bruzon:** Yes, I think I understand what the hon. Gentleman is trying to get at. As far as I know, there is no cost value or red line, which if you cross it has to go to a big company. It is just that the nature of the work required, if it is outside the building, often enough requires scaffolding. If it is on the roof, you require certain paraphernalia to make it safe.

395 The internal jobs – things like plastering, plumbing – are done inside the flat by the small companies or by the Housing Works Agency staff themselves.

**Hon. J J Netto:** When – to use your own phrase – a ‘big job’ goes out, and to just follow the example that you gave us, in terms of being a roof perhaps, just to follow the example, does the Housing Department, before engaging a particular company...? Is it just the same company, JBS, or is it perhaps a number of companies, and before engaging whatever company it is, they cross-reference the details of that company, perhaps with Employment, Income Tax, Social Insurance, to ascertain that they are a *bona fide* company as far as being compliant with Income Tax and the Social Insurance Department?

405 **Hon. C A Bruzon:** Mr Speaker, the answer to the first part of the question will be clear later on on the Order Paper, because there are names of companies... (*Interjection*) Companies are mentioned later on.

**Hon. J J Netto:** Okay.

410 **Hon. D A Feetham:** Mr Speaker, I still do not understand what he means by ‘big jobs’ because he seems to be referring to, or using as a criteria for big jobs, scaffolding, but of course you can hire a scaffolding company to just simply raise scaffolds, and then the people from within the relevant Government Department or Agency can do the painting, for example, or remove and replace windows.

415 Does he not have any criteria as to what amounts to a ‘big job’ – which are his words – therefore providing us with information as to the criteria used for the outsourcing of work?

**Hon. C A Bruzon:** Mr Speaker, I would like to move away from my definition – ‘big job’ – if I may. I think a simpler way of understanding this is to take the external works: works that are external to the building, whether it is roof or outside walls are often enough done by companies contracted to do the work by the technical staff in the City Hall.

420 Jobs inside the flat are done by the Housing Works Agency staff or by the smaller companies that come to the help of Government, so that we can speed up the process and make flats available for our tenants, for our applicants.

425 **Hon. D A Feetham:** So, is he then saying – so that I can get this right – that, effectively, the distinction is between external work and internal work? External work is outsourced; internal works are done internally.

430 But you will appreciate that that distinction is also problematical because not every external job is effectively a large job that is beyond the expertise or the manpower of the relevant Government Department or Agency. So I do not think, with respect to the Hon. Minister, that that can be right. But if that is the answer, that is the answer.

**Hon. C A Bruzon:** I think the hon. Member makes a valid point.

We are, in fact, trying to find the right formula, the right definitions. In general, I think, and for the future, what we would like to achieve is to have a body of workers within the Housing

435 Department/Housing Works Agency who can tackle more difficult jobs, heavier jobs – ‘big jobs’, if I may go back to my previous phrase – that cannot be done by the Housing Works Agency staff.

I have not got a clear-cut definition, Mr Speaker, but the hon. Member is right in saying that if we talk about just external and internal jobs... and in a sense we are trying to move away from that, even though I have just made an attempt to give an explanation by using that phraseology. We are trying to establish a way of carrying things out so that the Housing Works Agency staff do the kind of works that are within their capability to do, and if they cannot, then we contract other companies to do the work.

445 **Hon. D A Feetham:** Yes, so effectively the answer, then, is really that there is an assessment made by the technicians within the relevant Government Department or the Agency as to whether they have the expertise and the manpower, amongst other things, to conduct the job. If the judgement is that they do not, then it goes externally. If they do, whether it is external or internal works, they undertake the work. But the judgement is exercised by the technicians or the technical people within the Department or Agency – is that the case?

450 **Hon. C A Bruzon:** I believe that is correct, Mr Speaker, yes.

**Housing Ministry  
New jobs requiring attention**

**Clerk:** Question 646, the Hon. E J Reyes.

460 **Hon. E J Reyes:** Can the Minister for Housing state how many new jobs have been added to the list requiring the attention of the Housing Ministry since the answer given to Question No. 539/2012, stating the type of work required to be undertaken and broken down into categories of both pre-war and post-war housing stock?

465 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, I now hand the hon. Member a schedule containing the information requested.

There are a total of 515 new jobs that have been added to the list, of which 109 are external works and 406 are internal, and the details are on the schedule that is being handed to the hon. Members.

**ANSWER TO QUESTION 646**

A total of 515 new jobs have been added to the list of which 109 are external works and 406 are internal works, as follows:-

External Works			
Work Category	Pre-War	Post-War	Total
Window, Shutters	5	40	45
Plumbing	1	16	17
External	8	22	30
Letter Boxes	1	16	17
<b>Total</b>	<b>15</b>	<b>94</b>	<b>109</b>

  

Internal Works			
Work Category	Pre-War	Post-War	Total
Bathroom Unit replacement	-	3	3
Carpentry repairs	3	34	37
Cleaning of flat	2	4	6
Drains, rodding and cleaning	1	10	11
Emergency repairs	24	133	157
Masonry repair	5	16	21
Letterbox repairs	-	2	2
O/T Repairs/Refurbishment	-	3	3
Painting	1	11	12
Plumbing repairs	12	136	148
Refurbishment – Empty flats	2	4	6
<b>Total</b>	<b>50</b>	<b>356</b>	<b>406</b>

470

**Housing Ministry  
Number of jobs contracted out**

475 **Clerk:** Question 647, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing state how many jobs have been contracted out, stating the date, type of work, estimated cost and to which companies, by the Housing Ministry, since the answer given to Question No. 540/2012 and broken down into categories of both pre-war and post-war housing stock?

480 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, I now hand the hon. Member a schedule containing the information requested.

**ANSWER TO QUESTION 647**

Since the answer given to Question No. 540 of 2012, the Housing Ministry has contracted 8 jobs as follows:-

Date	Work Category	Estimated Cost	Company	Type of Housing Stock
19/06/12	Duct Panel Repairs	£655	Skybridge	Post-War
26/06/12	Absestos Removal	£470	Skybridge	Post-War
26/06/12	Plumbing Repairs	£350	Mersey Castle	Post-War
28/06/12	Absestos Removal	£290	Skybridge	Pre-War
03/07/12	Duct Panel Repairs	£545	Skybridge	Post-War
05/07/12	External repairs	£6,000	On the level	Post-War
09/07/12	External Repairs	£870	Greenarc	Post-War
11/07/12	Plumbing Repairs	£450	First Gib Scaffolders	Post-War

485 **Hon. E J Reyes:** Mr Speaker, may I ask the Hon. Minister, is this the schedule that is supposed to contain the information that I asked for before – which were the companies involved?

**Hon. C A Bruzon:** Partly, yes, but I think there is more to come, Mr Speaker.

490 **Hon. E J Reyes:** If there is more to come, I will wait, Mr Speaker.

**Clerk:** Question 648.

495 **Mr Speaker:** No, the Hon. Jaime Netto.

**Hon. J J Netto:** Just a second, I just want to cross-reference something with the *[inaudible]*.

500 Mr Speaker, just by looking at the type of work category, it seems to be asbestos removal in the main, with a connection by the same company on duct panel repairs, and even looking at the estimated cost... Admittedly, this is since the previous question was asked in Parliament. By definition it does not look like we are talking about big money here, mainly small money.

What was the trigger point, perhaps, of engaging this particular company? Is it because the expertise was not available in-house in the Housing Works Agency, or was it some other trigger point for outsourcing this particular type of work?

505 **Hon. C A Bruzon:** Mr Speaker, I have done my best to give the statistical answer, as requested. I am just not sure, in connection with all the details that my technical staff discuss or how they arrive at a decision. But this is the answer to the question as requested, and any details beyond this, I will need notice, Mr Speaker.

510 **Hon. D A Feetham:** With respect to the hon. Gentleman, we have had a number of questions and we agreed... I was going to say we agreed on an answer. After giving various answers, the answer that he eventually gave was that the decision as to whether it goes externally or internally is to do with the fact of

whether the technical people, given the resources, given the manpower within the Agency or the Department, can actually perform that work.

515 The hon. Gentleman has now asked how many works have been contracted outside, and you have provided a list. I quite understand that asbestos removal... and there are a couple of asbestos-removal references there, despite the fact that the amounts, the value is low... £290 and £470, they are low values, but those are specialist jobs. I quite understand that they go outside.

520 But then you have duct panel repairs, plumbing repairs and they are all £450, £470, £655. So, in the light of that, does he not accept that there must be more to how the decision is taken, as to whether to perform the work internally or contract it externally, in the answer that he has given me a number of questions earlier?

525 All we are trying to do, at the end of the day, is get to the bottom of Government policy, or Departmental policy, in relation to the criteria that are used for either undertaking the work internally or externally. But of course the answer that he gave me earlier with this does not really lie easily. There may be an explanation, but we are asking for the explanation from the hon. Gentleman.

530 **Hon. C A Bruzon:** Mr Speaker, the reality is that when jobs are to be sorted out or addressed, the technical staff meet. They discuss the issues and then they decide, 'Right, this particular job is beyond the scope of the resident staff at the Housing Works Agency, so let's get a specialist company to do the work. This other job is of such a nature that it requires scaffolding, it requires roof repairs, so let's contract a company to do this kind of work.'

535 I really have not got any more specific information to offer the hon. Gentlemen opposite. If they want more specific answers, I would request that they address the issues more specifically.

540 **Hon. D A Feetham:** With all due respect, the issues are being dealt with specifically and it appears that the hon. ... I do not want to be ungenerous to the hon. Gentleman, but if I were to be ungenerous I would say that the hon. Gentleman was not mastering his brief in the way that he should master his brief. But I do not want to get down that road. At the end of the day, what we want to do is to get to the bottom of what is Government policy.

545 Could the hon. Gentleman write to my hon. Friend, Mr Reyes, and by reference to these jobs just inform Mr Reyes why the decision was taken to actually subcontract the work? From that, we will probably be able to see how effectively the policy has worked, in terms of the decision as to whether to contract out, why the work was contracted out.

550 At the end of the day, you talk about external works – these are, by value, very minor works indeed. All of them – except a work for external repairs of £6,000 – are below £870 and most of them are, in fact, below £500. So, if you could do that, then from the answer that you have given and also from how exactly the decision was taken in relation to this, we will be able to formulate a view.

555 It may well be that, for example, at the time that these works were pending or they needed to be undertaken, you did not have anybody within the Agency or within the relevant Department to undertake this work. Therefore, the decision, because it was urgent, was taken to contract it out. That may be the reason, but at the end of the day, we are trying to get to the bottom of what Government policy is in terms of the mechanisms of how the decision is taken to contract out to a private company.

560 **Hon. C A Bruzon:** One thing is... You talk about Government policy, Mr Speaker. The Government policy, of course, is clear: we have to help out the people on the waiting list by repairing and preparing these flats as quickly and as efficiently as possible.

565 So, as the hon. Member himself has hinted, if we discover, given a particular time of the month or given a particular job request that has to be done is beyond our competence, either because of manpower or because of the skill, then we ask outside companies to do the work. It is as simple as that.

**Hon. D A Feetham:** Will he write to my hon. Friend, Mr Reyes, explaining on what basis the decision was taken – and there are not many, there are only eight – to contract out?

570 If the hon. Gentleman wants us to ask the question on notice for September, we are quite prepared to do it, but of course he could obviate that by just simply writing to Mr Reyes and providing him with the answer.

575 **Deputy Chief Minister (Hon. Dr. J J Garcia):** Mr Speaker, if I may, I think the position normally in the House has been, or the practice is, that Members ask a question, my hon. Friend has answered the question. If they want more information, they should either give notice of a new question at the next meeting of the House, or perhaps Mr Reyes could write to Mr Bruzon and seek clarification on whatever issue they want clarified. (*Interjection*)

That is what we used to be told when we were sitting on that side of the House, Mr Speaker.

575 **Hon. D A Feetham:** But with respect, you are asking me, or you are asking Mr Reyes, to write a letter asking what I am asking Mr Bruzon now to do.

I am asking Mr Bruzon, which is what you are asking Mr Reyes to do, to write to him and to say, 'Please could you tell me on what basis the decision has been taken in order to subcontract this work out to the private sector.' All I am saying is, let's obviate that: could you please write to Mr Reyes providing that answer?

If you want to make it as technical as either give notice of the question or write, of course we will have to do that, but I think that it is not a helpful intervention, with all due respect to the hon. Gentleman.

585 **Hon. Deputy Chief Minister:** No, Mr Speaker, the hon. Member has to understand that this House's practice – and the practice was established by them when they used to be in Government. The practice was either... I remember when asking questions, many times I have been told, 'Look, if you want the answer, write to me and I will give you the answer.' And, when you write, you will get the answer, so it is not that the answer is not going to be given or we are holding back information; the answer will be given when the hon. Member writes.

590 But the procedure and the standard practice in this House has always been that if you want information, you either ask a Question or you write to the Minister and the Minister will answer.

**Mr Speaker:** May I say...

595 **Hon. D A Feetham:** That is not the case, because I have, on a number of occasions, provided information myself, in writing, when a Member of the Opposition has asked me, 'Could you please provide me that information in writing?' and I have done so.

That is what I am asking the hon. Gentleman to do, to provide...

600 What you are saying, effectively, is 'Write, and then we will provide you with information.' Well, look, if that is the position that you take, it is the position that you take. We think it is thoroughly unhelpful.

**Mr Speaker:** May I assist in this? The Hon. the Deputy Chief Minister is entirely right, in that over the last seven years or so that I have been around here, where a supplementary has gone to a stage where it calls for further investigation by the Minister, or further enquiry by the Minister within his Department with a view to getting answers, the Members on this side have usually invited the Opposition to write in with the question and that is the way the matter has progressed. The Deputy Chief Minister is entirely right on that.

610 Having said that... and the reason why I have no need to comment further on the practice is because that has been accepted by the Opposition, that is the end of the matter.

But since the Opposition now are querying whether there is a necessity for them to have to write in, I must confess, as a personal view, if a question that is raised by the Opposition is within the ambit of the supplementaries, it does seem rather pointless for the Opposition to have to write in again to obtain information. I am conscious of the fact that the Opposition have very limited resources, in terms of secretarial help and things like that and to have to write in is a little bit of a burden. It is probably easier for either the Minister to make a note or for the officials listening in on this debate or perusing *Hansard* to be able to ascertain what is required and to provide the information.

615 That is the way I see the scenario, but having said that, again it is not for me – I cannot impose on the Government on this! I am just setting out my view of the landscape.

620 **Hon. Deputy Chief Minister:** Mr Speaker, our view really is based on past practice, as I said at the beginning of my intervention.

625 **Mr Speaker:** I accept, and that is entirely what my understanding is.

**Hon. Deputy Chief Minister:** The situation is the hon. Member has asked a question, he has got the answer to the question, he asked a supplementary, we do not have the information here, and the Minister is entitled to say, 'Well, look, write to me and I will give you the answer.'

630 **Mr Speaker:** But the Opposition is entitled to say, 'We are asking you a perfectly valid supplementary. If you have not got the answer here, we accept that, but why should I have to write in again?'

635 **Hon. Deputy Chief Minister:** Because that is a practice which they established.

**Hon. D A Feetham:** Well, I do not accept that the practice that was established was that every time you asked a valid supplementary and we did not have the answer, that on top of it we have asked you to write in order to –

640 **Minister for Tourism, Public Transport and the Port (Hon. N F Costa):** On a Point of Order, Mr Speaker, every time, *every single time* – and *Hansard* will reflect this – *every single time* I asked supplementaries of Mrs Del Agua and she did not have the information, she used to say, ‘If you write to me, I will give you the answer’ – *every single time*, and he can check that in *Hansard* – so that is incorrect.

645

**Mr Speaker:** That is my recollection of the practice in the past and that was acquiesced to by the Opposition of the day, but...

The hon. Member –

650 **Hon. D A Feetham:** I can tell you that, from my perspective, I have unilaterally written to the other side, providing the information, without anybody having to write to me. But, Mr Speaker, if at the end of the day, that is what they want us to do, that is what we will do. We just believe that it is not helpful.

655 May I also say this: that I think that we have been very generous and we have been very kind to the hon. Gentleman, Mr Bruzon, because during the course of this morning, virtually on every single question that has been asked and every single supplementary question, it has always been, ‘Well, I don’t have the answer here with me – can I go back and provide you with the answer?’ We have been very tolerant about it, quite frankly.

Now we get to a stage where we have said, ‘Well, look, could you write to us providing us with the answer?’ and we have been met with the response, ‘No – write to us and then we will write back.’

660

I do not think it is helpful, but that is what we will do.

**Hon. Deputy Chief Minister:** Mr Speaker, there is also another important difference: that is that now they have the chance to ask questions practically every month. We used to have Question Time in March, and then maybe the next one would be in September. So, to be told to ask the question next time round meant to wait six months.

665

Now there is virtually a Question Time every month, so they do not even need to write; they can just table the question again next time.

**A Member:** But that is an unhelpful situation.

670

**Hon. J J Netto:** Mr Speaker, could I ask another question? I do not know whether we have finished. *(Interjection by Hon. C A Bruzon)* Oh, sorry.

**Hon. C A Bruzon:** Just to round off, my position on this is that I want to be as generous as I possibly can be, but my hon. colleague is perfectly right – and so is the Speaker, of course – in what used to happen during the last few terms in office that I have been in Parliament.

675

The question that requires an answer is why was the decision taken to contract out. Correct.

The answer is the decision is taken to contract out when the nature of the job requires it, if it cannot be done by the employees of the Housing Works Agency, or if it requires special skills. So I think we are making a mountain out of a molehill, if I may say so.

680

I will talk to my technical people, so that I will never again be accused of not being as well informed as I should be. *(Interjection)* I think the hon. Member is being a little unfair in saying that in nearly every question that has been asked of me, I have been unable to give an answer. I think in most of the questions, I have given answers and I have been honest about *everything*, every inch of the way.

685

There are a number of technical issues, of course, that are beyond my competence to answer straight away, but I think on this particular one, we are honestly creating a mountain out of a molehill.

The gentleman asks, what is Government policy? Government policy is to repair these flats, which have been half abandoned by the previous Administration for years, *(Banging on tables)* flats that require to be refurbished as soon as possible, so that our 1,600 applicants can have homes as soon as possible.

690

Mr Speaker, this is what we are trying to do. If our people in the Housing Works Agency, who are doing their best – their *damnedest*, in fact – to get these things fixed quickly... if it is beyond their competence and their ability, then we bring in outside help.

That is the *policy*, and the reason why we contract outside companies is because we need to for specific jobs, or in any given time. Mr Speaker, that is the answer.

695

**Hon. J J Netto:** May I ask another supplementary question, if I may? In fact, I was trying to do this in one or two questions before, and the hon. Gentleman said there is a question in the Order Paper.

700 In relation to the companies here which have undertaken work for the Housing Works Agency, does the Housing Department in the City Hall have a departmental policy that prior to outsourcing this particular work, or any type of work, by any particular company, they should be complying with Income Tax, Social Insurance and Employment prior to the work being undertaken by this company – or any other company, for that matter?

705 **Hon. C A Bruzon:** Most definitely, yes, Mr Speaker. We have to ensure that that is the case.

**Hon. J J Netto:** So he is giving me an assurance that all these companies are complying with Income Tax, Social Insurance and Employment – is that what he is saying?

710 **Hon. C A Bruzon:** Mr Speaker, I certainly hope it is not otherwise, but I will have to check to make sure that they are all complying.

715 **Hon. J J Netto:** I am not asking for him to check. All I am asking is whether there is a departmental policy, not by him – well, it will be by him, as instructed to his civil servants – that prior to putting this type of work, or any type of work, to a company out there in the private sector, before doing that or engaging those companies, they would cross-reference, if I could put it that way, with Income Tax Department, Social Insurance and Employment, to ensure that they are *bona fide* companies, inasmuch as being compliant with those three essential Departments?

720 **Hon. N F Costa:** Yes, Mr Speaker, to answer the question of the hon. Gentleman, there is an approved contractors list that makes sure of exactly that, that the companies that do provide work to the Government –

**Hon. J J Netto:** No, Mr Speaker –

725 **Hon. N F Costa:** If I may be allowed to finish –

**Mr Speaker:** Order!

730 **Hon. N F Costa:** That the companies that do provide work to the Government are companies that comply with all employment, tax and Social Security laws.

735 **Hon. J J Netto:** Mr Speaker, I am not quite sure that the hon. Gentleman is correct on that. The approved list of contractors, what it does is it is approved in terms of the technical ability to perform certain types of work. (*Interjections*)

**Mr Speaker:** Order! Order! Order!

740 **Hon. N F Costa:** No, Mr Speaker, the question asked by the hon. Gentleman was whether the companies that provide work to the Government have complied with taxes, Social Security etc, and my answer is yes, Mr Speaker, there is a list that has been compiled by the Government that those companies that appear on the approved contractors list are those that have complied with all tax, all Social Security and all employment laws.

There is the answer.

745 **Hon. D A Feetham:** Well, actually, he may be right in relation to that. I am not 100% – (*Interjection*) No, hang on a minute, please.

750 It is true that there is a list of approved contractors and they are subdivided in terms of value – contracts above £x million... I cannot remember exactly. I think it goes to £250,000, then it is £½ million, then £1 million, and £1 million and above, something like that. Government policy, when we were in Government, was that unless a contractor was effectively up to date in terms of its tax, Social Insurance contributions etc, they would not be allowed onto the approved contractors list.

755 I think that his question effectively amounts to this: are all these then from the approved contractors list which is maintained at No. 6 Convent Place, or are these from another list that may be maintained by his Department? Do they come from the approved contractors list?

I think you will find also, if the hon. Gentleman wants to go back to his technical people, there may well be an answer to our previous question. Most of these may well be scaffolding companies anyway, but of course – (*Interjection*) Yes, but that was... If they are scaffolding companies, you should know the answer and have just said, ‘They are scaffolding companies – the Government has no scaffolds and that is why we contract it out’!

760 But there probably is a simple answer.

**Mr Speaker:** Well, it has taken a long time for everyone in this House to come to that conclusion, but in a recent previous meeting that was exactly what the answer was. They are scaffolding companies and the Government has no scaffolding internal resources and therefore that is why it was contracted out.

765 It has taken a long time to get there!

**Hon. D A Feetham:** But, Mr Speaker, it was obvious last time around. In fact I noticed it and it was confirmed by the Minister for Employment, because they were obvious names to me that they were scaffolding companies.

770 Some of these are obviously scaffolding companies, some of them I do not recognise – Skybridge, I do not recognise the company. I do not know whether they are a scaffolding company. Skybridge has 50% of the work. It may well be that they are scaffolding companies, but it should be within the knowledge of the Minister.

775 **Mr Speaker:** I think we have really exhausted the subject, haven't we? Next question.

**Co-ownership housing estates  
Meetings with Management Companies**

780

**Clerk:** Question 648, the Hon. E J Reyes.

785 **Hon. E J Reyes:** Can the Minister for Housing state if he has, since his answer to Question No. 541/2012, held meetings with any Management Companies of co-ownership housing estates in order to address any new or ongoing concerns?

**Clerk:** Answer, the Hon. the Member for Housing and the Elderly.

790 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, similar to the answer given last month, no member of any such Management Company of co-ownership housing estates have approached me for such a meeting.

795

**Housing Agency employees  
Number of transfers, retirements and new recruits**

800 **Clerk:** Question 649, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing state how many employees have retired or been transferred from the Housing Agency, since his answer to Question No. 542/2012, and how many new employees have been engaged by the Agency since that date in accordance with the agreement reached between Government and the Unions?

805

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

810 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, one employee has retired from the Housing Works Agency, since my answer to Question No. 542/2012, and none have transferred out or have been engaged by the Agency since my previous answer.

**Hon. E J Reyes:** Does the Hon. Minister have an indication when he will be engaging new employees into the Agency, so as to keep within the agreement reached with the Unions?

815

**Hon. C A Bruzon:** The Government will be announcing certain reforms in due course and we will in fact make clear to the hon. Members the position we take on staff, additions to the Housing Works Agency and Housing Department.

820 **Hon. E J Reyes:** With respect, Mr Speaker, that does not quite answer my question. There is an existing agreement, unless the Hon. Minister wants to confirm to me now that they have arranged with the Unions to cancel that agreement.



825 The agreement was that for every two employees moving out of the Agency, one would be employed. Last time around, I am grateful that the Minister for Employment came in and said, 'I will check the details of that agreement', so that gave me the impression they were going to take stock of how many new employees they had to take on.

The Hon. Minister is now confirming they have not taken anyone on and I am simply asking when does he intend to take someone else on? He now seems to be answering something else about a future announcement, but the agreement has not been kept with in the last seven months.

830 **Hon. C A Bruzon:** Mr Speaker, quoting the hon. Gentleman, the agreement seems to say that if two leave, we employ one. Well, one has left, so we cannot employ half.

835 **Hon. E J Reyes:** No, Mr Speaker, what I was saying is, since the last Question Time one has left, but at the last Question Time – and I have it somewhere here in my briefcase – a number of people have left, so therefore that is pending employees. We can take a two-minute break whilst I look for the paper and give him the exact figure, which I can dig out from my file, but since they took office in December to now, there is something like round about 10 who have left.

840 Therefore, in keeping with that agreement, unless the agreement has now been cancelled, with both sides agreeing to it,  $x$  number of new employees should have been taken on. I have been told none have been taken on and I am simply asking when it is their intention to take it on, in keeping with the agreement?

**Hon. C A Bruzon:** My original general answer stands, Mr Speaker.

845 **Hon. E J Reyes:** So therefore, Mr Speaker, the Hon. Minister does not commit himself now at this particular stage to say that they are keeping to that agreement. (*Interjection by Hon. C A Bruzon*)

Can the Hon. Minister confirm to me whether it is their intention to keep or not to keep to the agreement currently in force with the Unions?

850 **Hon. C A Bruzon:** Mr Speaker, I think it is very clear that an announcement will be made in due course concerning the Housing Works Agency and certain changes within the Housing Department. I think it was mentioned in my Budget speech. I have given a general answer now. If the hon. Members are just a little bit patient, an announcement will be made.

855 **Hon. D A Feetham:** No, no with respect, you have got a responsibility to answer questions about Government policy in Parliament, in this House. You cannot shirk that responsibility by saying that you are going to make an announcement outside.

860 Now the question is very simple: is it Government policy to stick by that agreement that was reached with the Union or is it not? It is a very simple yes or no!

**Deputy Chief Minister (Hon. Dr. J J Garcia):** Mr Speaker, we have the same responsibility to answer in this House as they had when they were on this side, and this is the answer they used to give when announcements were about to be made or were imminent. We were told 'an announcement is imminent, wait for the announcement'.

865 So really all we are doing is what they used to do.

**Hon. D A Feetham:** So much for the new dawn of transparency, accountability and more meetings of Parliament at which we do not get straight answers to straight questions!

870 So the position is this: the Deputy Chief Minister does not want to provide an answer to Members of the Opposition as to whether the Government is going to honour the agreement reached by the previous Administration with the Union or not. That is the position: you do not want to answer the question.

875 **Hon. Deputy Chief Minister:** No, Mr Speaker, the position is that they adopted one standard when they were on *this* side of the House and they adopt a different one when they sit on *that* side of the House. They expect us to behave in a way which is not the way in which they used to behave and provide information which *they* did not used to provide.

The position is very simple. The hon. Member has said an announcement is going to be made. When the announcement is made, the answer will be given.

880 **Hon. D A Feetham:** With respect, we do not agree that that is the case! We answered the questions that we were asked. (*Interjections and laughter*) This is a *very simple question* – a very simple question – on something that is important, on something that the Government is accountable to the Opposition in this House about the agreement reached by the previous Administration in respect of the Housing Agency.

885 Now, you know what the answer is. You know what the answer is, unless of course what you are doing is you are making up Government policy on the hoof, as you go along, and you are still not clear what you are going to be doing in respect of that agreement.

Well, look, if you are not clear what you are going to be doing about that agreement, say so: 'We have not decided what we are going to be doing about that agreement and when we make a decision, we will make an announcement.' Now, that is a perfectly valid answer, because you are still deliberating internally what you are going to be doing.

890 But if the position is 'Yes, I know what the answer is. It is either yes or it is no, but I am not going to be providing you with the answer, despite the fact that there is an obligation to account to this House about Government policy', well, I am sorry, but I think that is absolutely abhorrent to the democratic principle and to Parliamentary procedure and to the supremacy of this Parliament.

895 At the end of the day, we may be all politicians and we may be accountable to people outside, to the public who ultimately decide whether we stay or we go every four years, but you are also accountable to this House, and those kinds of answers that you are giving, we do not accept that those are the answers on such fundamental issues that we gave them; but he must accept that that is, really ...it *demeans* this Parliament in giving those kind of answers.

900

**Hon. Deputy Chief Minister:** Mr Speaker, the hon. Member has just accepted in one contribution that their practice for the last 16 years was obviously abhorrent to democratic principles and to the supremacy of this Parliament, because what we are doing is what they used to do.

905

Now, it is not that we do not want to answer the question. I think my colleague, Mr Bruzon, has made it very clear that the question will be answered and that an announcement is going to be made. So when the announcement is made, when that time comes, the question will be answered, Mr Speaker.

**Mr Speaker:** Order, order, order!

910

The question has been put – in fact I have allowed it to be put three times. An answer has been given, whether this side or anyone likes the answer or not, that is the answer. One cannot really repeat the same question over and over again, and the Hon. Daniel Feetham has made a point, without posing any question.

Can we have now a *question*, but of a different kind.

915

**Hon. D A Feetham:** It is related. Whether it is of a different kind or not I will allow you Mr Speaker to decide.

Can I ask whether the Government has actually made a decision or not? It is a different question. Has the Government made a decision or not in respect of that agreement?

920

**Hon. Deputy Chief Minister:** Mr Speaker, the decision will be reflected in the announcement.

**Hon. J J Netto:** Mr Speaker, as far as I understand it, what the Hon. Minister for Housing said is that in his announcement, he is going to be talking about changes. Now, 'changes' could mean almost anything, in the sense of changing the configuration of the workforce, whether they are going to be housed in one particular work shop, whether there are going to be different places.

925

So what I would like to know is, despite whatever changes to the methodology or work organisation by the Housing Works Agency, whether that will include, or will not include, or whether he knows that it would include, honouring the agreement with the Unions?

930

**Mr Speaker:** With respect that question *has* been asked and again we have had an answer provided. Whether we like the answer or not, the question has been asked, in substance, perhaps different words, and we have an answer.

935

**Hon. D A Feetham:** Mr Speaker with respect, we have had an answer and I accept that we have had an answer. We do not accept that we have had an answer in *substance*, or whether the answer is adequate.

**Mr Speaker:** So you really cannot go on repeating the question.

940

**Hon. D A Feetham:** No, no, I accept they have answered; they have effectively refused to answer the question with an answer. That is what they have done.

But, Mr Speaker, we accept obviously your ruling.

**Mr Speaker:** I hope the Members do appreciate, this is not a court of law where one is entitled to cross-examine until you beat a confession out of the witness. This is not a court of law.

945 You ask questions, you are given an answer, if you do not like the answer, you may be able to probe it a bit, but at the end of the day, an answer has been given to the question.

It is not for me to judge the quality of the answer; it is for the Members on this side to judge and the audience at large to judge the quality of the answer; it is not for me. My role over here is to ensure that an agenda progresses at a reasonable pace, without the repetition of same questions and a certain stage must be reached where we have to accept the answer for what it is and move on.

**Hon. D A Feetham:** Mr Speaker, of course it is not a court of law. I know it is not a court of law and we have not conducted this as a court of law, neither have we cross-examined as if it were a court of law.

955 **A Member:** Not far from it!

**Hon. D A Feetham:** The answer, Mr Speaker, was ‘We refuse to provide you with an answer in this House; we will give it to you outside the House.’

960 **Hon. C A Bruzon:** No, we have not said that!

**Hon. D A Feetham:** And with respect – (*Interjections*)

965 **Mr Speaker:** Order! Order! That was not the answer I heard.

**Hon. D A Feetham:** – that goes to a fundamental principle as to the supremacy of this Parliament.

**A Member:** That was not the answer.

970 **Hon. D A Feetham:** That is the answer. The answer is: ‘We will make the announcement outside this House, not in this House’ – *ergo* we are not going to give you the answer in this House; we will give you the answer outside.

**Mr Speaker:** Order, order!

975 First of all, the answer was not what I heard. That may be the hon. Member’s interpretation of the answer, but I did not hear the Hon. Minister or anyone on the Government benches say ‘We will make an announcement’ and underline the word ‘*outside*’ the House.

980 An answer will be made. It could be made in this House in September or in November or God knows when, but there was no indication that an announcement would be made outside this House. I did not hear those words. So with respect, the premise is quite incorrect.

I think we must move on to the next question.

985 **Housing Waiting Lists**  
**Number of applicants and their requirements**

**Clerk:** Question 650, the Hon. E J Reyes.

990 **Hon. E J Reyes:** Can the Minister for Housing confirm, further to his answer given to Question No. 543/2012, how many applicants are presently on the Government’s Housing Waiting Lists, giving a breakdown of their housing allocation requirements?

995 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Yes, Mr Speaker, I will now hand the hon. Member a schedule containing the information requested.

1000 I am happy to state in general, for the benefit of those listening and those present in this Chamber, that there are 1,658 applicants on the Government’s Housing Waiting Lists. The Housing Waiting List proper has a total of 1,041 applicants. On the Pre-list, we have 617 applicants.

**ANSWER TO QUESTION 650**

There are 1658 applicants on the Government's Housing Waiting Lists. The breakdown is as follows:

WAITING LIST	
1RKB	800
2RKB	54
3RKB	96
4RKB	80
5RKB	8
6RKB	3
<b>TOTAL</b>	<b>1041</b>

PRE-LIST	
1RKB	452
2RKB	38
3RKB	76
4RKB	40
5RKB	9
6RKB	2
<b>TOTAL</b>	<b>617</b>

**Housing Waiting Lists  
Number of applicants allocated flats**

1005 **Clerk:** Question 651 The Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing state how many applicants on the Government's Housing Waiting Lists have, since his answer to Question No. 544/2012, been allocated a flat, giving a breakdown of the size of home?

1010 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

1015 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Yes, Mr Speaker, I will now hand the hon. Member a schedule containing the information requested – though I think in this case a schedule is hardly necessary, because I am going to read out the answer, but I will obviously provide the Members with the schedule.

The total is that there are 16 applicants on the Government's Housing Waiting Lists. They have been allocated a flat and the breakdown of the size of home is as follows: bedsits, there are two; 2RKBs, two; 3RKBs, 10; and 4RKBs, two; giving us a total of 16.

**ANSWER TO QUESTION 651**

Sixteen applicants on the Government's Housing Waiting Lists have been allocated a flat. The breakdown of the size of home is as follows:

1RKB	2
2RKB	2
3RKB	10
4RKB	2
5RKB	-
6RKB	-
<b>TOTAL</b>	<b>16</b>

1020 **Housing Waiting Lists  
Number of applicants removed due to purchasing homes**

**Clerk:** Question 652, the Hon. E J Reyes.

1025 **Hon. E J Reyes:** Can the Minister for Housing state how many applicants from the Government's Housing Waiting Lists have, since his answer given to Question No. 545/2012, been removed from the waiting lists due to purchasing their own homes?

1030 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Yes, Mr Speaker, one applicant has been removed from the Waiting List due to the purchase of their own home.

1035 **Hon. E J Reyes:** Yes, Mr Speaker, the figure one: is that up to date including...? There was an announcement earlier on this week from Government saying the houses that had been sold and so on. Are the successful tenderers for those houses included in this figure or are those figures still to come?

1040 **Hon. C A Bruzon:** It may well be that the hon. Member is referring to houses that went out to tender and they would not feature here.

**Hon. E J Reyes:** They wouldn't? (**Hon. C A Bruzon:** No.) So where would they feature, Mr Speaker?

1045 **Hon. C A Bruzon:** We are talking about one applicant who has bought his own house as a sitting tenant. Houses that went out to tender are empty, and some derelict and that kind of scenario, if you know what I mean.

1050 **Hon. E J Reyes:** So, just for the sake of my own clarification, Mr Speaker, from those houses that went out to tender and so on, they were allocated to people out of which only one was really on the Waiting List and that this has been reduced by one. Is that correct?

1055 **Deputy Chief Minister (Hon. Dr. J J Garcia):** No, Mr Speaker, if I may assist the hon. Member: those houses that went out to tender – we have not completed the analysis – but some successful applicants may have been from the Housing Waiting Lists; others may have not. Some might be young people living with parents, for example. I know there were quite a few who were.

So the position is that the figure the hon. Member has given does not include or reflect those tender allocations.

1060 **Hon. E J Reyes:** Okay, but if a successful bidder is allocated a house, the minute he is allocated that house and the purchase exists and starts to kick in, he then automatically is removed from the Housing Waiting List and so far the figure introduced is only one.

1065 **Hon. Deputy Chief Minister:** This is probably because, although the tenders have been allocated, they have not been completed yet, so this is probably going to take a month or a couple of months, while they sort out the finance and the mortgages and all the rest of it.

**Hon. E J Reyes:** Then, just for my own clarification: so I am correct in saying that in future figures, in future statistics, as and when the completion takes place, it will be reflected then.

1070

**Housing applicants survey  
Numbers interested in purchasing/renting homes**

1075 **Clerk:** Question 653, the Hon. E J Reyes.

1080 **Hon. E J Reyes:** Can the Minister for Housing provide details of the responses received in respect of his Ministry's recent survey among housing applicants which sought information of how many were interested in purchasing and/or renting their future homes?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

1085 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Yes, Mr Speaker, a total of 1,639 letters were sent and 956 replies were received.

The Government considers that the data collected would have commercial implications and should not be put in the public domain at this stage. I am, however, prepared to give the information to the hon. Gentleman on a strictly confidential basis.

1090 **Hon. E J Reyes:** I am grateful for that, Mr Speaker, yes, and within our cordial friendship, I would certainly meet with him and so on. May I simply ask Mr Speaker, just over 50% replied. Does the Hon. Minister feel perhaps a little disillusioned or is there some sort of explanation of why almost 40-odd% did not even reply to that?

1095 **Hon. C A Bruzon:** Not really, Mr Speaker, and I do not have an explanation because I am 'incompetent' – even though he is not implying it, but the Hon. Daniel Feetham might imply that later! I honestly...

**Hon. D A Feetham:** Point of order, Mr Speaker.  
I have not at any stage in these proceedings implied that he is incompetent. What I have implied, and I stand by it, and it is not the first time that he has done it in this House, is that he has not mastered his brief – that he has not come to this House prepared to answer our questions. There is a distinction between the two.

The hon. Gentleman is a perfectly competent man, as long as he prepares. Today he has not prepared, he has not done his homework. That is the point.

1105 **Hon. C A Bruzon:** I acknowledge that he did not use the word 'incompetent' and I withdraw that, Mr Speaker. I was trying to make a light-hearted comment which... that is what it was.  
Right, I have almost forgotten the question, Mr Speaker. (*Laughter*)

1110 **Hon. E J Reyes:** Mr Speaker, I was asking the Hon. Minister if he did have a bit of a disillusion, in that just over 50% really replied. Perhaps he was aware of some senior official in his Ministry who has said, 'Look, we have not had as many replies as over 90%, because of...' – I do not know, some particular factor.

1115 Sometimes – if I may hint at something and perhaps the Hon. Minister may wish to confirm – I believe that the questionnaire told people, 'Look, we are just seeking an opinion; it does not bind you because you now tick a particular preference box – it does not bind you to something.' I think sometimes people are a bit afraid that they have indicated to be inclined to buy, rather than to rent.  
Does he and his senior officials have any particular views on this matter?

1120 **Hon. C A Bruzon:** I think some people are reluctant to answer these questionnaires. Maybe they do not feel they need to, but those who answered, answered because they wanted to express an interest either in buying or remaining Government tenant.  
I really do not have an explanation, Mr Speaker.

1125 **Hon. E J Reyes:** Thank you, Mr Speaker, and I look forward to a 'comfort break' later on, so that as colleagues we may share and exchange personal views on the information provided.

**Clerk:** Question 6...

1130 **Mr Speaker:** The Hon. Daniel Feetham.

**Hon. D A Feetham:** Thank you very much, Mr Speaker.  
Have the numbers received caused Government, as a matter of policy, to perhaps re-assess any numbers, both in terms of rentals – and I am not asking you for numbers – and also home ownership? Has it caused a re-assessment of Government policy in that respect?

1135 **Hon. C A Bruzon:** That is a perfectly valid question and the answer of course is that is the whole point for sending out this enquiry so that Government would have a clearer idea as to how to plan its construction of rental and affordable housing for our people.

1140 **Hon. D A Feetham:** Yes, I understand that, but as I understood it – and I cannot at this stage, off the top of my head, actually point to where this has been said – the Government was looking at building just over 1,000 home-ownership apartments. Now, you received back 956. Has it caused a re-assessment of the Government's initial intentions as to how many home-ownership apartments for sale to build or how many rentals to build? Has it caused that kind of re-assessment from its initial policy and its initial intentions?

1145 **Hon. C A Bruzon:** Yes, Mr Speaker, the intention, as clearly stated in our manifesto, is to provide every single applicant on the waiting list, as from 9<sup>th</sup> December, with a home within this term in office.  
1150 The hon. Member is right in hinting that this will help us in assessing – or even re-assessing, yes – how many rentals and how many affordable homes to construct.

**Hon. D A Feetham:** Yes, the answer therefore is that, at this stage, you are still re-assessing in the light of the data. That is the answer, isn't it?

1155 **Hon. C A Bruzon:** Yes, Mr Speaker.

Our position is clear. We want to ensure that we supply homes. As to exactly how many will be for rental and for affordable housing is an on-going process, Mr Speaker. Yes, you are right.

1160

**New Principal Housing Officer  
Appointment**

1165 **Clerk:** Question 654, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing indicate by when Government expects to appoint the new Principal Housing Officer?

1170 **Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

**Minister for Housing and the Elderly (Hon. C A Bruzon):** Yes, Mr Speaker, the Principal Housing Officer is on secondment to the ETB.

1175 The matter of his replacement or otherwise will be determined pending the outcome of a possible restructure of the Housing Ministry, which is presently being considered in consultation with all relevant representative bodies.

**Hon. E J Reyes:** And by 'representative bodies' obviously the Minister there means the Union, which I believe is GGCA, who has the negotiated rights for that particular post.

1180 **Hon. C A Bruzon:** That is correct, Mr Speaker.

**Clerk:** Question –

1185 **Mr Speaker:** No, the Hon. Jaime Netto.

**Hon. J J Netto:** I think, if I understood the hon. Member correctly, he was saying a reform that will take place as far as the Housing Ministry was concerned, that would obviously include Unite because the majority of people work in the City Hall. The vast majority in fact are members of Unite, so obviously whatever reform takes place, Unite would be in discussion with the hon. Member.

1190 **Hon. C A Bruzon:** Yes indeed, that is very true, yes, Mr Speaker.

**Clerk:** Question –

1195 **Hon. J J Netto:** I do not know whether it is perhaps premature but can the Minister state whether the Government's intention is to unify, if I can call it that, both the Housing Ministry, which is the directorate, with the Housing Works Agency into one organisation? Is that what the Government's objective in this reform may be?

1200 **Hon. C A Bruzon:** Yes, I think I said something to that effect in my Budget speech.

At the moment, we are concentrating on the technical staff within the Housing City Hall Department. We would like to bring about a merger, but if the hon. Member is patient an announcement will be made in due course on that.

1205 **Several Members:** Oh! (*Laughter*)

**Repairs/cleaning of empty homes for reallocation  
Expenditure since December 2011**

1210

**Clerk:** Question 655, the Hon. E J Reyes.

1215 **Hon. E J Reyes:** Can the Minister for Housing provide details of expenditure incurred since December 2011, stating to whom payments were made, in respect of repairs and/or cleaning contracts pertaining to making empty homes suitable for reallocation?

**Clerk:** Answer, the Hon. the Minister for Housing and the Elderly.

1220 **Minister for Housing and the Elderly (Hon. C A Bruzon):** Mr Speaker, I will now hand the hon. Member a schedule containing the information requested.

**ANSWER TO QUESTION 655**

Since December 2011, the Housing Ministry has incurred a total cost of £326,749.57 in respect of the repairs and/or cleaning contracts pertaining to making empty homes suitable for reallocation. This cost is further broken down by contractor as follows:

<b><u>Contacto</u></b>	<b><u>Amount Paid</u></b>
A&K General Builders	£55,975.75
CIAP Construction	£56,045.82
Profield Contractors	£14,145.93
SFA Interiors	£51,188.06
On the Level	£74,158.30
Koala Construction	£42,656.44
AMCO	£29,039.27
D & J Removals	£1,170.00
Anything Goes	£2,370.00
<b>GRAND TOTAL</b>	<b>£326,749.57</b>

**Hon. E J Reyes:** Thank you for the information, Mr Speaker.

1225 Yes, it does shed some light, like the Hon. Minister was saying before. I do not know whether he does have it to hand or not – perhaps... The wording on my question was in respect of repairs and of cleaning. Would the Hon. Minister be able to distinguish from here which were cleaning, which I normally presume to be of a much smaller nature, and which were repairs? Does he by chance have the information to hand?

1230 **Hon. C A Bruzon:** I asked myself exactly that question in order to be properly briefed this time! The answer is, Mr Speaker, that some of these companies have done both, though the figures are incorporated in both.

If he would like more specific data, I certainly can try to give it to him. Maybe if he asks me next time, specifying the question in two parts, if you know what I mean.

1235 **Hon. E J Reyes:** So, what we can deduce is, it is possible that one of these particular companies was brought in to carry out a repair, since they had the labour force there, they were added on to the brief: 'Well, and on the way out, just clean with you', and so on; whereas looking at one of the companies here, if they are named as the name implies, they are removals, they were probably just used to remove, to empty stuff, to throw away old broken down furniture, as opposed to construction repairs.

1240

**TOURISM, PUBLIC TRANSPORT AND THE PORT**

1245 **Eastern Beach enclosure for bar/restaurant  
Permissions sought**

**Clerk:** Question 591, the Hon. S M Figueras.

1250 **Hon. S M Figueras:** Mr Speaker, can the Minister for Tourism, Public Transport and the Port provide this House with details of permissions sought by the relevant entities/persons in respect of the enclosure of part of the beach at the southern end of Eastern Beach for the apparent exclusive and commercial use of the area by a bar/restaurant at that location?

1255 **Clerk:** Answer, the Hon. the Minister for Tourism, Public Transport and the Port.



**Minister for Tourism, Public Transport and the Port (Hon. N F Costa):** Mr Speaker, yes, a concession has been granted this year to Latino's on the Beach, at Eastern Beach.

1260 The concession is for the hire of beach umbrellas and sun beds within a designated area. This year the concession includes a wooden decked area.

The concession agreement allows the concessionaire to screen off the designated area with materials that meet with the Gibraltar Tourist Board's prior approval. The agreement includes a provision for the use of an extended area of the beach and the sectioning off of this for the purposes of organising one-off events.

1265 The proposal for any such one-off event has to be submitted in the form of an operational plan, which is subject then to approval by the Gibraltar Tourist Board and the Royal Gibraltar Police. The operational plan must include details of the extended area required for the particular event.

1270 The beach concession fee of £25 per week is payable to the Government for the duration of the official bathing season, which starts the second Saturday in June and finishes immediately after National Day.

This year all concessionaires were given the opportunity not only to extend their designated hours but also to extend their concession period, thus being able to request to be operational from 21st April to 30th September.

1275 **Hon. S M Figueras:** Mr Speaker, I am grateful for the answer and for the details in relation to the arrangement.

I would ask, in relation to other concessionaires at the beach and thinking forward perhaps a little – given that a precedent has been established (**Hon. N F Costa:** Yes.) by the provision of this concession to provide *tumbonas* for hire at the beach – whether there is a Government policy moving forward in respect of any future applications that may be received by other operators not currently engaged in that activity for the enclosure or the sectioning off of areas or of other areas of that beach or others for the provision of one of the loungers for hire?

1285 **Hon. N F Costa:** Well, Mr Speaker, in the first place, simply to clarify that the concession in respect of the sunbeds and the beach umbrellas is simply a continuation of the policy of the previous Administration. That was there before we came into office and we think it is a good idea and we have continued that.

1290 But it does allow me the opportunity to explain to this House, as the Hon. Mr Feetham will undoubtedly be delighted that I do so, the policy of this Government in respect of this type of concession. To repeat, for the first time, we invited concessionaires to extend not only the designated hours but also their concessionary period, thereby allowing those concessionaires who want to start in April, during Easter, when the sun is already out and people do go to the beach, to open before, and allowing them as well to do more business during that time. It is also the policy of the Government to encourage concessionaires on the beach to *plan* these one-off events during the summer.

1295 One of the complaints, one of the representations that we received, primarily from young people, is that during summer, they all head off to Spain to enjoy concerts and this type of event and of course, it makes sense to us that instead of our young people going to Spain, that we should reverse that trend and have young people from Spain coming to us and spending money in Gibraltar. This hopefully will mean that, eventually, when one of the events are planned with a bit more time... This was only introduced this year, so this particular concessionaire was not able to obtain the calibre of DJ that they wanted for these particular events, although I understand that they do have a good ilk of people coming over. Hopefully, depending on the calibre of the talent that they bring over, it will encourage people from the hinterland to come to Gibraltar, enjoy our facilities here and stay in our hotels.

1305 **Hon. S M Figueras:** Mr Speaker, I am extremely grateful to the Hon. Minister for providing us with that information on policy in this House.

1310 However, just by way of a little bit of further clarification, you refer to concessionaires, and I do recognise that it was given in the original answer, but I just wanted to clarify: it was offered to existing concessionaires or it was open to all those interested in becoming concessionaires, as well?

It is just that I did not quite get that from the answer.

1315 **Hon. N F Costa:** Well, Mr Speaker, this was advertised, I believe it was in April, and I cannot remember whether, at that point, all the concessionaires were already... Because there are some concessionaires which are always there, which are Latino's and *Chiringuito*... in Western Beach, so there are two that are always there because they have their own licences for existing... But then there are other concessionaires that put bids in for the other end of Eastern Beach. There were two or three. Of course, the GTB had to choose one, but *all* concessionaires were given the opportunity, obviously, as from the point that they started to be able to extend their hours.

1320 **Hon. S M Figueras:** Yes, I am grateful. I think the Hon. Minister, if I am not mistaken, is referring to the new kiosk at the northern end –

**Hon. N F Costa:** That is right.

1325 **Hon. S M Figueras:** – of the beach.  
However just one final point of clarification that I would be grateful to the Minister for, when I was referring to future grants and concessions for the hiring of private *tumbonas* loungers. Does the Government have a policy in respect of... and if he has answered it then I apologise for revisiting it, it is just that I may not have captured it from it. Does the Government have a policy on limiting the number of concessions that may be given to different operators, to avoid a situation where perhaps there are too many operators on a beach operating the private hire of *tumbonas* to the exclusion or to the detriment of other beach users in our beaches today?

1330  
**Hon. N F Costa:** No Mr Speaker, I take the point that the hon. Member is trying to make, which is why my policy, which has been ratified by the Cabinet, is that we take a decision on a case-by-case basis. At this point, the only concession that was planning these events, which have already been advertised in the local press was Latino's. Should there be future requests for this sort of concession, which is to have an enclosed area for one-off events, of course, that would be considered by the Gibraltar Tourist Board in the light of any other applications.

1340 In respect of the previous supplementary which the hon. Gentleman did ask me, I did have the specific information – extended hours were in fact requested by Latino's, Sunrise kiosk at Eastern Beach, Parody Kiosk at Camp Bay and *Chiringuito* Matthew, which was the name I forgot, at Western Beach.

1345 **Hon. S M Figueras:** Mr Speaker, I hate to labour the point. It is just that the point I was actually getting to is not one that we have dealt with.

1350 The point specifically I am referring to is where operators may request to have, for the duration of the period of the bathing season, an area allocated to them at the beach where they – not for one-off events, which certainly is something that would be dealt with on a case-by-case basis, as the Hon. Minister has already explained – but in relation to having an area of beach allocated to any number of operators, like the Latino's on the Beach already has and the other kiosks as well, whether there is a policy in relation to the bathing-season-long use of a specific area for the private hire of loungers.

1355 What I am getting at, Mr Speaker, and this may perhaps help in terms of clarification is that what I suspect beach users would not want to see would be the development of that particular activity to the extent that there are so many private lounging facilities that it actually inhibits their use or limits the amount of beach space available to the normal everyday beach user. That is the specific point I was getting to.

I wonder whether the Hon. Minister can help us in respect of policy in that regard.

1360 **Hon. N F Costa:** Well, Mr Speaker, in reply to the question of the hon. Gentleman, the only other concession at Eastern Beach, for example is the kiosk that is close to Latino's. They knew that Latino's had this facility, this concession for beach umbrellas and they did not ask for that particular concession from us this year.

1365 As I said, in order that beach users have as much access to the beach as possible, but also in the light of wishing to encourage private operators to come to Gibraltar to set up what I hear is an excellent facility at Latino's and which has taken advantage of regularly, any application from any concessionaire which, as I say, this year has not been sought from the GTB, even though they already knew that it was possible, we will take it on a case-by-case basis.

**Mr Speaker:** The Hon. Damon Bossino.

1370 **Hon. D J Bossino:** I am grateful, Mr Speaker.

The Hon. Minister has informed the House that apparently this is a regime which was in place under the previous Administration. Can he confirm to this House whether the designated area he has talked about is exactly the same, in terms of square meterage as was given in the previous concession?

1375 **Hon. N F Costa:** Mr Speaker, whereas I do know that in terms of the concession to hire beach umbrellas and sun beds is a continuation of the policy of the previous Administration, I am not entirely sure what the answer to the question is.

I do know that in respect of this particular year, there was a request for a certain area which was granted by the GTB to this particular concessionaire.

1380 My brief from my official says that the nature of the concession has always been the hire of beach umbrellas and sun beds and it adds – maybe this answers the question –

‘the number of these being irrelevant as long as the area to be used is kept in an aesthetically pleasing and functional manner subject to the GTB’s approval.’

1385

So that has been the criteria employed by the GTB in past years as to the area that any particular concessionaire may be able to use for sun beds and beach umbrellas.

1390 **Hon. D J Bossino:** But does the Minister know whether the area is larger or smaller? The criteria may be that it is aesthetically pleasing and all the rest of it, and that is fine and presumably that it is a continuation of what was happening when we were in Government. (**Hon. N F Costa:** Yes) But what I wanted to establish is whether the designated area, using his words he was talking about earlier has in fact increased in size or has it reduced in size?

1395 From the political angle, what we are concerned about – certainly what I am concerned about – on this side of the House is that if a greater area is licensed to the private operator, that will necessarily result in less beach space for ordinary users outside of the area, who were previously outside the area should the area have increased in size from last year.

1400 **Hon. N F Costa:** Okay, Mr Speaker, once again reading from the brief prepared by my officials at the GTB, it says that the beach concession that has been granted to Latino’s every summer was amended in order to have the designated area extended in the past to a maximum of eight metres from the sea wall. It then adds that the distance has always been negotiable and changes from year to year depending on the concessionaire’s needs.

1405 Now, whether in this particular year, it is slightly larger or slightly smaller, I do not know. To answer the specific question, I do not know whether this year it is slightly larger or slightly smaller. It is not in my brief.

1410 **Hon. S M Figueras:** Just on one further point Mr Speaker and perhaps the Hon. Minister can clarify for us. I was under the impression, and it may be mistaken, that that particular concessionaire had not been granted this concession in the past, despite an application for it. That was my understanding, if that is not in fact the case then I am happy to be corrected.

**Hon. N F Costa:** What? What is the...?

1415 **Hon. S M Figueras:** That Latino’s on the Beach had not been granted this concession in the past, in respect of going beyond the sea wall on to the *tumbonas* and the beach umbrellas, and my understanding had been that, despite an application, they had been refused the concession.

If that is incorrect, then I am happy to be corrected.

1420 **Hon. N F Costa:** Well, Mr Speaker, I can only answer the hon. Gentleman what I am advised by my officials, of course, when I asked the question to them. They did prepare, in all fairness to them, a very detailed brief and the first paragraph says to me that when Latino’s on the Beach was relocated to its current site, which is now the beginning of Eastern Beach, the beach concession that had been granted to them, it says ‘*every summer*’, was amended in order to have the designated area extended to a maximum of eight metres from the sea wall. But then it goes on, it says:

1425

‘The distance has always been negotiable and changes from year to year depending on the concessionaire’s needs.’

1430 So from the answer given to me by my officials, who obviously do provide that continuity and consistency that we expect from Government, whoever sits on this side of the House, it does appear that the concession was granted and that even the distance was negotiable.

1435 **Hon. S M Figueras:** Could the Minister confirm the date when Latino’s on the Beach moved to its current location?

**Hon. N F Costa:** I do not know, Mr Speaker, I am sorry.

**Clerk:** Question –

1440 **Mr Speaker:** No, the Hon. Daniel Feetham.

**Hon. D A Feetham:** Yes, he mentioned – I think he did – a wooden deck area. Is this a wooden deck area that is going to be constructed now and will it be a permanent structure or is it a removable structure?

1445 **Hon. N F Costa:** No, Mr Speaker, it is not a permanent structure.

**Hon. D A Feetham:** So effectively the position is that, after the summer presumably, then it will be removed or is it going to be erected for specific events only?

1450 **Hon. N F Costa:** No, no, it will be removed at the end of the summer, Mr Speaker.

**Hon. D A Feetham:** And do you have any measurements, in terms of the size of the wooden deck area?

1455 If you do not, it does not matter, Mr Speaker.

**Hon. N F Costa:** I do not have that specific measurement with me, Mr Speaker. I apologise.

1460 **Hon. D J Bossino:** Mr Speaker, the Hon. Minister has explained that the distance from the wall is negotiable. Just to summarise, can he confirm to this House that he does not have the information here now as to what distance has been negotiated with the private company, the licensee in this case?

**Hon. N F Costa:** Yes, Mr Speaker, as I said in answer to a previous supplementary, the negotiations having been carried out by the Gibraltar Tourist Board. I do not have the specific answer to that question here.

1465 The only answer that I have is what I have read out in its entirety, which is the first paragraph provided to me by my officials.

1470 **London Boat Show  
Attendees**

**Clerk:** Question 594, the Hon. D J Bossino.

1475 **Hon. D J Bossino:** Can the Minister for Tourism, Public Transport and the Port provide details to this House of those who attended the London Boat Show in January of this year?

**Clerk:** Answer, the Hon. the Minister for Tourism, Public Transport and the Port.

1480 **Minister for Tourism, Public Transport and the Port (Hon. N F Costa):** Yes, Mr Speaker, the following Gibraltar House staff manned – or staffed, I should say – the Boat Show stand on a rota: Mr Peter Canessa; Mr Ian Leyde; Ms Tracy Poggio; Mr William Gomez; Ms Kaiane Aldorino; Mr Dan Lerner; Ms Sara McFadyen and Ms Edwina O'Mahony.

1485 The following Gibraltar companies shared the Boat Show stand and sent representatives: Rock Sailing; Hercules Sailing; Tomboy Sailing; and Ocean Village.

1490 **Gibraltar Bus Company Limited  
Eco-friendly buses**

**Clerk:** Question 596, the Hon. D J Bossino.

1495 **Hon. D J Bossino:** Can the Minister for Tourism, Public Transport and the Port provide the House with the full specifications of the eco-friendly buses which are replacing the current fleet of the Gibraltar Bus Company Limited?

**Clerk:** Answer, the Hon. the Minister for Tourism, Public Transport and the Port.

1500 **Minister for Tourism, Public Transport and the Port (Hon. N F Costa):** Mr Speaker, as I announced in my Budget Speech just last week, what Government has issued is a pre-qualification document, in line with EU Public Procurement Procedures.

1505 The full specifications are currently being drafted. The actual tender document, that will include the full set of specifications, will be made available to those economic operators who have been preselected as a result of this initial stage.

**Hon. D J Bossino:** This is an important initiative taken by the Government and that is why I am quizzing them.

1510 Is the Minister able to, at this stage – from what I gather from his reply, I think this is still at its very early stages – clarify what technical assistance he is receiving as to the nature of the buses that ought to be purchased?

1515 **Hon. N F Costa:** Mr Speaker, perhaps, if I may first of all answer the part where he says it is at its very initial stage: it is not that it is at its initial stage. We obtained advice from, obviously, the Public Procurement Office, from the MOT examiners and from members of the Department of Transport. We have had an inter-Ministerial Committee driving this forward, which would therefore have had input from Dr. John Cortes, from his officials at the Environmental Agency. So there has been quite a large group of people having a direct input on the document that has been issued.

1520 So it is not that it is at an early stage. In my view, the early stage would have been the working inter-Ministerial groups with officials that we had, to draw up the document. What we have now, and what has been issued, is a very detailed pre-qualification document and what that is, Mr Speaker – which I am sure the hon. Member knows, of course, because he was on the Transport Commission – it sets out the criteria by which private operators can submit expressions of interest to the Government and only those that comply with ‘the criteria set out herein’, which are of course the EU 2020 Objectives on Environment, that we do comply with our transport regulation laws in terms of width, weight and height... Those that successfully pass this initial threshold will be invited to – well, they would have to – give to the Government the vehicle that they propose that we purchase, so that we can test it on our roads.

1525 In other words, the successful private operator would then be asked to provide the vehicle, we will test it on our roads, at no cost to the Government, so that before we go to the second stage of ordering the vehicle, we would have tested it and made sure that the vehicle... because of course, if it is fully electric, for instance, Mr Speaker, the worry is that it will not be able to negotiate the very steep hills in Gibraltar.

1530 So it may be that we end up with a fleet of fully electric vehicles for those routes that go round the town area and can just be fully electric or we have a fleet of part hybrid vehicles and part electric vehicles, the hybrid of course being when you need the fuel to be able to navigate the steep hill.

1535 **Hon. D J Bossino:** Is the Minister, at this stage, able to give me an indication as to when he thinks the whole process is likely to be concluded – in other words, when he thinks or he envisages that we will have the vehicles on our roads?

1540 **Hon. N F Costa:** Mr Speaker, the submissions of applications had to be submitted to the Head of Procurement by no later than Friday, 17th August, so we will obviously have those submissions then.

I am told this morning that nine companies have requested the pre-qualification document so far, so obviously there has been an immediate expression of interest by private operators.

1545 So once we do receive the submissions on the applications, it will be a question for the Procurement Office to go through the different criteria and then the successful pre-qualification tenderer will be able to bring the vehicle to Gibraltar. Maybe we are looking at three months from now.

1550 But of course, we cannot be held to the exact timeframe. It will all depend on how quickly the Procurement Office can turn this around. But, it will be three months: to have the test vehicle, we estimate three months approximately from Friday, 17th August; but of course that is subject to the exigencies and the pressures on the Procurement Office in respect of all the other tender bids that they will have, in respect of all the projects that we have announced in the Budget.

1555 **Hon. D J Bossino:** Mr Speaker, I can *well* understand that, at this stage of the proceedings of process, the Minister may not be able to answer the supplementary which I asked, which is when he expects those vehicles will be on the roads; but that was my question and if the answer is he cannot answer it, at this stage, I would like it just for the record, that he addresses that issue.

I am grateful for the answer he has been able to have given the House, in any event.

1560 **Hon. N F Costa:** No, Mr Speaker, the hon. Gentleman has asked exactly what I asked of my officials as well. I said, ‘Well, once we go through the pre-qualification process etc., how long can the people of Gibraltar reasonably expect to have the new fleet starting to be replaced?’ The officials told me that, from beginning to end, we are looking at 12 calendar months. Again, I cannot be held to that timeframe at this point in time, but the best estimate the officials could give me would be 12 months from the 17th August, subject to the matters that I mentioned before, in my previous supplementary.

1565

**Gibraltar Airport taxi service  
Lack of provision**

**Clerk:** Question 597, the Hon. D J Bossino.

1570

**Hon. D J Bossino:** Can the Minister for Tourism, Public Transport and the Port advise this House as to whether he is aware of a lack of provision of a proper taxi service at the Gibraltar Airport and if so, what measures he will implement in order to address this issue?

1575

**Clerk:** Answer, the Hon. the Minister for Tourism, Public Transport and the Port.

**Minister for Tourism, Public Transport and the Port (Hon. N F Costa):** Yes, Mr Speaker, the provision of a taxi service at Gibraltar Airport today is *exactly* the same that we inherited from the hon. Members, when they were in Government and consequently something that they failed to address in nearly 16 years in office.

1580

However, *this* Government is taking action by working with the Gibraltar Taxi Association and we are in the process of demarcating and placing effective signage in the area.

The incentive will address the common problems that are at present restricting taxi drivers from accessing the taxi rank within the airport terminal due to the fact that this area is frequently being used by both relatives who remain in their vehicles, waiting for their arriving family members, or coaches continuously picking up and dropping off passengers.

1585

But the problem, Mr Speaker, as I mentioned before in my Budget Speech last week, in our view, is not the taxi drivers. It is principally traffic that causes the problem to access to the airport.

1590

**Hon. D J Bossino:** Mr Speaker, I will ignore the preamble to his answer.

The reason why I asked the question is because I have been, and certainly the Party has been, the subject of representations in relation to this issue. It has also been the subject of press comments very recently and given that we are now being given the opportunity to ask questions on a regular basis, and it is an issue which is current, I thought I would pose the question.

1595

It is also, incidentally, a Government manifesto commitment in any event, to improve the service and I would urge the Minister to move the matter as fast as possible, in order to improve the services, especially because it does have an impact on visitors who come to our new airport terminal building and then there is this service which does not really reflect properly, or adequately, on Gibraltar plc as a whole.

1600

Can I urge him perhaps to himself, personally, get involved in this matter, if he has not done so already, and maybe set up a meeting with the Taxi Association to discuss other ways of trying to improve the service as soon as possible?

1605

**Hon. N F Costa:** Mr Speaker, in the first place, the hon. Gentleman need not be in awe as to the preamble of my answer. The reason why I said what I said at the beginning of my answer is as a result of answer the question which he poses, which is whether I can advise whether I am aware of a lack of provision of a proper taxi service. Inherent in that question, therefore, is an implied criticism that we have done nothing about it. I was simply pointing out to the hon. Gentleman opposite that what we have inherited is what they gave to us after they had been in office for 16 years.

So he need not be in awe and a simple cursory reading of his own question will explain to him the reason for the preamble to my answer.

1610

Mr Speaker, as I already mentioned to the hon. Gentleman during the course of my Budget speech, which was as recently as last week, I mentioned that I had already met with the Gibraltar Taxi Association and that I meet with them regularly and that we are already, to use the hon. Gentleman's words, taking urgent action because we have, in fact, assisted the Gibraltar taxis in upgrading their taxi meter system, so that the taxis will have what is in effect a GPS system, so that when there is a call made, the GPS system will be able to allocate the taxi that is nearest to where the call is made.

1615

That is one of the measures we are assisting the Gibraltar Taxi Association, in order to be able to improve their service, and another thing which this Government is also doing, which the hon. Gentleman will know, as I said in my Budget speech, is the deployment of Transport Inspectors.

1620

**Hon. D J Bossino:** Mr Speaker, there was not – just by way of clarification – any inherent criticism of the Government in the question; it was just a genuine desire to elicit the information from the Government, given that the Minister is now responsible in discharging his duties as the Minister for Transport, and also because I had received representations, as I said earlier, and also because it had been the subject of comments in the press. In fact, it was also featured in one of the editorials of our daily newspaper.

1625

So, can I ask the Minister – if he has answered it, then he needs to forgive me, I may have missed it – but can I ask when he thinks that the GPS system will be up and running? But in fact one of the cause for complaints has been that, even when calls are made for the taxi service, there can be delays of between 45 minutes and up to an hour, so I would like an answer to that specific question and would be grateful.

1630

**Hon. N F Costa:** Well, Mr Speaker, I cannot comment on the estimated time the hon. Gentleman says that it takes for a taxi to be sent to pick up someone. My own personal experience of taxis, when I call from home, is that they take between five to ten minutes. I use the taxis regularly and frequently, and I have never had to wait more than ten minutes, *ever*. So it may be that if someone has to wait for 45 minutes, as he suggested, there may have been a traffic problem at the time. Gibraltar roads, unfortunately, as we all know, are quite prone for there to be no traffic to a blockade in very quick and short order.

1635

To answer his supplementary as to when the GPS will be installed, I cannot give him an exact timeframe. I do know the Gibraltar Taxi Association is moving very quickly on this and are very keen to install it, but what I will do for the hon. Gentleman is I will ask the GTA and I will tell him the answer.

1640

## SPORTS, CULTURE, HERITAGE AND YOUTH

1645

### Fire prevention courses Arrangements for private companies

**Clerk:** Question 598, the Hon. Mrs I M Ellul-Hammond.

1650

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, in respect of the answer to Written Question 97/2012, can the Minister for Civil Contingencies explain what the arrangement is for private companies to receive from the City Fire Brigade basic fire prevention courses?

1655

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Yes, Mr Speaker. Private companies will contact the Fire Safety Department, requesting fire safety training. The City Fire Brigade Fire Safety Department will arrange an agreed date and deliver the basic fire safety course.

1660

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, do these private companies pay for the service and if so, how much do they pay?

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**Hon. S E Linares:** Mr Speaker, I have not been given notice to this question and I have not specifically asked about payments. So again, I would not like to answer that question without the information.

But what I could do during the day is I could ask and during the course of the day, I will give you the answer.

1670

**Hon. Mrs I M Ellul-Hammond:** I am grateful for that, Mr Speaker, because under the word ‘arrangement’, I thought that implied, as part of the service, to include cost.

Mr Speaker, in the answer given to Written Question 97, the Waterbabies Nursery, named in the said schedule, is listed under ‘Education’ rather than as a private establishment. Is that because it now comes under the Department of Education? Could the Minister please clarify that?

1675

**Hon. S E Linares:** Yes, Mr Speaker, it is relevant to the question the hon. Lady has asked next, which is ‘What are private nurseries and why they are private nurseries, whether they are in Government premises, etc?’

So I could either wait... If the hon. Lady waits for the next question, I think we can include this question with the next question.

1680

**Private nurseries  
Listed as 'Government premises'**

1685 **Clerk:** Question 599, the Hon. Mrs I M Ellul-Hammond.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, in respect of the answer to Written Question 99/2012, can the Minister for Civil Contingencies explain why the four private nurseries are included and listed as Government premises?

1690

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, three private nurseries were included because *all* private nurseries, although private, come under the Department of Education and Training.

1695

So in a way that answers the question you asked me before: whether Waterbabies is included and is it included under the Department of Education now? So all nurseries are listed in the Department of Education and considered part and parcel of the Department of Education and therefore, the Fire Brigade will do drills and will go to the private nurseries, even though they are private.

1700

And, Mr Speaker, may I just say that the fact we have said that it is three private nurseries was that in the original Question 99, the Written Question, there is a list of four nurseries and I have emphasised three, because one of them is a Government nursery, which is Varyl Begg Nursery.

1705

**Air Crash Exercise, 29th May 2012  
Results and lessons**

1710 **Clerk:** Question 600, the Hon. Mrs I M Ellul-Hammond.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Civil Contingencies give us details of the results and tell us what lessons were learnt from the Air Crash Exercise on 29th May 2012?

1715

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, there are no 'results'. The 'lessons' are internal to each of the essential services and Government Departments involved. This data is not made public.

1720

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, did the Government Agencies not conduct a moratorium with the RGP and Ministry of Defence Agencies after the exercise?

1725

**Hon. S E Linares:** Mr Speaker, it is not a question of doing a moratorium; it is probably a question of doing a post mortem.

But so be it. The first thing that I asked after completing and being the Chairman of the C3 Committee, was that I wanted feedback and on the question of lessons learnt that I wanted a report after what is says there, that all the essential services and Government Departments involved will internally look at where improvements can be made.

1730

So I have asked for that, but again as the answer to the question states, these are data that are internal to Government.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister inform us of the feedback then, that has been given to him?

1735

**Hon. S E Linares:** Mr Speaker, at present, I gave a date as to when I wanted the feedback, which was the end of July. So I am asking for the feedback and the feedback will come as soon as all the Departments get together and discuss the issues.

1740

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, does the Government intend to conduct another such exercise within the two-year recommended period?

**Hon. S E Linares:** We are looking at how many exercises we need to do and we are also looking at what other improvements we can make, even before the two years elapse.



1745 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, is the Minister aware, as some reports will indicate, why it took an hour for the first casualty to leave the airfield?

1750 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I think it is important that we understand where we are going with this. This is an exercise that has been carried out on a number of occasions under the previous Administration and will be carried out under this Administration and whichever is the next Administration.

The detail of information like that is not information that we are going to get into debating across the floor of the House.

1755 I believe actually that it is necessary for there to be a Privy Council-style body in Gibraltar, where Members who are in the Opposition, Members who are in the Government, would be sharing information which is sensitive, like the information that the hon. Lady in our view is seeking now. But this is not information that we are going to get into across the floor of the House.

1760 She needs to understand the implications of information like that, either in terms of the public's view of the service that the essential services can provide, what the other issues that might arise in respect of the civil contingency may be and the information falling into the hands of people who may be observing us for reasons which are not positive like Opposition holding Government to account.

So if she wants further information about this and she wants to have conversations with my hon. Friend, look I am quite happy for that to go on, but for us to get into this sort of detail in the House is not, in my view, an area where it is prudent for us to go or where we should be going.

1765

**Trainee Media Officer post  
Advertising; successful candidate**

1770 **Clerk:** Question 601, the Hon. Mrs I M Ellul-Hammond.

1775 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Civil Contingencies advise where and when the post of 'Trainee Media Officer' was advertised and who was successful in getting the three-year employment contract, due to start this month?

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1780 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, whilst interviewing for the post of Civil Contingencies Departmental Press Officer, the Board were very impressed with the Civil Contingencies experience of one candidate and the Press Office experience of another.

1785 The Board therefore recommended to the Board of the GDC that both should be considered for employment, on the basis that one was close to retirement age and only engaged on a three-year contract and the other, a young local person who, with the necessary press experience, would then fill the substantive post permanently.

Both were offered a post.

Based on the said recommendation from the board, Jasmine Dunham, a Gibraltar graduate was recruited as 'Deputy Civil Contingencies and Departmental Press Officer', not 'Trainee Media Officer'.

1790 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister then confirm if Jasmine Dunham will automatically then be taking up the post of Civil Contingencies and Departmental Press Officer after three years?

1795 **Hon. S E Linares:** Yes, Mr Speaker, that is the intention.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister then confirm that this empty post, after three years, when Mr Green's contract is up, will not be advertised?

1800 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I know it is totally *alien* to the other side, but this is what is called 'succession planning' – something that we have found when we have been elected has been so absent in the structure of the Public Service in Gibraltar, that we are having serious difficulty in relation to very main senior posts.

So what you do when you have serious succession planning, is that you prepare yourself for what is going to happen at the end of a contract.

1805 In this instance, the hon. Lady has been very vociferous in her criticism of the Government, because the contract has gone to somebody who is not local and who is on a pension – she has made very clear her criticism in that respect. I suppose she is in a difficult position now that we have clearly made  
 1810 arrangements for a succession plan where this post *will* go to a Gibraltarian who is not of retirement age, etc. We believe this is the right way to do things and she will be seeing this in many instances throughout the Public Service, where people will be applying for posts before those posts become vacant, so that they are in post, as designates or as deputies with people who are holding the substantive post, in order to take that post.

1815 This post in particular, Mr Speaker, she will know, given how many questions she has asked about the issue and how many press releases she has issued on the subject, is a new post and therefore the post and the post holder... The post is created, the post holder appointed and the succession planning starts with the appointment of a deputy, all from the beginning – something which we commend to the hon. Members should they ever, perish the thought, find themselves once again on this side of the House.

1820 **Clerk:** Question –

**Mr Speaker:** No, the Hon. Daniel Feetham.

1825 **Hon. D A Feetham:** So in that very long winded answer that he has given to the hon. Lady, (*Interjection*) the answer therefore to her question is that the post won't be advertised because you have got somebody who you have earmarked to take over that post at the end of the three years. That is the answer, is it not?

1830 **Hon. Chief Minister:** Mr Speaker, what the hon. Gentleman cannot do is say in one breath that the Government does not give enough information and then when he gets the information, say that he does not like the answer because it is long winded.

The position, Mr Speaker, I have made clear in the context of the answer which I gave which I thought was succinct, clear and precise and he called long winded.

He can go back to *Hansard* and look at what I said.

1835 **Clerk:** Question –

1840 **Hon. D A Feetham:** Sorry, it is becoming a sort of habit and I do not know whether the Chief Minister is actually leading on this habit or whether he is allowing his Ministers to play their own role in this.

The hon. Lady has asked a perfectly legitimate question. Now he has given an answer which effectively is this long winded speech, critical of the previous Administration. That is politics. But what we are here to do is to ask questions about Government policy, and it still remains in the air as to whether, after three years this post will be advertised or whether it will go to the person concerned.

1845 Look, the answer may well be it is impossible for the Government to actually make the commitment at this stage that the post will not be advertised because you do not know whether this lady is going to be suitable for the job. That is a possible answer. But at least I would invite the Chief Minister to provide an answer to it. That may well be the answer and I suspect it probably is.

1850 **Hon. Chief Minister:** Mr Speaker, look, what I am not here to do, and what Parliament is not about – and Question Time in particular – is about information being given which the hon. Members then say is too long winded, because they decide it is too long winded, and then to ask for a summary or ask for a yes or no answer.

1855 I am very confident that all the aspects of what the hon. Gentleman has raised were answered in the context of the first answers given by my hon. and learned friend, Mr Linares and by myself. Look, Mr Speaker, he can go back and look at *Hansard*: if he does not think that is the case, he can ask another question next time. But I am not going to give him answers in the format that he likes. I am not going to give him yes and no answers when he wants them. I will give yes and no answers when I believe they are appropriate.

1860 I believe that we have answered the question and we have provided the information which is what Question Time is about. If he does not like it Mr Speaker, that's politics – but I think that *Hansard* reflects exactly what the position is.

**International Jazz Festival  
Breakdown of expenditure**

1865

**Clerk:** Question 602, the Hon. E J Reyes.

1870

**Hon. E J Reyes:** Can the Minister for Culture provide a detailed breakdown of all expenditure incurred inclusive of staff costs in respect of the first Gibraltar International Jazz Festival?

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1875

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Yes, Mr Speaker. I now hand over a schedule to the hon. Member opposite with details of the expenditure incurred in respect of the first International Jazz Festival up to and including 13th July 2012.

Mr Speaker, I would like to add that the hon. Member in his clip of GBC recently stated that the cost of this would have been £100,000 and that he did the GNDO Festival at half the price. The fact is that he will see in the schedule, it has come to only £66,000, the Jazz Festival and that the GNDO competition that he did went up to £99,470.

**Schedule to Question No: 602/2012**

Advertising costs	£ 12,009.40
Flights & accommodation	£ 6,360.13
Media rights	£ 590.31
Performer's fees	£ 16,553.75
Jazz workshops	£ 2,300.00
Stage, management & presenter's fees	£ 19,875.00
Piano tuning and hire	£ 2,069.49
Other - t-shirts, tours, transfers, meals, photography	£ 4,685.43
Staff costs/overtime	£ 2,173.75

1880

**Hon. E J Reyes:** I am grateful for the schedule, Mr Speaker.

Under the heading of 'Stage, management & presenter's fees', is it possible to work out from there how much the stage set-up and relevant costs were, as opposed to management and presenter's fees, which would tend to be more of a contract for human resources? Is it possible to have some sort of further breakdown of that £19,875?

1885

**Hon. S E Linares:** No, Mr Speaker I do not have that with me; but yes, I am sure it is possible to give it to you, so if the hon. Member would wish to write to me or ask the question again, I will give it to you.

1890

**Hon. E J Reyes:** Mr Speaker, I do not want to be pedantic and I am grateful for the Speaker's comment before, but I think it is already implied in my question. I am more than willing to accept that the Hon. Minister does not have the information now, but as it has arisen out of the supplementary wanting further detail, can the Minister not take it upon himself that when he has a chance back in his office, he then provides me with information in a written manner?

1895

**Hon. S E Linares:** Mr Speaker, if he writes to me, I will give him all the information.

1900

**Hon. E J Reyes:** Mr Speaker, but my notice was I wanted 'a detailed breakdown'. Mr Speaker, I have already given due notice of the question. I am accepting he may not have it at this moment in time, but are we going to go through posing a question again, which I think has already been legitimately posed as quantifying that I wanted a detailed breakdown and not just a general breakdown?

1905

**Hon. S E Linares:** Mr Speaker, this is a rather detailed breakdown and I remember sitting just exactly where the hon. Member was sitting and every time I wanted more detail, I had to write in. So, if the hon. Member wants to –

**Hon. E J Reyes:** No, Mr Speaker, no, sorry to interrupt –

1910

**Hon. S E Linares:** If he wants more detail – because it gives a rundown of all the costs, he now wants specifically on one item to give him more details – if he writes to me, I will give him the details.

**Hon. E J Reyes:** Mr Speaker, I was trying to say I do not ever recall having told the Hon. Minister, when he sat on this side of the bench to write to me further. I recall having taken it upon myself to look into and provide him with further information.

1915 I do perhaps need, Mr Speaker's clarification: if I have asked for the detailed breakdown, is it incorrect for me to say that I want the details of the stage? For me, my interpretation is it is a construction or a hire of a *physical* asset, as opposed to management and presenter's fees which are human resources.

1920 **Chief Minister (Hon. F R Picardo):** Mr Speaker, this may have been provided by one entity who may have billed us for 'Stage, management and fees' and we have provided the detail that we have and we think is relevant. But we are not saying if we have the information, that we will not provide it.

1925 Mr Speaker, I know that there has been a debate about this previously, whilst I have been out of the House, dealing with other business, but look, Mr Speaker, the position of the previous Administration was we will not accept having to write to you, because we make a note, because we might forget and if we say in the House, we will write to you with the further information and we then forget, we are in breach of something we said in the House.

So the reason for asking the hon. Member to write is not to be difficult but simply because he will know that triggers the response. So if he writes, he gets the response.

1930 I imagine this is not information he needs urgently. There is also going to be another opportunity to ask questions in September, so he can ask it then. He needs to recall, first, that his Party Leader was the one who established, for that reason, which is not an unreasonable reason, that people write in and they get the further information if they wish it before the next House; and second, that before 8th December, he might have had to wait six months for the next session of the House, yet he only needs to wait until September.

1935 But all that in the context of us saying if we have got the information, we will give it to you.

#### **Environmental Monitor Specific duties of new post**

1940

**Clerk:** Question 603, the Hon. E J Reyes.

1945 **Hon. E J Reyes:** Can the Minister for Culture and Heritage provide details of the specific duties assigned to the new post of Environmental Monitor, who now forms part of the Establishment of said Ministry, as set out under Head 38(iv) of the Estimates of Revenue and Expenditure for 2012-13?

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1950 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, the officer in question has been transferred to my Ministry from the Ministry of Environment, in order to assist me with the Gibraltar Industrial Cleaners and Refuse Collection, which is another of my responsibilities.

1955

#### **Culture and Heritage Agency Technical Grade 4 Duties and salary scale range**

**Clerk:** Question 604, the Hon. E J Reyes.

1960

**Hon. E J Reyes:** Can the Minister for Culture and Heritage provide details of the specific duties and salary scale range assigned to the new post of Technical Grade 4, who now forms/will form part of the Establishment at the Culture and Heritage Agency, as set out in Appendix K, subhead (ii), of the Estimates of Revenue and Expenditure 2012-13?

1965

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1970 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, the duties of the Technical Grade 4 Officer will be supervising all works done or that need to be done in all premises that come under the Ministry of Culture and Heritage.

The salary scale range assigned to that of a Technical Grade 4, which has been equated to HPTO.

I would just like to add, Mr Speaker, that it was an issue that came out when we were doing the Budget session, in Committee session, and I am grateful to the hon. Member, because in the actual

1975 Estimate Books there was an omission of Technical Grade 4, if he can remember. The answer therefore is that if he looks in the same Estimate Books and goes to the HPTO Grade, it is exactly the one of Technical Grade 4.

**Hon. E J Reyes:** Perhaps, the Hon. Minister can help us further.

1980 I recall from that there, he clarified the position saying that this was an officer that had been 'seconded' to him. Is it therefore that the person is on temporary secondment or the person has been transferred out of whatever previous Department he was in, and has now become a fully fledged employee of the Culture and Heritage Agency?

1985 **Hon. S E Linares:** Well, Mr Speaker, it is exactly that: it is secondment. That means that he has moved in for the period that we need him. He was in the – he is still a civil servant. He moves on a secondment basis to the Agency, doing the job that is necessary, as and when needed.

So at the moment, he is in the Agency doing the work, but he is a civil servant seconded into it.

1990 **Hon. E J Reyes:** Therefore, Mr Speaker, am I correct in deducting from there that it is a secondment for a period of time, be it short, long or whatever and would not necessarily follow that, should that person retire or leave the service, he would be automatically replaced through a post that would be advertised, as would be applicable to all other posts within the Establishment?

1995 **Hon. S E Linares:** Well, Mr Speaker, that has to do with the general restructure of the Agency that we are currently doing. It depends whether this officer or the work that this officer is doing currently will be needed in the future.

We have seconded him into the Agency for now and he is doing a specific job – how long for, we do not know.

2000

## HEALTH AND ENVIRONMENT

### Renewable energy projects Details

2005

**Clerk:** Question 617, the Hon. S M Figueras.

2010 **Hon. S M Figueras:** Mr Speaker, can the Minister for the Environment confirm details of the renewable energy projects his Government will be facilitating with the allocation of £1 million, as announced in his speech at this month's Budget session?

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2015 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, there are various projects which are being assessed on technical and feasibility grounds which may be facilitated with the allocation of funds from that budget. The specifics are yet to be finalised the sum is therefore a token figure.

2020

### Energy from waste and sewage treatment plants Government policy

2025 **Clerk:** Question 618, the Hon. S M Figueras.

**Hon. S M Figueras:** Mr Speaker, can the Minister for the Environment confirm whether it is the Government's policy to deliver an energy from waste plant and sewage treatment plant within this term of office?

2030

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

**Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, it is indeed the Government's intention to proceed with the construction of a new Sewage Treatment Plant to comply with Gibraltar's obligations under the Urban Waste Water Treatment Directive.

2035 It is also the Government's intention to develop more sustainable and integrated waste management systems, comprising high percentages of recycling and cost-effective residual waste treatment.

2040 Other cleaner technologies are therefore being considered, as it is recognised that there is a need to modernise our practices. We are therefore presently examining the range of technology options available for treatment of residual waste, which includes a sludge that would be produced by the sewage treatment plant and to assess the impact of adopting various technology scenarios on key criteria.

2045 We are therefore not presently able to commit ourselves to a timescale for the delivery of these two projects, although we remain fully committed to their delivery, as soon as the results and conclusions of the various assessments are made available to us, and we are able to conclude our strategic planning for both projects.

**Hon. S M Figueras:** Mr Speaker, I am grateful for the reply.

2050 Just by way of clarification, then the policy is to proceed with these projects, certainly within this term of office, even though you cannot commit, for the various reasons you have explained, to completing them within the term. Is that the situation?

2055 **Hon. Dr. J E Cortes:** I think the answer is clear: we are committed, when we have all the relevant information. We cannot commit ourselves to a timescale for delivery. It is hopeful that the timescale will be as soon as possible, which therefore, by definition, would be almost within this term of office, but we cannot commit ourselves to completion by those dates, because we are still looking at all the options.

2060 **Hon. S M Figueras:** I am grateful, Mr Speaker, one further question and it may well be that the Hon. Minister is unable to furnish the information, that he may need notice of the question even, but have any sites been identified or are being discussed right now for the location of these plants as and when the moment arises?

2065 **Hon. Dr. J E Cortes:** A number of sites are under consideration, but depending on the technology we go for, some sites may be more suitable than others. So we are considering the sites at the same time as we are considering the technologies.

#### **Western Beach reclamation Managing environmental issues**

2070 **Clerk:** Question 619, the Hon. S M Figueras.

**Hon. S M Figueras:** Can the Minister for the Environment provide details to this House of the measures being taken to manage environmental issues arising from the Western Beach reclamation?

2075 **Clerk:** Answer, the Hon. the Minister for Health and the Environment.

**Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, a Construction and Environmental Management Plan has been produced to ensure that all environmental issues associated with the Western Beach reclamation are considered and, where necessary, mitigated.

2080 It is worth pointing out that before the works commenced the Government – through its appointed consultants – commissioned an ecological survey of the area in question to determine whether there would be any significant adverse environmental effects arising from the proposed development.

2085 Additionally, the appointed contractor was required to develop a Dust Control Plan and obtain a Certificate of Approval from the Environmental Agency as required by Regulation 4 of the Dust Control Regulations 2010.

2090 The Construction Environmental Plan details various measures that are being implemented at Western Beach including, but not limited to the following: (1) watering down both backfill and any trucks leaving the site – the latter have to be completely covered so as to minimise dust emissions; (2) material being taken for deposition on site has been screened for contaminants beforehand; (3) in order to control any sedimentation on the seabed entering the water columns and affecting users of the adjacent beaches, a Floating Turbidity Control Curtain has been installed around the work area; (4) implementation of a Traffic Management Protocol to minimise disruption to pedestrians and beach users; (5) implementation

of a contingency plan for accidental spillages; and (6) placing a geotextile membrane in the inward face of the containment bund to minimise the migration of material into the marine environment.

2095

**Hon. S M Figueras:** Mr Speaker, I am grateful for the answer and for the detail, in particular.

Given I asked the question in the specific context of information that we have received, in relation to the presence in the area of a certain species of limpet and the action that has been taken to address any issues that may arise in respect of its presence in the area. Perhaps the Minister could provide further details.

2100

**Hon. Dr. J E Cortes:** Mr Speaker, there is a little bit of confusion here. The whole of the area around the airfield and in fact a number of other sites around the Rock – and here is where I should have brought my PowerPoint again – is the habitat of a European protected species, *Patella ferruginea*, the brown limpet, which is in fact of very restricted distribution. One of the main sites anywhere in the world is the Rock of Gibraltar.

2105

The location of the limpets that the hon. Member is referring to would be an issue in the proposed larger Western Beach reclamation, where the plan envisages – and that particular environmental survey, I do not believe has been completed, as I have not yet seen it – would envisage, in any areas where they might be found, there would be a relocation of the animals or the rocks where they are found.

2110

But the actual development at Western Beach which is currently ongoing which is the development of a car park, does not have – as far as I am aware – these limpets present.

2115

**Hon. S M Figueras:** Mr Speaker I am grateful for the answer and with your indulgence, I am not going to ask the question; I merely wanted to publicly, and in this House, congratulate, as I have done personally, the Minister for the Environment for his letter to *The Guardian* newspaper, clarifying the situation in relation to the carbon footprint. I have already communicated my congratulations to him, and commend him for that, because I think it is very important that certainly, as far as the rest of the world is concerned, we are seen to be doing what we are, in relation to the environment. (*Applause*)

2120

**Hon. Dr. J E Cortes:** I am grateful, Mr Speaker.

2125

#### **Barbary Macaque Management Plan Funding**

**Clerk:** Question 620, the Hon. S M Figueras.

2130

**Hon. S M Figueras:** Yes, Mr Speaker, can the Minister for the Environment confirm the nature and extent of the funding that either the International Primate Protection League and/or the Born Free Foundation have committed to in the delivery of the Barbary Macaque Management Plan when it is complete, as he referred to in his speech at this month's Budget session?

2135

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

**Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, as the question rightly suggests, the Plan is still not complete and a final decision of its contents is not possible yet, hence the International Primate Protection League and/or the Born Free Foundation contribution will depend on this.

2140

I will add that the initial discussions suggest that they will be assisting with interpretation material, publications and that kind of work.

2145

**Hon. S M Figueras:** As a point of clarification, is there... You say in relation to publications and the like, is the commitment that they will be assisting in the production of this material for distribution, but not a financial contribution to the implementation of the Plan?

2150

**Hon. Dr. J E Cortes:** It is possible there could be a financial contribution to the production of material, but that is something that is currently under discussion.

**Barbary Macaque Management Plan  
Relocation of macaques; contraception**

2155

**Clerk:** Question 621, the Hon. S M Figueras.

2160

**Hon. S M Figueras:** Mr Speaker, at this month's Budget session, the Hon. Minister for the Environment explained that, and I quote:

'the possibility of relocating macaques to adequate places abroad will continue to be an option and the use of contraceptive measures will be enhanced.'

2165

Can the Minister now provide further details by way of an update to previous questions in this House as to whether negotiations with parties interested in receiving apes abroad have progressed and, separately, what enhanced contraception measures are being planned and whether these have been attempted before?

2170

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2175

**Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, Government is awaiting responses regarding the relocation of monkeys. It is, for example, in contact with both organisations we mentioned earlier – the IPPL and Born Free – who are looking themselves into appropriate opportunities.

The contraceptive measures being considered include contraceptive implants and also immunological methods. The latter has not been used in Gibraltar before, but has been used in other areas with monkey population problems, for example in Hong Kong.

2180

**Commonwealth Park car parking  
Location of Gibraltar Fair**

2185

**Clerk:** Question 622, the Hon. S M Figueras.

2190

**Hon. S M Figueras:** Yes, Mr Speaker, is the Minister for the Environment able to confirm whether a decision has now been taken by the Government in relation to the provision of car parking at the Commonwealth Park site and whether any consideration has been given to the location of the annual Gibraltar Fair once works have begun at the site of the Commonwealth Park?

If such consideration has been given, can he give us an indication of the potential locations being discussed?

2195

**Clerk:** Answer, the Hon. Minister for Health and the Environment.

**Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, one of the options being considered, but not yet finally determined is that car parking facilities will not be provided under Commonwealth Park, but at a nearby site.

2200

Initially, the number of spaces will be identical to those available now with up to double during the lifetime of this Parliament. The aim is to ensure that parking will be free for local residents only.

The Gibraltar Fair will be held at the Commonwealth Park site this year. Several possible sites are being considered for the Fair from 2013 onwards and Government will make an announcement in that respect next year.

2205

**Hon. S M Figueras:** Mr Speaker, I am grateful.

Focusing just momentarily on the parking for residents only, is it safe to assume that the system that will be employed in order to enable residents to park for free in these parkings, will be one similar to the system that is currently in use for the free bus service or something along those lines? Is there any discussion in that regard at all yet?

2210

**Hon. Dr. J E Cortes:** No, Mr Speaker, it is not safe to assume any of that. We have not determined that at this stage.

**Clerk:** Question –



2215 **Mr Speaker:** Would this be a convenient moment for a short recess?  
The House will recess for, say, 10 minutes.

*The House adjourned at 11.57 a.m. and resumed its sitting at 12.30 p.m.*

2220

**Government investment in equipment  
Details**

2225 **Clerk:** Questions and answers continue.  
Question 623, the Hon. Mrs I M Ellul-Hammond.

2230 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health tell us what equipment the Government intends to invest considerable amounts of money in, over the years, as he announced during a GBC 'Newswatch' interview on Friday, 18th May?

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2235 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, on taking office, I was briefed by management on GHA equipment procurement issues and I was advised that, previously, Government had not committed to an orderly replacement programme for essential medical and building equipment, thus placing patient care at potential risk; and that requests for additional major and minor works had been ignored.

2240 As I said in my Budget speech, Mr Speaker, the Government is committed to investing to resolve these issues. In this respect, whereas the 2011-12 Works and Equipment Budget was £800,000, this year it was £3.3 million.

The GHA's technical experts and clinicians are currently working on the list of equipment to be acquired, some of which will be replacement and some of which will be new.

2245

**High dose oxygen therapy  
Arrangement with Multiple Sclerosis Centre**

2250 **Clerk:** Question 624, the Hon. Mrs I M Ellul-Hammond.

2255 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health explain how the new arrangement with the Multiple Sclerosis Centre for the provision of high dose oxygen therapy to GHA patients will work?

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2260 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, the arrangement is that the Multiple Sclerosis Therapy Centre will provide treatment to entitle patients on a self-referral basis.

The Centre remains an independent charity.

2265 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, what criteria will be used for patients to be able to use the hyperbaric oxygen therapy centre? How will patients know whether to self-refer. Is there any medical involvement at all?

2270 **Hon. Dr. J E Cortes:** Mr Speaker, the criteria are imposed and regulated by the Centre itself, which has its own checks and its own experts and every individual is entitled to go to the Centre, if they choose to do so.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, is the Minister saying that the Centre then diagnoses the condition and then refers the patient for treatment?

2275 **Hon. Dr. J E Cortes:** No, Mr Speaker, I am not.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, what is the involvement of the Gibraltar Health Authority in the Multiple Sclerosis Centre?

2280 **Hon. Dr. J E Cortes:** If any patient is an in-patient in the hospital, then wherever possible, ambulance transfer is arranged in order to facilitate it for the patient, but there is no involvement of GHA clinicians in the work of the Centre.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, who pays for the self referral treatment?

2285 **Hon. Dr. J E Cortes:** Mr Speaker, the Government has provided the Multiple Sclerosis Therapy Centre with a grant for them to be able to carry out their work.

2290 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, will this be an ongoing grant or is this a one-off payment?

**Hon. Dr. J E Cortes:** Mr Speaker, it is expected that it will be an ongoing process.

2295 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, are there any conditions attached to the continued payment of grants to the Centre?

**Hon. Dr. J E Cortes:** Yes, of course, Mr Speaker. These include the need for them to satisfy the Minister for Health of the fact that they are properly insured, of the fact that they are properly regulated by the network of similar centres in the UK and they have to provide regular information and provide details of numbers of patients and so on.

2300 So obviously, there are detailed conditions that they have to abide by.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister tell us how much the grant is, please?

2305 **Hon. Dr. J E Cortes:** It is £200,000. It is actually in the Estimates. *(Interjection)*

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health tell us what his GHA staff, in particular the consultant anaesthetists, think of the Government's policy to make available treatment at the hyperbaric oxygen therapy centre to all who need it?

2310 **Hon. Dr. J E Cortes:** Mr Speaker, the hyperbaric oxygen, as I am sure the hon. Member well knows, as she was present when it was inaugurated several years ago, in the Devil's Tower Road site, and obviously showed her support for the Centre in that way, hyperbaric therapy is a therapy which different clinicians have different opinions on. Some doctors feel it is extremely effective, some doctors feel it is not as effective, some doctors feel it is not effective at all.

2315 But ultimately, as it is a self-referral process, each person is the owner of his own body and therefore can choose whether to use this process or not. If people want to have oxygen therapy, they can go anywhere in the world to have it. The fact that Government is providing indirectly this service in Gibraltar just gives people an opportunity to use it.

2320 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister tell us if this form of treatment is offered under the NHS in the UK, and if it is approved as evidence-based treatment, under NICE?

2325 **Hon. Dr. J E Cortes:** Mr Speaker, I would have to research that question to be able to give a full answer, which I would be most happy to do in future, but I do not have all the details available.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, I understand that this treatment does bring relief, as the Hon. Minister suggested, and that I did support in my capacity as fellow charity. Even though it is not evidence-based or approved by NICE, it is welcomed that more people will be able to access this.

2330 However, Mr Speaker, will the Government consider giving a grant for private osteopathy, acupuncture, chiropractic treatment, reflexology, homeopathy and other complementary treatments that do bring benefit and relief to hundreds of Gibraltarians who are having to pay for treatment themselves at great expense?

2335 **Hon. Dr. J E Cortes:** Mr Speaker, I think that question is too far from the original to be considered a supplementary. It is asking for Government policy on a range of treatments which would have to be considered and discussed, with appropriate time and a view taken.

2340 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, is the unit under the clinical governance system of the GHA?

**Hon. Dr. J E Cortes:** Mr Speaker, once again, I say it is *not* part of the GHA; it is an independent charity, running its own centre.

2345 **Hon. Mrs I M Ellul-Hammond:** Finally, Mr Speaker, if something happens to a GHA card carrying patient when or after receiving treatment at the centre, will the GHA be responsible or liable? Does the GHA mitigate the unit's risk?

2350 **Hon. Dr. J E Cortes:** Mr Speaker, I do not think the GHA, the Gibraltar Health Authority, would be liable in that way. Whether there is any liability on the Government for any patient who goes for any form of private treatment in any centre in Gibraltar or elsewhere, I think the question cannot be answered as simply as that, because anybody has the right to go and take on any kind of treatment for any condition, so that would have to be the answer that I can give.

2355

#### **St Bernard's Hospital Attracting local consultants**

2360 **Clerk:** Question 625 the Hon. Mrs I M Ellul-Hammond.

**Hon. Mrs I M Ellul-Hammond:** Can the Minister for Health explain what he is doing to attract local consultants who are working in UK hospitals and further afield to come and work at St Bernard's Hospital?

2365

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2370 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, all consultant posts are widely advertised in the relevant UK medical journals – usually the BMJ – so will no doubt be seen by any Gibraltarian consultants working in the UK. We do not routinely advertise in other European or Commonwealth countries or the USA – sometimes this the case – but many doctors stay in touch by following these UK journals on-line.

2375 In addition any local doctors who are known to be working as consultants or who are training to become consultants in UK hospitals have been identified to the Medical Director. As an example, a local who is completing his training as a radiologist has recently been recruited to a consultant radiology position within the GHA. He will take up his post in the autumn.

Contact is maintained as much as possible with local doctors and I have myself had discussions with several, over the past few months. This, of course, is not just in respect of doctors at St. Bernard's Hospital, but also in respect of other areas of the GHA's work.

2380

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, then can the Minister confirm that the GHA is continuing with the GSD's policy in this regard?

2385 **Hon. Dr. J E Cortes:** I cannot confirm or deny that. I have no idea what the GSD's policy is in that regard. I suspect that there was not much of a policy anyway.

#### **CT Scan at St Bernard's Hospital Replacement**

2390

**Clerk:** Question 626, the Hon. Mrs I M Ellul-Hammond.

2395 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, the CT Scan at St Bernard's Hospital is now seven years old. Can the Minister for Health advise if the GHA will be purchasing a new one?

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

**Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, as a result of the Government's commitment to appropriate funding, the GHA is in the process of revision and

2400 implementation of an orderly replacement plan for all its clinical equipment. At present, subject to Government approval, the CT will be replaced in 2013 or 2014, depending on its position in that replacement plan.

2405

**GHA new complaints process  
Details**

2410 **Clerk:** Question 627, the Hon. Mrs I M Ellul-Hammond.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health provide details on the GHA's new complaints process, as announced by the Ombudsman on 25th June 2012, in a GBC 'Newswatch' interview and how it will be implemented?

2415 **Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2420 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, the new process, which will be initiated following the transfer of responsibility of complaints management to the Ombudsman, is in the process of being developed and will be subject of a meeting between the Ombudsman and myself. Once the process is approved, I will make the necessary announcement.

2425 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, will the current complement of staff working for the GHA's Complaints Department now be transferred to the Ombudsman's Office, as per the Government manifesto?

**Hon. Dr. J E Cortes:** How we actually deal with it is part of the process, so therefore, as the process is still not completed, I cannot answer that question.

2430

**'Best before' dates on medication  
Making clearly legible**

2435 **Clerk:** Question 628, the Hon. Mrs I M Ellul-Hammond.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health tell us what he plans to do after representations were made to him by the Gibraltar Senior Citizens' Association on 'best before' dates on medication to be clearly legible?

2440 **Clerk:** Answer, the Hon. Minister for Health and the Environment.

2445 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, currently the GHA requires pharmacists to practise in accordance with UK standards for dispensing. However, enhancements such as 'best before' dates being more legible will be raised as part of a review of pharmacy practice later this year.

By way of additional information, Mr Speaker, another request by the Senior Citizens' Association which was to provide benches outside the entrance at podium level of the Hospital has now been completed.

2450 *(Applause)*

2455 **'GP Evidence-based Prescribing'  
Auditing of five medical treatments**

**Clerk:** Question 629, the Hon. Mrs I M Ellul-Hammond.

2460 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, as stated by the Medical Director in his report for the GHA Board of 31st May, can the Minister for Health explain the 'GP Evidence-based Prescribing' where five medical treatments will be piloted and audited for a year?

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2465 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, five drug groups that are known in the literature to be prone to being prescribed outside NICE guidelines by general practitioners will be subject to frequency of prescribing audit during this year.

2470 The five groups are: statins used in lowering cholesterol; proton pump inhibitors used in the treatment of gastro-oesophageal reflux disease; topical non-steroidal anti-inflammatory medications used in the treatment of bone and joint pains; selected serotonin re-uptake inhibitors, used in the treatment of anxiety and depression; and Plavix or Clopidogrel used in the prevention of heart attack and stroke after episodes of these illnesses or after a coronary stent procedure.

2475

**‘Bed Management Report’  
Not included in report to GHA Board**

**Clerk:** Question 630, the Hon. Mrs I M Ellul-Hammond.

2480

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health tell us why the ‘Bed Management Report’ from the Director of Nursing as part of his report to the GHA Board for the meeting of 17th July 2012 is missing, despite it being listed on his first page for reporting, right after ‘Primary Care Services’?

2485

**Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2490 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, the section on bed management, which was also not provided in the previous meeting, contains confidential patient-related information that is inappropriate for the meeting held in public.

If I may add, the fact that it appeared in the index was a typographical error.

2495 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, I also note that the human resources recruitment and selection activity and the business plan vacancies, the control of expenditure by the controlling officer, the summary list of de-personalised complaints and minutes from the last meeting are also missing from the board papers. Will these be included in future papers made available to the public?

2500 **Hon. Dr. J E Cortes:** Mr Speaker, most of those referred to recruitment, which includes names of people who may or may not have been selected, to disciplinary procedures, which includes items which obviously have to remain confidential, and therefore any paper that includes that kind of information will not be presented in the public domain.

2505 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, if the information... in fact, the information *is* de-personalised and it is just a list of vacancies and HR activity, then why has that not been included in the papers; and also the control of expenditure by the controlling officer – will those finance figures be provided in future?

2510 **Hon. Dr. J E Cortes:** Mr Speaker, I will just answer that first and say that it does depend on the nature of the information and on whether there is anything that is sensitive, particularly in relation to patients or staff, although I must say I am surprised that the hon. Lady is asking for so much information in the public domain, when she clearly does not want us to have *any* of this information in the public domain and continue with secret Board meetings. (*Interjections and banging on tables*)

2515 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, that is not true. (*Interjections*) In fact, I have stated publicly that I welcome the Board papers being placed on-line. That is certainly a part of the new ‘open and transparency’ policy on the ‘in public’ GHA Board meetings and that *is* welcome. I was critical of the other aspect.

So, Mr Speaker, can the Minister confirm then that the financial figures will not be presented to the public in future?

2520

**Hon. Dr. J E Cortes:** No, I have not said that. There will be financial figures that can be and there will be figures that cannot be for a number of reasons. There could be commercial discussions going ahead; there could be finance in relation to sponsored patients, which includes patient information. It has to be screened and in order to avoid information which clearly cannot be in the public domain, we have to

2525 be cautious. But anything that has not got those aspects, then clearly it is our policy that it *will* be in the public domain.

**Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister explain then why they were not included in this month's Board papers – the financial figures?

2530 **Hon. Dr. J E Cortes:** If they were not included in this quarter's papers in the public site, it is clearly because they fell into one of the categories that I have described.

2535 **Hon. D A Feetham:** Mr Speaker, does he *know* that to be the case because he has looked at those documents that have not been included, or is he making the *assumption* that that is the case?

**Hon. Dr. J E Cortes:** Mr Speaker, he believes he knows because he has looked at the papers, but I have learnt in these short months as a Parliamentarian that I have to be very careful when I say absolutely no, because I may have missed something.

2540 Therefore, I *believe* that that is the case, but I will have to read them all again before I said that I conclusively know that every single detail is like that.

**GHA 11-month contracts  
Details of any issued since 9th December**

2545 **Clerk:** Question 631, the Hon. Mrs I M Ellul-Hammond.

2550 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health state how many 11-month contracts have been issued since 9th December in the GHA and (a) how many are British; (b) how many are Spanish; (c) how many are Gibraltarian; (d) broken down by grades; (e) the length of time in which prior to issuing the 11-month contracts such an employee or employees have been working for the GHA; and (f) if it is the intention of the GHA to permanently employ such persons, upon the successful completion of the 11-month contracts?

2555 **Clerk:** Answer, the Hon. the Minister for Health and the Environment.

2560 **Minister for Health and the Environment (Hon. Dr. J E Cortes):** Mr Speaker, the Gibraltar Health Authority has not issued any 11-month contracts since 9th December 2011.

**Clerk:** Question –

2565 **Hon. Chief Minister:** That may be a convenient moment for the House to break now for the lunch adjournment. I propose we come back, Mr Speaker, at 3.30 this afternoon.

**Mr Speaker:** Is that convenient to all the hon. Members? (*Members agreed.*)  
This House will adjourn until 3.30 p.m. this afternoon.

*The House adjourned at 12.43 p.m. and resumed its sitting at 3.30 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.30 p.m. – 4.18 p.m.

Gibraltar, Thursday, 19th July 2012

## The Gibraltar Parliament

*The Parliament met at 3.30 p.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Questions for Oral Answer

### SPORTS, CULTURE, HERITAGE AND YOUTH

#### Question 598 – Fire prevention courses Supplementary information

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, if I may, this morning I told the hon. Lady that I would give her some information in relation to Question 598 about the costs of the fire courses.

5 The cost of the basic safety courses is £20 per person and each company is charged for the use of the extinguishers between £50 and £60, depending on the number of people attending.  
Thank you.

**Hon. Mrs I M Ellul-Hammond:** I appreciate that, Mr Speaker, Minister.

10

15

**Procedural**

**Chief Minister (Hon. F R Picardo):** Mr Speaker, before we carry on with the session this afternoon, can we take off our jackets?

20

**Mr Speaker:** Yes, certainly.

25

**EQUALITY AND SOCIAL SERVICES**

**Looked After Children  
Training programmes**

30

**Clerk:** Question 632/2012, the Hon. J J Netto.

35

**Hon. J J Netto:** Mr Speaker, can the Minister for Social Services state if further progress has been made in finding suitable training programmes for the remaining Looked After Children referred to in Question 524/2012; and, if so, what the training will consist of, when the training will start and who will provide the training?

**Clerk:** Answer, the Hon. the Minister for Equality and Social Services.

40

**Minister for Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, this Question now applies to three Looked After Children, for the reasons explained to the hon. Member, on a confidential basis.

45

With regard to these three Looked After Children referred to in Question 171/2012, I can say that progress continues to be made. Given that now there are only three children involved and they could potentially be easily identified, as such I am providing the hon. Member with further detailed information on a confidential basis.

50

**Care Agency residential homes  
Recordable acts of violence**

**Clerk:** Question 633, the Hon. J J Netto.

55

**Hon. J J Netto:** Mr Speaker, can the Minister for Social Services state if there have been any recordable acts of violence in any of the Care Agency residential homes, since this question was asked in Question 526 to date; and, if so, could the Minister provide a breakdown showing the date of the incident or incidents, whether the incident or incidents were between children or between children and staff and whether, as a result of the incident, medical attention was required, either in the home or in the hospital and for what purpose?

60

**Clerk:** Answer, the Hon. the Minister for Equality and Social Services.

**Minister for Equality and Social Services (Hon. S J Sacramento):** Mr Speaker, since this question was asked in Question 526/2012, there have been seven incidents.

I now hand the hon. Member a table stating the requested information.

**ANSWER TO QUESTION 633 OF 2012**

Date	LAC to LAC	LAC to Staff	Medical Attention/Residential Home or Hospital	What purpose
25/06/2012		Yes	None required	
26/06/2012		Yes	None required	
27/06/2012		Yes	None required	
03/07/2012		Yes	None required	
03/07/2012		Yes	None required	
10/07/2012		Yes	None required	
12/07/2012		Yes	None required	



65 **Hon. S J Sacramento:** None of the incidents resulted in the need for medical attention. Many were extremely mild, such as, for example, spitting or kicking the back seat of the car.  
I am providing the hon. Member with some further details on a confidential basis.

70 **Hon. J J Netto:** Mr Speaker, if the further confidential information... it is not this one. Is there something else that you are referring to?

**Hon. Miss S J Sacramento:** Yes, Mr Speaker, it is on its way round.

75 **Mr Speaker:** I think it is clearly marked in red that it is confidential.

**Care Agency residential homes  
Looked After Children who have absconded**

80 **Clerk:** Question 634, the Hon. J J Netto.

85 **Hon. J J Netto:** Mr Speaker, can the Minister for Social Services state if there have been any Looked After Children in any of the Care Agency residential homes who have absconded since this question was asked in Question 527 of 2012; and, if so, state how long the absconding lasted, whether the absconding was in Gibraltar or Spain, and whether any of these children have a track record of engaging in acts of violence against any other children or staff members?

90 **Clerk:** Answer, the Hon. the Minister for Equality and Social Services.

**Minister for Equality and Social Services (Hon. S J Sacramento):** Mr Speaker, since this question was asked in Question 527/2012, there have been three incidents of absconding.

I now hand the hon. Member a table with the requested information.

95 In addition to these incidents there is also the issue of the 17-year-old from the Republic of Guinea, as explained in Question 404/2012. The young person in question was formally discharged from care on 11th July 2012.

**ANSWER TO QUESTION 634 OF 2012**

Name of LAC	Date	Length of LAC absconded	Any track record of violence towards staff or LAC	Absconding in Gibraltar or Spain
A	23/06/2012	2 hours 30 minutes	Yes	Gibraltar
B	23/06/2012	13 hours 15 minutes	No	Gibraltar
B	25/06/2012	17 hours 40 minutes	No	Gibraltar

100 **Hon. D A Feetham:** Yes, Mr Speaker, the hon. Lady has mentioned a child from Guinea who has been discharged from care because... well, he is 17 years old. I thought she said that he is 17 years old. No?

105 **Hon. Miss S J Sacramento:** No, Mr Speaker, that is not the reason why he has been discharged from care. He has now been discharged from care because, as the hon. Member may recall, this is in fact the third session of this House in which I refer to this case. This is a child who absconded from the care of the Care Agency months ago and given that he has not returned to care, it is believed that he is not in Gibraltar. The case has now been formally discharged.

110 **Hon. D A Feetham:** So effectively, what we have is a position that he has been discharged from care because he cannot be found in Gibraltar. He has absconded and effectively he is, if I can put it that way, at large?

**Hon. Miss S J Sacramento:** Yes, Mr Speaker, that is the case.

115

**Care Agency  
Details of employees**

**Clerk:** Question 635, the Hon. J J Netto.

120

**Hon. J J Netto:** Mr Speaker, following the presentation of the new Estimate Book for 2012-13, can the Minister for Social Services provide a breakdown by grade, location and nationality of all employees currently in the employment of the Care Agency as at the end of June 2012?

125

**Clerk:** Answer, the Hon. the Minister for Equality and Social Services.

**Minister for Equality and Social Services (Hon. S J Sacramento):** Mr Speaker, I will now hand the hon. Member the requested information.

**ANSWER TO QUESTION 635 of 2012**

BRUCE'S FARM			
GRADE	TOTAL	LOCATION	NATIONALITY
ADMINISTRATOR	1	BRUCE'S FARM	BRIT/GIB
COUNSELLOR	3	BRUCE'S FARM	BRIT/GIB - 2 BRIT/UK - 1
HOUSE MANAGER	1	BRUCE'S FARM	BRIT/GIB
CARE WORKERS	9	BRUCE'S FARM	BRIT/GIB - 6 BRIT/UK - 1 SPANISH - 2
ADMIN OFFICER (P/T)	1	BRUCE'S FARM	BRIT/GIB
	<b>15</b>		

CHILDREN'S RESIDENTIAL			
GRADE	TOTAL	LOCATION	NATIONALITY
RESIDENTIAL HOME MANAGER	1	TANGIER VIEW	VACANT
UNIT MANAGER	6	TANGIER VIEW	BRIT/GIB - 5 BRIT/UK - 1
CARE WORKERS	34	TANGIER VIEW	BRIT/GIB - 18 BRIT/UK - 4 SPANISH - 10 GERMAN - 1 HUNGARIAN - 1
CARE WORKERS (P/T)	6	TANGIER VIEW	BRIT/GIB - 3 SPANISH - 3
TEACHER (P/T)	1	TANGIER VIEW	BRIT/GIB - 1
	<b>48</b>		

cont...

**CONT'D ANSWER TO QUESTION 635 of 2012**

DISABILITY			
GRADE	TOTAL	LOCATION	NATIONALITY
MANAGER	1	DR GIRALDI	BRIT/UK
REGISTERED NURSE	6	DR GIRALDI	BRIT/UK
UNIT MANAGER	4	DR GIRALDI	BRIT/UK - 2 BRIT/GIB - 2
ADMIN OFFICER (P/T)	1	DR GIRALDI	BRIT/GIB
CARE WORKER	64	DR GIRALDI	VACANT - 2 BRIT/GIB - 23 BRIT/UK - 24 SPANISH - 12 DUTCH - 1 ITALIAN - 2
DOMESTIC	6	DR GIRALDI	BRIT/GIB
MANAGER	1	ST BERNADETTE'S	SPANISH
DEPUTY MANAGER	1	ST BERNADETTE'S	BRIT/UK
OCCUPATIONAL THERAPIST	1	ST BERNADETTE'S	BRIT/UK
ENROLLED NURSE	2	ST BERNADETTE'S	BRIT/UK BRIT/GIB
ADMIN OFFICER (P/T)	1	ST BERNADETTE'S	BRIT/GIB
CLASS ROOM AIDE	2	ST BERNADETTE'S	BRIT/GIB
CARE WORKERS (P/T)	22	ST BERNADETTE'S	BRIT/GIB - 16 BRIT/UK - 2 SPANISH - 4
	<b>112</b>		

CONT'D ANSWER TO QUESTION 635 of 2012

cont...

SOCIAL SERVICES			
GRADE	TOTAL	LOCATION	NATIONALITY
TEAM LEADER	4	SOCIAL SERVICES	VACANT
			BRIT/UK - 2
			BRIT/GIB - 1
SENIOR SOCIAL WORKER	3	SOCIAL SERVICES	BRIT/GIB - 3
COUNSELLING PSYCHOLOGIST	1	SOCIAL SERVICES	BRIT/GIB
SOCIAL WORKERS	16	SOCIAL SERVICES	VACANT - 1* growth post
			BRIT/GIB - 7
			BRIT/UK - 8
SOCIAL WORKER (P/T)	2	SOCIAL SERVICES	BRIT/UK
UNQUALIFIED SOCIAL WORKER	2	SOCIAL SERVICES - 1	BRIT/GIB
		SHOPMOBILITY - 1	BRIT/GIB
TRAINEE SOCIAL WORKER	1	SOCIAL SERVICES	BRIT/GIB
COMMUNITY SERVICE OFFICER	1	SOCIAL SERVICES	BRIT/GIB
HIGHER EXECUTIVE OFFICER	2	JOHNSTONE'S PASSAGE	BRIT/GIB
EXECUTIVE OFFICER	1	MOUNT ALVERNIA	BRIT/GIB
ACCOUNTS OFFICER	1	MOUNT ALVERNIA	BRIT/GIB
COUNSELLOR	1	SOCIAL SERVICES	BRIT/GIB
DAY CENTRE CO-COORDINATOR	1	SOCIAL SERVICES	BRIT/GIB
DAY CENTRE ASSISTANT (P/T)	1	SOCIAL SERVICES	BRIT/GIB
SHOPMOBILITY ATT/ADMIN OFF	1	JOHNSTONE'S PASSAGE	BRIT/GIB
HANDYMAN DRIVER	1	ST BERNADETTE'S	BRIT/GIB
ADMIN OFFICERS	15	SOCIAL SERVICES - 2	BRIT/GIB
		JOHNSTONE'S PASSAGE - 11	BRIT/GIB
		MOUNT ALVERNIA - 1	BRIT/GIB
		TANGIER VIEW - 1	BRIT/GIB
ADMIN OFFICERS (P/T)	9	SOCIAL SERVICES - 1	BRIT/GIB
		MOUNT ALVERNIA - 3	BRIT/GIB
		JOHNSTONE'S PASSAGE - 5	BRIT/GIB

63

cont...

CONT'D ANSWER TO QUESTION 635 of 2012

NURSING GRADES			
GRADE	TOTAL	LOCATION	NATIONALITY
CLINICAL STANDARDS COMP DIR	1	MOUNT ALVERNIA	BRIT/UK
NURSING CO-COORDINATOR	1	MOUNT ALVERNIA	VACANT
DEPUTY NURSING COORDINATOR	1	MOUNT ALVERNIA	SPANISH
REGISTERED GENERAL NURSES	52	ELDERLY SERVICES	BRIT/GIB - 2
			BRIT/UK - 12
			SPANISH - 36
			POLAND - 1
			SOUTH AFRICA - 1
REGISTERED GENERAL NURSES (P/T)	2	ELDERLY SERVICES	BRIT/UK
TRAINING CO-COORDINATOR	1	MOUNT ALVERNIA	BRIT/UK
ENROLLED NURSE	1	ELDERLY SERVICES	BRIT/GIB
ENROLLED NURSE (P/T)	1	ELDERLY SERVICES	BRIT/GIB
NURSING AUXILIARY	1	ELDERLY SERVICES	BRIT/GIB
NURSING AUXILIARY (P/T)	1	ELDERLY SERVICES	BRIT/GIB
NURSING ASSISTANTS	120	ELDERLY SERVICES	BRIT/GIB - 44
			BRIT/UK - 7
			SPANISH - 59
CARE WORKERS	66	ELDERLY SERVICES	BRIT/GIB - 33
			BRIT/UK - 14
			SPANISH - 15
			POLAND - 3
			MOROCCAN - 1
PHYSIOTHERAPISTS	4	ELDERLY SERVICES	BRIT/GIB - 2
			VACANT - 2
ACTIVITIES CO-COORDINATOR	1	ELDERLY SERVICES	BRIT /UK
ACTIVITIES CO-COORDINATOR (P/T)	2	ELDERLY SERVICES	BRIT/GIB
	255		

CONT'D ANSWER TO QUESTION 635 of 2012

cont...

ELDERLY CARE			
GRADE	TOTAL	LOCATION	NATIONALITY
CHIEF EXECUTIVE	1	JOHNSTONE'S PASSAGE	VACANT
ELDERLY CARE MANAGER	1	MOUNT ALVERNIA	BRIT/GIB
HEAD OF ADMINISTRATION / FINANCE	1	JOHNSTONE'S PASSAGE	BRIT/GIB
FACILITIES & OPERATIONS MANAGER	1	MOUNT ALVERNIA	BRIT/GIB
FACILITIES OFFICER	1	MOUNT ALVERNIA	BRIT/GIB
FINANCE MANAGER	1	JOHNSTONE'S PASSAGE	BRIT/GIB
PERSONNEL MANAGER	1	JOHNSTONE'S PASSAGE	BRIT/GIB
FINANCE OFFICER	1	JOHNSTONE'S PASSAGE	BRIT/GIB
SALARIES OFFICER	1	JOHNSTONE'S PASSAGE	BRIT/GIB
PERSONAL SECRETARY	5	ELDERLY - 3	BRIT/GIB
		JOHNSTONE'S PASSAGE - 2	BRIT/UK - 1
			VACANT - 1
PERSONAL SECRETARY (P/T)	1	JOHNSTONE'S PASSAGE	BRIT/GIB
CATERING MANAGER	1	MOUNT ALVERNIA	BRIT/GIB
DOMICILIARY CARE CO-COORDINATOR	1	JEWISH HOME	BRIT/UK
COMM ELDERLY NEEDS CO-COORDINATOR	1	JEWISH HOME	BRIT/GIB
TECHNICAL OFFICER	1	MOUNT ALVERNIA	BRIT/GIB
STORES SUPERVISOR	1	MOUNT ALVERNIA	BRIT/GIB
	20		

CONT'D ANSWER TO QUESTION 635 of 2012

cont...

INDUSTRIALS			
GRADE	TOTAL	LOCATION	NATIONALITY
INDUSTRIAL TECHNICIAN	1	MOUNT ALVERNIA	BRIT/UK
MAINTENANCE OPERATIVES	2	MOUNT ALVERNIA	BRIT/GIB
SENIOR COOKS	2	MOUNT ALVERNIA	BRIT/GIB -1
			SPANISH
COOKS	2	MOUNT ALVERNIA	BRIT/GIB -1
			MOROCCAN -1
JUNIOR COOKS	5	MOUNT ALVERNIA	BRIT/GIB -1
			SPANISH - 4
KITCHEN ASSISTANTS	5	MOUNT ALVERNIA	BRIT/GIB -1
			MOROCCAN -2
			SPANISH - 2
DOMESTICS	25	MOUNT ALVERNIA	BRIT/GIB -12
			BRIT/UK - 1
			SPANISH - 9
			MOROCCAN -3
LAUNDRESS	6	MOUNT ALVERNIA	BRIT/GIB - 2
			BRIT/UK -2
			SPANISH - 2
LABOURER	1	MOUNT ALVERNIA	BRIT/GIB
CRAFTSMAN/PAINTER	2	MOUNT ALVERNIA	BRIT/GIB
ASSISTANT STOREMAN	1	MOUNT ALVERNIA	BRIT/GIB
LABOURERS (HYBRID STORES)	9	MOUNT ALVERNIA	BRIT/GIB -6
			BRIT/UK -1
			SPANISH -1
			MOROCCAN -1
DOMESTICS (P/T)	1	MOUNT ALVERNIA	BRIT/GIB
SEAMSTRESS (P/T)	1	MOUNT ALVERNIA	BRIT/GIB
CRAFTSMAN/PAINTER (P/T)	2	MOUNT ALVERNIA	BRIT/GIB -1
			BRIT/UK -1

cont...

CONT'D ANSWER TO QUESTION 635 of 2012

INDUSTRIALS - CONTINUATION			
GRADE	TOTAL	LOCATION	NATIONALITY
COOK (P/T)	1	TANGIER VIEW	BRIT/GIB
COOKS	3	BRUCE'S FARM	SPANISH - 2
			MOROCCAN - 1
CARETAKER/DRIVER	1	ST BERNADETTE'S	BRIT/GIB
HANDYMAN/DRIVER	1	ST BERNADETTE'S	BRIT/GIB
CLEANERS	2	ST BERNADETTE'S	BRIT/GIB
PERSONAL CARE WORKER	2	ST BERNADETTE'S	SPANISH
	75		
<b>TOTAL APPROVED COMPLEMENT</b>	<b>588</b>		

130 **Hon. J J Netto:** Mr Speaker, just one question, as obviously one needs more time to assimilate the details of all of this, but one thing that struck me on the very first date on the top table there – because obviously the question relates to employees in location – I do not see in Bruce’s Farm any of the cooks. Remember that when we were doing the Estimate Book, the Appropriation Bill, I was asking the question whether ‘cooks’ are now defined as ‘industrials’; hence the reason why I could not see them in the column of the Establishment figures which is...

135 I am asking this particular question because I am trying to identify people in location, as opposed to whether they are white collar, blue collar, non-industrial, industrial, and I just spotted this now. Obviously, there may be other issues that with a bit of time I may be able to spot.

Is it perhaps because they are located somewhere else as cooks, perhaps under Mount Alvernia or something else? I am not quite sure.

140 **Hon. Miss S J Sacramento:** Mr Speaker, yes, the hon. Gentleman opposite is right to spot that because there are cooks at Mount Alvernia. It is regrettable that those who have prepared this for me have omitted them from the table, but I will provide an accurate table to the hon. Member. This is an oversight.

145 Obviously, it is an administrative error, because as I said last week, Mr Speaker, there are cooks at Bruce’s Farm, as well as Mount Alvernia.

**Hon. J J Netto:** I am grateful, Mr Speaker.

150 **Care Agency employees  
11-month contracts issued since 9th December**

**Clerk:** Question 636, the Hon. J J Netto.

155 **Hon. J J Netto:** Mr Speaker, can the Minister for Social Services state how many 11-month contracts have been issued since 9th December in the Care Agency, and of those: (a) how many are British; (b) how many are Spaniards; (c) how many are Gibraltarian; (d) broken down by Grades; and the length of time in which prior to the issuing of the 11-month contracts, such employees have been working for the Agency, and if it is the intention of the Agency to permanently employ such persons upon the successful completion of the 11-month contract?

**Clerk:** Answer, the Hon. the Minister for Equality and Social Services.

165 **Minister for Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, eleven 11-month contracts have been issued since 9th December in the Care Agency.

The breakdown by nationality is as follows: British/UK – three; Spanish – six; British/Gibraltarian – two.

I am handing the hon. Member a table with more detailed information broken down by grade.

170 These employees to whom 11-month contracts have been issued had not been working in the Agency previously.

Subject to successful completion of the initial contract period, i.e. subject to reviews, and other relevant policy considerations which may arise, it is presently the intention of the Care Agency to take on such employees indefinitely.

**ANSWER TO QUESTION 636 OF 2012**

**RGNs**

6 Spanish

3 British/UK

**Care Workers**

1 British/Gibraltarian

**Social Workers**

1 British/Gibraltarian

175 **Hon. D A Feetham:** Mr Speaker, to assist the hon. Lady, I think the three cooks actually appear under 'Industrials' in the final page of the schedule which she has provided.

**Hon. Miss S J Sacramento:** I am grateful for that, Mr Speaker.

180

**TRAFFIC, HEALTH & SAFETY AND TECHNICAL SERVICES**

**Sustainable traffic transport and parking plan**

**Tender for consultancy services**

185

**Clerk:** Question 656, the Hon. D J Bossino.

190 **Hon. D J Bossino:** Can the Minister for Traffic, Health & Safety and Technical Services advise whether the tender for consultancy services in relation to the sustainable traffic transport and parking plan has been awarded; and, if so, can he now provide further details of the services which will be provided by the tenderer?

**Clerk:** Answer, the Hon. the Minister for Traffic, Health & Safety and Technical Services.

195

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, no, sir. It has not been awarded.

200

**Hon. D J Bossino:** Is the Minister able to give me an indication as to when it is likely that the tender will be awarded?

**Hon. P J Balban:** Mr Speaker, the expression of interest has been submitted by consultants and the recommendations of the Tender Board is now with the Procurement Office. It is expected that the invitation to tender will be forwarded within the next couple of weeks.

205

Part two of the tender process – that is the time for consultants to prepare their bids – will be a minimum of 40 days from the issue of the invitation to tender to receipt of tender response.

210

**Car parking construction plans  
Old Theatre Royal site**

**Clerk:** Question 657, the Hon. D J Bossino.

215

**Hon. D J Bossino:** Can the Minister for Traffic, Health & Safety and Technical Services advise the House whether it is proceeding with the plans to construct parking at the old Theatre Royal site?

**Clerk:** Answer, the Hon. the Minister for Traffic, Health & Safety and Technical Services.

220

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, the Government can confirm that it is proceeding with the construction of a multi-storey car park at the old Theatre Royal site.

225

**Driver Certificate of Professional Competence  
Availability of tests**

**Clerk:** Question 658, the Hon. D J Bossino.

230

**Hon. D J Bossino:** Can the Minister for Traffic, Health & Safety and Technical Services confirm whether the tests to obtain the Driver Certificate of Professional Competence are currently available to those individuals who want to take them?

235

**Clerk:** Answer, the Hon. the Minister for Traffic, Health & Safety and Technical Services.

240

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, yes, sir. In accordance with the Traffic (Drivers Qualification and Training) Regulations 2008, the Driver and Vehicle Licensing Department has introduced and made available to applicants the Driver Certificate of Professional Competence (CPC) initial qualification tests.

245

**Hon. D J Bossino:** Mr Speaker, I would ask the Minister to perhaps focus on this a bit more, if he has a chance when he gets back to the office because the reason why I ask this question is that representations have been made to me in relation to this issue.

250

I am told that despite the Government's announcement in the press that these certificates would be available and the initiatives which the Government has undertaken to make these available to pay for certain... I think it is... the cost of the examiner is going to be met by the Government and if you are unemployed, then the cost of the test is also going to be met by the... The tests, if you are unemployed, the cost of that is also going to be met by the Government.

255

It has, I am told, attracted some interest, but people are going to the Licensing Department, and it seems that the civil servants on the ground are not aware of all the details, and all that they are asking the person who is interested is to leave their name and then they are going to be contacted. But the information I am receiving is that the people who are expressing an interest are not, indeed, being contacted.

260

I would ask the Minister to perhaps look into this in a bit more detail because the reality does not quite correlate with the answer he has just given this House.

265

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the hon. Gentleman needs to remember what I told him in the course of my Budget speech. I am going to assume, again, as I did then, that he knows what he is talking about and that therefore what he is asking us to do again, from this position, is to once again deliver to the other side a massive political slap in the face for not offering this sort of qualification for the past 16 years.

The introduction of this policy and the introduction of this type of test, once the political colour of the Government changed, I assume, given what he is saying, is something that he supports and he wants us to see through as soon as possible.

265

As far as we are concerned, we will, of course... and he said to the hon. Gentleman, in the course of his first intervention, that he should concentrate more on these issues when he gets back to his office. We will concentrate on this and all the other issues on which we are delivering for our community, in particular those on which there has been no delivery for our community in the past 16 years.

270

**Hon. P J Balban:** If I just may add, just for your information, since the introduction, 15 applicants have undergone the bus CPC and 29 applicants have undergone the lorry CPC.

275

**Hon. D J Bossino:** I am grateful for the Minister's reply, which I found much more useful than the Chief Minister's reply (*Interjections*) which at least... (*Interjections*) We are being asked to ask questions in order to elicit information and that is all I am doing in this House. I think I am keeping to that as best as I possibly can, but if that is the reply the Chief Minister wants to come up with, then so be it.

280

But it is simply to point out, Mr Speaker, that as far as I understand it – and I stand to be corrected – the professional competency test is in fact a new requirement, as the Hon. the Minister for Transport quite rightly explained at the last sitting of the House. So it is not a Government policy initiative; it is actually an EU legal requirement. Maybe the Chief Minister should himself do some homework.

285

**Hon. Chief Minister:** Mr Speaker, this is not a question of homework or of simply standing up and pretending to be the nice guy asking questions to elicit information, because when one prefaces one's question with, 'Will the hon. Gentleman agree to go back and do more work and concentrate more on this issue?' one is not asking an innocent question to ask and elicit information.

The hon. Gentleman knows me well enough to know that I am not going to let him get away with that, and that I am going to refer him back to *Hansard*, so that he can concentrate more on the way that he asks questions, if they really are just to elicit the information.

290

Look, Mr Speaker, this is an EU requirement. It is a new EU requirement, but it is an EU requirement that does not just transpose now. It is an EU requirement that has been there for some time and was not transposed by the hon. Members when they were in Government.

That is why, if it is a question of homework and he wants to reduce it to that, he needs to go back and do some homework himself.

295

#### **Prohibitions and improvement notices Number issued June 2012**

300

**Clerk:** Question 659, the Hon. J J Netto.

305

**Hon. J J Netto:** Mr Speaker, can the Minister for Traffic, Health & Safety and Technical Services state how many prohibitions and improvement notices were issued in the month of June 2012, if any, broken down by industry group, and specifying the reason or reasons for issuing the notice in this period which may have brought operations to a halt, until the inspector was satisfied that the correct standard had been duly complied with?

**Clerk:** Answer, the Hon. the Minister for Traffic, Health & Safety and Technical Services.

310

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, the information requested by the hon. Member is contained in the schedule, which I now hand over to him.

315

Given that the hon. Member is requesting this information at each meeting of the Parliament, in order to facilitate access to the data requested to him and to members of the general public, it will be added to the statistics published on the Government website on a monthly basis and will therefore mean that he will have the information without having to ask for it.

**Answer to Questions 659**

**Enforcement Activities 2012**

**Prohibition / Improvement Notices Served - JUNE**

	PN	IM
<b>Industry Sector</b>		
Electricity Supply/Related		
Water Supply/Related		
Shipbuilding/Marine Repairs		
Manufacture		
Construction	1	
Wholesale Trade		
Retail Trade		
Hotel Trade		
Restaurants, Bar etc		
Repairs Consumer Goods		
Sea Transport Related		
Air Transport Related		
Road Transport Related		
Post & Communications		
Bank, Finance, Insurance		
Public Admin & Natl Defence		
Police, Security, Fire Services		
Sanitary Services		
Education		
Medical & Health Services		
Horticulture		
Other		
<b>Total</b>	<b>1</b>	<b>0</b>

**Hon. J J Netto:** Mr Speaker, I notice that, all in all, there has been one, either improvement or prohibition notice which does not really tally with the kind of figures I have been getting in previous months.

320 The normal incidence of either prohibition or improvement seems to be much higher than one. Is there any particular reason? Is it perhaps because the Factory Inspector has been concentrating on some other type of work?

325 **Hon. P J Balban:** Mr Speaker, the Factories Inspectorate actually responds mainly to requests from members of the general public – they respond in that way. In fact, the figures show a prohibition notice, as opposed to an improvement notice because that is clearly on the spreadsheets. So that is the reason why, perhaps, they have not received any complaints or any requests in that time period.

330 **Hon. J J Netto:** Well, it can be for any of two particular reasons. Either because someone in particular phones them and they go out and look on site at whatever they deem to be unacceptable or as a result of their daily excursion out into various industry groups. It can emanate in different forms.

335 But the particular question I was asking for is that, given that we are talking of just one in that particular period, which is a figure much, much lower than would have been traditionally the case in previous months, whether there was some reason for this particular low figure in this particular month?

**Hon. P J Balban:** No, Mr Speaker, not that I am aware of.

340 **Factories Inspectors  
Site meetings/advice given, June 2012**

**Clerk:** Question 660, the Hon. J J Netto.

345 **Hon. J J Netto:** Mr Speaker, can the Minister for Health & Safety state how many site meetings and advice were given by the Factories Inspectors during the month of June 2012, and stating to which industry group this was given?



350

**Clerk:** Answer, the Hon. the Minister for Traffic, Health & Safety and Technical Services.

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, the information requested by the hon. Member is contained in the schedules, which I now hand over to him.

As already stated in my answer to the previous question, this information will be added to the statistics published on the Government website.

**Answer to Questions 660**

**Monitoring Activities 2012**

**Inspections / Site Meetings / Advice**

	JUNE
<b>Industry Sector</b>	
Electricity Supply/Related	
Water Supply/Related	
Shipbuilding/Marine Repairs	1
Manufacture	
Construction	32
Wholesale Trade	
Retail Trade	
Hotel Trade	
Restaurants, Bar etc	
Repairs Consumer Goods	
Sea Transport Related	1
Air Transport Related	
Road Transport Related	
Post & Communications	
Bank, Finance, Insurance	
Public Admin & Natl Defence	
Police, Security, Fire Services	
Sanitary Services	
Education	
Medical & Health Services	
Other	
Horticulture	
Unknown	
<b>Total</b>	<b>34</b>

355

**Hon. J J Netto:** Mr Speaker, any particular reason why there were 32 site meetings/advice for the construction industry and just one for shipbuilding and one for sea transfer related and none for the other industry groups? Any particular reason for this?

360

**Hon. P J Balban:** Mr Speaker, the actual construction industry encompasses a very wide range of sectors. It is not specifically the bricks and mortar industry. Construction will overlap between any repairs being done within a shop, which will come under, perhaps under the retail trade, or it could involve other industry groups.

So just because we see 32 on-site meetings or inspections or advice given, it does not necessarily mean that that is construction sites.

365

The reasons for the apparent disparity in the statistical monitoring activities of the construction industry from the rest of the industries is due to what the Factories Act defines as 'construction work', as was mentioned earlier, and construction work is considered and not limited... and I will quote what this includes: alterations; conversions; fitting out; commissioning; renovations; repairs; upkeep; redecorations or other maintenance, including cleaning which involves use of water or an abrasive at high pressure or the use of corrosive or toxic substances; decommissioning; demolition or dismantling the structure; scaffolding; roadworks; trenches; sewer works etc.

370

So as you can see, just because I am in 'construction', it does not necessarily mean works which are undertaken at the construction site.

375

**Hon. J J Netto:** Mr Speaker, I am grateful for that, even though I do know a little bit of the construction industry, but that is not the point I am making.

The point I am making is that there is an obvious exclusive dedication, if I can put it that way, just on monitoring the construction industry, no matter how big it is, no matter how diverse it may be. The point is that it seems that it consumes the totality of the time of the Factory Inspectorate and what I am saying is why is it that all of the others, being smaller, being less diverse, never seem to get any attention in terms of site meetings, advice, inspections etc?

380

385 **Hon. P J Balban:** Mr Speaker, in that particular industry sector the risk is obviously far greater than, for example, in the office environment. Obviously there is a lot more risk involved in construction and all its associated areas.

For example, if we expect the Factory Inspectorate to go into offices and check whether the angle of their chair, their seating is correct because that obviously gives problems with backache and whether the computer is at the right level, the keyboard has it wrist rests etc, then obviously this could be...

390 This is exactly why the actual construction industry is what establishes the highest risk group and where you would expect the injuries to proceed from most commonly.

**Hon. J J Netto:** Mr Speaker, with respect, that is the point I have been labouring for the last seven months.

395 **Mr Speaker:** I was going to make that point, that this line of question – (*Interjection*) Order!

This line of question has a rather familiar ring to it. There is a rule in the Standing Orders that one ought not to revisit matters which have been answered in Parliament.

400 **Hon. J J Netto:** Mr Speaker, I am revisiting matters in relation to the development within the month; I am not revisiting the questions which I have been asking previously.

**Mr Speaker:** I accept that in the context of the month of June 2012, but the gist of the line of questioning now, being an over-concentration on the construction industry, has a familiar ring to it from several months past.

405

**Hon. J J Netto:** Do you want me to ask the question?

**Mr Speaker:** I will allow you to ask the question, but we have to draw a line somewhere on a repeated line of questioning.

410

But you know, I will allow you to ask the question, but I hope the Member appreciates this line of questioning has been asked at least three times in the last six months. (*Interjection*)

415 **Hon. J J Netto:** Mr Speaker, I do recall I said it in my Budget speech? I do not know whether it is relevant, the session of the Budget in relation to Question Time, sir?

**Mr Speaker:** No. It was a supplementary to similar questions at the last sitting, and indeed previous sittings. Yes, go ahead.

420 **Hon. J J Netto:** Well, if I can ask the supplementary question.

**Mr Speaker:** Yes, go ahead.

425 **Hon. J J Netto:** Even on the basis of what the Hon. Minister has just said – which I accept and I have been saying it – meaning that the construction industry *per se* has a higher incidence of accidents, so it is also true of the shipbuilding/marine repairs as well, but if you look at the numbers between one and the other, it is one for shipbuilding and 32 for construction. There is an enormous disparity.

So if the argument that you are using is because there is a higher incidence in construction, then that does not seem to tally with the dedication being applied to the other industry group.

430 Therefore, would the Hon. Minister not consider having a discussion with his own Factory Inspectorate to see whether sufficient time is taken to apply the resources available right across the whole spectrum, and not necessarily on just one industry group, in this case the construction industry?

435 **Hon. P J Balban:** Mr Speaker, I will communicate to the Factory Inspectors that the hon. Gentleman does not think that they are doing their job properly.

I seem to recall the conversation I had with my staff regarding this, and if I am not mistaken, I believe that the ship-repair industry has, apparently, qualified staff who actually do this sort of work for them, which means to say that I do not think there is a need for them – they do not feel there is a need for them – to go there unless they are called in specifically for a specific incident, but I will confirm that and I will let the hon. Gentleman know.

440

**Health and Safety  
Report industrial accidents**

445

**Clerk:** Question 661, the Hon. J J Netto.

450

**Hon. J J Netto:** Mr Speaker, can the Minister for Traffic, Health and Safety and Technical Services state if there have been any reported accidents during the month of June 2012, showing the industry group and stating which ones were reportable, major and fatal, if any?

**Clerk:** Answer, the Hon. the Minister for Traffic, Health and Safety and Technical Services.

455

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, it is premature to provide an answer to this question as the collating of the notification of accident reports for the month of June 2012 has not been completed, as these are produced more or less two months in arrears.

460

However, once this information is readily available, it will be added to the statistics published on the Government website on a monthly basis.

**Factories Inspectorate  
Number of inspections and results**

465

**Clerk:** Question 662, the Hon. J J Netto.

470

**Hon. J J Netto:** Mr Speaker, can the Minister for Traffic, Health and Safety and Technical Services state how many inspections during the month of June 2012 did the Factories Inspectors conduct, showing the industry group targeted, whether any possible breach to the Factories Act or any subsidiary legislation by any private company, a Gibraltar Government or MOD workplace, may have taken place, and whether legal advice is being sought?

475

**Clerk:** Answer, the Hon. the Minister for Traffic, Health and Safety and Technical Services.

**Minister for Traffic, Health & Safety and Technical Services (Hon. P J Balban):** Mr Speaker, the first part of the question, in relation to the inspections, has been answered in Question 660/2012.

480

The second part of the question, in relation to breaches of the Factories Act or its subsidiary legislation, has been answered in Question 659/2012.

In relation to legal advice, no legal advice has been sought. As stated in my answer to Questions 659 and 660, this information will be added to the statistics published on the Government website on a monthly basis.

485

**Hon. J J Netto:** Mr Speaker, can the Hon. Minister therefore tell me, from the information given to Question 660, which ones of those numbers are in relation to inspections, which ones are in relation to prohibition and improvement notices, and which ones are in relation to site meetings and advice?

490

**Hon. P J Balban:** Mr Speaker, as mentioned in the response to the questions, Question 659 is the prohibition and improvement notices served in the month of June.

Sorry, I seem to have misplaced the other part of the other table.

In response to the second part, Question 659/2012, the information requested is actually on the spreadsheet there: one prohibition notice in the construction trade served in the month of June.

495

**Hon. J J Netto:** Mr Speaker, I do not know whether the hon. Gentleman has finished or has not finished. I am still not any wiser, by looking at the answers given in answer to Question 660, of the figures in the column shown, which ones of those figures pertain to either inspections or site meetings.

For instance, when it says that in June, there has been one on the industry group shipbuilding, is that to do with inspection or is that to do with site meetings or advice? Then the 32, and then the other one.

500

**Hon. P J Balban:** Mr Speaker, now I understand what the hon. Gentleman is trying to get at.

Unfortunately, the way that we report statistics, site meetings, inspections and advice are collated together under monitoring activities, so they all fall under one group. Presently, and with the resources available at the moment, the Factories Inspectorate is in a reactive mode, as I already explained, and they

505 are responding to complaints from the general public and other entities. Thus all these are recorded as monitoring activities.

We actually do not split up the figures. I cannot give that information, because of the lack of statistical software that we have available.

510 **Hon. J J Netto:** Mr Speaker, with respect, what the hon. Member is saying is pathetic. This is a question that I specifically asked last month. I asked in supplementary questions the same thing because he could not distinguish, from a very clear and specific question, what information I was asking for. He told me in supplementary last month that he would go back and provide me with the figure, which he has not done. I ask the same question this particular month, and he says that asking for this particular

515 Question, which all we are talking about a total of 34 – whatever they are, whether they are inspections, whether they are site meetings or advice – is too much work to do.

Well, Mr Speaker, it will probably take an administrative assistant five minutes to provide this particular kind of information. It is just ridiculous! Just by looking at the logbook of the Factory Inspector, it will take them about 30 seconds every day to determine whether they have gone to do an

520 inspection or they have gone to do a site meeting. He can give me whatever answer he wants to give me, but he has to be a little bit sensible and credible.

**Mr Speaker:** There was no question there.

525 **A Member:** What is your question?

**Mr Speaker:** There was no question. There really should be –

**Hon. J J Netto:** The question therefore is will he do as he told me he was going to do last month, which is to provide information in the manner I have been asking... the answer, sorry, to the question I

530 have been asking last month and the month before, which he has not?

**Hon. P J Balban:** Mr Speaker, I agree with the hon. Gentleman 100%. It is amazing, but unfortunately, with what we have inherited, this is exactly... It is a pathetic system (*Interjection*) and unfortunately we need to correct this system to be able to provide the hon. Member with the statistics

535 which he requires now, which does not seem... or was not so important then, and probably that is the reason why that statistical software was discontinued some time back and the licence was never renewed. Now obviously we will try to put this old system – as mentioned, pathetic – and correct that.

**Hon. J J Netto:** To the hon. Gentleman opposite, you do not even need a computer. Forget whether a computer was bought in the year 2000. For the kind of question we are asking him, considering the small amount of figures we are talking about, an administrative assistant with the file in front of him or the logbook of the Factory Inspector, will take no more than five minutes to give me an answer. You do not need a computer, you do not need an iPad, you do not need anything like that. All it needs is someone – a

540 very young-scale admin grade – to do the information.

545 Is he willing – given that I have to put this in a question form – ?

**Mr Speaker:** It has to be a question.

**Hon. J J Netto:** Is he willing to get *someone*, whether it is the Factory Inspector himself at the end of the day, to tell me, ‘Well, I have done today eight hours’ work, for which four were two inspections, one was one site meeting...’? I do not think it is unreasonable to provide that kind of information, with or without computers.

550

**Hon. P J Balban:** Mr Speaker, we will correct the pathetic situation that we have inherited and we will provide this information in the way that we feel fit in the future.

555

**Hon. D A Feetham:** May I just explore with the hon. Gentleman that pathetic system?

My hon. Friend, Mr Netto, his contention is that for the month of June the Factories Inspectors would have actually logged, in relation to these 34, in a logbook – ‘This relates to an inspection, this is a site meeting, this is advice.’ Is he saying that that does not exist and all that is logged in the logbook is just simply a generic visit, for example? Is that what he is saying?

560

Because, of course, if that is what he is saying, and effectively what is recorded is a generic visit or something generic that does not really go into any detail about whether it is an inspection, a site meeting or advice, well maybe the hon. Gentleman would be justified in describing it as pathetic.

565 But if that is not the case and the logbook actually differentiates and the Factories Inspectors, as we would expect them to have done, actually differentiate between inspections, site meetings and advice, then this is not about pathetic systems; it is about the hon. Gentleman really not wanting to provide the answer or not having done his homework, or not having been briefed properly.

570 Could he help the House as to what it is, please?

**Chief Minister (Hon. F R Picardo):** Mr Speaker, calling in aid pathos to support one's questions is something that the hon. Gentleman needs to be very careful with. It was the hon. Member, Mr Netto, who prayed in aid pathos in support of his supplementary and called the system pathetic. So it is really quite unfair – although I know that fairness is not an issue that is relevant to him – for the Hon. Mr Feetham to get up and accuse the Hon. Minister of having prayed in aid pathos.

575 But what the Hon. Minister has said is that the system is exactly the system that was there before. So, if the logbook provided a generic entry before, it provides a generic entry now. If it provided a detailed entry before, it provides a detailed entry now. What the Hon. the Minister has said is, 'Look, I will go back. I now understand what it is that you want. I will go back and I will give you the information.'

580 And what is more, what has also been said during the course of the intervention, which I am happy to say, if we can provide it in the format that the hon. Gentleman appears to want, we will extend to the information when provided, is that it will be put on the internet going forward every month.

Mr Speaker, how is it that that can suggest anything other than wanting to provide the information?

585 And so, Mr Speaker, with that honesty from the Minister, I think we rest and we have provided as much information as we are able today and we will continue to provide that information in the future, if possible, if it is not a generic entry in the format that the hon. Gentleman has proposed. If it is a generic entry, then that system, perhaps I would agree, is pathetic. It is the one that has been there for 16 years – perhaps even longer, perhaps for 40 – and we will change it to ensure that the whole House has the benefit of that information, without anyone having to pray in aid pathos in support of their position.

590 **Hon. D A Feetham:** Yes, Mr Speaker, but you see the Hon. the Minister was doing quite well and matters were progressing very nicely, until it was the Chief Minister who whispered in his ear, 'Tell him, is he saying that the inspectors don't know how to do their jobs?' and it was the Hon. the Chief Minister who whispered in the Hon. Minister's ear, 'Tell him that the system was pathetic and that it existed during their time in Government.'

595 Of course, if the hon. the Chief Minister would not do that much whispering and would not prompt his Minister as to what to say – which inevitably, every time he does that really does raise temperatures in this House – we would not get into these exchanges in the first place.

600 Does the Chief Minister not accept and does he not agree with me that if the logbook actually distinguishes between the various categories and it is not generic, then you cannot describe it as pathetic, whether it was our system or whether it is a continuation of the system by the Government that he leads?

605 **Hon. Chief Minister:** Mr Speaker, given that sort of intervention, I think 'pathetic' really is now the appropriate word. What a pathetic approach to asking questions in this House, to say, 'You whispered in his ear. You didn't whisper this. You prompted him. You didn't prompt him.'

610 Mr Speaker, if we are going to get into that sort of debate across the floor of the House, he can rest assured that every time he is prompted to sit down and shut up, as he was very often by the hon. Member, (*Banging on desks*) the Leader of the Opposition, who is not here, when he was Chief Minister and he was a Minister, we will start to reflect that in every intervention. I know that what he enjoys is trying to lower the tone and raise the temperature in this House, but we are not going to fall for it.

615 Mr Speaker, I did prompt my hon. Friend, the Minister, in respect of the comments made by the hon. Member, as *Hansard* will show, and if the hon. Member were paying attention, he would realise the first person to refer to the system as 'pathetic' was the Hon. Mr Netto, who has been a Minister for 16 years and at different times may have been responsible for that system. That is where the concept of pathos was injected into this discussion.

And look, Mr Speaker, as for careless whispers, those are things best left for number-one hits.

620 **Hon. D A Feetham:** Mr Speaker, the hon. Gentleman described the answer as pathetic, but let me say this: the hon. Gentleman, in his recent interventions in this House, particularly in the Budget and today again, is slowly turning and is slowly adopting all the characters of arrogance, highhandedness and unwillingness to answer questions that he used to accuse our Government of when he was on this side of the House.

625 Again, I say this, that if that represents a 'new dawn' for Gibraltar, then God help us for the next four years! (*Banging on desks*) (*Laughter*)

Is he not going to answer my question? Yes or no?

630 **Hon. Chief Minister:** Mr Speaker, this is just... I really must be in a different dimension. The man has not been gone for 48 hours, in parliamentary terms, and my summing up and today... and already the knives are now out and being sharpened, not even as astutely as the Hon. Mr Bossino has the elegance to do, but just matter-of-factly. 'All the characteristics of arrogance etc and character assassination,' (*Laughter*) (*Banging on desks*) says the hon. Gentleman, and then he realised... 'used to accuse, allegedly...' (*Laughter*)

635 Mr Speaker, there has been a new dawn. There is a new attitude. Everybody except them wants to see it, and we are not going to be cross-examined and told to answer questions, yes or no.

This question has been answered. It has been answered clearly and, Mr Speaker, I think it has been answered candidly and positively, with a view to the information being provided, and we rest on that.

640

**Procedural**

**Chief Minister (Hon. F R Picardo):** And so, Mr Speaker, I have the honour to move that the House do now adjourn to Friday, 20th July at 3.30 p.m.

645

**Mr Speaker:** I now propose a question, which is that this House do now adjourn to Friday, 20th July 2012 at 3.30 p.m.

I now put the question, which is that this House do now adjourn to Friday, 20th July 2012 at 3.30 p.m. Those in favour. (**Members:** Aye.) Those against. Passed.

650

This House will now adjourn to Friday, 20th July 2012 at 3.30 p.m.

*The House adjourned at 4.18 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.30 p.m. – 6.23 p.m.

Gibraltar, Friday, 20th July 2012

## The Gibraltar Parliament

*The Parliament met at 3.30 p.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Questions for Oral Answer

### CHIEF MINISTER

#### Insurance specialist post Number of applications

**Clerk:** Sitting of Parliament, Friday, 20th July 2012. Answers to Questions continue.  
Question 671/2012, the Hon. P R Caruana.

5 **Hon. P R Caruana:** Yes, Mr Speaker. Can the Chief Minister say how many persons have applied for the new insurance specialist post under the Finance Centre Director?

**Clerk:** Answer, the Hon. the Chief Minister.

10 **Chief Minister (Hon. F R Picardo):** Mr Speaker, five persons have applied for the new insurance specialist post under the Finance Centre Director.

**Hon. P R Caruana:** Mr Speaker, has one been selected?

15 **Hon. Chief Minister:** Mr Speaker, one has withdrawn and one has been recommended, and there is now a final process, which is in play at the moment, and I think one will be informed, as a result of that final process coming to an end, that he is being offered the post.

20 If the hon. Gentleman will allow me, he knows that there are, I think, three or four areas where specialists are going to be appointed, and I think the final issue now is to tell them all at the same time, in respect of... The applicants who have applied for each of the posts will all be told at the same time what the position is. I think there are some who may have applied for more than one post.

**Hon. P R Caruana:** Mr Speaker, is the hon. Member able to say what, in the end... I know these things are subject to a bit of negotiation with the candidate, but what the salary is? Has that been determined?

25 **Hon. Chief Minister:** No. The hon. Gentleman will know that, because these are specialised areas, there will be an element of negotiation in respect of each of the appointees. The old adverts used to say salary will be commensurate with experience, and there is an element of that in respect of the potential appointees for these specialist posts.

30 **Hon. P R Caruana:** So I take it from that that, for this particular post, the salary has not yet been fixed because the person has not yet been selected.

35 **Hon. Chief Minister:** The person has not yet been told that they are being offered the opportunity, and therefore the negotiation has not kicked in, although I understand – if this is helpful – that we have an indication of what the relevant salary figure would be in respect of each of those who have applied.

**Hon. P R Caruana:** Mr Speaker, is this a Civil Service post or a Gibraltar Development Corporation post, or perhaps a Civil Service contract post?

40 **Hon. Chief Minister:** Mr Speaker, he threw me with those two options, because I think it is the third. I think it is a contract, rather than a Civil Service or GDC post that is envisaged in respect of these specialists.

45 **Hon. P R Caruana:** But a contract with a civil servant – with the Crown, or with the GDC?

**Hon. Chief Minister:** I believe that they are contracts with the GDC, because these are posts that *develop* the economy and therefore they are appropriately provided for under the structure of the GDC.

50 **Hon. P R Caruana:** Mr Speaker, can the hon. Member tell me – these people have presumably been interviewed by the board – who has been the interview board for this post?

55 **Hon. Chief Minister:** Mr Speaker, I am afraid I cannot give him the details, but I can tell him something of the structure of those posts because, in respect of each of the specialist posts, there has been a relevant specialist on the board. So, for example, I believe that Mr Tipping has formed part of all of the boards; I believe Mr Peter Montegriffo formed part of one, if not more, of the interview boards; Mr Blight – who is the Chairman of the Finance Centre Council, he will know – has been on one or all of the boards; Mr Hogg, who was the Chairman of the Fund Association, was on one or all of the boards. There may have been other representation, which I have not been made aware of, in respect of some of the other boards.

60 **Hon. P R Caruana:** So the hon. Member's answer is that he is not aware who was on the selection board for this particular post?

65 **Hon. Chief Minister:** Well, Mr Speaker, no, I can tell him that, in respect of this particular post – I thought he said the *posts*, but in respect of *this* particular post – if my memory serves me correct, it was Mr Tipping, Mr Montegriffo, Mr Hogg and Mr Blight who would have been involved. I believe that is the list, but I preface that with *I believe*. If he wants me to tell him exactly, and hold me to it, then he needs to write to me, but I think that is what the board was.

70 **Hon. P R Caruana:** So, implicit in that answer, Mr Speaker, is that there was no ministerial involvement in any of the selection process, or the boards.

**Hon. Chief Minister:** Mr Speaker, that is correct about the selection process. In other words, the recommendations have been made by those boards. I told him there was a final filtering process. Now



75 there is a meeting/interview – it depends on how you want to characterise it – with the Minister for  
 Financial Services, and with me in my capacity as Minister for Finance, almost just to have sight of who  
 these individuals might be – not all of them, as he may know, are local individuals known in the industry  
 – and just to understand that they share the Government’s vision of where these particular industries need  
 80 to be going. That is not the recommendation process; that is at the end of the recommendation process.

**Hon. P R Caruana:** Nevertheless, Mr Speaker, I am trying to understand what the process is. So  
 there is a group of professional worthies who have done the sifting and the recommending, but not the  
 selecting and the appointing. Should I deduce from his last answer that the selecting and the decision  
 85 whether to accept the recommendations and who to appoint or not to appoint is yet to be made, and will  
 be made by this board that he has just referred to?

**Hon. Chief Minister:** There is no other board, Mr Speaker. The selecting and the recommending has  
 been done by the board that is represented by the, as he called them, relevant worthies – but who do they  
 90 recommend to, if not to Ministers? What Ministers have wanted to do is to at least have the opportunity of  
 meeting those who are being recommended before proceeding to the process of appointment. He might  
 understand that there could be, in this very sensitive... In *these* very sensitive areas, actually – because it  
 is not just insurance – there could be reasons why Ministers might think it is not appropriate for a  
 particular individual to be appointed.

He used to tell us about the macro-economic responsibility that he had in his capacity as Minister for  
 Finance and Minister for Financial Services, something with which we did not disagree, and it has almost  
 95 been a ‘This is the person who has been recommended.’ ‘Well, nice to meet you. Now we agree we  
 should proceed to appointment.’ That is what the process has been, and that ‘Nice to meet you’ has  
 amounted to asking these individuals, who are the ones recommended – in other words, we do not meet  
 100 all of those who applied, just those who are recommended – ‘What is your vision for the future of  
 insurance in Gibraltar for example – [*Technical interruption*]

**Hon. P R Caruana:** May I proceed? But, Mr Speaker, the hon. Member is making more of this than it  
 is worth, and he is not providing me with the simple information that I want.

105 Given that a number of people have been interviewed and recommended by the previous group –  
 which he says involves Mr Tipping, Mr Montegriffo, Mr Hogg and Mr Blight, he *thinks* – subject to  
 confirmation later, whose decision is it as to which, if any, of these individuals are actually appointed?

**Hon. Chief Minister:** Mr Speaker, as is the case in respect of most of these types of contracts, in this  
 110 particular instance it will be a decision made by Ministers, informed by the recommendations made by  
 those boards.

**Hon. P R Caruana:** So the decision – [*Technical interruption*]  
 Not just the formal appointment of the sort that the Governor would make formally, albeit acting on  
 115 the advice of the Public Service Commission, if they were civil servants. So the role of Ministers is not  
 formalistically procedural in that way. Ministers, in this case... and the hon. Member must not assume  
 what aspects of it I might criticise, if indeed any, if it were so. I am just trying to establish now what the  
 procedure is that they are adopting as a matter of policy here. The actual decision of who to select from  
 amongst the recommendees and then to appoint them is a ministerial decision to be taken, I think he has  
 120 said, by him and the Minister for Finance, the Hon. Mr Licudi, who is not in the Chamber today.

**Hon. Chief Minister:** Mr Speaker, he can characterise it like that; I actually characterise it in a  
 different way. It is a ministerial decision whether or not to accept the recommendation of the board, and  
 for that recommendation to be informed, other than just by the write-up of the board, we have felt it  
 125 appropriate, because of the sensitivities that could be engaged in respect of each of these, to meet with the  
 individuals before making the appointments.

**Hon. P R Caruana:** Mr Speaker, the hon. Member must not describe what I am asking him as  
 characterisation of anything. It is a perfectly simple question. There is somebody who drafts the advert to  
 130 put in the newspaper, there is a secretary who opens the envelopes for applicants, there is somebody who  
 sifts them, there is somebody who does the initial perusal of the applications, there is somebody who then  
 recommends the shortlist, and that is as far as we have got, with Mr Tipping, Mr Montegriffo – they have  
 recommended a number of people.

**Hon. Chief Minister:** No, sorry, he has not... It may be that we are at cross-purposes. (*Interjection by*  
 135 *Hon. P R Caruana*) They have recommended one individual in respect of –

**Hon. P R Caruana:** Oh, I see.

140 **Hon. Chief Minister:** – four posts. So there is one recommendation for the post of insurance specialist, one for funds, one for private clients and one for banking, and we are seeing, Mr Speaker, each of those *ones*, so that we do not meet them for the first time, in many instances, when they first turn up for work.

145 **Hon. P R Caruana:** That is clear now. So the recommending board – if I could call them that, the gentleman whose name he mentioned earlier – has put up to Ministers just one name for each; not one name plus other back-ups, not in order of preference? (**A Member:** No.)

150 And then Ministers – by which he has said it means him and the Minister for Financial Services – will, having interviewed this man or woman, decide whether to go along with and accept the recommendation of the recommending board, or reject the recommendation because you do not like the candidate. And what – if it were the second case, it would then remit the matter back to the board? Is that how the hon. Member sees it happening?

155 **Hon. Chief Minister:** Yes, Mr Speaker, I assume... We have not come across any instance where we feel that we need to do that, but we would remit the matter back to the board.

160 Can I just tell him, Mr Speaker, that in the context of what he calls the ministerial interview – I do not call it that – we are doing that not on our own; we are doing that with the board itself. So in other words, when we are meeting the individuals whom the board has recommended, we are meeting them with Mr Blight, with Mr Montegriffo, with Mr Hogg – I think, in one instance, Mr Hogg was not available and Mr Lasry attended – and with Mr Tipping. So we are meeting them in that context as a sort of ‘getting-to-know-you, just getting comfortable with the fact that *your* vision for where we want to go is also *our* vision of where we want to go.’

165 If we were to come to the view... and look, I am happy to tell him that I do not think we have had to exercise our minds in that respect yet. We have not met all of the recommendees – I think we have met two out of four, but some people’s summer breaks are intervening with when we can meet the others... then my attitude would be to go back to the board and say to them, ‘We do not share your view that this person is the right person to take the job – do you want to re-advertise, or do you want to recommend another of those who might have applied?’

170 **Hon. P R Caruana:** Mr Speaker, I am not addressing the *formal* aspects of who is the appointer. The appointer is the GDC, assuming that his memory serves him correctly and this is a GDC contract. The actual appointer – the equivalent of the Governor, who makes all appointments in terms of signing off the minute on behalf of the Crown, were this Civil Service – in the GDC that is the board of the GDC, of which he is the Chairman, and no doubt a couple of his –

175 **Hon. Chief Minister:** Joe Bossano.

180 **Hon. P R Caruana:** Oh, Joe Bossano is the Chairman, and a couple of... So that is the formal appointer, which does not interest me very much. I am more interested in the process of identifying and selecting the individual. Who has signed the minute appointing him is really neither here nor there. Can the hon. Member say to me – I *will* write to him asking for this – whether it will be the same board that sits with him and his colleague, the Minister for Financial Services, that he has mentioned, or could there be other people in it too? Well, he has mentioned four names. I hate to carry on mentioning them all.

185 **Hon. Chief Minister:** Yes, subject to this caveat, Mr Speaker: that I have told him that, in respect of the post in respect of which he has asked, which is insurance, I believe that was the board, but that there may be different boards in respect of the different areas of specialisation. But those boards, I think, Mr Speaker, were selected on the basis of (a) people who had wide experience across the board in financial services, and (b) a specialist from that specific field for each one of the boards.

190 So if he will indulge me, I think Mr Montegriffo and Mr Blight may be on the all the boards, Mr Hogg I think was only on the board in respect of insurance or funds, one of the two. So, subject to that, it is the board as it was. There is no intention, should we go back... Should we have to go back, because I do not think that is necessarily something that is going to happen – but remember nobody has been written to until they have got the job yet – there would be no question of changing the board, other than in this context, which is something I mentioned to him a moment ago, that when Mr Hogg was not available, Mr Lasry, who I think was his deputy at the time, attended with us, and I think the deputy may now have become the chairman, because they tend to alternate in that organisation. But it is the person who is the chairman of a particular organisation that I think has presence on the interviewing board.

200 **Mr Speaker:** The Clerk has asked for us to pause for a few minutes, without necessarily leaving the Chamber, just to enable the technicians to restart the sound equipment. They were having problems a few minutes ago.

*The recording equipment was re-started.*

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**Government properties  
Policy re squatters**

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**Clerk:** Question 672, the Hon. P R Caruana.

**Hon. P R Caruana:** Mr Speaker, will the Chief Minister say what is the Government's policy in relation to squatters in its properties?

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**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, exactly the same as it was before 16th May 1996 and 8th December 2011, and will, I imagine, be in the future: namely, that people who are squatting are subject to proceedings for possession in the Supreme Court for eviction.

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**Hon. P R Caruana:** So, implicit in that is the fact that the hon. Member does not believe that the Housing Department can just invite the Police to go in and get them out.

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**Hon. Chief Minister:** Mr Speaker, this should not be a quiz on my understanding of the landlord provisions in Gibraltar, but whatever the position is in law is the position that I expect my Housing Ministry to be enforcing, and if police officers [*Technical interruption*]pretend to have powers beyond those which the law gives them, then I am sure that there will be a court to remind them of what their powers actually are.

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I think his understanding and mine are probably the same in respect of residential property. One requires a court order in order to be able to evict someone.

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**Hon. P R Caruana:** Mr Speaker, he must not be shy about playing quizzes when he volunteers the answer, which was that he believes a court order is required. Implicit in the belief that a court order is required is that it requires a court order and therefore cannot be done without a court order, which means that it is not open to the Housing Department simply to say to the Police, 'There is a squatter in my Government property – please go and see them out.' Unless what the hon. Member is saying is, 'Look, I'm not here to give legal advice,' – which obviously I was not seeking from him – 'the Government's policy is whatever the law permits it to be. If the law permits it to be without a court order, then it will be the Government policy to have recourse to the Police without a court order if the law permits it.' Is that what he is saying?

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**Hon. Chief Minister:** Yes, Mr Speaker, I think that is what I have said, but I actually do not believe that it permits it, but if it does and it is within the power of a police officer to do so, then of course the Housing Department would be perfectly entitled to do that in the appropriate circumstances which the law provides for it.

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I am not going to ask him for legal advice. I would not presume to do so. He and I have our own views about our own legal abilities. He has made clear what his view of mine is repeatedly across the floor of the House, and I am delighted to confirm that I have great faith in his legal abilities, but now that he is in private practice, I would expect him to charge for his advice, so I will not ask him for it across the floor of the House.

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**United Nations Committee of 24  
Purpose of Chief Minister's address**

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**Clerk:** Question 673, the Hon. P R Caruana.

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**Hon. P R Caruana:** Mr Speaker, will the Chief Minister say whether the purpose of his addressing the United Nations Committee of 24 is to try and persuade that Committee both to recognise our

inalienable right to self-determination and to recommend our removal from the United Nations list of non-self-governing territories; and will he further say whether the Government itself considers Gibraltar to remain in a colonial status and relationship with the United Kingdom until the United Nations does both of those things?

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**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I can confirm that the purpose of addressing the United Nations Committee of 24 is to counter Spain's continued interventions before the C24 and to make the C24 realise – not to seek to persuade them, but to make them realise – that the people of Gibraltar enjoy an absolute and unfettered right of self-determination and that we should be removed from the UN list of non-self-governing territories.

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Mr Speaker, in our view, the next part of the question calls for an opinion, but we will answer it factually as follows, by saying that Her Majesty's Government of Gibraltar considers and is advised that one of the factors in international law which determines whether a territory is or is not a colony – however much we dislike that word – namely a self-governing territory or a non-self-governing territory, is whether or not the territory appears on the UN list of non-self-governing territories.

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**Hon. P R Caruana:** Mr Speaker, the hon. Member is aware that there are many British territories that are not on any UN list and therefore do not need delisting, are not colonies and are not sovereign independent states, to wit the three Crown dependencies, amongst others. *(Interjection)* Well, Mr Speaker, can the hon. Member... I was very gratified by the first part of his answer; less gratified by the second half of his answer, which in my view, to a degree, contradicts the first part. Let me see if I can ask him some questions.

280

The purpose of asking these questions, Mr Speaker, is simply to establish the extent to which there is still a divide across the floor of this House on this question. There is not a hidden blunt instrument in my last supplementary, so you can rest assured. *(Interjection)* Now he has won! *(Laughter)* Well, Mr Speaker, some things you just have to take on trust.

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Mr Speaker, when the hon. Member says that he is advised that one of the factors... I am not asking for an expression of opinion; I am asking him for the Government's policy position. What is the Government's policy as to whether Gibraltar remains a colony or not? We are unquestionably on the list of non-self-governing territories.

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The United Kingdom, at the highest level of government... I think the Prime Minister has said it, but if the Prime Minister has not said it, certainly the last two foreign secretaries have, in Parliament. The Ambassador for the United Kingdom says it at the United Nations twice a year. He says that the nature of the constitutional arrangements in Gibraltar are not such as to regulate a colonial relationship. In other words, the United Kingdom says to the world the relationship between Gibraltar and it, the United Kingdom, is not colonial in nature. In those circumstances, given that the ex-colonial power does not consider us to be in a colonial relationship with it – although, clearly, still in a relationship of political dependence – and given that we do not believe – it is implicit in the first half of the hon. Member's answer – that... It is not as if we do not have decolonisation unless the United Nations says it. Given both those things, given that the United Nations' say-so is not essential, and given that the UK says that it does not regard us as a colony, would the hon. Member agree with me that the preferable view is that however desirable it might be to get off the UN list for housekeeping, book-keeping reasons, it does not determine whether or not we are a colony? In other words, that it is possible, even if the hon. Member were to disagree that the facts as they currently exist get us across that line, regardless of that question, but that actually is possible to cease to be a colony without the United Nations getting them off your list, or even acknowledging your right to self-determination?

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I do not think *[inaudible]* the possibility of which is not excluded by the fact that one of the characteristics is listing.

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**Hon. Chief Minister:** Mr Speaker, I am going to assume that the hon. Gentleman is genuine in the way that he postulates his supplementary, and not with a political blunt instrument in the sock that he lunges towards us, and try and deal with the issues that he is raising – which perhaps are more appropriately dealt with on a motion on these issues rather than on questions, but I think this is in both our interests – first of all, by telling him that the final part of his question is a hypothetical question, and in that hypothesis of course it *may* be possible for there to be a territory that is decolonised whilst it is still on the UN list of non-self-governing territories. That could, of course, be a legal possibility. It is one of a number of legal possibilities. The other, of course, also being that whilst you remain on the list of non-self-governing territories, in international law you will always be regarded as a non-self-governing territory. To make the jump from non self-governing territory to colony is to equate those two, which in my view is not necessarily always the case, but sometimes can be the case.

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**Hon. P R Caruana:** It is the same for UN purposes.

325 **Hon. Chief Minister:** Right. For UN purposes, however, as the hon. Gentleman is prompting me, 'non-self-governing' and 'colony' means the same. So, is a territory, let's say *like* Gibraltar, self-governing or not self-governing? That should be the question that is asked about our colonial status.

330 The hon. Gentleman said, in 2008, two years after the new Constitution at the C24, that he no longer regarded the C24 as the gatekeeper of our decolonisation. He did not say at the United Nations that he would therefore not be attending their meetings again, although there is a giveaway last sentence where he thanks them for the work they have done for Gibraltar to date and says goodbye without saying, 'I'm not coming back,' (*Interjection by Hon. P R Caruana*) to the Committee of 24.

335 In January 2009, he said in his New Year's message that, for all those reasons, he did not consider it appropriate to continue to attend the C24. But, Mr Speaker, I think he needs to accept in the discussion that we are having, as I think he did before he sat down, that being on the list *is* one of the characteristics which may indicate whether a territory is or is not colonial – it may or may not be the determining factor, I think he said.

340 Mr Speaker, we think, on this side of the House, that in international law and at the very least certainly in UN doctrine – and those two can also diverge – being on the list is what determines whether a territory is or is not self-governing. Some territories were put on the list which were clearly non-self-governing. Some territories which were not self-governing were not put on the list by administering powers in the 1960s, and that, to a very great extent, Mr Speaker, depended more on what the internal regime in those territories was than on the objective criteria that one might have applied.

345 For example, France might have what they might have called in French an overseas territory which it brought into metropolitan France by operation of French law. It was therefore a far-flung part of France, not a colony of France, and therefore France – and let's not get into Spain and what she did with Ceuta and Melilla, because that is perhaps more controversial – did not put those territories on the list. The United Kingdom put a lot of its then properly so-called colonies on the list, but did not put other territories on the list.

350 So, Mr Speaker, what are we left with? The fact is that Gibraltar is on that list. The fact is that Spain attends Committee meetings, uses the fact that we are on the list to bring up all matters related to Gibraltar at the C24, and we believe therefore it is important and appropriate that we are there. It is an issue of genuine division across the floor of the House.

355 **Hon. P R Caruana:** The issue that I am trying to see whether there is a division across the floor of the House is not whether you should go to the Committee of 24 or not. He is free to go if he pleases –

**Hon. Chief Minister:** Of course I am.

360 **Hon. P R Caruana:** – and that is not the issue. The issue, if he wants to define it, upon which I am asking him whether there is division across the floor of the House, is the question of whether unless the United Nations recognised that you have ceased to be a colony, ergo you have not ceased to be a colony, because if that which may indeed have been the traditional view, if that is the case, does he not believe that he is placing Gibraltar in a position whereby rights and progress that we can make in our relationship with the United Kingdom and the meaning of that relationship is not makeable and our rights to move away from ceasing to be a colony depends on UN recognition, which might never be forthcoming and therefore we condemn ourselves to continue to be in a colony?

370 I should say, whether the hon. Member will agree, that I think it is right to say that in the United Nations, self-determination... decolonisation is the same thing as –

**Hon. Chief Minister:** Non-self-governing.

375 **Hon. P R Caruana:** – non-self-governing, to a degree. I think it is true, but it has got to be read in the context that really for them, non-self-governing territory means independence in one of the three forms that the United Nations delisting criteria recognise independence. Either independence as your own independent sovereign nation state, either independence because you join an independent country through integration and you become *part* of an independent country and therefore the territory joins an independence status as part of the enlarged independent country, or through free association which is *entitlement* in the future to independence.

380 The hon. Member knows that free association is only recognised by the United Nations if the associating territory is free at any time of its choosing to disassociate freely into an independent sovereign state status. So all the acceptable, all the supposedly acceptable methods of decolonisation in the UN had independence as their core ingredient.

385 All I am trying to get to the bottom of – and this is my last supplementary on the matter – is whether  
the hon. Member believes that if the United Kingdom does not consider that we are in a colonial  
relationship and if, which I am not saying is the case, but if it were the case that the Gibraltar Government  
also does not believe that the relationship it enjoys with the United Kingdom is colonial, does the  
Government believe, is it within the scope of its policy to then say regardless of whether the UN, and  
390 therefore other countries, recognise it or not, and desirable as it might be to get off the UN's list,  
nevertheless and notwithstanding both those negatives we do not consider ourselves to be a colony?

**Hon. Chief Minister:** I think, Mr Speaker, there is much more international law in that than just those  
three criteria and what the hon. Gentleman is trying to suggest. For example, what is the status of a  
territory that unilaterally declares itself independent? Well, it depends on the *Realpolitik* surrounding that.  
395 So say for example, Mr Speaker, just for the sake of argument that the Basque Country were to declare  
itself independent. Would that in effect render it independent? Well, Mr Speaker, the United Nations  
would not recognise it as independent. The hon. Gentleman knows that the doctrine of the emergence of  
states requires to an extent recognition from other states and it is almost a political balance (*Interjection*)  
400 when one has enough states on one side that vote in the General Assembly to recognise the new status of  
a territory that one then achieves UN recognition and membership.

But, Mr Speaker, when is independence actually effected? Well, it may be when – usually these things  
happen through violence – the moment that the violence occurs that gives rise to the Declaration of  
Independence and the fact that it is later recognised by a vote at the General Assembly as an independent  
state and subsequently a member of the United Nations does not mean that the point from which  
405 independence flowed was the moment of the Declaration. So, Mr Speaker, when does the relationship  
become non-colonial: the minute its characteristics are non-colonial or the minute that the UN takes that  
territory, if it is one that was on the list, off the list?

Mr Speaker, I look forward to reading many dissertations on this subject, but I will tell him this, in all  
the time that he was in Government, he would only describe the relationship between Gibraltar and the  
United Kingdom as modern and non-colonial in nature. So the hon. Gentleman did not say, 'Gibraltar is  
not a colony of the United Kingdom', in the context, Mr Speaker, of anything other than the new  
relationship and the way that he saw the characteristics and the way that the criteria of the United Nations  
should have developed. But, Mr Speaker, as he knows and I know, the criteria of the United Nations  
remains the same criteria as in the 1960s. We might be agreed that those criteria should change, but it is  
415 not, as he has suggested, three criteria or three statuses that are in play. The one thing he has not told the  
House this afternoon is that there is of course a fourth option, a fourth option on which his speeches relied  
on many occasions before both the Committee of 24 and (*Interjection by Hon. P R Caruana*) – [*Technical  
interruption*] a principle or an option on which his speeches relied, both before the C24 and the Fourth  
420 Committee. So there is a status, which is not one of those three statuses which he said had an element of  
independence in them in one way or another which might be a tailor-made solution that applied to any  
particular territory.

So, Mr Speaker, that is as far as I am prepared to go. I do not think it is in anybody's interest for us to  
go further at this stage because, Mr Speaker, if he were right – *if* he were right – and I were to say in that  
context incorrectly that we are not decolonising until we are taken off the list, we would be doing a great  
425 disservice to the people of Gibraltar.

**Hon. P R Caruana:** On the contrary –

**Hon. Chief Minister:** If *I* am right and... or rather, if *he* is wrong, Mr Speaker, and you are not  
430 actually decolonised in the context of international law until you are taken off the list, well then, Mr  
Speaker, what do we achieve by going around *saying* that we are decolonised, if we are actually *not*  
decolonised.

So, Mr Speaker, it is a hangman's noose and I think people need to understand that the importance of  
being at the C24 *primarily* is that Spain is there putting her arguments and we will always turn up to  
435 counter them.

440 **FCO paper on Overseas Territories  
Government policy re Gibraltar**

**Clerk:** Question 674, the Hon. P R Caruana.

**Hon. P R Caruana:** I regret I was not able to persuade the hon. Member to join us in our very sound  
445 policy position on that matter.

Mr Speaker, will the Chief Minister say what, if any, aspects or contents of the recently published Foreign Commonwealth Office paper on the Overseas Territories, entitled ‘Security, Success and Sustainability’ is contrary to the Government’s policy insofar as relates to Gibraltar?

450 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, can I take my cue from him and say that I regret that, despite our differences, he could not find it in his heart to join me, as I invited him to do in June before the C24, because whether we agree or disagree about what the effect of the C24 may be, seeing us there together I think is good for Gibraltar.

455 Mr Speaker, in answer to this question, there are many aspects of the White Paper on Overseas Territories which are very positive and some which the Government considers to be less positive. We are engaged in addressing all aspects of the White Paper with relevant UK Ministers and officials and it would be inappropriate at this stage to say more, but I would be very happy indeed to consider aspects of  
460 the White Paper with the hon. Gentleman if he wishes to have that discussion with me outside this House.

**Hon. P R Caruana:** Mr Speaker, whilst I accept that that position may be one on which he can stand at this point in time, and indeed for some shorter time, there comes a point, given that the UK has described this document as indeed the previous one called, ‘Partnerships...’ something or other, in my  
465 days, given that the UK regards this as the bible – and I agree with him there is a lot that is positive – but at some point the Government is, I think, going to be duty bound to explain in this House what parts of the document that the UK thinks is key to our bilateral relation that it does not share. But I accept that if the hon. Member is not ready to do that now, because they are still working through the implications and discussing it bilaterally, that is fine, but certainly our view would be – obviously there is nothing that I  
470 can do to oblige him to do it publicly... but our view is that at some appropriate time, it is legitimate for the House to understand what there is in that document that clashes with the policy position of the Government of the day, as I would have not minded doing, had the boot been on the other foot and I had been asked. But I might have asked for what he has now asked, which is time to consider the implications bilaterally with the UK.

475 **Hon. Chief Minister:** Mr Speaker, it is not so much a question of considering bilaterally with the UK or needing more time to work through. The document has been worked through. We are already engaging with the UK, as it is our obligation to do.

480 Mr Speaker, if I can just go back a step in the Order Paper, and for the United Kingdom to say, ‘This is it, boys and girls,’ well, that is colonialism, Mr Speaker. That is unacceptable.

I do not actually read the White Paper in that sense. I read the White Paper as what White Papers are intended to be. Therefore there are issues on which we are engaging outside the public consultation process, because the hon. Gentleman would not have expected the Government of Gibraltar, whether  
485 headed by him or me, to simply form part of the public consultation process with the hundreds of thousands of other citizens of the overseas territories, and indeed of the United Kingdom, the millions in the United Kingdom who might have wanted to form part of a public consultation process.

There are parts of the White Paper that we think are not appropriate but may have been put there aiming towards actions and behaviour in other territories where they may be appropriate or they may appear to us to be appropriate from the outside for temporal reasons.

490 Mr Speaker, it is a question of continuing engagement with the UK on these issues and I have said what I said advisedly. If he has spotted things there which he wants to bring to our attention, I dare say we spotted the same ones and that we are taking up those same ones, but I would be delighted to have a discussion with him outside the hearing of these microphones.

495 **Hon. P R Caruana:** Mr Speaker, there is a key issue here, would the hon. Member agree with me? There could be different views about whether specific contents are or are not objectionable, whether we like some or do not like some, or like them all, or do not like any of them. In my view that is less important because I think the hon. Member is right in saying that this is not a document drafted for  
500 Gibraltar and in the application and in the attitude towards the implementation of it, the UK will take a horses-for-courses approach and will not use the document for the same purposes in relation to all of the overseas territories, as indeed they did not with the previous one.

505 So my concern is not that. My concern, which I would ask the hon. Member simply to keep in his mind is the one of principle, and that is the extent to which the UK would be free [*Technical interruption*] if it were minded to in such a document to purport, to circumvent or even to modify formal constitutional arrangements. In other words, my view always has been that of course the UK has power to modify the Constitution and it has power to legislate for the overseas territories, although it happily has not done so for Gibraltar for many years, but these documents, White Papers, are not capable of effectively

510 moderating, altering the content of the Constitution in terms of who is responsible, primarily who is  
 responsible for what. That is the overriding principle and I think is probably the only important principle  
 that arises from these documents, which in their content may all be very good and may describe precisely  
 the sort of co-operative relationship that ought to exist between Gibraltar and the United Kingdom – so  
 long as it is not viewed by the United Kingdom as a *droit du seigneur* to modify the Constitution  
 whenever it feels like it as if the Constitution were not a primary source of law, binding as much on the  
 515 United Kingdom Government as on Gibraltar, which is often forgotten. The Constitution is a UK piece of  
 legislation which binds us all, not just us in this House and our fellow citizens, but indeed, the United  
 Kingdom as well, in how it deals with Gibraltar.

520 **Hon. Chief Minister:** Mr Speaker, I have never heard *droit du seigneur* used in that context before,  
 but I understand how he uses it. I had heard it used in a much more amusing context previously. I am sure  
 he – (*Interjection and laughter*) Well, it depends what the *seigneur* is trying to do, I suppose.

Mr Speaker, I actually think that we need to go a bit further than that. I think that markers have to be  
 put down in respect of certain things and some of them have to be put down privately, in other words in  
 correspondence, because it is not appropriate to say those things publicly; but some things have to be said  
 525 publicly and it may be that we come to the stage where the Government feels that it needs to express a  
 view in respect of some aspects of the White Paper in public, if we do not receive the assurances that we  
 expect to receive – assurances, Mr Speaker, we do not think it would be hard for us to receive, because as  
 the hon. Gentleman has said, there are some things in there which are clearly designed to fit other  
 territories and perhaps most of the other territories, but very clearly do not fit Gibraltar and its present  
 constitutional arrangements in particular.

530 But look, Mr Speaker, a White Paper is a White Paper. It has no status, in my view, other than as a  
 political document. It does not upset what is the law of the United Kingdom and the hon. Gentleman is  
 right to say, of course, that the Constitution of Gibraltar is a piece of UK legislation as binding on the  
 United Kingdom, until it takes the necessary legislative Acts to change it, as it is amongst us in Gibraltar.

535 So I think it is appropriate to end this part of the debate, unless he wants to get up and say something  
 else, by repeating something I said to him, perhaps I think in the first Question Time – we have had so  
 many this year already – in January... (*Interjection by Hon. P R Caruana*) well, you are only missing  
 one, we are catching up – which is this, Mr Speaker, that there is only one direction of travel in respect of  
 the Constitution and it is the one we are all in this House agreed on and that is in the direction of further  
 540 emancipation. This is a one-way road. There is no way back.

**Commercial use of airfield  
 Renewal of MOD agreement**

545 **Clerk:** Question 675, the Hon. P R Caruana.

**Hon. Chief Minister:** Sorry, and if I may just add, Mr Speaker, to that at the end, in fact and in  
 550 practice as much as in law.

**Hon. P R Caruana:** Since it has become fashionable to prefix a question with a reference to the  
 previous one, Mr Speaker, much as I would like to travel with him to New York, he will surely  
 understand that I cannot at one and at the same time occupy the position that we have achieved, our  
 555 decolonised status, and at the same time go to the United Nations and ask for it. It is just not a coherent  
 position.

The question that has been called from the Order, I am –

**Clerk:** Question 675.

560 **Hon. P R Caruana:** – obliged, Mr Speaker, for the very indulgent mood this afternoon, I have to  
 say –

**Mr Speaker:** It is Friday afternoon. (*Laughter*)

565 **Hon. P R Caruana:** That must be the reason!

Mr Speaker, will the Chief Minister say whether the Government has renewed the agreement with the  
 MOD relating to the commercial use of the airfield, which expired in December 2011?

**Clerk:** Answer, the Hon. the Chief Minister.



570 **Chief Minister (Hon. F R Picardo):** If I might, Mr Speaker, just deal with the point raised before I address the answer to the question.

Mr Speaker, that begs the question of why he would attend the Fourth Committee meetings in October which are essentially to a very great extent for the same purpose which is the General Assembly's consideration of the Report of the Committee of 24. Anyway, those arguments I am sure we can have elsewhere. It is probably good for both our blood pressures that we do not travel together to New York, but I hope that in October he will be able to join me!

Mr Speaker, in answer to this question, the answer remains as set out in answer to Question 470/2012.

580 **Hon. P R Caruana:** I see, Mr Speaker.

Can the hon. Member give the House any sort of indication of whether this is a negotiation that the Government thinks is difficult and complex and therefore may continue to take time to finalise or whether he, on the contrary, sees it as business that can be disposed of quite quickly now?

585 **Hon. Chief Minister:** Mr Speaker, what I can tell him is that I expected to have meetings with the Ministry of Defence in respect of this and other matters last week, but because of the change in the Budget session, those have now been shunted forward to next week. This, as he will know and I think I told him last time, is one of the issues on the agenda.

There are figures being provided to us which are enabling us to do the exercise that we want to do in order to get to the stage where we make a decision in respect of this contract.

#### **Airfield use by RAF Discussions re local traffic disruption**

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**Clerk:** Question 676, the Hon. P R Caruana.

600 **Hon. P R Caruana:** Mr Speaker, will the Chief Minister say whether, welcome as the airfield's continuing value to and use by the RAF is, there was any liaison and discussions between the MOD and the Government to minimise the considerable disruption to local traffic that resulted and continues to result at key hours from the ongoing exercises?

**Clerk:** Answer, the Hon. the Chief Minister.

605 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the MOD notified the Government in advance about their use of Gibraltar by RAF aircraft for exercise purposes. The Government was assured that the MOD would try to keep disruption to a minimum. To this end, in order to minimise disruption, the station commander was asked to carefully manage the flying programme and to liaise with the RGP's Traffic Department so that the traffic management plans formulated during busy periods were elaborated with full knowledge of movements at the Airport.

610 We have been very happy indeed to see the detachment of Hawks, which arrived in April, and the Tornados we have seen in July using Gibraltar for their exercises. They are – and I am sure I speak for the whole House – very welcome indeed.

615 **Hon. P R Caruana:** Yes, indeed, Mr Speaker, they are, and we could welcome them more often without disruption to our road traffic, if only the tunnel can be finished as quickly as possible. *(Laughter)*

620 Mr Speaker, of course I know that the MOD certainly does not go out of its way to maximize inconvenience and I am sure would want to minimise inconvenience to the greatest possible degree, but the question is the extent to which the Government is satisfied that that in fact has happened. For example, is the Government satisfied that landing and taking off times, as part of the training exercise or outgoing or incoming jet fighters, have been scheduled to the greatest possible extent to avoid key frontier crossing times – nine o'clock in the morning, between 8.30 and 9.15, the evening rush hour back, that sort of thing. The question is not information and co-operation, but whether the Government is satisfied that, given that we want them to use the airfield for training, given that they obviously want to cause the minimum degree of disruption, that has happened and key runway closure times have been avoided.

630 **Hon. Chief Minister:** Well, Mr Speaker, given that they want to avoid all of those problems, as the hon. Gentleman has himself conceded, we must therefore, unless we do not accept that given, believe that that has been the case, and would, Mr Speaker, that the hon. Gentleman had developed the tunnel for the price and within the timeframe that he promised Gibraltar that he was going to. Instead, we have found

ourselves, as he knows, Mr Speaker, inheriting the chaos of litigation. I will not say any more in the interests of not affecting Gibraltar's case in that matter which is presently before the Court in London, but the tunnel ain't there and it was supposed to be two years ago.

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**Hon. P R Caruana:** Yes, Mr Speaker, alas, we were relying on Gibraltar still having a competent Government able to handle both the litigation and the ongoing building of the tunnel and its funding – *and its funding*, Mr Speaker. So all I can do from these lowly benches here is to encourage the hon. Member to proceed with the tunnel and persuade him, in as non-partisan possible a way, that this is something that Gibraltar wants and needs.

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I think it is implicit in the statement, and I will not press him further, but it is implicit in the hon. Member's answer that, whilst he shares my view that the MOD is welcome to use the runway and that he shares my view that the MOD would want to minimise, but actually there has been no co-ordination of landing of which the Government is aware, of which he is aware, to specifically avoid specific times for landings and takings off of these aeroplanes. It is implicit. He has invited me to take it to assume that that is the case, because otherwise we would be impugning our view that they want to minimise, which suggests that he does not actually know.

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**Hon. Chief Minister:** Mr Speaker, if I could just, on the tunnel, give him a piece of unsolicited advice. He really needs to stop digging, which is to an extent is what we have done! *(Interjection by Hon. P R Caruana)* *(Laughter)* Which to an extent is what we have done for this reason. *(Interjection by Hon. P R Caruana)*

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Mr Speaker, I know that he could not bear to hear the whole of my reply, during the course of the Appropriation Bill, but the point about the hole in the public finances, which would have just got bigger if we had carried on with a project that required £55 million to finish the tunnel, I think is a point already well made.

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Mr Speaker, we actually believe that there has been the level of co-operation necessary in order to avoid key times for runway closings insofar as that has been possible, but there are other criteria which apply in respect of when aircraft can and cannot take off for particular exercises. I think some of them also involved other nation states, so that was not possible in every instance, but we are satisfied with the way and the manner in which these things were handled, in co-operation with the people who we have now made solely responsible for traffic management on the ground, namely the RGP. He knows that they now control also the Highways Enforcement Officers' cadre which he created in his final four years in office.

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#### New ID cards and driving licences Intention to introduce

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**Clerk:** Question 677, the Hon. P R Caruana.

**Hon. P R Caruana:** Mr Speaker, can the Chief Minister say whether the Government intends to issue (i) new identity cards and (ii) new driving licences; and, if so, when?

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**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, it is the Government's intention to provide new format identify cards, including chip and pin or similar technology, and new driving licences to comply with EU requirements. When Government is ready to introduce these new cards, it will make the relevant announcement.

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**Hon. P R Caruana:** Mr Speaker, can the Government say whether it has taken a view on this question which we had before us about whether the Government would invest in the technology to produce these cards locally or whether to avoid that cost the Government would have these cards printed in the UK by a printer?

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**Hon. Chief Minister:** Mr Speaker, he threw me a little bit *[Technical interruption]* with the use of the word 'produce' the cards. The physical card, the plastic comes blank and that is the option we have chosen. The printing of the card will take effect in Gibraltar, so literally white pieces of card will arrive in Gibraltar and they will be printed using our own technology in Gibraltar to be the new identity cards and driving licences that will be distributed.

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**Community care  
Intended changes to system**

**Clerk:** Question 678, the Hon. P R Caruana.

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**Hon. P R Caruana:** Mr Speaker, will the Chief Minister say whether the Government considers that there is any need to bring about a change to the system of Community Care by ceasing to make grants to the current private trust and replacing those with grants in favour of a different arrangement?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the position of successive Governments of Gibraltar, I am sure he would agree, is that Community Care is a private charitable trust and the Government has no control over its affairs.

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As we have said in our manifesto, which I will read out, given that after the last session Members opposite complained that we would not read out the relevant parts of that splendid document, in relation to Community Care's future, we said as follows:

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'In 1996 Community Care had assets of £63 million of which £60 million was in cash and was available to provide support to resident pensioners and others with the income from its investments. In the last 15 years, its reserves have been run down to zero in a deliberate policy in order to replace its role by alternative arrangements.

This was first announced by Mr Caruana in 2009 and it was stated that legislation would be introduced that would ensure that no loss of support for those getting it or with a right to do so in future would take place and that new arrangements would better protect such payments from claims by non-residents. The new arrangements were originally said to be designed to remove any possible claims by non-residents.

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No such action has taken place, except that this year it was stated that as from 2012'

– of course, 'this year' meaning 2011 –

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'the payments would be provided as a legal entitlement, together with social insurance pensions. On the basis of this statement we believe such a change would have the very opposite effect of what was claimed to be the purpose of the exercise. Rather than protect Gibraltar from any claims or liability to pay non-residents, it would make it legally binding to do so. In other words, it will bring about what it was said it was intended to prevent.

Unless and until someone produces evidence that such a change will benefit Gibraltar based pensioners, we remain fully committed to restore the fortunes of Community Care and ensure its survival.

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To this end we are committed to resume funding it in excess of its annual requirements as from April 2012 so that once again it is able to meet all its commitments and better its reserves to achieve its own investment income and not to have to rely solely on Government grants, the position it enjoyed in 1996.

Given that its outgoings are now much higher, the target is that it should have been able to build up its reserves currently zero to at least £100 million by the time of the next General Election.'

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This is on page 63 of our manifesto, Mr Speaker.

We are also committed, Mr Speaker, on page 27 of our manifesto, as follows, in respect of our projections for growth of our economy:

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'No doubt we shall get the same reaction to the benefits contained in this Manifesto as we have had in the past elections from others – they will tell you it is impossible and will ruin Gibraltar.'

Well, Mr Speaker, that first projection was certainly true – it took them 10 minutes to say that.

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'... in the 2007 General Election our Manifesto was costed on a predicted GDP level of £800 million and a projected level for this financial year of £1.2 billion. Our figures have proved remarkably accurate. The figure for 2007/08 published some 18 months later was £804 million and the estimate for last year was £1 billion. We are assuming that in the current year the size of the Gibraltar economy will reach £1.1 billion. On this basis, the programme in this Manifesto is designed to be delivered with an economy that grows from £1.1 billion to £1.65 billion between 2011 and 2015. In the same period Government revenue is projected to grow from £400 million to £600 million and Government expenditure projected to grow from £375 million to £525 million. On this basis the surplus for the current year would be £25 million growing to a level of £75 million at the time of the next General Election. In effect, Government revenue is being kept at a constant ratio to GDP and it will grow at the same rate as the economy. Government expenditure growth will be kept below the growth in the economy and limited to an increase of 40% over the 4 year period. The annual surplus that will result from these figures will be gifted to Gibraltar Community Care in each of the 4 years to allow the charity to meet its current and future costs and build up its reserves so that in the future it will once again be totally independent of Government grants.'

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That is our published political position on the matter of Community Care funding.

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**Hon. P R Caruana:** Well, Mr Speaker... So the answer to my question is no, which he could just have said.

Mr Speaker, I note that the hon. Member says that he is planning to donate the entirety of the Budget surplus for the next four years to Community Care. If he plans to do that, can he say to this House where is he going to fund the rest of his programme from, without increasing public debt?

765 **Hon. Chief Minister:** Mr Speaker, I am not going to have the Budget debate all over again. We have already set out exactly what we are going to do, and I will remind him, Mr Speaker, that in respect of Community Care in particular, during the course of the Budget debate I set out very clearly a question to the hon. Member which related to the aspect of our manifesto which I read first, which set out what he had said in respect of the changes *he* was going to implement to Community Care. He was, Mr Speaker...  
770 I am not going to say suspicious, but I will say ominously silent on the point of Community Care and in replying to any of the invitations that I set out for him to respond.

775 So, Mr Speaker, that is the question that is still on the table between us: what would have been the mechanisms *he* would have implemented in respect of Community Care? I offered him, Mr Speaker, the possibility not just of telling us across the floor of the House, but of telling *me* behind the Speaker's Chair, confidentially, what the mechanisms he intended to implement are, and unless I missed him trying to grab my eye on the way out, he has not sought to tell us what that position is.

780 As to how we are going to, Mr Speaker, donate the surplus to Community Care *and* deliver our programme without increasing debt... Well, it is obvious, Mr Speaker, that he does not know how to do it, and I am not going to explain it to him.

**Hon. P R Caruana:** Well, Mr Speaker, I have some news for him: he is *obliged* to explain it to this Parliament. That is what the Parliament that he wanted to make more transparent and more meaningful and more relevant to the democracy of Gibraltar is for; not so that he can taunt with non-explanations, but rather for which he *should* give more explanations.

785 Mr Speaker, the purpose of supplementary questions is most purely to ask questions which are raised by the answer given to the original question. He chose, in a question which had nothing to do with it, to give me a spiel about the fact, which ended with a statement that the Government was going to donate its Budget surpluses to Community Care. I have therefore asked him, given that he is committed both to giving the *whole* of the Government's recurrent Budget surplus to one organisation called Community Care, and that he is also committed – and therefore he has got no spare money in his Budget to pay for capital expenditure – and is also committed to cutting the gross public debt by 50%, Mr Speaker... He will have to explain to this House – and I am asking him now in supplementary – how he can reconcile *that* commitment, which *he* has just raised in this House today, and therefore I am entitled to ask him  
790 supplementaries about how he intends to reconcile that commitment, assuming that his understanding goes beyond simply being able to read what a manifesto drafted by others contains – how he proposes to reconcile that commitment with the commitment to reduce public debt *and* deliver all the other increases in recurrent expenditure *and* cut all the revenue by all the ways that he has promised to recover the revenue, and still have money to give Budget surpluses to the tune of £75 million over the next four years.

800 Mr Speaker, with respect to the hon. Member, it is not *I* that may not understand how these things work, but *he* – because it is axiomatic, isn't it? Doesn't he agree that if you are going to give all your spare revenue over income to a charity, you do not have it to do other things with, and all the other things are all the other things that he has promised, which by the way are not just increasing expenditure but reducing revenue, and it is not including cutting tax to 17%.

805 So, Mr Speaker, what I am asking is: is the hon. Member committing – *recommitting* – his Government in this House today to doing all of those things?

**Hon. Chief Minister:** He just does not get it, Mr Speaker; that is the problem. (*Interjection by Hon. P R Caruana*) He does not understand, beyond the way that he has explained it, how it is possible to finance a manifesto like ours and deliver it, and I am therefore very happy to recommit myself to it today because I am confident that it can be *and* grant surpluses to Community Care.

810 Mr Speaker, what I am telling him is not 'I am not going to tell you'; it is that he is going to see how it is done as we do it over the next four years, (*Interjection by Hon. P R Caruana*) and we are recommitted to doing it. We are recommitted to doing it by my statements in this House today, if he wants that to be the case.

815 I said during the course of the Budget debate, in my primary intervention and during my reply – although I recognise that he was not here to hear the whole of it – that I recommitted my Party to everything set out in my manifesto being delivered in the next four years. I told him, he might remember, that I would not be taking the route to the trapdoor that he offered me, where he said, 'If you like, because I have not left you enough in public finances – according to you, Fabian – come through this door where you say "That's my excuse for not delivering the manifesto.'" I *told* him I was not going to go through  
820 that trapdoor.

825 Mr Speaker, this is becoming what is known in Spanish as *el cuento de la buena pipita*. I am going to tell him again. Would he like to tell me, would he like to inform Gibraltar, this House, or just me behind the Speaker's Chair, what the new arrangements he was proposing for Community Care were?

I said very clearly, Mr Speaker, in our manifesto – and everybody accuses *me* of having drafted the document; it is nice that somebody says somebody else drafted it – what our position was going to be in respect of Community Care *and* how we are going to fund it, and I am recommitting ourselves to it.

830 Mr Speaker, *he* said in *his* manifesto, *and* before that to the general public, that he would be implementing a *new* system that was *better* than Community Care. Mr Speaker, is it so much to ask him to tell us what that new system was?

835 **Hon. P R Caruana:** Mr Speaker, if the hon. Member cannot get used to the fact that he now answers questions which I ask, I am very happy to change roles with him again! (*Interjections*) By 237 votes, or something like that, the people of Gibraltar, for whose judgement I have the utmost respect, have decided that I should be cast in the role of asker of questions and he is cast in the role of answerer of questions; a casting, by the way, that I suspect many people have come to regret already.

840 But Mr Speaker, nevertheless it remains such and it really does not become the Government to ask questions across the floor and to invite the Opposition to design policy for the Government.

845 If the hon. Member does not think that Community Care needs reforming – as he has just informed me in the previous question he believes it does not need reforming – then what interest does he have in how I would have reformed it, who does think it needs reforming? Unfortunately for me, and I believe for Gibraltar, the GSD is no longer in Government. The hon. Member now saddles the whole community with the view of the Government that Community Care does not need reforming. It is not for him to taunt the Opposition to disclose what the Opposition *would* have done to fix a problem *had* it been elected into office, which the hon. Members do not think is a problem that needs fixing.

850 Mr Speaker they have to decide... This is why I asked him the question. I asked him the question in order to decide whether the Opposition *should* help the Government out. If the hon. Member had said, 'Yes, I do think there is a possible problem there for Gibraltar,' – what I call the ticking time bomb – 'but I am sorry, you know, we just cannot understand how we might fix it,' I would have rushed to No. 6 and given him the benefit of my ideas. But he has told Gibraltar in this House today that he does *not* think the problem needs fixing, he does *not* think that there is a problem. In those circumstances, for him to ask me to contribute to fashioning a solution for him is entirely, in my view, inappropriate.

855 **Hon. Chief Minister:** Mr Speaker, I actually believe that he is right that many people in the General Election now regret how they cast their votes, and that if the vote were called again, (*Interjection by Hon. P R Caruana*) the majority that we would enjoy would be much *greater* than 237 votes. (*Banging on desks*) It would be well into the thousands, where it *will* be after the next General Election.

860 **Hon. P R Caruana:** If you think that, call an Election *now!* (*Laughter*) I challenge you to call an Election now!

**Mr Speaker:** Order! Order! Order!

865 **Hon. Chief Minister:** Mr Speaker, he did not pick up when I said before –

**Hon. P R Caruana:** Call an Election!

870 **Mr Speaker:** Order!

**Hon. Chief Minister:** – that it was not his *last* term in Government, it was his *final* term in Government after the last time.

875 Mr Speaker, we are not going to put Gibraltar through the expense of another General Election quite at this stage –

**Hon. P R Caruana:** We will pay for it!

**Hon. Chief Minister:** – but we are very much thinking... Yes, that's nicely rigged if you pay for it!

880 **Hon. P R Caruana:** We will pay for it.

**Hon. Chief Minister:** We are very much looking forward to the next General Election, Mr Speaker, because in that General Election, where I confidently expect that I will be facing a different opponent as Leader of the GSD –

885 **Hon. P R Caruana:** But you will still have the same [*inaudible*].

**Hon. Chief Minister:** – and by which time I will have had the opportunity of wishing him a much more elegant (*Interjection by Hon. P R Caruana*) *adieu* than he might have wished any of his political opponents, and thanking him for the service that he will have given to Gibraltar to date, he will also have had the opportunity of explaining to people why it is that since 2011 – and, in fact, Mr Speaker, since 2010 when he *was* in Government – the hon. Gentleman was saying – not from Opposition, as he is today, but from Government – that, in his view, Community Care was a ticking time bomb that he said he was not willing to bequeath to our future generations. In 2010, Mr Speaker, he said, in January, in his New Year speech, ‘I will be introducing in this Budget in 2010 significant reforms to protect Gibraltar from this possibility. Reform will not result in financial loss to our pensioners or recipients of Community Care.’ That was the plan of the Government, Mr Speaker, in 2010.

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900 So I am not asking him what plan did he have if he won the Election now, as Leader of the Opposition, to share with him; I am saying to him, Mr Speaker, what on earth was he basing that on, if he did not have a design or a plan at the time? Because, Mr Speaker, in 2010, in their Budget, the hon. Member did not mention the words ‘Community Care’.

905 Mr Speaker, what we were saying... and I said it specifically in my first intervention on the Budget, in my principal speech, not in my reply – because he missed an excellent part of that, in my principal speech – we do not think Community Care has a problem. I said that specifically, but *you* said, on a number of occasions, and I listed them, Mr Leader of the Opposition, when you were Chief Minister, that you believed that Community Care had a problem. I said to him, Mr Speaker, and I repeat to him, I therefore now call on the Leader of the Opposition to make public in his reply what he was going to do in 2010. In other words, what were the plans of the Government in 2010? One cannot say that one is going to do things without having some sort of plan. Or was it, Mr Speaker, that there was no plan?

910 You see, Mr Speaker – and this is how I finished my intervention on this issue – *if* we are wrong – and we do not believe we are wrong; we believe there are *no* problems with Community Care, but *if* we are wrong – it is actually very bloody-minded of the hon. Gentleman to simply say, ‘Go and sail into this problem,’ and ‘I will not help you, because I was rejected by 237 votes,’ and ‘Let Gibraltar have the problem, because I won’t tell you what my design and what my alternative plan for Community Care was. Find yourself, Gibraltar, in the quagmire, because I didn’t win by 237 votes.’

915 Mr Speaker, how bad can that be? Mr Speaker, we were actually saying, ‘Peter if you have got a better plan, share it and we may actually come out and say that your plan was better than ours. This is too important to be playing party politics on.’ But, Mr Speaker, what the hon. Gentleman has said today in his last intervention is to confirm *in terms, in terms* ‘As I did not win the Election, then you can go and sail into the problems. I don’t care.’ Well, Mr Speaker, what an attitude!

920 **Hon. P R Caruana:** Mr Speaker, the attitude that he has just described is not the one that I described, but certainly it was the one that the GSLP announced in 1996 on the night of 16th May (*Interjection*) when the then recently elected Leader of the Opposition said that Gibraltar had the Government that it deserved, and then went on to re-elect it for another 16 years.

925 Mr Speaker, I sincerely hope that as the man who has the fortunes of this community in his hands for the next three-and-a-half years at least, I sincerely hope that the powers of analysis and the powers of listening and regurgitation and the powers of discernment from what he hears his interlocutor say are not as he has just described them to be. I know that he wants to portray me to the people of Gibraltar as a traitor who left him with a huge financial black hole. Look, Mr Speaker, I have not said that Gibraltar can stew in its own juice; I have said the opposite. I have asked him whether he thinks there is a ‘juice’, and given that he has told me that there isn’t a juice and therefore he does not think there is any possibility of stewing, then I do not have to give him my stewing recipe. After all, why should I give him my favourite stew recipe when he does not want to eat a stew because he does not think there is a need for one? He is confusing remedy with the identification of whether a problem exists in the first place.

935 Mr Speaker, if he wants to have analogies, then the analogy is this: here is somebody who declares that he is fit as a fiddle and wants to berate somebody else for not prescribing the remedy for an illness that he says does not exist, never existed and will not exist. Well, Mr Speaker, he can try and convert all of that into the statement that the ex-Chief Minister, because he lost by 238 votes or whatever the number was, is happy to let Gibraltar sink – in his words, Mr Speaker.

940 All he has to say is declare publicly that he thinks that there is a problem in Community Care – in other words, reverse the position that he has announced in his Budget and today – and then, if he wants, we can work together on designing a solution, and I will be very happy to carry into that exercise if the Government needs the Opposition’s help in doing that job, as he might wish.

945 But what I am certainly not going to do it is on the hypothetical basis which is created by the circumstance that he does not think there is a problem at all, that he thinks – well, not him; the Minister for Employment, who is absent from the Chamber today, thinks – that his creation, Community Care, is

perfect and is not a problem for Gibraltar now or in the future. If that is what they think, then they must want the solution, to what the problem would be if it was not okay, for reasons other than fixing something, because they do not think there is anything that needs fixing. So what he wants is to get the solution for the purposes of playing politics with it, but not to apply to save Gibraltar from anything, because he does not think Gibraltar needs saving.

Mr Speaker, I have been in this House just a little bit longer than him.

**Hon. Chief Minister:** I thought he was supposed to be asking questions, Mr Speaker.

**Hon. P R Caruana:** If he does not like what I am saying, I am happy to sit down.

**Hon. Chief Minister:** I thought you had said you were ready to ask questions.

**Hon. P R Caruana:** If he is having difficulty hearing what I am saying, I am happy to sit down.

**Hon. Chief Minister:** I have absolutely no difficulty hearing what he is saying, but I am going to subject it to careful analysis to show him why it is that he is wrong about all of it.

Mr Speaker, in what I told him during the course of the Budget debate, I actually said that we were committed to the things I have now read out to him. I said it during the course of the Budget debate, Mr Speaker, and he did not come back and say, 'Well, look, I am not going to give you my answer, my new design, because you have recommitted yourself to the manifesto.' He, instead, kept schtum about the whole thing and then set down this Question.

Mr Speaker, thank goodness we have got *Hansard* and we will be able to go back and see what the hon. Gentleman said, and not rely on *his* version of what it is that he said or his now desired interpretation of what it is that he said before I rose and dealt with his previous supplementary.

Mr Speaker, I have actually not accused him of being a traitor. I have said that this attitude to Community Care displays what his politics are like. If I were to accuse him of being a traitor, Mr Speaker, it might not be about this, because the first thing that springs to mind is to remind him that he is the only Chief Minister of Gibraltar who has ever said outside of Gibraltar, in Spain, that he *might* be prepared to consider putting – *supporting* – the Andorra-style solution to the people of Gibraltar in a referendum. There are those who might consider that to be treachery.

I have not put it to him in those terms, Mr Speaker, but I will tell him this: he now says what the hon. the Member with the responsibility for employment and other matters, who is not in the Chamber today, said to him, having lost the Election in 1996. Mr Speaker, I think it is appropriate to remind *him* of what he said to the then the Leader of the Opposition in 1996 when he lost the Election and in 2000 and 2003 and 2007 when he lost the Election, which was, 'You should go because you have lost the Election and political leaders, when they lose elections, should have the decency to vacate their posts and allow younger blood to take over.' (*Interjection and laughter*) Mr Speaker, if he said then that that was appropriate for the Hon. Mr Bossano – and Mr Bossano did not take his advice, rightly, and well done; now there he is, back in Government – it may be, Mr Speaker, that either (a) he has changed his position, or (b) he needs to be giving himself a dose of his own medicine.

Medicine, Mr Speaker, brings me to this business of not being allowed to know what the remedy is for any illness other than the illness that one is suffering, in his example. Is it, Mr Speaker, that one is not entitled to consult a textbook to find out what the answer is to a common cold until one has the common cold, in his style of politics? Mr Speaker, is it that somebody can sit on this chair, with the responsibilities that it carries, for two years since 2010, tell people – the elderly, in particular – that he is going to amend Community Care, the whole structure of it, and change it and redesign it, and actually not have a clue of what you are going to replace it with?

Because, Mr Speaker, one is left with the impression that, actually, all those statements were made in the Budget in 2009, in the New Year's message in 2010, in the Budget in 2011, and not followed through because actually there was, behind St Peter's Chair – if you will excuse the analogy with the Chair in the Vatican – absolutely no plan whatsoever to replace Community Care, no design whatsoever to replace Community Care with something safer or something less safe.

Mr Speaker, he will know he is entitled to have his files of his Government confidential in all matters in respect of correspondence etc, but I am entitled to have access in respect of others. I lay down the gauntlet, and it is a simple one: will he allow me to have access to any file of his D-series which contains the new plan for Community Care? It is that simple.

1010

**Statutory old-age pensions  
Review of current system**

**Clerk:** Question 679, the Hon. P R Caruana.

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**Hon. P R Caruana:** Mr Speaker, will the Chief Minister say whether the Government considers that there is any need to review, reform or change the current system of statutory old-age pensions?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, as the hon. Member knows, and as we have repeatedly stated in the past from the Opposition benches, and given a commitment in our Election manifesto, and stated in the recent Budget session, the answer is yes.

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**Hon. P R Caruana:** Mr Speaker, is the hon. Member able to say when he thinks that that might emerge, roughly? Are we talking about weeks, months, the end of the year, early next year? Any timescale?

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**Hon. Chief Minister:** Mr Speaker, I will tell him it is a work in progress. He was very averse to having any Member of the Opposition be the timekeeper for *his* projects. It is a work in progress and it is certainly something that we want to see the light of day very soon indeed; but because it is, he will understand, a project that requires careful work, I am not going to commit ourselves to any particular time, other than what might already have been said in this House during the course of the Budget debate about how that work is progressing.

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**Hon. P R Caruana:** Mr Speaker, I was averse to being pressed by the Opposition to say when I was going to deliver a policy that I had not said I would deliver by any particular time during a four-year mandate. This is not the case here, where they have said in their manifesto that they would do this within a period of time which I think has expired already, and I think the... I was going to say the Chief Minister – I mean the Minister for Employment, indicated – in fact, apologised, or expressed regret, if not apologised – during his Budget address for the fact that it has not been possible for him to do it by early July, or by the beginning of July, as had been the announcement.

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So it is because there has been an acknowledgement by the Government already that they are late with this in accordance with their own timetable, not with one that I am trying to pin on them, that I am just asking whether he has any idea when this commitment – that they had planted for July, but has not yet emerged – is likely to emerge. It is not comparable to what they used to do to me.

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**Hon. Chief Minister:** Mr Speaker, I do not agree. I do not recognise what the hon. Gentleman has said. In fact, I do not think that the apology related to this matter. Perhaps he would like to point me in the direction of what was actually said.

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**Hon. P R Caruana:** Mr Speaker, perhaps he was not in the Chamber when the Minister for Employment gave his address, but does he not recall the Minister for Employment expressing regret that he had not had... I think he put it down to legislative drafting time or something, that it had not proved possible for him to bring the changes to the reform of Social Security and pensions that he was working on, and that he would bring them as soon as possible. This question is designed to just place a timetable on that, but clearly he does not know, and it does not matter. We will find out on some other day.

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**Hon. Chief Minister:** Mr Speaker, if the hon. the Clerk will give me the opportunity, I am just looking at the Budget speech because I do not recognise what the hon. Gentleman is saying in the Budget speech of the Hon. Mr Bossano, so if I can just have a moment, or perhaps we can recess, then I can have an opportunity of checking that, because I think he has confused different parts of our manifesto.

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So, Mr Speaker, if this might be a convenient moment, we might recess for five minutes.

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**Mr Speaker:** Five minutes. The House will recess for five minutes. (*Interjection*) I think the Hon. Chief Minister wants to answer the question.

**Hon. Chief Minister:** In the interest of clarity, Mr Speaker, I [*inaudible*].

**Mr Speaker:** The House will recess for five minutes.

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*The House adjourned at 5.02 p.m. and resumed its sitting at 5.07 p.m.*



**Hon. Chief Minister:** Mr Speaker, I am grateful for the short break.

1075 Mr Speaker, the position actually is absolutely clear – and totally contrary to what the hon. Gentleman was saying – that the position set out in respect of Social Insurance reform in our manifesto is on page 62 and it does not have any time limit. We recall that before he sat down, the hon. Gentleman said, ‘But this was an issue which you had a time limit on and that is why I am holding you to it.’ So I am going to read it to him, Mr Speaker:

‘A GSLP Liberal Government will reform the entire structure of the Social Insurance Fund which is now insolvent.’

1080 No time limit.

‘We will place the Fund on a viable footing.’

1085 No time limit.

‘EU Law now requires equal pensionable age for men and women in all new schemes. In the new scheme we will pay pensions to men and women from age 60.’

1090 No time limit.

And the bit that my hon. Colleague, the Minister for Employment, gave the House during the course of his Budget speech reads as follows:

1095 ‘The Social Security Fund as it stands is not viable. I have raised this issue many times from the Opposition benches. The hundreds of workers who pass through our economy and contribute to the Fund whilst here will one day become pensioners and create a future liability for Gibraltar *greater* than the one feared by the GSD Government as a result of the Civil Service Final Salary Pension Scheme.

1100 I regret it has not been possible to move on this issue so as to limit the liability at least and ensure it does not continue to grow into the future. There is a manifesto commitment to act on this and I am still hopeful that it will be possible to bring in the new arrangements during this financial year.’

– but there is no manifesto commitment to be held to in terms of time. The hon. Gentleman, in his Budget speech, said that he hoped to do it within the financial year, so if he goes back to what I first said when I said, absent what might have been said in the Budget, that is the position, and there is no question of a manifesto time limit that he can time us to.

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**Hon. P R Caruana:** Yes, Mr Speaker, I readily accept that there is no manifesto time commitment and that the part of the Minister for Employment’s Budget address that I had been alluding to was the statement of regret that it had not been possible to move on this issue. In other words, it is true that, contrary to what I suggested earlier, there is no time limit placed on the... no target date in the manifesto, but clearly this is something that they want to move on quickly, because the Hon. the Minister for Employment expressed regret that he had not been able to move on it yet. Therefore, the question is whether the Hon. Chief Minister can say when that will be forthcoming and if he can narrow it a little bit to the current financial year, which is 31st December next year. But I acknowledge, if he wants it formally for the record, that it was wrong of me to suggest that there was a deadline in the manifesto.

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**Hon. Chief Minister:** I appreciate that, Mr Speaker, and I am grateful. Mr Speaker, 31st March, not 31st December.

1120 **Hon. P R Caruana:** It is March.

**Hon. Chief Minister:** Sorry –

**Hon. P R Caruana:** Well, it is just the end of the financial year, 31st March.

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**Hon. Chief Minister:** That is right. The hon. Gentleman just said now – and I think it was in error – 31st December. Yes, 31st March 2012.

1130 Mr Speaker, yes, I echo the words of the hon. the Member for Employment. There was a manifesto commitment to act on this and we, as a Government, are still hopeful that it will be possible to bring in the new arrangement during this financial year, i.e. before 31st March. *Hopeful* – in other words, we are working towards that.

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**Spanish fishermen in Gibraltar waters  
Number of arrests**

**Clerk:** Question 680, the Hon. P R Caruana.

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**Hon. P R Caruana:** Mr Speaker, how many arrests of Spanish fishermen in Gibraltar waters have occurred since 9th December 2011? He can provide me with the update, if he wants.

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Sorry, the hon. Gentleman said something at the end of that which I did not quite –

**Hon. P R Caruana:** You can provide me with the update, because a question has been asked, a similar one.

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**Hon. Chief Minister:** Yes, Mr Speaker, but he has asked about 9th December 2011, so I am going to answer in that respect, and it relates to arrests.

I am informed by the Royal Gibraltar Police that no Spanish fishermen have been arrested in Gibraltar waters during the dates in question.

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**Hon. P R Caruana:** Mr Speaker, given that there have been no arrests and given that fishing has continued to take place, and that notwithstanding that there have been no arrests, does the hon. Member, with hindsight and the benefit of it, consider that it would have been possible and indeed perhaps more appropriate, rather than to have torn up the 1999 Agreement overnight, so to speak... whether he believes that that statistic indicates that the matter could have been dealt with, with less risk of horizontal contamination of other matters, by putting the Spanish side on notice of termination, allowing the Agreement to continue to prevail during that period of time, during which new arrangements might have been discussed and put in place in less strained circumstances?

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**Hon. Chief Minister:** Mr Speaker, there are two things I need to say about that. The first is that I recognise the Hon. the Leader of the Opposition was not here for the last Question Time. For good reason he was not here, and so be it. The Hon. the Deputy Leader of the GSD – I do not know whether that makes him Deputy Leader of the Opposition because the Leader of the Opposition is a constitutional post. (*Interjection*) Indeed. Well, not unconstitutional; not envisaged in the Constitution, which is not to say that they are unconstitutional, Mr Speaker (*Interjection*) – asked me exactly the same question less than a month ago.

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Mr Speaker, I do not want to have that debate again, but I am happy to tell him that we remain of the view that we have acted absolutely properly. Mr Speaker, I do not recognise that there continues to be fishing as there was before in our waters. There is *some* fishing in breach of our laws which is, in some instances when it occurs, has involved Spanish fishing vessels being escorted by Guardia Civil vessels in breach not just of the Nature Protection Act but of the United Nations Conventions on the Law of the Sea and of the appropriate behaviour that should be displayed by one nation state in respect of the territorial waters of another nation state, in particular NATO and EU allies, as Britain, Gibraltar and the United Kingdom are with Spain.

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Mr Speaker, would we have acted in a different way with hindsight? No, Mr Speaker, because there is a division between him and me as to what the effect of the 1999 Agreement is, and I said that to him when he *was* here for questions at the previous session, when I said to him if one believes that the 1999 Agreement *is* unconstitutional *and* a breach of the rule of law for all of the reasons that we debated previously, then one cannot tolerate that whilst one negotiates one's way out of it, because you cannot tolerate breaches of the law. It is not up to us to deal with application of the law; that is a matter, of course, for the Royal Gibraltar Police. We just *make* laws in this Parliament.

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So, for all of those reasons, Mr Speaker, as I told him two months ago, as I told his Deputy one month ago, the short answer – and they always try and pin me down to a yes or no, and I am happy to give them one in this instance – is no, even with the benefit of hindsight.

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**Hon. P R Caruana:** Mr Speaker, my question does not go to whether it is proper or improper, or whether they have acted properly or improperly. Different people in Gibraltar have different views on that question, just as different people in Gibraltar have different views on his confident assertion that the previous, the 1999 Fishing Agreement was unlawful or unconstitutional, and I have no hesitation in categorising myself amongst those who do not think it is either of those things, like the British Government did not think it was and the Commissioner of [*inaudible*]. But that is not the issue, Mr

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1200 Speaker. That is not the question. I am not asking him Questions designed to reopen any of those debates. The narrow question that I was putting to him – but his answer might still be the same – is given that the objection to the 1999 Agreement was the suggestion that it contained a behind-the-scenes understanding between the Government and the RGP that there would be no enforcement of the law – which, by the way, is not true... The Agreement does not say that they can fish. The Agreement is about the enforcement attitude of the RGP reverting to what it had been in earlier years, leaving the enforcement decision thereby in the hands of the RGP. I do not want to debate with him. I am happy to, if he wants to, but that is not the sense of my questions, to debate those aspects. Given that the Agreement left the enforcement of the law in the hands of the RGP, and that they chose to enforce it, he believes, by not arresting people, not because they were exercising any proper judgement, but because they were, in effect, complying with a behind-the-scenes agreement with the Government of the day, but the net result was that there were zero arrests, and that that, in fact, is the same net result as there has been since he tore up the Agreement; namely both *with* the 1999 Agreement and *without* the 1999 Agreement, the net result – albeit, he would argue, for different reasons – is zero arrests.

1205 I am asking him, in those circumstances, doesn't he think that the considerable strife might have been avoided by just allowing the zero arrests to continue whilst different arrangements, which he regards as less unconstitutional and less illegal, had been put in place in a way which would not provoke as much as this unilateral thing appears to have provoked?

1215 **Hon. Chief Minister:** Mr Speaker, I refer him to the supplementary asked by the Hon. the Deputy Leader of the GSD on page 21 of the *Hansard* for Thursday, 21st June, at line 1005, where he said this:

1220 'Now, does he not accept that, looking back in retrospect, this issue of the 1999 Agreement and how one tears up the 1999 Agreement – call it a memorandum of understanding or whatever it is that you wish to call it – but it has not been dealt with well by the Government side because, for example, you could have actually called in the Mayors of La Linea and Algeciras, the fishermen, in the same way as you are having discussions with them now, because you are having those discussions with them now, and say to them "Look here, as from six months' time the 1999 Agreement is out of the window..."'

1225 So I have had this debate in the House, Mr Speaker, with the Hon. –

**Hon. P R Caruana:** I was here.

1230 **Hon. Chief Minister:** Sorry?

**Hon. P R Caruana:** I think I was here.

1235 **Hon. Chief Minister:** No, you were not. The hon. Member, I am sorry to say, was not here for that one. This was when the Hon. the Deputy Leader of the Opposition was pretending to be the Leader of the Opposition already, so he definitely was not here for that one.

Mr Speaker, there is a difference. If we were just to say let's have this debate on the basis of the zero arrests, there is a difference, because you see, Mr Speaker, his question was about arrests but there have been reports for process, which there were not, Mr Speaker, before, under the 1999 Agreement.

1240 He will know, Mr Speaker, as well as I do, that a police officer has many ways to deal with people who are breaching the law. He can either caution them, he can report them for process, he can arrest them, he can just give them a strict telling off, if he likes – and that is just down to the police officer at the time. What is happening now, when people are fishing here, Mr Speaker – and there are very few who are fishing here, and I will come to that in a moment – is that they are being escorted by very large boats of the Guardia Civil – usually two large Guardia Civil boats to one Spanish fishing vessel; something which I understand is annoying members of the Guardia Civil as much as it is everybody else, given that they also think that they have better things to do.

1245 But, Mr Speaker, in that context, is he saying that what the Royal Gibraltar Police should do – and we do not interfere in what they should do – is ensure that they arrest, even if that means that they ram Guardia Civil vessels etc? First of all, I am sure he is not saying that. Second, Mr Speaker, he remembers, of course, every time he talked about upgrading the assets available to the Royal Gibraltar Police, but then actually never did that, and we, Mr Speaker, after 8th December 2011, ordered new and bigger boats for the RGP because they were having to rely – as people will know, Mr Speaker, and he will definitely know – on boats that they had confiscated from drugs magnates to be their vessels.

1255 So, Mr Speaker, in that context, 'What is the difference?' he says. Well, I have done all the analysis that I have done as to what the 1999 Agreement achieved or did not achieve and whether it was contrary to the rule of law or contrary to the Constitution, and I stand by those, but what is the strict difference between the zero – and I forgive him the pun – *net* result arrests then and now? Well, Mr Speaker, there is a *very* big difference. A *very* big difference. There were upwards of 60 vessels fishing in our waters under the 1999 Agreement. They would come, not all at the same time but whenever they wished, three or four

1260 at a time. So on one night there might be three or four, on another night another three or four. What has  
 happened in the past 60 days has been that the same two vessels, perhaps three, have come in to fish,  
 contrary to the memorandum of understanding we have entered into with the Spanish *cofradías*, and those  
 two or three vessels are outside the control of the *cofradía*, which is in effect the union. They are the ones  
 1265 that are always the blacklegs, whatever agreement has been reached by the *cofradías* with anybody else.  
 The *cofradías* are staying away, and you have got these two or three that the Government of the Kingdom  
 of Spain have decided should, if they want, have the protection of vessels which should not be in these  
 waters, which should be used for other purposes and I would like to see, in conjunction with Royal  
 Gibraltar Police vessels, controlling drug trafficking and people trafficking and other illicit activity in the  
 Strait, rather than being involved in assisting in the breaches of Gibraltar's fine laws for the protection of  
 1270 our environment.

So, under the 1999 Agreement, any member of the *cofradía* would come and fish, and there were zero  
 arrests. Post the 1999 Agreement, post 8th December when we get into the new situation and after the  
 memorandum of understanding, no boats from the *cofradía* come to fish, except two or three blackguards  
 who do not accept the discipline of their union and come and fish, and are then aided and abetted by the  
 1275 Guardia Civil. That is an important difference to this.

**Hon. P R Caruana:** Well, Mr Speaker, it is an important *temporary* difference. It remains to be seen  
 the terms upon which the hon. Members can *permanently* resolve this matter, and therefore it remains to  
 be seen whether those terms are *better* than the 1999 Agreement, and it remains to be seen whether they  
 1280 are better or worse in terms of the circumstances in which they are seen to have been brought about under  
 pressure etc. (**A Member:** Hear, hear.) But we do wish the Government luck on that, and I want the hon.  
 Member to know that the position of the Opposition is that we would like to see this matter resolved as  
 quickly as possible for the same reasons that we did the 1999 Fishing Agreement. For the very same  
 reasons that we did the 1999 Fishing Agreement, we want the hon. Members to bring this matter to a  
 1285 satisfactory conclusion as quickly and as consistently as possible with Gibraltar's political rights, interests  
 and jurisdictions in these waters. Part of that is the circumstances in which that is *seen* to be brought  
 about and whether it seems to be... whether it *looks* the result of duress or a forced hand, or not, which is,  
 amongst other reasons, why we did not change the law back in 1999. There is that aspect of the matter  
 which is an inescapable consequence of resolving any problems of this sort.

1290 But anyway, Mr Speaker, we remain of the view that the 1999 Agreement should not have been  
 determined. We acknowledge that the hon. Members have a different view. We think their view is  
 mistaken, but they are the Government – they are entitled to give vent to their policies and not ours. It  
 remains, we think, therefore, that it is an unnecessary problem that has been created, but we remain to see  
 and we will be the first to acknowledge if they are able to resolve it on better terms than we were able to  
 1295 obtain in 1999.

By the way, just for his further amusement, Mr Speaker, the new and bigger boats, as he calls them,  
 that have arrived, are the ones that *we* had agreed to finance, but the order was actually put through by  
 them, even though the RGP had already received the clearance, but I should hasten to add that my point –  
 which is not that – is that those were not the bigger boats that Dr Garcia and I used to debate about during  
 1300 the last Parliament. We believe that in the context of the Coastguard Agency, the seafaring part of the  
 Coastguard Agency, there ought to be bigger, sturdier vessels, not to ram Guardia Civil boats with, but to  
 be able to assert jurisdictions in nautical accidents, search and rescue, when there is inclement weather  
 resulting from... and this policy arose from the incidents of the two tankers where we found we had  
 insufficiently large boats.

1305 So, whilst congratulating the hon. Gentleman for going ahead with the ordering of these new bigger  
 boats that he calls the fast boats that he was photographed with recently – even though he has no  
 constitutional responsibility for the Police, as he keeps on reminding us, nevertheless he was keen to be  
 photographed with them – will he acknowledge for me that those are not the boats that we were  
 intending, and that we were intending much bigger boats? Not... yes, bigger boats in the context, and  
 1310 they are probably still somewhere in my office, the photographs and brochures of the sort of thing, some  
 of them exaggeratedly large, we could not have prospered. Will he therefore accept from me a further  
 urge, urging this afternoon, on a Friday, to continue with – (*Interjection*) Okay.

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman has said a lot of things which I am happy to  
 1315 deal with.

First of all, he will recall that his statement about upgrading assets was made in respect of the  
 confrontations which were ongoing at sea, I believe in 2009-10, in particular in his statements and his  
 New Year message dealing specifically – and this is a matter of record, Mr Speaker, that he will see –  
 dealing with the incursions of the Guardia Civil, that they might also have had a use in respect of  
 1320 problems like we had with the *New Flame* and the *Fedra* etc. Of course they might, but his statements  
 were specific and they related to those issues which were affecting the RGP and arose from the Guardia

1325 Civil purporting to exercise sovereignty, jurisdiction or control in our waters. Mr Speaker, we agreed with him, as he knows, and the Hon. Dr Garcia was as dogged as ever in trying to get across our agreement with him (*Interjection by Hon. P R Caruana*) so that he understood exactly how much we agreed with him and encouraged him to buy those boats.

Mr Speaker, I do recognise (*Interjection by Hon. P R Caruana*) that when we were elected the RGP had already set their eyes on these boats but had not yet made their order, and that we approved that order and it was therefore an order made in our time, and if there are, Mr Speaker, plans for even bigger boats –

1330 **Hon. P R Caruana:** These were not the boats that Dr Garcia was –

1335 **Hon. Chief Minister:** I look forward to seeing those plans and those designs because, although... I am prepared to take on trust the fact that there are such plans in his office. At least there are some plans for those, because I am sure there are no plans whatsoever for what he was talking about in respect of Community Care.

1340 Mr Speaker, we do not feel under pressure to do any agreement in respect of fishing. Pressure is a state of mind. We have agreed with colleagues from La Línea and Algeciras a 60-day working process, involving experts in the field, that will lead us to conclusions. We feel very relaxed about that and we will not accept any new deadlines or timetables being imposed by anybody else for their own purposes, and we will act according to our understanding of what our law requires and what Gibraltar's environmental protection and sustainable fishing requires in the context of that timetable.

1345 So he needs to look elsewhere, Mr Speaker, for people acting under pressure – perhaps, Mr Speaker, to the events of 1999, where there were stones thrown at vehicles round the back of Convent Place, with windscreens crashed, meetings with fishermen aborted, charges brought against people who were –

**Hon. P R Caruana:** Not thrown by Spanish fishermen.

1350 **Hon. Chief Minister:** Well, it would have been something if a Spanish fisherman had thrown a stone behind Convent Place – I don't fancy his chances, Mr Speaker! But members of the public in Gibraltar incensed in that way, Spanish fishermen having to be met at the airport for press conferences and meetings, Mr Speaker, because they could not be brought to No. 6 Convent Place, given how the temperature had risen to febrile levels by then. Mr Speaker, that is not the situation that we are in today. I know he does not wish such a situation upon us.

1355 We are very relaxed about where we are going and we very much look forward to considering carefully the report of the internationally renowned experts that are members of the working group, together with some local fishermen and some Spanish fishermen.

1360 **MOD Lands Agreement**  
**Value of properties sold; expenditure on relocations**

**Clerk:** Question 681, the Hon. P R Caruana.

1365 **Hon. P R Caruana:** Yes, Mr Speaker.

Will the Chief Minister say, as at 30th June 2012, (i) what was the total value, by agreed sale price, of properties sold by Government from the properties transferred to it by the MOD under the last Lands Agreement; and (ii) what is Government's expenditure to date on the MOD relocations agreed therein?

1370 **Clerk:** Answer, the Hon. the Chief Minister.

1375 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the total value, by agreed sale price, of properties sold by the Government from the properties transferred to it by the MOD under the last Lands Agreement, as at 30th June 2012, was £1,839,500. Government expenditure to date on the MOD relocations therein agreed, is £331,985 –

**Hon. P R Caruana:** One hundred and...?

1380 **Hon. Chief Minister:** No, £331,985.71.

**Hon. P R Caruana:** Mr Speaker, does the expenditure on relocations reflect a conscious decision that they should lag revenue, or is that simply that there are no plans afoot to go any faster than that, in terms of the projects themselves?

1385 **Hon. Chief Minister:** Mr Speaker, I can tell him that he will have seen in the local press that Ms Lang MP was in Gibraltar this week, and that Ms Lang and other representatives of the Ministry of Defence who I met with were very happy with the progress that was being made in respect of this relocation programme, called Project Euston, and the pace at which it is going and its connection – as he will know, because he negotiated that for the Government – to the sale process of properties as they are handed over.

1390 So everything is going, as far as I am concerned, apace. There is now design work going on and there are demolitions going on, which I think will make sense to him because I think he agreed the schedule of some of those things. So the expense side will go up when we are charged for designs. That has already started, but we have not been charged the full amount, I think, for those designs. I *think* there are tender processes also involved for some works, so those will bite when those tenders are awarded, and there is an intention – and I think, Mr Speaker, from reading the agreement, it was always intended it should be – that sales should go ahead before expenditure is incurred insofar as possible, and that those were linked, Mr Speaker.

1395 I do not understand the Ministry of Defence to be dissatisfied with that. The Government side is not dissatisfied with that at the moment. It may be that at some stage we have a desire to either receive other bits of land more quickly, which would mean we have to hurry up the relocations, or that the MOD, for its own interest, may wish to hurry up relocations and may want to look at another type of programme for the relocations to go ahead.

1405

**Public debt  
Breakdown of net figure**

1410 **Clerk:** Question 682, the Hon. P R Caruana.

**Hon. P R Caruana:** Mr Speaker, will the Chief Minister say, as at each of 30th April 2012, 31st May 2012 and 30th June 2012, what was (i) the gross public debt; (ii) the cash reserves; and (iii) therefore the net public debt?

1415 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this Question together with Questions 683 to 686.

1420

**Public debt  
Government debentures**

1425 **Clerk:** Question 683.

**Hon. P R Caruana:** Mr Speaker, will the Chief Minister give a breakdown, as of each of the 30th April, 31st May and 30th June 2012, in the three cases by debenture issues, of that part of the aggregate public debt which comprises Government debentures?

1430

**Gibraltar Savings Bank  
Outstanding debt securities**

1435

**Clerk:** Question 684.

**Hon. P R Caruana:** Will the Chief Minister give a breakdown by nominal value and issue of the debenture or other debt securities that have been raised by the Gibraltar Savings Bank and remain outstanding as at each of 30th April, 31st May and 30th June 2012 in the three cases?

1445

**New recurrent expenditure measures  
Estimated annualised cost**

1450 **Clerk:** Question 685.

**Hon. P R Caruana:** Will the Chief Minister provide the estimated annualised cost of each new recurrent expenditure measure introduced or announced by the Government since 9th December 2011?

1455

**Government-owned companies  
Breakdown of 2011-12 contribution**

1460 **Clerk:** Question 686.

1465 **Hon. P R Caruana:** Will the Chief Minister say, of the £28.3 million shown on page 2 of this year's Budget Book as having been contributed in the year ended 31st March 2012 to Government-owned companies, how much relates to which company, and in respect of the amount that relates to each company: (a) how much relates to recurrent annual expenditure incurred by that company during the financial year ended 31st March 2012; (b) how much relates to recurrent expenditure incurred by that company during previous Government financial years; and (c) how much relates to capital expenditure incurred by that company, regardless of the year in which it was incurred?

1470 **Clerk:** Answer, the Hon. the Chief Minister.

1475 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the amount of (i) gross public debt, (ii) cash reserves and (iii) net public debt as at 30th April 2012, 31st May 2012 and 30th June 2012 is as follows – with the caveat, Mr Speaker, that some of the figures I am going to give him are tentative. He will know that they mean very little, if anything at all, because in some instances, the Government has greater expenses which are balanced against income, that come in in different months of the year, and he will know that different months are sometimes seen as representing more expected income for the Government than others and there are cyclical issues there.

So, April 2012: Gross Public Debt, £516.50 million; May 2012, £514.77 million –

1480 **Hon. P R Caruana:** Five hundred and what?

**Hon. Chief Minister:** – £514.77 million; June 2012, £513.57 million.

Tentative Cash Reserves: April 2012, £209.52 million; May 2012, £200.09 million; June 2012, £192.12 million.

1485 Tentative Net Public Debt: April 2012, £306.98 million; May 2012, £314.68 million; June 2012, £321.45 million.

In answer to Question 685, Mr Speaker, the annualised cost of new recurrent expenditure measures introduced to approve by the Government since 9th December 2011 are reflected in the Estimates Book and the Appropriation Bill for 2012-13.

1490 These have already been discussed and approved by Parliament earlier this month.

I now hand the hon. Member a schedule with the information requested in Questions 683, 684 and 686.

**ANSWER TO QUESTION 683**

**Government of Gibraltar Debentures**

**Summary of the Public Debt as at :**

	<b><u>30-Apr-12</u></b>	<b><u>31 May 2012</u></b>	<b><u>30 June 2012</u></b>
Pensioners' Monthly Income Debentures	£49,251,100	£48,501,100	£47,884,600
Monthly Income Debentures	£8,428,700	£8,146,900	£8,059,400
Special Issue of Monthly Income Debentures 2008	£49,427,900	£48,884,200	£48,597,200
Limited Issue of 3-Year Fixed Monthly Income Debentures (30/06/2012)	£22,375,700	£22,353,100	£22,353,100
Limited Issue of 3-Year Fixed Monthly Income Debentures (31/12/2012)	£33,443,400	£33,371,400	£33,171,400
Limited Issue of Fixed Monthly Income Debentures (31/12/2013)	£15,078,000	£15,078,000	£15,078,000
Limited Issue of Fixed Monthly Income Debentures (31/12/2015)	£70,194,300	£70,192,800	£70,177,800
Limited Issue of Fixed Monthly Income Debentures (28/02/2017)	£68,305,800	£68,246,800	£68,246,800
<b>Total of the Public Debt comprised of Government Debentures :</b>	<b><u>£316,504,900</u></b>	<b><u>£314,774,300</u></b>	<b><u>£313,568,300</u></b>

**ANSWER TO QUESTION 684**

**Summary of Debentures and other Debt Security issued by the Gibraltar Savings Bank as at:**

	<b>30 April 2012</b>	<b>31 May 2012</b>	<b>30 June 2012</b>
<b>Gibraltar Savings Bank Debentures</b>			
3 Year Fixed Term Monthly Income Debentures (Maturing 1/5/15)	-	£698,600	£894,600
5 Year Fixed Term Monthly Income Debentures (Maturing 1/5/17)	-	£4,872,000	£8,967,200
3 Year Fixed Term Monthly Income Debentures (Maturing 1/2/15)	£1,993,300	£1,993,300	£1,993,300
5 Year Fixed Term Monthly Income Debentures (Maturing 1/2/17)	£25,028,300	£25,202,300	£25,202,300
Monthly Income Debentures (Issued 17/1/12)	£597,300	£748,800	£846,700
Monthly Income Debentures	£9,981,400	£9,817,400	£9,296,300
Pensioners Monthly Income Debentures	£7,122,200	£7,038,800	£6,886,800
Other special Debenture Issues @ 2%	£2,273,996	£2,272,631	£2,274,123
	<b>£46,996,496</b>	<b>£52,643,831</b>	<b>£56,361,323</b>
<b>Gibraltar Savings Bank Bonds</b>			
10-Year Accumulator Bond (Issue date 01/05/12)	-	£288,800	£2,302,400
10-Year Pensioner Accumulator Bond (Issue date 01/04/12)	£460,000	£626,500	£1,076,500
10-Year Accumulator Bond (Issue date 01/02/12)	£897,300	£897,300	£897,300
Guaranteed Superannuation Fund Bond	£1,539,540	£2,047,416	£2,127,226
8% Provident Trust Fund No. 2 Pension Scheme EX Bond 1	£563,439	£564,111	£564,111
8% Provident Trust Fund (Bond 1)	£2,578,277	£2,580,511	£2,580,511
8% Pension Rights and Gratuity Transfers (Bond 2)	£4,659,304	£4,642,627	£4,625,472
8% Provident Trust Fund No. 2 Pension Scheme - EX JMH	£87,033	£87,033	£87,033
Gibraltar Provident Trust (J.M.H.) Pension Scheme	£251,089	£251,089	£251,089
GSL 11% Bond	£14,624	£14,624	£14,624
	<b>£11,050,606</b>	<b>£12,000,011</b>	<b>£14,526,266</b>
<b>Total Gibraltar Savings Bank Debentures and Bonds:</b>	<b>£58,047,102</b>	<b>£64,643,842</b>	<b>£70,887,589</b>

**ANSWER TO QUESTION 686**

**Contributions to Government owned companies**

COMPANY	Total Contribution	(i) Recurrent Expenditure		
		2011-2012	Recurrent Expenditure Previous Years	(iii) Capital Expenditure Incurred
Gibraltar Investment (Holdings) Ltd	£ 3,142,949.24	£ 0.00	£ 3,142,949.24	£ 0.00
Gibraltar Residential Properties Ltd	£ 1,938,275.30	£ 1,222,856.14	£ 715,419.16	£ 0.00
Gibraltar Co-Ownership Co Ltd	£ 446,515.44	£ 34,961.23	£ 411,554.21	£ 0.00
Westside Two Co-Ownership Co Ltd	£ 193,793.58	£ 169,225.05	£ 24,568.53	£ 0.00
Brympton Co-Ownership Co Ltd	£ 22,019.57	£ 18,552.00	£ 3,467.57	£ 0.00
Gibraltar Mechanical & Electrical Services Ltd	£ 70,287.62	£ 0.00	£ 70,287.62	£ 0.00
Gibraltar Car Parks Ltd	£ 7,616,137.62	£ 3,702,163.44	£ 3,913,974.18	£ 0.00
Kings Bastion Leisure Centre Co Ltd	£ 6,636,351.36	£ 1,688,184.04	£ 4,948,167.32	£ 0.00
Gibraltar Bus Co Ltd	£ 6,184,643.42	£ 2,315,226.48	£ 3,869,416.94	£ 0.00
Gibraltar Defence Estates & General Services Ltd	£ 222,554.88	£ 222,554.88	£ 0.00	£ 0.00
KIJY Parkings Ltd	£ 86,145.81	£ 45.00	£ 86,100.81	£ 0.00
Gibraltar Strand Property Co Ltd	£ 68,801.71	£ 68,801.71	£ 0.00	£ 0.00
Gibraltar Air Terminal	£ 1,466,438.79	£ 1,460,711.29	£ 5,727.50	£ 0.00
Giblaundry Co Ltd	£ 45.00	£ 45.00	£ 0.00	£ 0.00
GCP Investments Ltd	£ 201,193.53	£ 0.00	£ 201,193.53	£ 0.00
Gibraltar Strand Management Company Ltd	£ 3,033.33	£ 2,572.47	£ 460.86	£ 0.00
GRP Management Company Ltd	£ 400.00	£ 400.00	£ 0.00	£ 0.00
Credit Finance Company Ltd	£ 413.80	£ 413.80	£ 0.00	£ 0.00
	<b>£ 28,300,000.00</b>	<b>£ 10,906,712.53</b>	<b>£ 17,393,287.47</b>	<b>£ 0.00</b>

1495 **Hon. P R Caruana:** Mr Speaker, starting first with Question 685, I know that increases in public expenditure are reflected in the Budget Book, but that is not the answer to my question. The answer to my question is not elicitable from the Budget Book.

1500 My question was: will the Chief Minister provide the estimated annualised cost of each new recurrent expenditure measure introduced or announced by the Government since 9th December 2011? In other words, what is the cost in one full year of each of the new policies that they have introduced? That is not discernible from the Budget Book. The Budget Book is not disaggregated on that basis and the information requested is simply not capable of being established from any reading of the Budget Book.

1505 Since 9th December, and even since 1st April, or even since the Budget date, the Government has adopted new measures, for which of course there may be provision in the Budget Book, but not provision labelled necessarily for a particular policy. So it cannot be identified as being the cost of a particular policy, especially when it is just provided by means of increasing the vote of a particular existing Head.

1510 Indeed, the only one for which we have been provided that degree of information is in respect of the costs of the Future Job Strategy, where the Minister for Employment has said to us in previous Question Times that the cost was roughly around £1 million a month. So that is the cost of that particular new policy that the hon. Members are introducing. For the rest, it is not possible to discern it and I would ask whether the hon... Clearly he has not got the information with him, but whether he will consider... presumably when the Government introduces a new policy – in other words, not just a continuation of



what was there before, but decides to start doing something new or to do something existing, but as a matter of policy in a different way or to a greater extent – part of the decision, part of the factors they take into account is how much it will cost. So they must know what each newly introduced policy measure costs, and that is the information that I am asking for.

1515 Will he please just confirm – so that we take these issues one at a time – that he does not have that information?

1520 **Hon. Chief Minister:** Mr Speaker, I do not agree that this is not discernible from the Budget Book. It may not be discernible at first blush from the Budget Book, but in the Committee Stage what one does is go through each Head in the Budget Book, and you can ask us, Mr Speaker, ‘What is it that you are dealing with in these emoluments? Are you changing the policies that are, in effect, there in the emoluments column? Is there an effect in any of the other columns?’ All of that is what the whole of the Budget debate – which is not just, if I may call it, the glamorous part, the delivery of speeches – is about, and that, Mr Speaker, is a debate that has already been had in this House actually during the course of this session, because the hon. Gentleman knows we have adjourned to questions again. So I do not agree with him on that, Mr Speaker.

1525 Of course, it would be possible for me to work out all of the new policies separately, not just provided to him across the floor of the House at the Committee Stage, but I do not have that information with me today, Mr Speaker, and there are a number of reasons for that.

1530 First of all, he needs to understand – in fact, he probably understands better than me – that policy decisions are made all the time, and policy decisions with cost consequences are explained every time that one makes a policy decision, before you take the step of making it, not just, Mr Speaker, in terms of what is a manifesto commitment, but in the day-to-day running of Government, where there may be an industrial issue in a Department, there may be another type of issue in a Department, and that has an effect.

1535 So, Mr Speaker, what I would say to him is if he wants to write to me, identifying a particular policy and asking me what the annualised cost of it is, I will try to identify for him where in the Budget Book it is provided for and which part of a particular Head deals with that and what the costing of it is. I am happy to try and do that, if he wishes to write to me, Mr Speaker.

1540 But every single policy since 8th December – which is not just policies in the manifesto, Mr Speaker – is not something that I am prepared to sit down and go back seven months of Government of, in order to produce for him an essay on costs in respect of – remember what he is saying – *every single* policy decision, Mr Speaker. That is, in my view, not appropriate.

1545 **Hon. P R Caruana:** Mr Speaker, first of all, I am not asking for each and every day-to-day policy decision. The question is of each new *recurrent expenditure measure*. A recurrent expenditure measure is a measure which they expect to repeat every year.

1550 Mr Speaker, I do not understand the hon. Member’s answer. Does he expect that, in the Committee Stage of the Budget Book, on every line of expenditure, on every line of the Book, we should ask ‘And does this provide for any new policy?’

1555 I know that each Minister sits in their office every day, making decisions on this case or that case that might result in increased expenditure. The Minister for Social Services may decide to provide funding for this new pupil who needs to be sent to a school in England, or the Minister for Culture... all these things. That is not what the question asks. It is each *new recurrent expenditure measure*.

1560 The difficulty is that we do not have a list of them, and I just do not understand why the hon. Member thinks that this House is not entitled to know what the recurring annual costs are – in other words, by how much the Government is increasing the cost of governing in Gibraltar – by virtue of the new policies that it introduces, and that it is not capable, short of asking on every line of the Budget Book, ‘Does this provide for any new measure?’ because we cannot know the list of new measures. We can trawl your press releases and try and see the ones that you have announced, but of the ones that you have not announced, we would have no way of knowing the ones that you have just put into operation without an announcement.

1565 The question is not about each and every one-off decision that increases... It is things like the Future Job Strategy, which was a clear policy decision, the effect of which was to increase public expenditure by £12 million a year; the cost of employing 47 new teachers – a clear Government policy to employ 47 teachers with an annual cost. Yes, Mr Speaker, some of them can be discerned from the Budget, like that one, because there was a figure in the Budget Book that we could marry to a public statement, but when there is no public statement announcing it, there is no way that we can discern it from the amount provided in the Budget. He must know this. I think that this House is entitled to know, and I will put it down for Written Answer, if he prefers, next time so that his officials can prepare the answer in slower order.

1570

I honestly do think that this House is entitled to know, and even if I was wrong in that view, given that the hon. Member makes great store by how transparent he wants to be, there is no reason, surely, why he would not want us to know simply what is the annual cost of their policy measures.

1575 I acknowledge that he cannot provide the information now and that indeed he may not agree to provide it at all, but on the next Question Time I will ask it for Written Answer, so that it can be prepared in slower order.

1580 Mr Speaker, in answer to Question 686, does he now acknowledge, given that out of the £28.3 million, £17.393 million related to expenditure in previous years, even if I were to accept – which at this stage I am not doing – that the third column is correctly filled in and that all of the expenditure, all of the £28.3 million, is genuinely expenditure of a non-capital nature, but even on that basis... and of course he was careful to sail around this point in his reply to the Budget address, when he spoke about assuring us that there was no capital expenditure in the figure, but failing to mention the other criticism that I had made of his treatment above the line of the £28.3 million, which was that it contained recurrent expenditure not just of the year to which the account related, but indeed of previous financial years.

1585 Yes, he can check *Hansard*, if he wants. I can e-mail him, if he wants, a copy of my Budget address.

**Hon. Chief Minister:** [*Inaudible*].

1590 **Hon. P R Caruana:** Fine. Mr Speaker, the fact of the matter is that, as I explained to him in my own Budget address, he has pretended in his presentation of the Budget – on page 2, I think it is – that the £28.3 million was recurrent expenditure of the Government since that was the bit of the Budget Book that reflects the recurrent expenditure and the recurrent revenue of the Government during that 12-month financial year. By placing the £28.3 million where he placed it, does he not acknowledge that he was pretending that the whole of the £28.3 million was recurrent expenditure in that financial year, where it was not – £17.393 million of it was not – and if he did feel a need to make a provision for previous years' expenditure that were not recurrent in that year, the correct way to have dealt with it, as I said in my Budget address, was to have provided it below the line, as it has always been in the past?

1595 Mr Speaker, the Budget Book, on page 2, does he not acknowledge, professes... Under the heading 'Recurrent expenditure', it says 'Consolidated Fund Charge, £59 million; Departmental Expenditure, £333 million; Contribution to Government-owned companies...' That is to say recurrent expenditure for the 12 months 2011-12, recurrent expenditure, contribution to Government-owned companies £28.3 million. It is neither expenditure that was incurred during the 12-month period to which that account relates, nor indeed is it recurrent. It is, at worst, one-off if it is in respect of previous years, and by putting it there he is mis-stating, mis-describing this. At least to the extent of £17.39 million, he is mis-describing it as recurrent expenditure incurred during those 12 months, where in fact £17.3 million was incurred in the previous year. It is not *recurrent* at all. It is one-off, given that he is making a provision for expenditure that has already taken place and is not being repeated, and therefore he has understated the recurrent Budget surplus by a minimum of £17.4 million. (*Banging on desks*) (*Interjections*)

1600 Mr Speaker, the Budget Book, on page 2, does he not acknowledge, professes... Under the heading 'Recurrent expenditure', it says 'Consolidated Fund Charge, £59 million; Departmental Expenditure, £333 million; Contribution to Government-owned companies...' That is to say recurrent expenditure for the 12 months 2011-12, recurrent expenditure, contribution to Government-owned companies £28.3 million. It is neither expenditure that was incurred during the 12-month period to which that account relates, nor indeed is it recurrent. It is, at worst, one-off if it is in respect of previous years, and by putting it there he is mis-stating, mis-describing this. At least to the extent of £17.39 million, he is mis-describing it as recurrent expenditure incurred during those 12 months, where in fact £17.3 million was incurred in the previous year. It is not *recurrent* at all. It is one-off, given that he is making a provision for expenditure that has already taken place and is not being repeated, and therefore he has understated the recurrent Budget surplus by a minimum of £17.4 million. (*Banging on desks*) (*Interjections*)

1605

1610 **Hon. Chief Minister:** Mr Speaker, first of all, let me deal with his first point, which was his retort on Question 685. I am not saying that this House is not entitled to the information. Quite the opposite: I am telling the hon. Gentleman that the House has *had* the information. Of course it has not been provided broken down by policy, because the Book actually does not provide for that. It provides for what the actual expenditure is going to be, taking into consideration what all of those policies are for the next year, and he is now saying break the Book down in another way, which is by policy, showing what the increases are by policy. I do not think, Mr Speaker, that we are going to be getting into answering questions like that, other than in the context of the Committee Stage of the Budget where we would have been able to look at each issue that concerned the hon. Gentleman.

1615 We did, Mr Speaker, for example, in respect of the example he gave of 47 new teachers. Ms Isobel Ellul-Hammond asked Mr Licudi exactly about them when we were going through the payroll in terms of the Head for Education.

1620 Mr Speaker, he was not here for the Committee Stage this year. He has been here for 21 previous years. If he could not be here this time, I make no criticism of the fact that he was not here, but that was the time when we went through the Book and we looked at that, Mr Speaker. So he can ask the Written Question that he wants to ask in that respect.

1625 Mr Speaker, coming on now to Question 686, let me start by telling him that the third column has been filled in accurately, as accurately as my speech was written telling him that, and if he suggests it has not been prepared accurately, he is suggesting that the work done in the Treasury and the Ministry for Finance by officials was not done accurately, because that is not work that I do and I do not expose them to that criticism.

1630 Mr Speaker, I do not tire of telling him that I have huge respect for his intellectual abilities. I do not believe it would have been possible for me to beat him in the last General Election – he takes

1635 compliments very badly, I must tell him – without understanding his intellectual capabilities. Therefore, Mr Speaker, I am saddened that he is now rendered as ineffective as he is, because the respect that I have for his intellectual rigour has got to be affected by the fact that he appears not to have got beyond the summary on page 2 of the Budget.

1640 If he had turned to page 140 of the Budget Book, which has a specific Head assigned to it now called ‘Contribution to Government-owned companies’ – it is the penultimate Head; it is the page before the pink pages – there is set out there, specifically, an analysis which does not list as many companies as I have given him now, which is all the companies. There is one provision for ‘other’ and most of the principal companies are set out there, setting out what the expenditure is for 2012-13, as an estimate; the forecast outturn for 2011-12; the forecast for the year 2011-12; and for previous years – specifically.

1645 So what the hon. Member has done in everything he has said, with such flamboyance and the usual eloquence, just before sitting down, in respect of Question 686, is actually specifically provided for on page 140. What he specifically said I had avoided providing is specifically set out in page 140. It is actually, Mr Speaker, I am sorry to say – and I refer him to my prepared speech, the one I gave at the beginning of the Budget session, and to my reply – specifically referred to in my speeches. There is specific reference to page 140 and how it is set out there.

1650 So, Mr Speaker, the hon. Gentleman obviously does not understand the issue himself, because if he looks at what I have given him, which he now says proves his point, and he looks at page 140, he will understand that it was set out for everyone there as an estimate, here much more particularly.

1655 He will now wriggle, Mr Speaker. He will now say that is not what he said, but when all we *Hansard* geeks go back and read *Hansard* – and I know that at least Mr Bossino and I will be reading it – we will know that he got his argument wrong. And what a pity, Mr Speaker – I tell him genuinely, what a pity – for me to see the Hon. Peter Caruana reduced to this in this House, because I have so much more respect for his intellectual rigour.

1660 Perhaps he should take the advice he so repeatedly gave the Hon. the Member for Employment, and having lost an Election, go.

**Hon. P R Caruana:** Mr Speaker, I do not know whether the hon. Member thinks that his condescending nonsense, his absolutely discourteous claptrap, his complete and utter mocking personalisation of his opponents will serve him as a cover for the absolute diatribe of nonsense that he utters.

1665 I have come to the conclusion that the hon. Member is, in his political understanding of public finances, so superficial that he understands neither the questions nor indeed the answers that somebody has written for him to come and read in this House.

1670 I have never heard a more nonsensical, irrelevant, completely ungermane to the points that I have raised in my supplementary, explanation than that, and I propose from now on, we will take for granted that whenever the Chief Minister prefixes his answers with the sort of insipid hot air that has emerged from his mouth for the first two minutes of that answer, we will know that that is the sign for smokescreen for *crap* to follow. (*Interjections*)

1675 **Mr Speaker:** Order! Order! Order! I do not think the word – (*Interjections*)

**Hon. P R Caruana:** Mr Speaker, if the hon. Member... (*Laughter*) If the Hon. Speaker does not think that ‘crap’ is parliamentary language –

1680 **Mr Speaker:** It is not really parliamentary.

**Hon. P R Caruana:** – I will, of course, withdraw it –

**Mr Speaker:** Thank you very much.

1685 **Hon. P R Caruana:** – and I will replace it with ‘that brown stuff that we all find so unpleasant’. (*Laughter*)

1690 Mr Speaker, the answer that the hon. Member has given is *complete and utter nonsense*, and of course, Mr Speaker, he starts his condescending... This green-behind-the-ears upstart Chief Minister who has not been six months in the job feels –

**A Member:** *Upstart?*

1695 **Hon. P R Caruana:** Yes, *upstart!* As a Chief Minister he is a complete upstart (*Interjections*) and he obviously thinks that I would come to this House asking him a question on a document that I have handled personally for 16 years, not knowing to get beyond page 2.

Well, his problem is that he is so selective with his recollection that he conveniently forgets what does not suit him. He will remember that I did indeed get beyond page 2 and indeed that I took him to page 14 precisely to demonstrate that the two items, contribution to wholly-owned Government companies in the summary of Government expenditure... so he has now referred me to the page that deals in detail with that heading, but the item is referred to in the summary as Head 44 on page 14, to which I *specifically* referred him in my Budget reply, and lo and behold, there it is to be found *below* the line, after departmental expenditure, as it has always been in the past.

Mr Speaker, the issue that I raised with him is not whether he had given me, before, the breakdown, even though the numbers are now different. The issue in the question, as he appears to have completely failed to grasp, is not whether he had given me the information, therefore QED... There on page 140 is information which he assumes I have not seen. Therefore, that is the answer to my question and that is why the £28.3 million was not mistreated, on page 2, to understate the Budget surplus, which is the point that I was making. It is completely irrelevant to that!

The question is not whether he had provided the breakdown of the £28.3 million; the question is the use that he had made of the £28.3 million in declaring the annual Budget surplus last year to be £31 million, and had he dealt with the contribution to Government-owned companies, the £28.3 million, on which he provided some figures in the Budget Book and different figures now, had he provided that £28.3 million in the right place on page 2, the declared Budget surplus on page 2 – which is the point that I am making to him – would have been at least £17.393 million higher than the £31.2 million, namely nearly £50 million Budget surplus.

How did he doctor the figures so as not to have to present a budget surplus of £50 million at the time that he is going on about black holes? Simply by deducting from one year's revenue several years' worth of expenditure, as he has just confirmed again here which information partly was... Well, it actually was not there, that breakdown. So he has now, by the answer that he has provided me, Mr Speaker, admitted that, of the £28.3 million, £17.4 million *did not relate* to last year's expenditure at all – it was expenditure of previous years, several years before last year – and he pretends, in the presentation in the Budget Book, that all of it, the £28.3 million, was recurrent expenditure incurred last year, when it was not – neither recurrent nor incurred last year to the tune of at least £17.3 million.

So to that extent, the figure that he declares in this Book as being the surplus of recurrent revenue last year over recurrent expenditure last year, which is what this page 2 attempts to do, is a complete *fraud* of statistical and accountancy presentation, (**A Member:** Hear, hear.) a complete and utter fraud, all perpetrated by the simple device of taking above the line a figure that belongs below the line, which would have declared the Budget figure, of £31 million, £50 million. He might then have wanted to go on to say, 'But of that Budget surplus, I then went on to spend so much in this way that is below the line.' That would have been an accurate presentation.

So I regret to tell the hon. Member that the position is *exactly* as I told him in the Budget speech, it is *exactly* as I am telling him now, and the only Member in this House who has so far spoken on this matter who appears not to know his backside from his elbows on this question is him.

**Hon. Chief Minister:** Welcome back! (*Laughter*)

Mr Speaker, I really thought that I had lost my foil, so I am delighted that he is back, but of course, Mr Speaker, he is wrong, wrong, wrong. (*Laughter*) He is wrong, wrong, wrong, Mr Speaker, because (*Interjection by Hon. P R Caruana*) the speech which I delivered, and which I have so usefully in front of me on my Mac Apple iPad, sets out exactly the reference to page 140, sets out exactly how those losses arise. They are all recurrent. (*Interjection by Hon. P R Caruana*)

Mr Speaker, he bangs the Book and he says he has proved the point. He has got to look at page 140, Mr Speaker! Page 140 sets out no pretence, and those figures given there are different because they are forecasts and estimates in many instances. But he can see, Mr Speaker, there is a heading, 'Previous years', which provides for £18.7 million, the one that is now set out at £17.3 million, so that there is a greater level of exactitude on how the £28.3 million is arrived at.

*Previous years* – Mr Speaker, where is the pretence that that was last year? *Where?* Is it that he missed it? (*Interjection by Hon. P R Caruana*) Is it that he missed it, Mr Speaker? Was there any pretence therefore that this was just in that year? No, Mr Speaker. Of course it could have been done in a different way. (*Interjection by Hon. P R Caruana*) It could have been done by restating every surplus he has pretended to have, because into every surplus he should have carried the recurrent losses to state the *real* position, rather than the GSD *fantasy* (*Banging on desks*) of surpluses that he presented this community with. It could have been done that way, but it was easier done this way and properly done this way.

Mr Speaker, he referred to us cooking the books. Now he has referred to us doctoring them. The only person who needs a doctor – or is going to need one if he carries on as he is doing – is going to be him, because he has gone from political giant to political pygmy in seven short months, and the bluster that he makes in dealing with the point that I have made before actually demonstrates the point. If he does not

like Shakespeare, then he will not like the reference to the fact that the lady doth protest so much that clearly he has been caught out.

1760 There is no question of these numbers being wrong. If he is saying that these numbers are wrong, he is saying that every official in the Treasury and every official in the Ministry for Finance has lent themselves to a fraud that he alleges. (**A Member:** Hear, hear.) Is that the allegation that he is making against the excellent public servants of Gibraltar that served him as loyally as they serve me? Because I certainly do not tell them where to put things – or is it that he used to? (*Interjections and laughter*) Is it that he used to? (*Interjections and laughter*) Because you see, Mr Speaker, the people that I have worked with do not seem to me to be the sort to be influenced in that way!

1765 And so, Mr Speaker, anybody who has followed the Budget debate heard the excellent presentation of the figures that I made, (*Interjections*) setting out exactly how the deductions are being affected, read for themselves the Budget Book on page 140 – to which I felt, ‘The poor man, after suffering an Election defeat, I can’t just expect him to read it. *I’ll refer him to it specifically*: page 140, previous years, *no pretence that it is in any particular year*’ – will know that the only person guilty of trying to perpetrate a fraud on the people of Gibraltar is the hon. Gentleman who is left clawing for his legacy! What a pity, Mr Speaker. What a pity to see him in such fashion.

1770 But, look, I will not compliment him any more. Seeing that he describes my compliments of him as being akin to things which should not be mentioned in this House, (*Laughter*) let somebody else tell him that he was a giant, because he ain’t no more. (*Banging on desks.*)

1775 **Hon. P R Caruana:** Mr Speaker, the hon. Member really is the political equivalent of a game show host. (*Laughter*) What I really cannot work out is whether that show is ‘Blankety Blank’ or the ‘Weakest Link’, (*Laughter*) but it is certainly one. I have never heard so much theatrical *nonsense* uttered in such a short space of time by somebody simply trying to obfuscate the facts.

1780 Look, Mr Speaker, for the last time I will say the question is not whether the figures are *wrong*, but whether the figures have been *treated correctly* in calculating the Budget surplus. The Hon. the Chief Minister can, in order to create a smokescreen for his own fraudulent presentation of the Budget surplus figure, continue to pretend that my arguments here are different to what they are.

1785 My argument is *not* that the figures are wrong, it is *not* that they are not on page 140 – as they were then known, although they have now been tightened up and the updated figures have been produced to us in answer to that; the figure is there, so the answer is not whether they are wrong or whether they are available, but precisely whether the figures, broken down, of £28.3 million on page 140, and also referred to in the summary on page 14 at item 44... The question is whether that figure of £28.3 million was properly or not properly treated for the purposes of calculating last year’s recurrent annual Budget surplus. The part of the book where that calculation is presented for all to see is not page 3 or page 14, or page 140. The page of the Budget Book where the Budget surplus is shown for the previous year is headed ‘Summary of forecast financial outturn 2011/2012’ – in other words, the forecast figures for last year – and they are *on page 2*.

1790 So he will forgive me for referring to the page where the sin is committed, and not to the page which has nothing to do with the bloody sin that I am complaining about!

**A Member:** Bloody! (*Interjections*)

1800 **Hon. Chief Minister:** Come on! Be parliamentary.

**Hon. P R Caruana:** Therefore, Mr Speaker, the page where the sin that he has committed – is disclosed in all its sordid details is on page 2, and that is therefore the page that I refer to him, and on this page...

1805 I know that he thinks I am a moron. First of all, he tells me that he has huge respect for my intellect – and he tells me this every time he gets to his feet – only immediately to follow it with a statement which suggests that I am an illiterate, innumerate idiot! (*Laughter*) Well, Mr Speaker, he will have to decide which of the two it is. Either I have intellect worthy of his great respect, or I am economically illiterate and actually illiterate, even semantically illiterate.

1810 Because look, Mr Speaker, you do not have to be an accountant or a Chief Minister or a lawyer or intellectually brilliant, or even intellectually not moronic to read what it says in the English language on this page! It says, ‘Forecast outturn for the 12 months 2011-12’, a 12-month period ending on 31st March 2012, and it says, ‘Recurrent Expenditure.’

1815 By the way, in case anybody listening does not know, ‘recurrent’ means occurring every year – *recurring* every year, hence recurrent. (*Laughter*) Recurrent expenditure incurred during this 12-month period ending 31st March 2012: (1) Consolidated Fund Charges, £59.628 million; (2) Departmental Expenditure, £333 million; (3) Contribution to Government-owned Companies, £28.3 million. Deduct all that from the £452 million of revenue in the 12 months ending 31st March and you get, as if by magic, the surplus of recurrent revenue over recurrent expenditure for the year, and it is declared at £31.25

1820 million, except – wait for it, *except* – that the figure that they have deducted from the year’s revenue, alleging that it is the year’s expenditure, is not the year’s expenditure, because in the figure for the year’s expenditure that they have deducted from the year’s revenue to produce the year’s surplus of £31 million, there is expenditure that was not incurred in the year but was incurred over several years *prior* to last year, and that amounts, by his own admission today, to £17.3 million, and by the information provided in the Budget Book on page 140, (*Interjection*) it amounts to... previous years, £18.7 million.

1825 Mr Speaker, the point is not whether it is on page 140 or not on page 140, or whether it was disclosed or not disclosed. The fact of the matter is that on page 2, by including that £17.3 million that was not incurred last year but in previous years, by treating it above the line as including it under the heading ‘Recurrent expenditure for the year ended March 2012’, they have treated as recurrent expenditure – which it is not – that expenditure. That £17 million does not recur again, will never recur again, that £17 million, because that is not a one-year sort of expenditure. That £17 million will *never* recur. It is a one-off, and every accountant knows that one-off payments go below the line, not above the line.

1830 Not only is it not recurrent, in the sense that it will not recur; it is not even expenditure of the year to which the sum relates, the account relates! So it is fraudulently presented on two separate counts: it is neither recurrent, nor was it spent in the year to which the Budget surplus... What they should have done, as has always been done, Mr Speaker, is put the figure of £17 million below the figure of the budget surplus, so it would have been £50-odd million budget surplus minus exceptional expenditure of £17 million, if that is what you wanted to do. That is the correct expenditure.

1835 I have to tell the hon. Member that he cannot wriggle off any hook of that by suggesting that every official in the Treasury is participant in his fraud. I have no doubt that the position was correctly explained to him, that he – or he who does the financial work for him in the Government, (**A Member:** Hear, hear.) namely the Minister for Employment – gave that instruction and officials followed, Mr Speaker.

1840 And I will say this, just to make sure that he understands it: if there is an official in the Civil Service – which I do not believe, but if there were an official in the Civil Service – who believes that this presentation of the account is correct, then he is wrong. He is as wrong as the Chief Minister is: absolutely wrong.

1845 **Mr Speaker:** Before the Hon. Chief Minister rises, I appreciate the point the learned Hon. Leader of the Opposition wants to make probably does not lend itself to a question, but he appreciates I have been indulgent – I have allowed three supplementaries, statements – so I will invite the Hon. the Chief Minister to reply as if he were concluding a debate, and that will be the end of the matter.

1850 **Hon. Chief Minister:** Mr Speaker, you have got to laugh. Let’s face it, you have got to laugh to see the performance.

1855 **Hon. P R Caruana:** You will laugh.

1860 **Hon. Chief Minister:** I think, Mr Speaker, that what happens here is that the hon. Member has such an excellent brief that he can only argue what he is told, and when he has not got someone to explain it to him, then he cannot argue it.

1865 I think it was said of a very senior, now elderly British politician that he could argue any brief. Well, Mr Speaker, I think the hon. Gentleman can argue a brief if it is properly explained to him, but now that he has lost the officials in the Treasury who explain these things, he no longer is able to argue it with any credibility.

1870 The Budget debate has been had, Mr Speaker, and I know that he missed a very large part of it – again, probably for very good reason – but there were times to have these debates. He chose to deliver the speech that he chose to deliver. He made some of these points and I made counterpoints during the course of my reply where I explained all of this, Mr Speaker.

1875 But one of the first things that he said was, ‘If I were to accept for a moment that there is no capital involved,’ – well, look, Mr Speaker, the first point he took during the course of his reply to me in the Budget was that there must have been also capital engaged in these recurrent expenses which were being set off. Now, having made a massive meal of that, he is not quite prepared to accept yet that there is no capital, but it is clearly explained to him that there is not. So what does he do? He just says that he is going to, for one moment, accept it and move on.

I do not know whether the hon. Gentleman just does not want to understand the position, but I have explained it to him twice and I am going to explain it to him again. Recurrent expenditure is expenditure which is incurred every year. He was not applying the recurrent cost in the companies against his surpluses. He was therefore inflating his surpluses. He was spending money and not showing in the final account that it had been spent.

1880 I have said to him, during the course of my intervention, there are two ways of dealing with that: go back and restate all the surpluses, or restate it on one occasion. That is what I said in the course of my Budget speech and also in the course of my reply, and I do not know whether he deigned us with his presence for that part of my reply. So there is no question of trying to pull the wool over anybody's eyes. Above the line, below the line – there it is on page 140, clearly set out in respect of previous years,

1885 So I do not know what it is that is causing the hon. Gentleman to be quite so upset about the issue. Does he want to go around talking about £17 million more in his surplus for this year, or does he want to go back and break that down and deduct it from his earlier surpluses? He can do it as he likes. We have done it in a way that we are advised is acceptable, proper and appropriate. *(Interjection)* He might want to do it the other way. It is a matter entirely for him. We have presented it as we in Government have been advised is appropriate and proper, *(Interjection by Hon. P R Caruana)* and therefore we stand by the way that it has been presented.

1890 Mr Speaker, the performance that the hon. Gentleman has given today reminds me of something I said to him some years back, and that was that sometimes in this House, instead of a Chief Minister, which he was supposed to be in this chair, and now a Leader of the Opposition, he was actually quite fun to watch in his presentation of all arguments, as if he were Basil Fawltly once again having to deal with a problematic tenant at Fawltly Towers. I called him Basil then and you told me I could not do that, so I am not calling him Basil this time, Mr Speaker. What I am saying, Mr Speaker, is that he is still behaving as if he were like that and that his analysis is just as 'faulty'.

1900 Finally, Mr Speaker, he said that there were parts of this debate which could be akin to a game show host, or to a game show. Well, Mr Speaker –

**Hon. P R Caruana:** No, that *you* were a game show host.

1905 **Hon. Chief Minister:** At least, Mr Speaker, the verdict of the public has been that he is the weakest link. Goodbye. *(Laughter and banging on desks)*

#### Procedural

1910 **Clerk:** The Hon. the Chief Minister. *(Interjections)*

1915 **Hon. Chief Minister:** Mr Speaker, I have the honour and pleasure to move that the House do now adjourn to Thursday, 26th July at 3.30 p.m.

**Mr Speaker:** I now propose the question, which is that this House do now adjourn to Thursday, 26th July 2012 at 3.30 p.m.

1920 I now put the question, which is that this House do now adjourn to Thursday, 26th July 2012 at 3.30 p.m. Those in favour. **(Members: Aye.)** Those against. Passed.

This House will now adjourn to Thursday, 26th July 2012 at 3.30 p.m.

*The House adjourned at 6.23 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.30 p.m. – 4.05 p.m.

Gibraltar, Thursday, 26th July 2012

## The Gibraltar Parliament

*The Parliament met at 3.30 p.m.*

[MR SPEAKER: Hon. H K Budhrani QC *in the Chair*]

[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

## Questions for Oral Answer

### ENTERPRISE, TRAINING AND EMPLOYMENT

#### **Employers' insolvency since Q500/2012 Payments made from Statutory Benefits Fund**

**Clerk:** Sitting of Parliament, Thursday, 26th July 2012. Answers to Questions continue.  
Question 605/2012, the Hon. E J Reyes, on behalf of the Hon. J J Netto.

**Hon. E J Reyes:** Good afternoon, Mr Speaker, sir.

5 Can the Minister for Social Security and Employment provide a statement of the payments made from the Statutory Benefits Fund in respect of employers' insolvency, since this question was last asked in Question No. 500/2012, showing the amount paid due to redundancy pay obligations, the amounts paid in respect of other sums payable to employees, and the number of companies involved?

10 **Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.



**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** I will answer the Question together with Question 606, Mr Speaker.

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**Employers' insolvency since Q501/2012  
Payments made from Statutory Benefits Fund**

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**Clerk:** Question 606.

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**Hon. E J Reyes:** Can the Minister for Social Security provide a statement of the payments made from the Statutory Benefits Fund, in respect of employers' insolvency, since this question was last asked in Question No. 501/2012, showing the amount paid due to redundancy pay obligations, the amounts paid in respect of other sums payable to employees, and the number and names of companies and numbers of employees involved?

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment:

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**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, since Question 501/2012, no payments arising from the insolvency of employers have been made out of the Statutory Benefits Fund.

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**Hon. E J Reyes:** And the same applicable for anything paid after the question asked at No. 500/2012?

**Hon. J J Bossano:** Yes, there has been no insolvency since then.

**Hon. E J Reyes:** I am obliged for the answer, Mr Speaker.

40

**Department of Social Security  
Breakdown of employees**

45

**Clerk:** Question 607, the Hon. E J Reyes, on behalf of the Hon. J J Netto.

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**Hon. E J Reyes:** Following the presentation of the new Estimate Book for 2012-13, can the Minister for Social Security provide a breakdown of all employees currently in the employment of the Department of Social Security, giving a breakdown by grade, location and nationality as at the end of June 2012?

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

55

**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, following the presentation of the new Estimates Book for 2012-13, the location of the employees of the Department of Social Security in June 2012 has not changed and is at 14 Governor's Parade and they are all of British nationality, as they were in 2011-12.

The grades are as follows: one Senior Officer; one Senior Executive Officer; one Higher Executive Officer; five Executive Officers; 23 Administrative Officers; and two Messengers.

60

**Young people with Special Educational Needs  
Courses at Bleak House**

**Clerk:** Question 608, the Hon. E J Reyes, on behalf of the Hon. Mrs I M Ellul-Hammond.

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**Hon. E J Reyes:** Can the Minister for Training tell us when the following courses were stopped at Bleak House: (a) OCR levels 1 & 2 for numeracy and literacy; (b) basic ICT courses; (c) basic life skills courses; all attended voluntarily by about 30 to 40 young people with Special Educational Needs, who have left school at 15 with no qualifications, and will the Government be providing a new scheme to replace it?

70

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, my understanding is that the courses in question ended at the normal time this year. That is the time they end every year.

75 At present, there are no plans to change the system.

**Hon. E J Reyes:** When he means 'no plans to change the system', that means that no plans to start a new one, or plans as in the past to start a new one in the new academic year?

80 **Hon. J J Bossano:** If the system is that it re-starts every year in September, there are no plans to change that.

85 **Employment and Training Company Limited**  
**Number of companies signing new contracts**

**Clerk:** Question 609, the Hon. D A Feetham.

90 **Hon. D A Feetham:** Can the Minister for Employment please state how many companies have signed contracts with Employment and Training Company Limited since this question was last asked?

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

95 **Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, I will answer this Question together with Questions 610 and 611.

100 **Employment and Training Company Limited**  
**Activities of companies signing new contracts**

**Clerk:** Question 610.

105 **Hon. D A Feetham:** Can the Minister for Employment please provide a breakdown of the activity of each company which has signed a contract with Employment and Training Company Limited, since he last answered this question indicating the number of trainees placed with each company?

110 **Employment and Training Company Limited**  
**New employees since May 2012**

**Clerk:** Question 611.

115 **Hon. D A Feetham:** Can the Minister for Employment please state how many people have been employed by Employment and Training Company Limited since May 2012, identifying what training scheme they are undertaking and whether they were unemployed before being employed by that Company and, if so, for how long?

120 **Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

125 **Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, the total number of companies that have signed contracts with Employment and Training Company Limited, since this question was last asked, is 29 companies. These companies provide training for 37 trainees.

The breakdown requested is as follows:

Construction Industry: one company, with one trainee providing construction training, previously unemployed one month.

Wholesale trade: one company, with one trainee, providing training as a driver, unemployed previously three months.

130 Retail trade: five companies, employing seven trainees, undertaking retail training, one unemployed one month, one unemployed five months, one unemployed six months, two unemployed eight months, one unemployed one year, one unemployed four years.

Sea Transport industry: one company, two trainees, both seaman training, one unemployed two months, one unemployed one year.

135 Post and Communications: two companies, five trainees, all undertaking administrative training, one unemployed two months, one unemployed three months, one unemployed eight months, one unemployed 10 months and one unemployed three years.

Banking and Finance: six companies, providing training for eight trainees, all engaged in administrative work, two unemployed two months – *[Technical interruption]*

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**Mr Speaker:** Would the Hon. Minister please pause there? We are trying to sort out the electronics.

*There was a pause in proceedings due to technical difficulties.*

145

**Mr Speaker:** Would the Hon. Minister please resume his answer from the beginning of Post and Communications? We may have lost some of that answer.

**Hon. J J Bossano:** Yes. Post and Communications: two companies, five trainees, all undertaking administrative training, one was previously unemployed two months, one unemployed three months, one unemployed eight months, one unemployed 10 months and one unemployed three years.

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Banking and Finance: six companies, eight trainees, all doing administrative training, two unemployed two months, one unemployed four months, one unemployed five months, one unemployed six months, one unemployed nine months, one unemployed 11 months, one unemployed one year and one month.

155

Education Sector: two companies, two trainees, both doing nursery training, one previously unemployed four months and one unemployed one month.

Medical and Health Sector: two companies, three trainees, carer training, one unemployed one month, one unemployed three months, one unemployed four months.

160

Other Services: seven companies, seven trainees, undertaking miscellaneous training projects, one unemployed for one year, two for one month, two for two months, one for one year and two months and one unemployed for four years.

Bars and Restaurants: two companies, two trainees, catering training, one unemployed one month, one unemployed three years.

165

**Hon. D A Feetham:** Yes, the hon. Gentleman mentioned ‘Other Services’. Can he elaborate what he means by ‘Other Services’ please?

**Hon. J J Bossano:** Well, that is the category that is used in the breakdown of labour in the Employment Survey reports. Those are the categories into which these companies are slotted in the records for the Employment Service. They include hairdressers, gardeners, couriers – those are the key areas.

170

**Borders and Coastguard Agency  
Successful candidates for security/immigration posts**

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**Clerk:** Question 612, the Hon. D A Feetham.

**Hon. D A Feetham:** Can the Minister for Employment please provide a breakdown as to whether the successful candidates for the security and immigration posts advertised with the Borders and Coastguard Agency earlier this year were: (a) people who were already employed in the private sector; (b) people already employed in the public sector; (c) unemployed and, if so, for how long; or (d) Future Job Strategy trainees?

180

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, the breakdown of the successful candidates for the security and immigration posts advertised with the Borders and Coastguard Agency is as follows: private sector, nine; public sector, none; unemployed, five; Future Job Strategy trainees, none.

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**Job vacancies  
Number filled since 30th April**

195 **Clerk:** Question 613, the Hon. D A Feetham.

**Hon. D A Feetham:** Can the Minister for Employment state how many job vacancies have been filled since 30th April and how many of those vacancies have been filled by people who were registered as unemployed between: (a) 0 to 3 months; (b) 3 to 6 months; (c) 6 to 12 months; (d) 12 to 24 months; and (e) above 24 months?  
200

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Mr Speaker, the number of vacancies filled is as follows: 0 to 3 months, 1,122; 3 to 6 months, 43; 6 to 12 months, 15; 12 to 24 months, one; over 24 months, one. The total is 1,182.  
205

**Registered unemployed  
Breakdown as at 31st May and 30th June**

210 **Clerk:** Question 614, the Hon. D A Feetham.

**Hon. D A Feetham:** Can the Minister for Employment state how many people were registered unemployed, as at 31st May and 30th June 2012 between: (a) 0 to 3 months; (b) 3 to 6 months; (c) 6 to 12 months; (d) 12 to 24 months; and (e) above 24 months?  
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**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

**Minister for Enterprise, Training and Employment (Hon. J J Bossano):** The number of persons registered as unemployed at 31st May was as follows: 0 to 3 months, 412; 3 to 6 months, 130; 6 to 12 months, 62; 12 to 24 months, 24; above 24 months, 60.  
220

On 30th June 2012 the equivalent figures are: 0 to 3 months, 499; 3 to 6 months, 122; 6 to 12 months, 62; 12 to 24 months, 28; above 24 months, 58.

**Hon. D A Feetham:** Can the Minister provide, perhaps, his view as to why there appears to be a resistance in terms of the very long-term unemployed, 12 to 24 months and above 24 months?  
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There is an increase in the 12 to 24 months from 24 to 28 and there is a decrease of two from 60 to 58 in relation to above 24 months. Can he just give his own view about that?

**Hon. J J Bossano:** I think the increase is simply because there were people who were below 12 in May and who passed the 12 mark in June. If they do not get a job, they clearly move into the higher category with every passing month.  
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**Hon. D A Feetham:** I understand.  
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**Hon. J J Bossano:** I think there is a greater reluctance on the part of employers to take people who have been unemployed for a very long time, on the premise that, if they have not been employed for so long, if they have not been with a job for so long, then there must be something wrong with the candidate. It is a regrettable fact that when we send candidates to be interviewed for vacancies, it is the people who show that they have only recently left work are the ones that tend to get picked.  
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We try and persuade, through the training scheme, employers to do it the other way round, that is to say... So the hon. Member will see that I have got, in fact, in the previous answer that I gave him, people we have been able to place in training with a job guarantee at the end, who have been two, three and four years unemployed, but it is very difficult without some kind of incentive, like paying their wages for a few months, to get employers to... If they have got a choice, they choose the people who are younger and less time out of work.  
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**Hon. D A Feetham:** Has he done an analysis as well of – or has his Department done an analysis of – the profile of these individuals? Not necessarily does one, for example, have to not have qualifications to be in this kind of situation. I was reading an article over the weekend, for example, there was an  
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accountant in the UK and there is a story on his situation: an accountant in the UK who has been unemployed for, I think it is about four years or three years.

255 Has he done a profile of these individuals, as to whether, for example, these are individuals that may have criminal convictions that are not spent and therefore they are at a disadvantage in the labour market; that these individuals have no training and therefore it is much more difficult to place them, so that the Government can then focus, obviously, on what it is that they need to do in order to get these people into employment. Has that analysis been done?

260 **Hon. J J Bossano:** I think it has not been done, but from my knowledge of... I look at these cases, almost on a weekly basis, just to see how the market is moving, and the reality of it is that it is not related to anything specifically wrong with the individual; it is just that some people have been out of work for a very long time, frankly because people were not...

265 We have the peculiar situation at the moment that, although the numbers of Gibraltarians and other residents in employment is going up every month, the numbers who are registering is also going up every month. So the fact that I have got some people in the register who appear, in the answer to the question, as having been out of work for four months, it does not mean they have actually been registering for four months. In many cases we are getting people registering for employment who were previously getting social assistance and not bothering to turn up to look for work, because of what I have mentioned in  
270 previous meetings of the House of this very high rate of passing through. People went there, they were sent to a job and when they went to the job, the job did not exist, because in fact there was a practice that was prevalent – particularly in the private sector, but not uniquely in the private sector – that they did the recruiting outside the ETB and after they had selected the individual, they opened the vacancy. Therefore, it is in my view, possibly that 300 or 400 people who ought to have been registered were not registered  
275 previously. Some of them have been out of work for a very long time, but there is nothing identifiably justifying their unemployment, except that they have not been successful in the past and have given up looking for work and now they are coming back.

I think we should encourage their coming back and encourage employers to take them on.

280 **Hon. D A Feetham:** Yes, that has always been the case and I do not want this to turn into a debate about the former... the practice of ETB before the hon. Member became a Minister, or the former Minister for Employment. I am not trying to be controversial here in making that point, but it has always been the case that there are going to be people who are unemployed and economically active in the sense that they are actively seeking employment and registering with the ETB. There are people, who, for  
285 whatever reason, may be unemployed, not registered, not seeking employment, or indeed that they may have decided to give up on registering at the ETB. There are many reasons.

But can I commend to the hon. Gentleman and will he undertake at the very least to consider undertaking an analysis of these individuals – at the end of the day we are talking about a significant number, we are talking over 80 who are effectively unemployed for longer than 12 months, there are 58  
290 unemployed for longer than two years – to do an analysis of precisely why they are in that kind of situation?

I accept that somebody who has been unemployed for a long period of time will always be at a disadvantage, because the employer will always ask the question, why has this person been unemployed for so long? That is obvious. But there may be very specific reasons why people are unemployed, very  
295 specific reasons that can actually be dealt with and the Government can target assistance to those individuals, bearing in mind the reason why they are unemployed.

I would just ask, commend to the hon. Gentleman that perhaps somebody in his Department undertakes an analysis. It is not a lot of people; it is 80-something, so it is manageable, the analysis and I  
300 hope that perhaps the hon. Gentleman, leaving aside our political differences, can consider the validity of that suggestion and undertake that analysis.

305 **Hon. J J Bossano:** Mr Speaker, it has nothing to do with political differences, or wanting to go into the past or anything else. I am actually providing the hon. Member with facts. The facts are that, if I tell him that the number of local residents, predominantly Gibraltarians, who are working, goes up by 30 every month and yet the unemployment does not come down by 30 every month, it is because there are people constantly being added to the register and it is not people who are losing their jobs in the last two or three months. It is people, who, having been *absent* from being registered for a very long time are now coming back, in the knowledge that we are taking a very forceful line in persuading employers to take on local workers.

310 I will take on board what the hon. Member is suggesting and ask the Department to have a look to see if there is any identifiable reason why there are 80 –but we are talking about 80 out of 1,000 –

315 **Hon. D A Feetham:** No, no, no. If the hon. Member will give way, it is not why there are 80; it is looking at the individual circumstances of those 80 to do an analysis as to whether... There may well be 20 of those 80, the reasons why they are long-term unemployed are very specific to those 20. There may be others in a different category, different reasons. By analyzing... I would have thought that it is by analysing the reasons why some of these unemployed long term, that is the first port of call, in considering what the remedy is.

That is the only thing that I am suggesting to the hon. Gentleman.

320 **Hon. J J Bossano:** Yes, I accept that that is what he is suggesting, but he is concentrating on 80, presumably only because of the time they have been out of work and not for any other reason. I am telling him that this is not that there are 80 individuals who have been seeking employment for 24 months and for some identifiable reason they have not been able to do it. The numbers that have been registered in that category in December would have been much lower.

325 So if he looks at the figures that I gave him earlier, I pointed out to him where we are already making an impact on the long-term unemployed and what we are doing is we are effectively... in the areas where we are providing money, to encourage employers to provide training for somebody local, as well as trying to take on somebody local, they try and take somebody who is local *and* in the 'over a year' category already. That is already happening. That is already reflected in the answer to the previous Question.

330 I believe that continuing that policy will see in the future a declining level in this figure, unless more people turn up who are not registered today, but have not been working for the last 24 months.

335 But I will certainly ask them to look at the individuals, because we have got their names and addresses and their whole labour history in the computers of the ETB, to see if there is anything particularly that explains why they have been out of work for so long – but we are talking about 80 out of 1,000 and I want all the 1,000 in jobs, not just this 80.

**Clerk:** Question 615, the Hon. D A Feetham.

340 **Hon. D A Feetham:** Sorry, coming back, he says over 1,000, but over 1,000, did you include all the trainees that are employed by the Employment and Training Company? Because the figures that you have given me, in terms of the unemployed, 0 to 3 months, 3 to 6 months, do not amount to 1,000. You are including within that the people that are trainees.

345 **Hon. J J Bossano:** I am including all the trainees that have not yet got a job guarantee, because those people are still, as far as I am concerned, *available* for work.

**Hon. D A Feetham:** Yes, the difference between this side and that side is how to define unemployment.

350 Thank you very much for that clarification.

**Board of the GDC  
Meetings since 1st January**

355 **Clerk:** Question 615, the Hon. D A Feetham.

360 **Hon. D A Feetham:** Can the Minister for Employment please state how many times the Board of the GDC has met since 1st January 2012, together with the dates of those meetings?

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

365 **Minister for Enterprise, Training and Employment (Hon. J J Bossano):** Yes, Mr Speaker: on 21st May and on 16th July.

**GDC Information Officer posts  
Number of applicants**

370 **Clerk:** Question 616, the Hon. D A Feetham.

375 **Hon. D A Feetham:** Can the Minister for Employment please state how many people applied for the four Information Officer posts recently advertised within the GDC?

**Clerk:** Answer, the Hon. the Minister for Enterprise, Training and Employment.

380 **Minister for Enterprise, Training and Employment (Hon. J J Bossano):** The number of applicants was 183.

**Hon. D A Feetham:** There were two other posts that were advertised at the same time: one within accounts and the other one within the coach park, I think it was. Does he have the figures as to how many people applied for those two other jobs?

385 **Hon. J J Bossano:** No, because I only asked for this information which was the one in the question.

390 **ADJOURNMENT**

**Procedural  
House adjourned *sine die***

395 **Clerk:** The Hon. the Deputy Chief Minister.

**Deputy Chief Minister (Hon. Dr J J Garcia):** I have the honour to move that this House do now adjourn to Thursday, 2nd August at 3.30 p.m.

400 **Mr Speaker:** I now propose the question, which is that this House do now adjourn to Thursday, 2nd August 2012 at 3.30 p.m.

I now put the question, which is that this House do now adjourn to Thursday, 2nd August 2012 at 3.30 p.m. Those in favour. (**Government Members:** Aye.)(**Opposition Members:** No.) Defeated.

405 **Hon. J J Bossano:** If we do not adjourn to then, we will adjourn *sine die*! Or do not adjourn at all; we sit here for the next four weeks! (*Laughter*).

**Hon. P R Caruana:** Could the Hon. Deputy Chief Minister at least explain to the House why we are parting with the tradition that the House does not sit in August?

410 **Hon. Deputy Chief Minister:** Mr Speaker, the adjournment to that date is when Mr Licudi is available, back in Gibraltar, to answer questions.

415 **Hon. P R Caruana:** Mr Speaker, does the hon. Member know when the last time was that the House met in August? And does he really think that it is justified that Ministers should not organise their agendas in a way that avoids breaking with Parliamentary tradition, not just in this country, but indeed in the United Kingdom too?

420 **Hon. Deputy Chief Minister:** Mr Speaker, I think the hon. Member knows that the Government has been very flexible to him, particularly, whenever he has requested adjournments or changes even of Chief Minister's questions. So I do not think we are asking anything extraordinary to change.

425 **Hon. P R Caruana:** [*Inaudible*] for the adjournment if he wants the Opposition to vote in favour of it, or secure his majority from the Government benches. The Opposition is *not* supporting an adjournment to August.

430 **Mr Speaker:** Well, I think, (*Interjections*) I understand the debate here, but in practical terms, do we sit here until 2nd August, when the hon. Members...? (*Interjections*) Because we either carry on the business or we adjourn, but we cannot carry on the business because the Member is not here. (*Interjections*)

**Hon. J J Bossano:** Mr Speaker, if they don't want to [*inaudible*].

**Hon. Deputy Chief Minister:** Mr Speaker, can... I have the honour to move the House do now adjourn *sine die*?

435 **Mr Speaker:** But there are questions unanswered yet. Is the Opposition content with that?

**Hon. P R Caruana:** Well, Mr Speaker –

440 **Mr Speaker:** Because in theory, you can ask on day one... On day one, you can have an adjournment *sine die* –

**Hon. P R Caruana:** – the Hon. Minister Licudi is not present, as I understand it, in Gibraltar – (**Mr Speaker:** Exactly.) is that right? Or is he sitting in his office doing something else?

445 **Mr Speaker:** He is away.

**Hon. P R Caruana:** If the Hon. Minister is not here, he cannot be *dragged* here. (**Mr Speaker:** [*inaudible*]) Therefore there is no point in the Opposition insisting on an adjournment that facilitates him being here to answer questions, when he is not physically here. That would be absurd. We are not making a stand against the fact that Mr Licudi cannot organise his diary to be present in the House.

450 At the last sitting of the House, the Hon. and Learned Chief Minister interspersed his interventions consistently with a reminder to people that I had not been present in the House during parts of the Budget debate. Well, what is sauce for the goose, is sauce for the gander. We are now making a point of that too. Our protest is not about the fact that Mr Licudi is not here, much as we regret that; our protest is against the adjournment of a House unconventionally to August *for that reason*, which is not an emergency reason.

455 If there were an emergency of some sort, then a sitting in August would be justified. If there is not an emergency, if it is all up to Mr Licudi's diary, then frankly, I do not think this House ought to part with the tradition that it does not sit in August and *that* is the reason why we are objecting to the adjournment to August.

460 If the hon. Member now is moving the adjournment *sine die*, we will support that and we will expect Mr Licudi to answer these questions next time. I do not think there are any questions there that cannot wait for –

465 **Mr Speaker:** No, if the Opposition is content to have these questions not answered in this sitting and is happy to put them for the next sitting, well...

I now propose the question, which is that this House do now adjourns *sine die*.

470 I now put the question, which is that this House do now adjourn *sine die*. Those in favour. (**Members:** Aye.) Those against. Passed.

This House will now adjourn *sine die*.

*The House adjourned at 4.05 p.m.*