



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.

145 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.

150 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.

155 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.

170 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.

375 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.

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.

435 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*.
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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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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.)

880 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.

885 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.

(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.

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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
excess of 300 applicants. Some of these applications dated as far back as 2003, 2004, 2005, 2006 and
1240 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.

As of 8th December 2011, 98 people were in receipt of domiciliary care, of a total of 925.5 hours a
1245 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 1385 **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 1390 the final plans, it is envisaged that the facility will be ready for completion by the end of next year.

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 1395 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.

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 1400 jointly and closely in developing a strategy for dementia and the running of the Day Centre and the team have advised the design team.

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 1405 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.

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 1410 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.

So, Mr Speaker, the answer is that these projects will continue because the investment has already 1415 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.

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 1420 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.

We intend to have a purpose-built Day Centre at Waterport Terraces, which comprises two 1425 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 1430 independent and living at home for longer. In some cases, it will reduce the need for domiciliary care during those hours.

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.
1675

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

1880

(Applause)

Mr Speaker: The Hon. Damon Bossino.

1885 **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 –

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**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.
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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.

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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!

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(*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...

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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?

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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.*