



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.06 p.m. – 8:25 p.m.

Gibraltar, Thursday, 16th October 2014

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The Gibraltar Parliament

The Parliament met at 3.06 p.m.

[MR SPEAKER: Hon. A J Canepa GMH OBE *in the Chair*]

[CLERK TO THE PARLIAMENT: P E Martinez Esq *in attendance*]

HEALTH AND THE ENVIRONMENT

Q505/2014 continued – Environment (Control of Dust) Regulation 2010 – Implementation at GOG construction sites – Statement by the Minister for Health and the Environment

Mr Speaker: Arising from the photographs that the Hon. Mr Netto provided this morning, I think the Hon. the Minister for Health and the Environment wishes to make a statement.

5 **Minister for Health and the Environment (Hon. Dr J E Cortes):** Mr Speaker, thank you for allowing me to provide some more information. During the period since the Question was asked, I asked the Environmental Agency and they have searched through their records. They have no record of any complaints from neighbours or anybody else about that particular site. They are continuing to look, but they have not been able to find one. But in any case, they have deployed an officer there this afternoon, just to check that everything is in order.

10 **Hon. J J Netto:** Mr Speaker, first of all I am grateful for that answer, but the fact that there may be no record of complaint at the Environment Agency does not mean that the residents within the neighbourhood of the construction site are not up in arms as a result of the dust emanating from the construction site. That is the first point I would like to make.

15 The second point I would like to make, which in fact I made earlier on, was whether the contractor on the site had gone through the proper procedure to apply for a permit for providing the dust sheets in accordance with the legislation. That part of my supplementary question has not been answered. Can the Minister provide some answer on that aspect?

20 **Hon. Dr J E Cortes:** Mr Speaker, I provided the answer, which seemed to be to the Member opposite's satisfaction this morning. I have volunteered additional information. If the neighbours are up in arms, they have not communicated it to the pertinent authorities; and if they do so now... although, as I said, an officer has been deployed. I just have to repeat what I said this morning: that these regulations will be applied to all sites. I just thought I would provide that additional information.

25 **Hon. J J Netto:** Mr Speaker, I do not want to get side-tracked with whether there has been a registered complaint or not. That is not the fundamental issue. The fundamental issue here is whether the construction site... have done what they are supposed to do in accordance with the legislation. Have they, or have they not, because if they have not asked for the permit to be issued by the Environmental Agency, it seems to me that they have been acting against the legislation itself. That is a more pertinent question – as to whether there have been any recorded complaints by neighbours in the neighbourhood or not – and on that aspect the Minister opposite has not provided an adequate answer.

30 **Hon. Dr J E Cortes:** Mr Speaker, I provided the answer to the Question, which was, if we will remember:

'Can the Minister for the Environment state whether all GOG construction sites are implementing the Environment (Control of Dust) Regulation 2010?'

I answered that they were, to the knowledge of the Environment Agency. That, I think, does answer that Question. If he wants more specifics on each independent and individual site, then he will have to ask for

that and I will get that information, but I think to the general Question I have answered it more than adequately.

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CHIEF MINISTER

Q559/2014

**Employment (Bullying at Work) Act –
Monitoring of implementation**

Mr Speaker: Question 559.

45 **Clerk:** Question 559, the Hon. D J Bossino.

Hon. D J Bossino: Can the Chief Minister state how he intends to monitor the implementation of the Employment (Bullying at Work) Act?

50 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, closely.

55 **Hon. D J Bossino:** Mr Speaker, that adjective is not sufficient in my view. What mechanics is he going to put in place?

I refer him to the press release which appeared, and I am quoting from the *Gibraltar Chronicle* – I think this quote is personally attributed to him – when he says:

‘and we have given the GFSB and the Chamber of Commerce the confidence that we will monitor the implementation of the Act to ensure it is not abused in any way, and we reserve the right to tweak the law where necessary, again in consultation with all parties, should it be abused.’

But how does he intend... Which mechanics has he put in place in order to monitor the implementation of the Act?

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Hon. Chief Minister: Mr Speaker, this is not an issue of having to put in place any mechanics. These are claims that will have to be brought to the Industrial Tribunal, which is a public body. We are aware of what the substance of complaints that come to the Industrial Tribunal are, because the Tribunal is administered through Government officers, so if there are instances of claims of bullying coming to the Industrial Tribunal we will be following them very ‘closely’ – he does not like the word, but it is one that I intend to continue using during the course of this answer – to see whether there are any allegations by employers of abuse. Then, if there are, we will have to look into whether we believe that there is actually abuse in respect of any such case. Indeed, it may be that there are cases that do not come to the Industrial Tribunal in respect of which employers believe there may be abuse, and I have full confidence that they will be brought to my attention by the GFSB or by the Chamber.

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Hon. D A Feetham: Mr Speaker, the Hon. the Chief Minister draws an important distinction, because if he is going to closely... or the Government is going to closely monitor such claims, just simply looking at what happens in the Industrial Tribunal will not do, because there are many claims that do not get to the Industrial Tribunal. All of us who have been lawyers and have done Industrial Tribunal work will know that in actual fact sometimes it is actually far better for the employer just simply to settle it out of court before it gets to the Industrial Tribunal, because costs are not recoverable in the Industrial Tribunal.

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Is the Government simply relying on the GFSB and the Chamber of Commerce to provide that information to the Government, or is the Government going to be a little bit more proactive in its attempts to ‘closely monitor’ – those are the words that he has used – the implementation of this Act?

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Hon. Chief Minister: Well, Mr Speaker, if claims are abusive then some of them will get to the Industrial Tribunal, even if in the process of filing claims for the purposes of seeking abusive settlements. So we will have to keep a very close eye indeed on what happens in the Industrial Tribunal. But outside it, the only people who have considered that there is the possibility that this legislation will be abused are the Chamber and the Federation of Small Businesses – nobody else has expressed that view – and if they are

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able to bring to the attention of the Government instances of such abuse it must be because their members make complaint of it.

If traders – or employers; they do not need to be traders – do not make complaint of abuse to their representative body, it is going to be very difficult for the Government, however closely we want to monitor this, to be able to determine whether there is abuse, short of sending every employer in Gibraltar a questionnaire once a month. We do not intend to do that. We think if there is abuse it will be something that is brought to our attention by the Chamber and by the Federation, because their members will bring it to their attention.

Hon. D A Feetham: Well, actually, Mr Speaker, he makes again a point that I had in mind, which is the question of the questionnaire. It does not require a questionnaire every single month, but will the Government consider, for example, actually issuing a questionnaire perhaps once a year, or even on the first anniversary – it does not have to be every single year, but on the first anniversary of the implementation of this Act – which directly asks employers how they feel that this particular Act is working, and then perhaps again two years later, because after a year I suppose is too short a period?

Can I commend to the Chief Minister – bearing in mind that clearly his policy is to ‘closely’, in his words, monitor the implementation of this Act – can I commend that type of closer monitoring of the Act?

Hon. Chief Minister: Mr Speaker, I will take it in to consideration.

Hon. D J Bossino: And does he not, Mr Speaker, thinking about it, that the Chief Minister should rely on an analysis of the complaints which are filed in the Industrial Tribunal?

The Government may take a view that a particular or if various complaints are abusive, but that will not be the view of the complainants. Isn't it a bit late at that stage, in any event? The horse will have bolted by that stage, the complaints will have been filed, and that complainant has an entitlement to be heard in the Tribunal by a chairman. So is the Government, the state, now going to be investigating the complaints and coming to a conclusion as to whether complainants' complaints are abusive or not?

I just find it rather remarkable that the Hon. the Chief Minister should be relying on complaints filed in the Industrial Tribunal as a mechanism of monitoring – ‘closely’ monitoring, as he puts it – the workings of this Act.

Hon. Chief Minister: I know that the hon. Gentleman and I studied at different universities, but when I studied law, one of the things that I looked at was the papers of the Law Commission, an important part in the edifice of the rule of law in the United Kingdom, that does exactly what I have told the hon. Gentleman we are intending to do. In other words, it looks at claims filed and it suggests to legislators that there may be areas where legislation is open to abuse by any party in relation to, for example, personal injury claims, or in relation to, for example, separation agreements, or the absence of them. The analysis is done in respect of claims made. That does not suggest that the Government is going to get involved in cases that are live, but the Government may decide to change legislation as a result of seeing a trend of cases being brought in a particular way.

I commend to the hon. Gentleman the work of the Law Commission: if he knows it, he might not have asked the question that he has asked.

Q560/2014

Financial Secretary position – Reason why not advertised

Clerk: Question 560, the Hon. D J Bossino.

Hon. D J Bossino: Can the Chief Minister state why the position of Financial Secretary was not advertised?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, the vacancy of the post of Financial Secretary was not advertised by the previous administration when it first arose under the new Constitution. The same is true of the posts of Chief Secretary and of Chief Technical Officer.

The principle established by the former Chief Minister, which I have previously confirmed we stand by, is that these three posts are direct appointments by the Chief Minister himself, as they are in effect the

heads of the three, broadly speaking, divisions of Government, namely: the administration, in the guise of the Chief Secretary; the technical, in the guise of the Chief Technical Officer; and the financial, in the case of the Financial Secretary.

The position is the same in the United Kingdom in relation to the appointment of the Cabinet Secretary.

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Hon. D J Bossino: Mr Speaker, isn't the distinction to be drawn here that this particular individual... I make no comment as to the competence of this individual, whom I know personally; I know him very well. Isn't the distinction to be made here that the appointment has been made from the private sector? Wouldn't it have been procedurally wise for the Government to have opened up the vacancy to have allowed other potential candidates from the private sector and for him to have made a decision based on a string of candidates, rather than just the individual appointment which he has made?

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Hon. Chief Minister: Well, Mr Speaker, obviously not, because I did not do it that way – and *I will* make comment on the competence of the individual involved: he is a *highly* competent individual.

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What has occurred on this occasion is what occurred on previous occasions, both in relation to the appointment of the Chief Technical Officer and in relation to the appointment of the Chief Secretary – namely, that the recommendations made to the Chief Minister were unanimous in respect of who should take the post. Therefore, it was not the Chief Minister's doing to select Albert Mena, but the recommendations made to the Chief Minister, both by the departing Financial Secretary and by others in the administration, as to whether Albert Mena was the right person to do the job. That had been the case in relation to Ernest Gomez, where the then Acting Chief Secretary, Mr Richard Armstrong, the previous Chief Secretary, Mr Richard Garcia, and the previous before then Chief Secretary Mr Ernest Montado, all recommended Mr Gomez as the person who should be appointed. The same was true in respect of Mr Michael Gill's replacement, who was widely recommended to me by Mr Michael Gill and others, namely Mr Hector Montado, and it was the case in this instance in respect of Mr Mena.

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The interesting thing about this post, Mr Speaker, is that there was nobody inside the administration who was recommended for the post or who *wanted* to take the post, and that says a lot about succession planning in the many years that there have been since the last GSLP Government. One of the specific things that Mr Mena has been asked to do in post is to bring along and train up people who might be ready to take over from him at the end of the three-year period for which he has been appointed, because we believe this is a post that should remain within the Civil Service wherever possible, but in order to keep it within the Civil Service one has to make the effort to train people, one has to give people the resources in training, and one has to be ready to spend time in bringing people along. That had not happened before and that is why the recommendation was made to me, which I accepted, that Mr Mena should be appointed Financial Secretary, and why he is specifically tasked – as hon. Members will see from, I think, the press release at the time – specifically tasked with training somebody, or a number of people within the Service, to be in a position to take over from him.

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Hon. D J Bossino: Mr Speaker, is the Chief Minister saying that the recommendation in relation to Mr Mena came from the current Financial Secretary? Is my understanding of his answer correct? Sorry, the previous Financial Secretary.

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Hon. Chief Minister: Mr Speaker, yes, *inter alia* from Dilip Dayaram Tirathdas, who was the Financial Secretary before. If I may also say to him, Mr Speaker, there has only been one instance when the Financial Secretary has been appointed from the Civil Service – he should be aware of that. It is only Mr Dayaram Tirathdas who has ever been appointed Financial Secretary from within the Civil Service. Previously, all Financial Secretaries have been appointed from outside – indeed from outside Gibraltar, usually from the National Audit Office in the United Kingdom. So this is the first time that somebody has been appointed by the Chief Minister of Gibraltar from outside the Service, but if we are looking in percentage terms, 50/50, because there was only one previous appointment by a Gibraltar Chief Minister and that was the appointment of Mr Dayaram Tirathdas by Sir Peter Caruana at the time, but previously we have had Financial Secretaries appointed from outside – not just the Civil Service, but outside Gibraltar.

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Hon. D J Bossino: Yes, but this is the distinction I made in my first supplementary, that this is the first time that somebody from within Gibraltar, within the private sector, has been appointed by the Chief Minister.

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In relation to that point, Mr Speaker, in the press release it says that Mr Mena is on a three-year secondment from the law firm, Hassans. Can he give more details in relation to how that secondment is working? For example, is Mr Mena being paid by the Gibraltar Government, or by Hassans?

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Hon. Chief Minister: Mr Speaker, I cannot give more details at the moment, because I do not have notice of the question. I do not deal with aspects of who pays who, but I imagine that he is being paid directly by the Government of Gibraltar.

205 If he gives me notice of that question next time, I can bring all the details of the arrangement that has been entered in to.

Hon. D J Bossino: Mr Speaker, with the greatest respect to the Hon. the Chief Minister, the fact that Mr Mena is being employed on the basis of a three-year secondment, which has been agreed by the law firm Hassans, it would have been a natural follow-up question he should have expected from me, particularly because it actually features in the press release announcing Mr Mena's appointment.

210 Can he give other details in relation to this secondment? Quite apart that he says he needs notice as to the salary arrangements, are there other details that he can provide to this House in relation to the secondment from Hassans which would be relevant?

215 Normally, when you second as an employer – forgetting it is Hassans, forgetting it is Mr Mena; in any circumstances – there is normally something in it for the original employing party. Will Mr Mena continue to work with Hassans, or will he not? Will he divorce completely from Hassans? On issues like that, is he able to shed any light? As the Chief Minister of Gibraltar, who was the appointer, is he able to give any light in relation to those other matters?

220 **Hon. Chief Minister:** Mr Speaker, I do not accept that a question that says, 'Can the Chief Minister state why the position of Financial Secretary was not advertised?' leads to an analysis of what the terms of the secondment were. This is something that happened three months ago, and he will have realised that the Chief Minister of Gibraltar is quite busy, particularly in September and in October, to remember the details of a secondment.

225 Mr Speaker, I am not suggesting that he is not entitled to the information; I am just saying I need notice of the question.

It is very clear to me, Mr Speaker, that Mr Mena works wholly and exclusively for the Government of Gibraltar; he does not work for Hassans for the period of the secondment. I cannot provide him with further details of the secondment at this stage, but if he gives me notice of the question next time, or if he wishes to write to me, I will happily give him all the details that are available to the Government.

230 He has got a partner of Hassans sitting next to him – he might want to ask him.

Hon. D J Bossino: Mr Speaker, did the Hon. the Chief Minister say that this has been going on for the last three months? The announcement was made on 11th September. Just to point out to him that that is the date of the press release, which is when I found out and which is when the Gibraltarian public found out. Can he confirm since when Mr Mena has been appointed?

Hon. Chief Minister: Mr Speaker, I am on my feet with the information I needed to have in order to answer the Question he has asked. I do not have the starting date for Mr Mena; I do not have the details of the secondment. It is not that I do not want to give them to him. I am quite happy to bring them to this House and discuss them with him next time, but I do not have them with me. I cannot say whether he started on the 10th or the 12th or whether he started on the 9th or on the 30th. If he wants that information, all he needs to do is give notice of the question.

245 Why doesn't he want to give notice of the question on which he wants to have an answer? Does he simply want to ambush people into not being able to provide him the answers? Is this a memory test instead of an opportunity to provide information based on the questions that are put?

Hon. D J Bossino: Mr Speaker, all I have asked is a question following on from the Hon. Chief Minister's answer. He mentioned that this has been going on – I am paraphrasing – for the last three months. It arises from the answer that the Hon. Chief Minister has given me. So what I am asking him is if it is the last three months. The press release was actually dated 11th September. When was Mr Mena appointed? Does he not have this information on such an important position within the Government, which he himself has been responsible for appointing? I just do not understand this.

255 **Hon. Chief Minister:** Mr Speaker, I do not have the information. I make many appointments, not just the appointments that appear in the press; I sign many documents. If what he wants to do is test my memory by trying to work out whether I remember the date on which Albert Mena was appointed, the answer is I do not remember – and in his book I am therefore, for that reason and I am sure many others, not worthy to be Chief Minister. If he wants to know, he can simply ask me the question or I will write to him. I have said three months because it feels like three months, because a Chief Minister works about 48 to 72 hours a day and September now feels like three months ago.

265 **Hon. D J Bossino:** Mr Speaker, the Chief Minister mentioned in his reply that nobody wanted to do this job within the Civil Service. Is that the reason for the appointment, or is it as... Certainly that reason was not given by the Gibraltar Government – I assume he was the drafter of the press statement – when they announced Mr Mena’s appointment. The reason given was that they wanted a more commercial approach to investment planning and financial management. So is the reason that there was not anybody within the Civil Service who wanted to do the job, or is it that he himself, as the appointer, thought in his own mind that he wanted somebody with a more commercial approach to investment planning and financial management?

270 **Hon. Chief Minister:** Mr Speaker, he was much better at this in school than he is now. All of the above.

275 **Hon. D J Bossino:** Mr Speaker, can the Chief Minister state whether it is the Government’s intention not to renew Mr Mena’s appointment after the three-year stint is over?

280 **Mr Speaker:** Under no stretch of the imagination does that arise from the original Question. You were asking why was the position not advertised, and you are now expecting an answer on what is going to happen three years from now. Utterly out of order. Completely and utterly out of order. The hon. Member is getting carried away. Keep within the question. (*Interjections*) Yes, carry on.

285 **Hon. D J Bossino:** I am grateful, Mr Speaker. It really arises from the answers given by the Chief Minister. It arises from the succession planning point, where he said that the intention is for Mr Mena to train up those individuals within the Civil Service to that position in the context of the civil servants not wanting to do the job. So I think it arises from answers that the Hon. the Chief Minister has given me here today. That is why I think it is a relevant question. I certainly am not getting carried away – I think I am quite relaxed.

290 **Hon. Chief Minister:** Mr Speaker, I am quite happy to comment in this way: I am very grateful for the hon. Gentleman’s vote of confidence – given that he thinks we are going to be in Government in three years’ time, I will consider the issue at the time. It is certainly the intention of the Government – not just of the administration, I hope, of the Government, and I hope that we shall still be the Government in three years’ time, as he seems to think – that there should be somebody trained up to be able to do the job and willing to do the job in three years’ time, as I have suggested.

295 **Hon. D A Feetham:** Mr Speaker, may I just start prefixing my question by saying that the fact that I am a partner of Hassans does not mean that I have any knowledge about this particular matter. Indeed, I stay well away from partners’ meetings and well away from anywhere where I can gain any kind of information that can possibly lead to an accusation that I know things that perhaps I ought not to know. But in any event, it is all irrelevant at the end of the day: simply because I am a partner of Hassans will not prevent me, as he knows on the *Sunborn* and other issues, from asking questions and holding the Government to account.

300 Mr Speaker, he mentioned the training of successors to Mr Mena: does he think that three years is enough in order to train somebody to replace Mr Mena after the three-year contract has expired?

305 **Hon. Chief Minister:** Mr Speaker, I do not accept the premise of much of what the hon. Gentleman has said in the beginning of his question, but I will just deal with the substance of it. Of course I do. I have been Chief Minister for less than three years: look at the great job I am doing, and I took over from somebody who had been here for 16.

310 **Hon. D A Feetham:** Well, Mr Speaker, whether he is doing a good job or not is a matter that the electorate will be asked to decide next year – and I leave it to the electorate; I am not prone to making those type of arrogant, if I could say so, comments.

315 Mr Speaker, if three years is sufficient in which to train somebody to take over, and bearing in mind that the Hon. the Chief Minister has been in post for three years and the former Financial Secretary was there during those three years, why wasn’t the opportunity taken to, in fact train somebody to take over from the former Financial Secretary during those three years?

320 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman forgets that in fact the Financial Secretary retired a year ago – in fact over a year ago – and the question was whether it might have been possible to actually train somebody in post from the time that we were elected, when we started to look at this, and it was not possible *inter alia* because of the problems that we found.

325 He may recall that we found that there was almost no usable cash reserve, that we had to stop spending and had found that by the end of the first financial year there was only £2 million left in the kitty – something that the Hon. Sir Peter Caruana, although he likes to pretend is a lie, confirmed during the course of the debate during the last Budget. So it was actually a very difficult time for the last Financial Secretary.

330 Now that things are back on an even keel and the Financial Secretary is going to have more time available, we think it is possible for him to train somebody in three years. I very much hope that it will be possible to do so because I am sure Mr Mena will want to get back to his practice, I am sure all of his partners at Hassans will want him back, and I am sure that the Civil Service would like to find somebody out of their ranks being in post. And given that Mr Bossino himself thinks that we are going to be there in three years' time, I do not think there is such arrogance in saying that there is a chance we will win the election.

335 **Hon. D A Feetham:** Mr Speaker, given the amount of spending from the Government and the spending of public money as if there is no tomorrow, despite –

Mr Speaker: That has got nothing to do with it. You are now widening the whole ambit of the matter.

340 **Hon. D A Feetham:** Well, may I –

Mr Speaker: The hon. Member is now beginning to debate. If you are going to bring in questions of Government spending and so on, you are beginning to debate. You are not sticking to the subject matter.

345 **Hon. D A Feetham:** Of course I will abide by Mr Speaker's ruling and I apologise again if Mr Speaker believes that I have exceeded the bounds of what is reasonable. But Mr Speaker of course has to bear in mind that it is the Chief Minister who has introduced this question of the cash reserves; it has not been me.

350 What I was going to say was that, bearing in mind the answer he has given me about all those problems that – because the reason why he says that the Financial Secretary could not train somebody during the last three years was because of the problems that the Government encountered with cash reserves... what I am saying is that, given all those problems and given the way that the Government has been spending money and borrowing copiously in order to spend that money, wouldn't it have been a perfect opportunity, Mr Speaker, in those circumstances, to effectively train somebody in order to take over as Financial Secretary?

355 Of course, I recognise that the former Financial Secretary left, or his tenure ended, a year ago, but my understanding is that he continued in post after his contract expired, or after his formal retirement, so it would have been possible for him to have used the entirety of those three years to train somebody. It arises out of the answer that he has given me before, which was that it is possible and he hopes and he fully expects somebody to be trained in those three years by Mr Mena. If it is possible for Mr Mena to train somebody in three years, it would have also been possible for the former Financial Secretary to train somebody in three years.

360 **Hon. Chief Minister:** Mr Speaker, as a soliloquy it is not bad, but I did not perceive a question – although, of course, his perception of economic reality and the economic reality that we have all lived is completely different. Therefore, I do not think Mr Dayaram has had such an easy ride as he pretends; nor has it been so difficult once we have steadied the ship and got it on an even keel.

365 My position is very clear: I think Albert Mena will be able to train somebody in three years. I am not going to be shifted in that view by anything that the hon. Gentleman has said. If there is one thing that I hope is common ground, it is that given that we are both in different stages of partnership of Hassans – one of us active, one of us not – we all know that this is a man of great competence.

370 **Hon. D J Bossino:** Mr Speaker, just one final supplementary, I hope – although I proceed with some trepidation, because on the one hand, in one answer he says that I have no confidence in him as the Chief Minister, and then on the other hand, in relation to another answer he says that I perceive that he will be there for the next three years.

375 Mr Speaker, he said that the recommendation was made by the Financial Secretary *inter alia*, and I think he mentioned the previous Financial Secretary's name. Can he provide the details of the other individuals who would have provided that recommendation to him – other than the Financial Secretary, obviously?

380 **Hon. Chief Minister:** Mr Speaker, this is now some time ago, because this happened before the summer, but I can certainly tell him that the Financial Secretary is one of the people who I spoke to. I spoke also, of course, to the Chief Secretary, and I spoke to other members of the community who might be able

to advise me informally; none who would be advising me formally – this is an issue for the Chief Minister, and the Chief Minister takes wide soundings.

385 I took very wide soundings also at the time of the replacement of Michael Gill with Hector Montado, and the replacement of Mr Armstrong, who indicated he wanted to leave, with Mr Ernest Gomez – some of them people who had been in the Service, some of them people who have not been in the Service. I cannot recall much beyond the conversations I had with Mr Dayaram himself and with other Ministers.

390 **Hon. D J Bossino:** Mr Speaker, would the Chief Minister be willing to provide me with more specific answers to that question? He mentions ‘other members of the community’. I assume the reason why he is resisting providing me with that information is because of recollection issues, but would he be willing to provide me with that information if I gave him notice of a question, or would he still not wish to provide me with that answer for other reasons?

395 **Hon. Chief Minister:** No, not at all, Mr Speaker – there is no question of my not being willing to provide the answer. I would be very happy to provide the answer. I simply probably have to go back to my diary and check who I spoke to at the time that I know I was making this decision.

400 I know I certainly spoke to a number of other Ministers who have known Mr Mena, who have worked with Mr Mena – not necessarily from Hassans, but people from well outside Hassans; and Mr Dayaram, who is not at Hassans. If he simply gives me, in writing, notice by letter, or if he wishes to ask me next time, I will make sure that I am able to bring more names of those who I spoke to.

Q561/2014
Government credit cards –
Issue to civil servants

Clerk: Question 561, the Hon. D J Bossino.

405 **Hon. D J Bossino:** Can the Chief Minister provide details of which civil servants are issued with Government credit cards?

Clerk: Answer, the Hon. the Chief Minister.

410 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the following civil servants are issued with Jyske Bank pre-paid Visa cards for ease of payment: the Chief Secretary, the Financial Secretary, and the Commissioner of Police.

415 **Hon. D A Feetham:** Mr Speaker, if I transgress and if Mr Speaker thinks it does not arise out of the Question, I will give notice of it, but perhaps the Hon. the Chief Minister can assist. There are a limited number of individuals who have been provided with the use of a Government credit card, but what about individuals who, for example, are able to go to restaurants and entertain individuals in restaurants who may come from outside, for example, but then the bill is sent to No. 6 Convent Place? How does that work in his administration? Is there a group of individuals who have that facility and access to that facility, or has it got to be pre-arranged and pre-agreed with the Chief Secretary of Gibraltar?

420 **Hon. Chief Minister:** Mr Speaker, good luck to the restaurateur: there are 4,000 public sector workers, all of whom could wave... ‘*¡Mándasela a Picardo!*’ if they liked. Good luck if they do! As far as I am concerned, that does not happen. If it happens on particular occasions, it must be specifically approved either previously by the Chief Secretary.

425 I know of one instance, in an administration prior to mine, when a previous Chief Secretary had told me that he had done that and that he did not usually do it but he had done it for a particular purpose. He told me the funny story of the fact that the restaurant refused to pay rates, rent, electricity or tax, and therefore he took the view that he wanted to make the point to the restaurant, when the bill came, that it would be set off against all of their liabilities.

430 But if it happens, it must be in very specific circumstances: when people are visiting from outside and consent is sought from the Chief Secretary. Otherwise, there is no general tab at restaurants in Gibraltar in which people can simply say, ‘Send the bill to Fabian.’

435 **Hon. D A Feetham:** Can I just say that the reason why this Question is asked is because there was an individual, who works for the Government, in a restaurant where when the bill came the individual said,

‘Please send it to No. 6 Convent Place.’ And therefore we have been told... and we just want to know whether there has been a change of policy, but I am glad that the Hon. Chief Minister confirms that there must be specific authorisation before something like that actually happens, so that obviously there is control over the expenditure of public funds.

440

Hon. Chief Minister: But not enough, Mr Speaker, because if somebody has taken him out and said that they should send the bill to No. 6 Convent Place I am very disappointed – and I am going to get to the bottom of who it was!

445

Clerk: Question 562, the Hon. D J Bossino.

Hon. Chief Minister: Mr Speaker, if I might just... If it provides comfort to the hon. Gentleman, if he gives me the details of the individual etc, I can find out for him and confirm that it must have been specifically authorised – and I would like to know.

Q562/2014

Wholly owned Government companies – Provision of full list

450

Clerk: Question 562, the Hon. D J Bossino.

Hon. D J Bossino: Can the Chief Minister provide the House with a full list of wholly owned Government companies?

455

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Well, Mr Speaker, details of wholly owned Government companies are published annually in the Approved Estimates of Revenue and Expenditure in the Summary of Public Finances at page X. It is a public document.

460

Hon. D J Bossino: Mr Speaker, I assume therefore that page X of the Estimates will provide me with the complete list of the wholly owned Government companies and that there are no companies outside of that list currently. In other words, there have not been new companies added to the list as provided in the Estimates Book.

465

Hon. Chief Minister: Mr Speaker, it is a list that is provided once a year and is provided in the approved... I do not think it is provided in the Estimates Book. I think this is an anomaly. In other words, I think this appears in the *Approved* Estimates Book, which is the book after the approval by the House. It appears just after we approve the estimates – I think it takes a few months. We usually call it the ‘Blue Book’, because it is usually blue; but it is published once a year when that is published.

470

Hon. D J Bossino: Mr Speaker, is he aware that it is published, because certainly what I have available to me is still the draft Estimates Book, which is the one we debated during the course of the Appropriation Bill. I had in my mind actually to call the office here to find out whether it was available, but I seem to recall that on previous occasions – and for me there have only been two previous occasions since I have been a Member of this House – the book has been made available to me by sending it to me. I have never had a need to make a telephone call to the Department here. But I am not aware that it has been published and available.

475

Hon. Chief Minister: Mr Speaker, it is either handed to Members by being left on their desk here when we have meetings, or it is delivered to them. I do not know whether it has been delivered to them or not. It may be in the course of publication, but it is published once a year and that is where the list is. There is usually an interval between estimate and publication – the summer usually makes up most of that interval. I cannot tell him on my feet whether we have got the latest one. I probably have one in the office.
480
(*Interjections*) Yes, Mr Speaker, here it is. (*Interjection*) Yes, it is. It is actually yellow this year.
485
(*Interjection*) Yes, that is it. There it is. Yes, that is the page. I am just saying that this year it is not a blue book; this year it is a yellow book. But you should have it already.

485

Q564/2014
Gibraltar International Mint Ltd –
Government partner

Clerk: Question 564, the Hon. D J Bossino.

490 **Hon. D J Bossino:** Can the Chief Minister advise this House who the Government partners in the Gibraltar International Mint are?

Chief Minister (Hon. F R Picardo): Mr Speaker, the partner of the Government in Gibraltar International Mint Ltd are Gib 3000 (International) Ltd.

495

Hon. D J Bossino: Mr Speaker, would the Chief Minister be kind enough to provide me with details of who the shareholders are? I can carry out a company search, but I would be grateful if he would provide me with those details across the floor of the House now. Thank you.

500 **Hon. Chief Minister:** Absolutely, Mr Speaker: Line Holdings Ltd, which is owned by the hon. Gentleman, by me, and by the 28 other partners of Hassans.

Hon. D A Feetham: Mr Speaker, just trying to inject some seriousness into the question and answer session, when I asked about the investors – the question that I had been asking... I think I had asked it about five times before January of this year – the Hon. the Chief Minister then said to me, ‘Yes, the investors that I had in mind in May of 2011, when I said that I had them up my sleeve, that they were there, lined up, so that when we won the election they would be investing in Gibraltar, was a mint company,’ and he said a mint company from Austria.

510 I think what my hon. Friend is getting at is, ‘Well, who are these Austrian investors?’ It is the identity of the Austrian investors, not whether it is a Gibraltar company or whether a nominee company owns the shares of that company on trust for someone else. He did say in January of this year that it was Austrian investors, and as I understand it, what he is seeking to get to is who are those Austrian investors.

515 **Hon. Chief Minister:** Well, Mr Speaker, I have actually said more. It is just that the Question is phrased in terms that he requires me to give the formal answer. I have said that Sonja Kohn is a lady who is in part a partner of the Government in relation to the Mint. I think she has been mentioned in Government press releases on a number of occasions, so I do not think that is an issue that is any mystery, Sonja Kohn... But I just cannot tell him, Mr Speaker, with absolute certainty today that she is the only beneficial owner of Gib 3000 (International) Ltd. I cannot tell him with certainty today because it is, as he knows, a Jewish feast, and the person who I would call to make sure that that is the case is today not available – but I am able to give him the information if he asks the question again next time.

525 **Hon. D A Feetham:** Yes, Mr Speaker, if he can. It is the first time, I have to say, that I hear Mrs Kohn’s name mentioned publicly by the Chief Minister in the context of this particular Mint investment, and indeed it appears to have stumped hon. Members on this side. We certainly had not heard her mentioned. But if he can investigate it and see who else effectively are partners in this particular venture, apart from Sonja Kohn... But I am very grateful to the Hon. the Chief Minister.

530 **Hon. Chief Minister:** Mr Speaker, as he can imagine, I have absolutely no intention of trying to stump him in anything that I do or say, but I shall certainly be happy to look at it if the hon. Gentleman puts the question himself next time.

Q565/2014
Marriott Hotel site –
Coach park

Clerk: Question 565, the Hon. S M Figueras.

535 **Hon. S M Figueras:** Mr Speaker, can the Minister for Traffic say how long the coach parking at the intended site of the Marriott Hotel will remain there and whether a timeframe for the handover of the site is agreed with the developer?

Clerk: Answer, the Hon. the Chief Minister.

540 **Chief Minister (Hon. F R Picardo):** Mr Speaker, negotiations for final completion with the developer are in hand and expected to be concluded within the next months before the end of the calendar year. Vacant possession will follow thereafter, probably in the course of the first quarter of next year. The coach park will either remain on part of the site by licence of the new owners of the land whilst they develop another part of the plot; or it will move, if necessary.

545

Q566/2014
Contactless ID card –
Roll-out date and cost

Clerk: Question 566, the Hon. S M Figueras.

550 **Hon. S M Figueras:** Can the Chief Minister say when he expects the contactless ID card to be rolled out in the community and the anticipated cost of the initiative?

Clerk: Answer, the Hon. the Chief Minister.

555 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government is foreseeing that the new e-ID card will be launched in the first quarter of 2015, with the contract value of the whole turnkey solution being an estimated £1.6 million.

Q567/2014
Mr Tyrone Duarte –
Payment, role and location

Clerk: Question 567, the Hon. E J Reyes.

560 **Hon. E J Reyes:** Mr Speaker, can the Chief Minister please state how much the Government, or any company or authority for which the Government is responsible, pays Mr Tyrone Duarte, together with what his role is and where he will be based?

Clerk: Answer, the Hon. the Chief Minister.

565

Chief Minister (Hon. F R Picardo): Mr Speaker, Mr Tyrone Duarte is employed as a Senior Information and Knowledge Development Officer. (SIKO) He is paid a monthly salary of £5,833 and is based in the London Office. He is responsible for the provision of policy-neutral research, analysis and advice to support policy formulation, strategy and decision making in relation to international issues. The post was advertised internally and externally simultaneously.

570

UTILITIES

Q568/2014
Lathbury Barrack site power station –
Cost of cancelling contract

Clerk: Question 568, the Hon. J J Netto.

575 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state what was the total cost associated with the cancellation of the contract entered by the GSD Government for the installation of a new power station at the former Lathbury Barrack site?

Clerk: Answer, the Hon. the Chief Minister.

580 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this Question together with Questions 569 to 618.

Q569/2014
Improvement and Development Fund –
Breakdown of expenditure to Electricity Authority

585 **Clerk:** Question 569, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please provide a breakdown of expenditure for works and equipment, with a brief description, to the Electricity Authority since December 2011 through the Improvement and Development Fund?

Q570/2014
Switchgear in distribution centres –
Cost of replacement

590 **Clerk:** Question 570, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state if, as a result of the new power station, the switchgear currently installed at various distribution centres is being replaced; and if so, what is the cost?

595 **Mr Speaker:** Since all the Questions are to be asked by the Hon. Mr Netto, there is no need for the Clerk to call Mr Netto's name on every occasion. Just call the Question.

Q571/2014
Generators installed at power stations –
Number, maximum output and availability

Clerk: Question 571.

600 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please confirm what is the total number of generating sets and their individual maximum rated power output in MWe currently installed at the different power stations, and separately the total number and rating in MWe of all those generating sets that are being rented, and confirm which generators, if any, are currently not available for service and why?

Q572/2014
MW power demand –
Maximum for winter 2013-14 and summer 2014

Clerk: Question 572.

605 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please confirm what has been the maximum power demand in MW for the winter period of 2013-14 and for the summer 2014?

Q573/2014
SO Energy –
Number of power outages and reasons

Clerk: Question 573.

610 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state the total number of power outages in the electricity grid, during the period in which the company SO Energy has been operating; and from the total number of power outages, how many have been attributed to failure of their generation and/or other equipment installed on their site or caused by their operations?

615

Q574/2014
North Mole proposed reclamation area –
Use for purposes other than new power station

Clerk: Question 574.

620 **Hon. J J Netto:** Mr Speaker, given what the Hon. Chief Minister had to say in his Budget address on Monday, 30th June 2014 – *Hansard*, line 926-27 – can the Minister for Utilities clarify for what ‘other purposes’ may the proposed reclamation area be utilised, other than for the new power station?

Q575/2014
New power station –
Part to be located at proposed North Mole reclamation area

Clerk: Question 575.

625

Hon. J J Netto: Mr Speaker, given what the Hon. Chief Minister had to say in his Budget address on Monday, 30th June 2014 – *Hansard*, line 926-27 – can the Minister for Utilities clarify what part of the new power station will be located at the proposed reclamation area off the North Mole, and what part will be located elsewhere?

Q576/2014
New power station site –
Reclamation works

630 **Clerk:** Question 576.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state if the reclamation site to house the new power station has started; and if so, state on what date and when will the reclamation be completed in order to allow the construction of the power station?

Q577/2014
New power station reclamation works –
Name of company and cost

635 **Clerk:** Question 577.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state the name of the company that will do the reclamation for the new Power Station, and what will be the approximate cost for this work?

Q578/2014

**Waterport Power Station –
Need for new building for employees; location and cost**

Clerk: Question 578.

640

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state if there will be a need to build a new purpose building to house the offices, workshops and welfare facilities for the employees of Waterport Power Station as a result of the new power station; and if so, please state on what site and what the cost will be?

645

Q579/2014

**New power station –
Need for new distribution centres; numbers, location and cost**

Clerk: Question 579.

650

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state if, as a result of having a new power station, there will be a need to build new distribution centres; and if so, please state how many, where such centres will be located, and what will be the cost?

Q580/2014

**New power station –
Need for more interconnector cables; numbers, location and cost**

Clerk: Question 580.

655

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state if, as a result of the new power station, there will be a need to provide more interconnector cables laid for the network grid; and if so, how many, where, and what will be the cost?

Q581/2014

**Pipeline to new power station –
Cost of new navigational controls on vessels**

Clerk: Question 581.

660

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state what, if any, recurring financial cost may result from the introduction of new navigational controls to be introduced on vessels entering the Port of Gibraltar by the possible usage of tug boats and pilot fees due to the laying of a pipeline from the Detached Mole to the proposed site for the new power station; and if such costs materialise, will it be the cruise liners, the Government or what other entity that will pay for such fees?

Q582/2014

**Pipeline to new power station –
Commencement date and cost**

665

Clerk: Question 582.

670

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state if a pipeline across the north entry of the Port for the purpose of transporting the fuel from the Detached Mole to the new Power Station is planned and; if so, could the Minister state when will such work commence and how much will this part of the works cost?

Q583/2014

**New power station –
Gas pipeline from Spain or North Africa**

Clerk: Question 583.

675 **Hon. J J Netto:** Mr Speaker, given the supplementary answer given by the Hon. Chief Minister to Oral Questions 243-258 – *Hansard*, line 1058-9 – can the Minister for Utilities state if there are plans afoot for having a pipeline from Spain or North Africa for the purpose of bringing gas to Gibraltar for the new power station; and if so, from where?

Q584/2014

**Pipeline across the Port –
Risk assessment**

680 **Clerk:** Question 584.

685 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities state whether any risk assessment has been conducted with respect to the impact of a possible pipeline across the Port, who conducted that risk assessment, what mitigations are required by the risk assessment, what impact such mitigation would have on Port operations; and will the Hon. Minister provide Parliament with a copy of such a report?

Q585/2014

**New power station –
Types of engines to be purchased**

Clerk: Question 585.

690 **Hon. J J Netto:** Mr Speaker, given the comments of the Hon. Chief Minister at his Budget address in relation to the new power station on Monday, 30th June – *Hansard*, line 900 – can the Minister for Utilities explain why the Government has opted to purchase three of the six MAN engines for gas-only operations and the other three as dual-fuel-built gas/diesel engines, when according to the Chief Minister ‘the new power station will operate using natural gas with diesel only as a backup’?

Q586/2014

**New power station –
Limitations of gas engines**

Clerk: Question 586.

695 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities state if three of the six engines to be purchased for the new power station can only be used on gas? If so, does it mean that, in the event of gas shortages, the three remaining dual-fuel generators operating on diesel will have enough output to meet Gibraltar’s needs?

Q587/2014

**New power station –
Dates re commencement of works and readiness to generate electricity**

Clerk: Question 587.

700

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state when will works for the commencement of the new power station start, and when will the new power station be ready to generate electricity into the grid?

Q588/2014
New power station –
Purchase and cost of heat recovery system

Clerk: Question 588.

705

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state if the Government will go ahead in purchasing the heat recovery system for the new power station; and if so, could the Hon. Minister provide the cost for the purchase of it and its instalment?

710

Q589/2014
Supply of gas to GOG –
Government’s Priority Information Notice

Clerk: Question 589.

Hon. J J Netto: Mr Speaker, given the supplementary answer given by the Hon. Minister for Utilities to Oral Questions 243/2014 to 258/2014 at line 1036-41 of *Hansard*, can the Minister state how many companies responded to the Government’s Priority Information Notice (PIN) for the purpose of supplying gas to the Government, by which method was it communicated to the companies operating in this business, how will the Government consider each respective proposal, will there be a tender process to consider the business proposals, and is the notice period now finished?

715

Q590/2014
Liquid natural gas storage tanks –
Number, construction and capacity

Clerk: Question 590.

720

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state the number and construction type – atmospheric, single, double, full containment or pressurised – of storage tanks that will be constructed for the storage of liquid natural gas, and what will be the amount stored in each tank?

Q591/2014
Liquid natural gas storage tanks –
Location on site of new power station

Clerk: Question 591.

725

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state if the liquid natural gas storage tanks will also be sited in the proposed new reclamation site that will house the new power station?

Q592/2014
Liquid natural gas storage tanks –
Location at Detached Mole; start and completion dates of works

Clerk: Question 592.

730 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state if the liquid natural gas Storage Tanks will be situated at the Detached Mole, and if so, by when will works start and by when will they be completed?

Q593/2014
Liquid natural gas storage tanks –
Name of company and cost of works

Clerk: Question 593.

735 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state which company will undertake the works for the liquid natural gas storage tanks at the Detached Mole and for what price?

Q594/2014
Liquid natural gas –
Site for conversion into gas

740 **Clerk:** Question 594.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state on what site will the liquid natural gas be converted into gas prior to it being used by the generators?

Q595/2014
Liquid natural gas –
Transportation to new power station

Clerk: Question 595.

745 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state how will the liquid natural gas be transported from the storage area in the Detached Mole to the location of the new permanent power station?

Q596/2014
Liquid natural gas –
Country from where sourced

Clerk: Question 596.

750 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state what will be the country from liquid natural gas will be sourced?

Q597/2014
Liquid natural gas –
Method of transportation to Gibraltar

Clerk: Question 597.

755 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state by what method will liquid natural gas be transported to Gibraltar?

Q598/2014

**Liquid natural gas –
Reliability of source; contingency plan**

Clerk: Question 598.

760 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities state how reliable will be the source from which liquid natural gas is procured; is there a contingency plan elaborated in case the primary source fails to deliver for any particular reason or reasons; and if so, could the Hon. Minister provide Parliament with a copy of such a contingency plan?

Q599/2014

**Liquid natural gas storage tanks –
Frequency of replenishment**

765

Clerk: Question 599.

770 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state how often will the storage tank facilities for liquid natural gas require replenishing, based on expected monthly consumption of the new power station?

Q600/2014

**Liquid natural gas storage tanks –
Contracting of tanker; size, type and cost**

Clerk: Question 600.

775 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities state if the Government intends to contract a liquid natural gas tanker specifically to meet the needs of replenishing the storage tanks for the new power station, or outsource this aspect through contract to a company; and if so, what specific type and size will it be and at what price?

Q601/2014

**Liquid natural gas –
All-in rate cost**

Clerk: Question 601.

780 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities state what will be the all-in rate cost to the Government as a result of transporting the liquid natural gas to Gibraltar and its further storage, regasification and final distribution to the new power station, inclusive but not limited to contracts or contract, fuel, shipping, fees, copex and opex etc, both for the duration of the contracts or contract and on a monthly basis?

Q602/2014

**Liquid natural gas –
Receiving terminal technology**

Clerk: Question 602.

785

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state what type of liquid natural gas receiving terminal technology is being considered for the regasification process and will it only include the low-pressure system as fuel for the power station, or will it also include high-pressure gas supplies for pipeline off-takers?

Q603/2014
New power station –
Expenditure on consultants

790 **Clerk:** Question 603.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities provide a breakdown of all the expenditure, with a brief description, since December 2011 in relation to all the various consultants used for the purpose of having a new power station with all associated works, inclusive but not limited to the liquid natural gas storage tanks and receiving terminal facility?
795

Q604/2014
Environmental Agency –
Details of health and safety assistance engaged; costs

800 **Clerk:** Question 604.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities please confirm if indeed it is the UK Health and Safety Executive that has been engaged for the purpose of assisting the local Environmental Agency, or perhaps some other person or entity providing work on a freelance basis to the UK Health and Safety Executive; and if so, please provide details of such and costs?

Q605/2014
New power station –
Health and safety considerations re liquid natural gas facilities

805 **Clerk:** Question 605.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state if the UK Environment Agency and the Health and Safety Executive will be considering such things, amongst others, as accidental spillage, tank ruptures, seismic movements and terrorist attacks in relation to the liquid natural gas facilities for the new power station, taking account of all the industrial activities in the surrounding area, plus all the residential housing estates in the Westside of Gibraltar, inclusive of the hospital; and if so, provide a copy of these reports to Parliament?
810

Q606/2014
Liquid natural gas –
Health and Safety Executive guidance re storage

815 **Clerk:** Question 606.

Hon. J J Netto: Mr Speaker, further to the reply given by the Hon. Minister for Utilities to me on 8th August 2014 with regard to the comments made thereunder of ‘the Health and Safety Executive who have looked at different scenarios on the storage of liquid natural gas and provides guidance and advice’, could the Hon. Minister also provide details of the scenarios looked into by the Health and Safety Executive and provide Parliament with a copy of this report?
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Q607/2014
Liquid natural gas storage tanks and receiving terminal facility –
Hazards and risks identified

Clerk: Question 607.

Hon. J J Netto: Mr Speaker, can the Minister for Utilities state what health and safety hazards and risks have been assessed by the UK Environment Agency and the Health and Safety Executive in relation to the

825 new power station and the liquid natural gas storage tanks and receiving terminal facility, and provide Parliament with a copy of their findings?

Q608/2014
Liquid natural gas terminal –
Exclusion zones and containment facilities

Clerk: Question 608.

830 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state if there will be exclusion zones around the liquid natural gas terminal; and if so, who will be responsible for policing? Additionally, will there be containment facilities available in case of spillage; and if so, could the Hon. Minister provide details?

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Q609/2014
New power station –
Potential risks to developments, housing estates and Airport runway

Clerk: Question 609.

840 **Hon. J J Netto:** Mr Speaker, can the Government say if any report has been carried out to determine the potential risk to developments, housing estates and the Airport runway due to the proposed new permanent power station; and if so, could the Government provide Parliament with all documents in relation to this matter?

Q610/2014
UK Environment Agency –
Assistance re application of successful bidder and preparation of permit

Clerk: Question 610.

845 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state when was the UK Environment Agency contacted for the purpose of assisting the local Environmental Agency for the purpose of ‘helping to assess’ the application of the successful bidder for the new power station and the preparation of the necessary permit to be issued, when will this process be finished, and will the Government provide Parliament with a copy of the conditions within the permit?

Q611/2014
UK Environment Agency –
Assistance re application of successful bidder and preparation of permit; cost

Clerk: Question 611.

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Hon. J J Netto: Mr Speaker, can the Minister for Utilities please state what, if any, will be the cost of engaging the UK Environment Agency to help assess the application of the successful bidder for the new power station and for issuing the necessary permit?

Q612/2014
Environmental Agency –
Details of health and safety assistance engaged; costs

Clerk: Question 612.

855 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please confirm if indeed it is the UK Environment Agency that has been engaged for the purpose of assisting the local Environmental Agency, or some other person or entity providing work on a freelance basis to the UK Agency; and if so, please provide details of such and cost?

Q613/2014
UK Health and Safety Executive –
Assistance re application of successful bidder and preparation of permit

Clerk: Question 613.

860 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities please state when was the UK Health and Safety Executive contacted for the purpose of assisting the local Environmental Agency for the purpose of 'helping to assess' the application of the successful bidder for the new power station and the preparation of the necessary permits to be issued; when will this process be finalised; how much will it cost; and will the
865 Government provide Parliament with a copy of the report submitted by the Health and Safety Executive, plus the ultimate conditions attached by the local Environmental Agency to the permits to be issued?

Q614/2014
New power station –
Consideration of IPPC Government application

Clerk: Question 614.

870 **Hon. J J Netto:** Mr Speaker, can the Minister for Utilities state by when will the Environmental Agency be in a position to review and consider the IPPC Government application for the new power station?

CHIEF MINISTER

Q615/2014
South Mole, Detached Mole and North Mole –
Containment measures to avoid major incident

Clerk: Question 615.

875 **Hon. J J Netto:** Mr Speaker, can the Government state what environmental, health and safety and fire prevention measures are in place at the South Mole, the Detached Mole and the North Mole in order to guarantee that any incident likely to occur by any industrial activity, either public or private, will be contained within each respective zone boundaries and will not spill over to another industrial activity nearby, causing a chain reaction leading to a major incident?

Q616/2014
New power station –
Proposed land reclamation; cost of each caisson acquired

Clerk: Question 616.

880 **Hon. D A Feetham:** Yes, Mr Speaker, my three-Question contribution to the power station.

Mr Speaker: After that *tour de force*!

885 **Hon. D A Feetham:** Indeed, after that *tour de force* by my hon. Friend, Mr Netto.

Can the Government state, what is the cost of each caisson acquired by the Government for the purposes of the proposed land reclamation at the North Mole.

Q617/2014
Liquid natural gas installation –
Final decision re location

Clerk: Question 617.

890 **Hon. D A Feetham:** Mr Speaker, can the Chief Minister state whether it has now made a final decision on the location of the liquid natural gas installation?

Q618/2014
New power station –
Final decision re location

895 **Clerk:** Question 618.

Hon. D A Feetham: Can the Chief Minister state whether the Government has now made a final decision on the exact location of the new power station on or around the North Mole?

900 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I am going to attempt to answer in narrative all of the particular Questions that the hon. Gentleman has asked, but he will see that all the answers are in the narrative I am going to provide, which I think he will be happy to see provide a lot of information that has become available since the last time the issue was debated in the House.

905 As has been mentioned before, the cost of making the decision not to proceed with the proposed power station constitutes a penalty of €5 million, which the previous administration agreed would be payable in such circumstances. This figure includes some of the cost of the works already carried out, meaning that the actual penalty of not going ahead amounted to a net amount of just over £3 million at the rate of €1.20 to the pound.

910 Since December 2011, and due to the total lack of investment from the previous administration, the GEA has embarked on its 17-year HV network replacement and upgrading programme, as part of which 13 substations have already had their switchgear procured, solely and directly funded through the Improvement and Development Fund. I am now handing out a table with the breakdown requested in respect of these particular works.

915

ANSWER TO QUESTION 618 - Answer to Questions 569 and 570

£227,229.84	S6 Line Wall Road - S/S Upgrade - Premset
£208,365.68	S17 Palace Gully - S/S Upgrade - Premset
£149,705.84	S34 Laguna - S/S Upgrade - Premset
£89,945.12	S11 Devils Tower Road - S/S Upgrade - Premset
£67,722.08	S4 Forty Steps - S/S Upgrade - Premset
£49,262.24	S18 Sandy Bay - S/S Upgrade - Premset
£67,722.08	S31 Sandpits - S/S Upgrade - Premset
£67,722.08	S9 Rosia Road - S/S Upgrade - Premset
£67,722.08	S19 North Face - S/S Upgrade - Premset
£79,015.04	S2 Casemates - S/S Upgrade - Premset
£67,722.08	S21 Varyl Begg West - S/S Upgrade - Premset
£49,262.24	S8 Mount - S/S Upgrade - Premset

920 As a result, one switchgear at Jumpers Bastion will need to be upgraded in the near future at an estimated cost of £852,120, and another at Orange Bastion Distribution Centre will be downrated to a substation category with the existing switchgear.

As regards the information on the generating sets, I now hand over the information requested in a separate handout.

925 **ANSWER TO QUESTION 618**
Answer to Question 571

The total number of generating sets and their individual maximum rated power output and condition is as follows.

930

Location	Generator set No	Output (MWe)	Remarks
Waterport	1	5.1	Beyond Economic Repairs (BER)
	2	5.1	Under repairs
	3	5.1	Operational
SDPS (Ex OESCO)	1	2.5	Operational
	2	1.8	BER
	3	2.5	Operational
	4	5.1	BER
	5	5.1	BER
	6	5.1	Operational
	7	5.1	BER
GMES	7	2.16	Ex MOD (ISGS); Operational
	8	2.16	BER
	9	2.16	Operational
	10	2.16	Operational
	11	4.68	BER
	12	4.68	Operational
Bldg 124	14	3.8	BER
	H1	0.8	Owned by GMES, Operational
	H2	1.6	Operational
	H3	0.8	Operational
Energyst	H4	1.6	Operational
	6 units x 1.4 MWe	8.4	Rental units at SDPS All Operational
So Energy	5 units x 5	25	Rental Turbine installation All Operational
Spark Energy	16 units x1.4	22.4	All Operational

935 The maximum power demand in 2013-14 was recorded at 35.7MW on 5th February 2014 and 34.9MW on 10th September 2014. That was probably at lunchtime, I dare say. From the handout provided, hon. Members will see that there is presently enough installed capacity to meet Gibraltar's peak demand as is and as estimated to be up to 2020.

Her Majesty's Government has opted to purchase three of the six MAN engines for gas only and three other dual-fuel gas-diesel engines, precisely because of what I have previously stated, so that the new power station will operate using natural gas with diesel only as a backup. Should there be a gas shortage, the dual-fired gas generators can produce 39.45MW and 4MW extra of heat recovery.

940 The heat recovery generators are included as part of the new power station project at a cost of £8 million and will provide an additional 4MW of electrical power, giving us a total capacity of 43.45MW with only the three dual-fired gas-diesel engines.

945 Since the commissioning and start of operations of SO Energy on 20th December 2012, there have been 83 power cuts in total, most of them very minor. A total of 43 of these power cuts have been attributed to the failure of turbines.

The reclaimed land at North Mole can be used for various activities other than the new power station. The land could in part be used to allow expansion of Port-related activities or the creation of much needed light industrial units within the area of the Port.

950 Details of the exact final locations of both the new power station and the LNG installation are being finalised by Bouygues, who were the successful company in the tender process.

We can confirm that works related to the reclamation at North Mole commenced in June 2014. All nine caissons required as part of the project have now been completed and are currently berthed awaiting placing. Enabling works in the form of the installation of marker buoys at the site are currently underway and once these works are completed dredging works will commence. It is anticipated that the reclamation will be completed in April 2015.

These reclamation works at North Mole entail what is essentially a two phase project, although this will be let in various work packages. The first phase is the construction of the perimeter of the reclamation with caissons and a small section of rock revetment, and this is then followed by the second phase, which will see the actual reclamation of land using rubble.

At present, contracts have been awarded for the construction of the perimeter of the reclamation site. These have been awarded to Casais (Gibraltar) Ltd.

The second phase of the works was recently put out to tender and is currently being assessed, and the contract for this will be awarded in due course. It is not considered appropriate to reveal the estimated total cost of the project whilst an award has not yet been made for the second phase, but a statement will however be made upon any allocation.

A new purpose-built building to house offices, workshops and welfare facilities for the engineering employees of Waterport Power Station will be erected as part of the construction of the new power station and is included in the tender price.

As a result of having a new Power Station being built at a site at the North Mole, there is a direct need to construct one distribution centre and equip two new distribution centres. The two distribution centres will be located at the Mid Harbours site, known as the Mid Harbours Distribution Centre, which is already constructed, and adjacent to Waterport Power Station, known as the Waterport Distribution Centre.

Switchgear and associated equipment for Mid Harbour are estimated to cost £1,065,150.

The estimated cost for the the Waterport Distribution Centre is £2,150,507 of which £668,000 is for the construction of the building and £1.4 million is for switchgear and equipment.

Additional cables will of course also need to be installed. The number of cables will vary from three to seven, depending on the route. The estimated cost of the cable is £1.3 million and £680,000 for necessary infrastructure.

No recurrent financial cost is forecast, however, as a result of the introduction of any new navigational controls relating to a potential undersea pipeline.

Until the risk assessments, site investigations, vapour dispersion model and general safety and other considerations are complete, issues of the exact location of the LNG installation, the position of the pipelines across the north entry of the Port, the general transportation of fuel, the type of LNG receiving terminal technology for regasification, whether low or high-pressure systems, the supply arrangements with the preferred supplier and the construction type of storage tanks and how many times they have to be replenished cannot be exactly determined.

Additionally, Mr Speaker, I can confirm that there are no plans afoot for a gas pipeline from Spain or North Africa.

I am also able to confirm that the contractor will take on site on 1st July 2015 and the works will commence shortly thereafter. The power station is estimated to be completed and fully commissioned, supplying to the distribution network, by late 2016 or early 2017.

Fourteen companies have responded to the Prior Information Notice (PIN) in respect of the supply of gas to the Government. The Method of Communication to Companies was in the Official Journal of the European Union. The Government is currently considering a number of proposals to see which could lead to concrete agreements. The notice period is, in fact, still open.

The source of the LNG will be the responsibility of the company that is successful for the storage, regasification and supply. Her Majesty's Government will obviously ensure that its fuel agreement is robust and tight enough to ensure continuous uninterrupted deliveries, as has been done to date in respect of diesel.

In the event that LNG supply delivery from all sources should fail, we are seeking to have a strategic reserve of gas, something which we do not presently enjoy in respect of diesel, and in the unlikely event that the LNG storage tanks are depleted, the new power station will indeed be able to operate on diesel. The reverse is not true today, or in respect of the plant planned by them when they were in office, and so we will therefore have more fuel resilience with this proposed power station than we do today or would have if their power station had progressed.

It is envisaged that the LNG will be transported to Gibraltar in any event by sea.

Since December 2011, the following expenditure has been incurred in relation to the consultation regarding the new power station: the evaluation of power station, £77,626; the initial assessment to determine if LNG storage could be done, £2,700; and the initial vapour dispersion model for LNG, which cost £13,305.

The UK entity HSL, which I understand is the Health and Safety Laboratory, has been engaged in assisting the Environmental Agency in assessing the proposed LNG storage plant. HSL will be requested to

consider all relevant issues such as exclusion zones, spillage, type and size of storage facilities, vapour dispersion modelling, plus all other risks and hazards.

1015 In the UK, HSL is the authority involved in the successful assessment of installations under the Control of Major Accident Hazards (COMAH) provisions and the Seveso Directive. The total cost to date of that consultation has been £70,152.

Neither the UK nor the Gibraltar Environmental Agency have been involved in assessing the application of the successful bidder for the new power station.

1020 The operator of the new power station, Gibelec, has not yet submitted an application for a permit under the Pollution, Prevention and Control Regulations (PPCR) and has been made aware of the need to do so.

The cost of engaging consultants from the UK Environment Agency has to be met by the operator as provided for by the PPCR.

1025 The impact in respect of the environmental, health and safety and fire prevention measures that are in place at the South Mole, the Detached Mole and the North Mole for other activities is still to be assessed against the impact of both the new power station and the LNG project. This forms part of the current site safety investigation and other assessments that have to be carried out by the contractor.

Finally, Mr Speaker, the cost of each caisson unit for the reclamation is £430,000. These units have not been 'acquired', as they have been constructed in Gibraltar by Casais.

1030 **Mr Speaker:** Fifty Questions have been taken together and answered together. To assist Members of the Opposition, I propose that copies of the answers be given to them, giving them an opportunity to look at them properly so that they know what... It is impossible to keep track of answers to 50 Questions. *(Interjection)*

1035 Then I will allow supplementaries – give hon. Members an opportunity to read the answers carefully and allow supplementaries. What I will not do is to allow supplementaries in an hour's time or in two hours' time. Do hon. Members follow the point that I am making? I am prepared to devote time to supplementaries arising from the main answer – but now, not tomorrow or the day after. Do you understand what I am saying?

1040 **Hon. Chief Minister:** Mr Speaker, if it is of assistance to the Chair and to hon. Members, this may be a convenient moment to recess for 15 minutes, and it gives them time to have a look at –

Mr Speaker: The other thing is to go on with other Questions while photocopies are being made.

1045 **Hon. Chief Minister:** Yes.

Mr Speaker: Photocopies can be made and they can be circulated to hon. Members. We can carry on with a few more Questions and perhaps make a bit of progress until five, and then we can have a break. Is that agreeable?

1050 So we now call Question 619, which is also to the Chief Minister.

Hon. D A Feetham: I can ask supplementaries on my bit – I do not need any more time.

Mr Speaker: You want to ask supplementaries now?

1055 **Hon. D A Feetham:** I think that I can ask supplementaries on mine.

Mr Speaker: Very well.

1060 **Hon. D A Feetham:** It gives an opportunity for everybody else to...

Mr Speaker: Yes, very well, okay.

1065 **Hon. D A Feetham:** Mr Speaker, yes, in relation to the caissons, on which the Hon. the Leader of the House kindly answered that each caisson had cost £430,000 and there are nine in total, how many of those caissons are going to be used in the first phase, as he put it, of the reclamation?

1070 **Hon. Chief Minister:** Mr Speaker, I confess I am a little thrown by his question. All nine, because the caissons are the first phase; they are the perimeter.

Hon. D A Feetham: So effectively all nine. This is not the case where the Government is going to be using only two caissons now for a smaller reclamation, and then perhaps in the future do a larger reclamation with the remainder of the caissons? That is not the position?

1075 **Hon. Chief Minister:** Mr Speaker, I sincerely do not know where he has got that from. As far as we are concerned, it is nine caissons to create...to in effect square off the top of the North Mole.

1080 **Hon. D A Feetham:** Mr Speaker, originally, the intention was – he has made statements to this effect – for the power station to be built on the land reclamation. He then said that part of the power station was going to be built on the land reclamation and other parts of the land reclamation were going to be used for other purposes. He then made another statement, or the Government made another statement, saying that actually what is envisaged now was for the power station to be built in the area where the old wine factory was, which is further towards the Waterport housing estate.

1085 Mr Speaker, is that because the Government has *post facto* decided to go ahead with the land reclamation, that it has received advice that no part of the power station can actually be built on that land reclamation for, for example, foundation reasons?

1090 **Hon. Chief Minister:** No, Mr Speaker, it is because there are different ways in which you can fit the power station in, depending on which is the preferred bidder. There are some of the bids which might have required the whole of the use of the reclaimed area, some of the bids which could use part of the reclaimed area and part of the other, and some time for the reclamation area earth to settle; and depending on how long it takes to settle, some part of the power station may be on it and some part may not be. But let's be clear: it may be that part of the power station does actually end up being on the reclaimed land. The final footprint, the final design, is part of what works have been contracted to provide and that is in the process of being finalised, and therefore the exact final footprint is not yet entirely determined.

1095 In terms of maximising the space, what the Government has to do is to ensure that we get the best possible configuration out of every square inch of Gibraltar, as the hon. Gentleman knows, and if you are going to have a gap here or a gap there, it makes sense in the end, once you know more or less what the size of something is going to be, to consolidate where it is going to be and not leave big gaps in any particular part of any area, because otherwise that will be wasted space. But we are literally talking about movement of in the region of 50 to 75 metres in one direction or another.

1100 **Hon. D A Feetham:** Mr Speaker, is it fair to say that, even though a decision can be made – or maybe not; I ask him to answer that as well – in relation to where to locate the power station, whether it is off the land reclamation or partly on the land reclamation, any works cannot really commence until you have received the study from Shell, because the way that the gas is going to be piped to the power station may well have an impact on the design, I suppose, and the location of the power station?

1105 I am just trying to get an idea of timelines from that, because I know that, of course, the study for Shell is not expected until about May or June of next year.

1110 **Hon. Chief Minister:** Yes, Mr Speaker, I understand what he is saying. That is not the advice that we have. The advice that we have does not suggest that the location of the power station is in any way related to where the LNG supply is going to come from, because at the end of the day, at the power station you have a pipeline – you have a pipeline that comes from your own regasification unit rather than from Algeria, but what you have is a pipeline – and that pipeline can be made to go to wherever, within reason – obviously, because there is expense if you have to dig very far, but within reason – to wherever it is that you need it to be.

1115 **Hon. D A Feetham:** Indeed, Mr Speaker, the commencement of the works of the power station will be independent of this study by Shell in relation to the supply of liquid natural gas to the power station?

1120 **Hon. Chief Minister:** Yes, Mr Speaker, because all we are looking at there is exact location, exact details. What is determined is that we can supply natural gas to the power station.

1125 **Hon. D A Feetham:** And can he confirm – because again there have been a number of statements in the past about the location of the natural gas installation and where that is going to be located – or can he provide information to this House as to the locations that the Government are currently looking at? We know that the Detached Mole is one of those locations. From the many statements that the Government has made it appears that that is the preferred location of the Government, but I have also seen statements from the Government saying that there might be other locations that the Government is considering. Can he give

some information to this House on what are the current locations, so that we get a flavour of how and from where the liquid natural gas is going to be transported via pipeline to this particular power station?

1135 **Hon. Chief Minister:** Well, Mr Speaker, the suggestions are not very distant from where we have stated publicly. It is either the Detached Mole or the area of the North Mole, but as he knows, we have to be very careful with the circle of risk which emanates from one of these facilities, and therefore there may be other potential sites within the North Mole. There may be other areas within the area of the Detached Mole that could be the areas for the regasification unit. There is not much of an alternative.

1140 **Hon. D A Feetham:** So indeed the only locations therefore that Shell are considering for the purpose of their study and how to deal with supply issues to the new power station of liquid natural gas are really the Detached Mole or the North Mole. There are no other locations that are currently under consideration. Can he confirm that is the position?

1145 **Hon. Chief Minister:** Yes, Mr Speaker, that is the position.

1150 **Hon. D A Feetham:** Mr Speaker, does he have, bearing in mind that this particular study, for which the instructions have gone to Shell quite recently for the conduct of this particular study, that this particular study is going to be concluded by May or June of next year... when does he envisage therefore, that the commencement of the works for the liquid natural gas installation is going to start? Bearing in mind the statement that the Hon. the Chief Minister made earlier, which was that this was going to be a liquid natural gas power station with diesel back-up – although it is dual-fire, effectively the intention is to run it on liquid natural gas – the timeline in relation to the liquid natural gas installation is going to be absolutely crucial to when you have a fully running and functioning power station.

1155 **Hon. Chief Minister:** Mr Speaker, in time to provide the gas by the time the power station is commissioned.

1160 **Hon. D A Feetham:** Yes, but, Mr Speaker, the Hon. the Chief Minister very confidently predicted that the power station was going to be completed – that is the answer that he gave earlier – by the end of 2016 or the beginning of 2017. That, to me, indicates that the Chief Minister has information at his disposal. He would not have given me that answer... Unless, of course, he is bluffing – and I do not attribute for one moment that he is bluffing in relation to this – he must have timelines in relation to the liquid natural gas installation, which is an absolutely critical part of the commencement of, and the completion of the power station. Therefore, he must have some timelines in relation to the liquid natural gas installation, both in terms of the start of the those works and indeed the finishing of those works.

1170 The reason why I am asking this question is very simple: I just see a power station and I see the liquid natural gas installation very much still in the planning stages, and what I want is some reassurance from the Government to the people of Gibraltar that this is something that is going to be completed as expeditiously as possible, so all the power cuts are a thing of the past and people are not inconvenienced in the way that they have been inconvenienced over the last three years.

1175 **Hon. Chief Minister:** Mr Speaker, people have been inconvenienced for more than the past three years, because power cuts are not something that started happening in the past three years. People can have the confidence that they have a Government that is going to ensure that this issue is being dealt with, with all due expedition. In fact, within two years and 10 months of being elected we have been able to analyse the contract that they were going to enter into, we have been able to analyse what is best for Gibraltar, we have been able to run a competitive process to have a new power station in a new location and do all the analysis necessary in order to be able to reach the stage at which we are now – which, although it is still a planning stage, the hon. Gentleman will know does not mean there are not things happening in relation to building.

1185 The most essential parts of a power station are not the walls, which can go up very quickly: they are switchgear and they are engines. The engines are already in production for Gibraltar for its new power station, so that we can confidently predict that we will be ready by late 2016, early 2017, by which time we are confident that we will be able to provide gas to the location of the power station. Whether that involves some temporary facility providing gas from the new area or whether it involves the final gas facility, we are very confident that there will be gas flowing to the power station when it is ready to be commissioned. That is something that can be available even before the power station is ready to go, so that we do not have a power station sitting idle waiting for gas or having to be fired on diesel – which is the solution that *they* were going to provide for the community for the next 30 years, but which, as he knows, we consider to be hugely more expensive than gas and hugely more polluting than gas, and therefore also more expensive than gas again, because we would have to pay fines under the Pollution Prevention and Control mechanisms

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because we would not be using the best available technology and our carbon footprint would be high and we would therefore have to buy a huge amount – literally millions of pounds – of carbon credits if we were to burn diesel.

1195 So he can have the confidence that he is asking for, for the community. He can go forth and tell the community that the Chief Minister has given him the comfort that he sought: that the power station will be ready as a priority by the date that we have announced, that it is an absolute priority for this Government, that it is the best possible solution for this community for many generations, and that the fuel will be there too.

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Hon. D A Feetham: Yes, Mr Speaker, well, turning to the distribution network, because of course the building of a power station and the building of the liquid natural gas is not the end of the story. In order for this community to be safe in the knowledge that power cuts are going to be a thing of the past, there needs to be also a new distribution network.

1205 Is he confident that by the end of 2016, beginning of 2017, there will not only be a fully functioning power station but also a renewed, up-to-date, fully functioning distribution network for Gibraltar as well?

Hon. Chief Minister: No, Mr Speaker, and neither would they if they had proceeded with their power station.

1210 He needs to understand what he is asking about. The distribution network, if we were to do it in five years or in three years, would involve none of Gibraltar's roads being traversed for that period. It involves a lot of different areas and junctions having to be literally dug up because of the way the cables were put in in the old days. This is not just an issue where I can blame the previous administration; this is an issue of how we have done electricity for the past 100 years. So a lot of our infrastructure is actually in a hole in the ground, not in a duct, and therefore it is going to take a period of time in order to be able to do this reasonably and not digging up all the roads in Gibraltar.

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What we have done, and I started doing it in December 2011, was pressed the button on continuing to make the investment in respect of the new distribution network. I would not allow that to be something that was going to be delayed, and the works have continued – and the hon. Gentleman has seen the work that has already been done. There is much more work to be done in the future, but we need to understand at the moment there is a very... and again, as we were this morning with Ebola, we are to a certain extent laymen, but there is a very bad schematic available of Gibraltar's distribution network, and therefore when a contractor goes on site to develop a new building, or simply to dig up a road for another agency – for example, somebody goes to dig up the road for AquaGib – they dig and they hit a cable because there is not a good plan of where those cables are.

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So we have a creaking infrastructure because it is old, we do not have it all in ducts – which we need to have in the future because then it is easier to replace if one particular cable goes bad – and we do not have the switchgears that we need to have. So the replacement of the switchgear, the replacement of the cabling, the introduction of ducts and, in effect, a new schematic – which will be available, I suppose, online for whoever it is that is an approved contractor in Gibraltar – will be the solution. That solution, we have to understand, under *their* plan and under *our* plan, takes a period of time, because otherwise all you do is collapse Gibraltar if you dig up every road at the same time.

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This should not be an issue of dispute between us, because this is being pursued. The difference is that we pursued it immediately without stopping for the power station contract, whilst they did very little – they have to accept, I think – for the first 12 or 16 years in respect of this, and we are going to do it all starting in respect of the new power station. In fact, it was part of their contract for the power station, but it would not have been resolved in the period of the power station works. It is work that has to necessarily continue after the power station is ready.

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Hon. D A Feetham: Mr Speaker, no, I do not accept that we did very little, and indeed, as he has rightly pointed out... No, I do not accept that. As he has rightly pointed out, the contract for £120 million for the new power station, the GSD contract, included a new distribution network, which included dual cables all around Gibraltar, with five, effectively, distribution units at particular intervals as well around Gibraltar.

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But of course, I am not interested, really, in the past, Mr Speaker, even though I think the criticisms are unfair in the sense that, in the same way as it took the GSD four years of preparation and dealing with injunctions to get to the stage where it got to in 2011, it appears that it is taking the Government four years equally to prepare to a situation where it can commence the works, which are not going to be commencing until next year.

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But what the people of Gibraltar really want to know, Mr Speaker, is when will the power cuts be a thing of the past. That is really what they want to know, and it appears to me that we are none the wiser as to when that is likely to happen, because we do not have any time limits as to when the distribution network will be completed.

1255 Can I ask the Hon. the Chief Minister when he envisages that there will be a new network for Gibraltar, knowing that it is difficult, because I accept that it is difficult, but what people want to know is when will those power cuts be a thing of the past – bearing in mind that he himself, or the Hon. the Deputy Chief Minister, in communiqués issued from his office, has actually said that a lot of these power cuts are due to the ‘creaking’ – in their words – distribution network?

1260 **Hon. Chief Minister:** Well, Mr Speaker, when will the power cuts become a thing of the past? When we fix the negligence that they were responsible for the past 16 years. I know he does not want to talk about the history of this subject because it does him huge political damage.

1265 Mr Speaker, there was a report dated 2005 to the then Government, the GSD, which urged them to act now, because otherwise... In 2005 – not in 2011, not in 2010, not in 2009, 2008 or 2007, or even in 2006. In 2005, the GSD Government was told to act now – this is what the report says, from somebody who was then inside the Government – otherwise, the existing attitude of the GSD Government at the time, of praying and keeping their fingers crossed, was not an option in relation to the electricity distribution network, which was falling apart. This is an internal document of the GSD Government.

1270 Mr Speaker, we will fix the power stations and there will be no more power stations when we have dealt with that which they failed to deal with. Under their power station contract there was also not a time limit for the ending of the distribution works as he suggests that might have been dealt with in the period of the build of the power station. This takes longer, and people have to make a choice between us doing this properly, or trying to do it so quickly that we turn Gibraltar upside down and it is impossible to drive anywhere or have any transport links between any particular roads in Gibraltar – or we do this properly, in a way that ensures that we are no longer subject to praying or keeping our fingers crossed, which is the regime to which they condemned us.

1275 So every power cut today that relates to the creaking infrastructure arises from the 2005 report to the GSD – that the attitude of praying and keeping their fingers crossed had to come to an end and they had to act now – not being heeded and not acting then, because by the time we were elected their contract was still not final and they had not yet started to do the work. Mr Speaker, I think it is absolutely shameful that this community has been put into a position by the previous administration where we are suffering these power cuts as a result of the creaking distribution network that we have.

1280 In two years and 10 months we have taken massive steps forward. Immediately we were elected we gave the go-ahead for the distribution network to begin. It has been ongoing, it will be finished as soon as it can be, and we will then finally have the distribution network we deserve, no power cuts, a new power station that burns gas instead of diesel, which pollutes less, which costs less, which addresses recurrent expenditure and addresses power cuts.

1285 And Mr. Speaker if it takes us five years to do that. We were elected in December 2011, so give us the credit of 30 days – January 2012 to early 2017, late 2016, a full four or just about five years: if it takes us five years to do that, and we do not face injunctions and we do not face all of that other nonsense that the hon. Gentleman referred to, then they too could have done it in five years – and they did not, because between 2005 and 2010, if they had chosen gas, if they had gone down to North Mole and they had done everything that we have done, they might have made the right analysis and they might have delivered the solution, but they did not.

1290 The GSD condemned Gibraltar to the power cuts we are suffering today. The GSLP Liberals will release it from that condemnation and will deliver the power that a modern community like ours deserves. *(Banging on desks)*

1300 **Hon. D A Feetham:** Mr Speaker, as usual, a lot of bluster from the Chief Minister, and quite frankly, a lot of exaggeration. There is nothing that this community ought to believe from the words that the Chief Minister utters. No, Mr Speaker, because he also said on 30th June, just after we had had the Budget debate, downstairs in the lobby of this House, that the difference between the £120 million that we had contracted for the building of the power station, *and* indeed a new office block for Gibelec *and* a new distribution network *and* new storage facilities... that the difference between £120 million and £68 million was that because somebody in the GSD had pocketed the difference.

1305 That is the kind of politics that the hon. Gentleman undertakes constantly and consistently from this House and elsewhere, and if he can shamefully – because that is shameful exaggeration and a complete and utter untruth, I must say... If he can do that in relation to that and exaggerate in that way and make that point in that way, which is absolutely shameful, then I have to say that nobody can take the points that the Hon. the Chief Minister has made seriously.

1310 Mr Speaker, the reality was, does he not accept, that in 2005 there was a report, which he is selectively quoting from: the GSD put its plans in motion in 2007; it was prevented, because of injunctions, from effectively commencing the works until 2011; the contracts were in place, the funding was in place, and indeed if the injunctions and the litigation had not prevented us from doing so, we would have commenced

1315 the works; and had he and his Government not put a stop to the GSD contract, the power station would have been built and the distribution network would have been built, or would have been in the process of being completed, and all the power cuts that we have been experiencing would have been a thing of the past; and that therefore the reality is that the large responsibility for the power cuts that we have been experiencing in Gibraltar lies at his door. Nothing to do with us, Mr Speaker?

1320 **Mr Speaker:** Before hon. Members get carried away any further, in the last hour 50 Questions have been asked on this matter of the power station, involving a great deal of work no doubt by the Hon. Mr Netto, and at very short notice answers have been provided, as far as I can see, to all the Questions by technical officers and other civil servants who must have devoted a great deal of time in compiling all this information. I think that that effort deserves high parliamentary standards and that we should maintain them.

1325 For the last few weeks I have been able to follow in the media the exchanges between the two sides of the House: a slanging match on who is to blame for power cuts and who did this and who did that on the power station, or did not. If hon. Members want to continue in that vein and have a debate, we can set time aside here in this House for such a debate on a motion which either the Chief Minister can bring or the Leader of the Opposition can bring; but I am not going to allow what we have achieved in the last hour to deteriorate into a further slanging match. Therefore, I will call both hon. Members to order and move on to something else.

1330 **Hon. D A Feetham:** I agree entirely with Mr Speaker, (*Interjection*) and again I apologise if I have exceeded the bounds of what is reasonable.

I was responding to political points that the Hon. the Chief Minister was making, because I had wanted to just simply concentrate on allaying the concerns of the public, and my Question –

1340 **Mr Speaker:** I allowed –

Hon. D A Feetham: – was about when the distribution network was going to be completed, so that people understand that beyond a certain date they can expect the power cuts to be a thing of the past. I never made any adverse points.

1345 **Mr Speaker:** I allowed the Hon. the Leader of the Opposition to make the point (*Interjections*) before intervening and pointing out as I perceived the situation to be.
Now, the Hon. Mr Netto.

1350 **Hon. Chief Minister:** No, Mr Speaker, sorry with respect, I have been asked a Question by the Hon. the Leader of the Opposition. He has then got up and made another point. He has accused me –

Mr Speaker: I am prepared to let the Chief Minister answer that question in the knowledge that I will not allow any further –

1355 **Hon. Chief Minister:** I appreciate it, Mr Speaker, but –

Mr Speaker: But I will call upon Mr Netto, because he is the original (**Hon. Chief Minister:** Yes, indeed.) questioner and he must have an opportunity to ask supplementaries.

1360 **Hon. Chief Minister:** Mr Speaker, the Hon. the Leader of the Opposition has said something that I did not say and attributed it to me. I did not say, downstairs in the lobby of the House or elsewhere, that somebody in the GSD had pocketed the difference. What I said was that the GSD would have had to explain where the difference was going. *Their* ears might have heard something else, and they might have heard something else for their own reasons. They are not to attribute to me their own malice in respect of those matters, but they will have to explain to the community – and this is a simple point and they will not be allowed to get away without explaining to the community – how they could have condemned us to a higher cost in respect of a power station than this community should be paying, and how they could have condemned us to diesel when the cost of the diesel was going to be so high, not just because diesel is more expensive than gas, but also because one has to pay fines in respect of burning diesel because of the carbon credits that they incur.

1370 Mr Speaker, the hon. Gentleman has talked about a delay between 2007 and 2011 relating to injunctions that were in place. This is an important issue. The hon. Members had the stewardship of the affairs of Gibraltar for 16 years, and in that time it is now clear, and in the public domain, that they received reports telling them that they had to act earlier in relation to power. In 2003, they received a report that told them

1375 that the Waterport Power Station, which had been commissioned in the early 1980s, was not going to be able to last until 2010. In 2005, they received a report about the creaking distribution network.

Mr Speaker, the hon. Gentleman tells us now that in 2007 they started to act. Well, what did they do between 2005 and 2007?

1380 Of course people want to know what is going to happen in respect of power generation. Of course there has been a lot of work put into providing these answers – not just by civil servants, as the Hon. Mr Speaker will know, but also by politicians, who have been working very hard to give answers to this community and to provide the narrative that I have provided. As you yourself have said, Mr Speaker, we have provided the answers to just about every single one of those 50 Questions that the hon. Member has asked, where we have been able to. What the community cannot be asked to forget – and look, it is politics, but it is also the
1385 reality and it is part of the debate, with a small ‘d’ – is that the hon. Members opposite failed to act in the period when they were elected. For the hon. Gentleman to get up and therefore say that any power cut that is being suffered today, two years and 10 months into our administration, is solely our responsibility is the cheapest way of trying to do politics and pull the wool before people’s eyes that has ever been seen in western parliamentary democracy. In fact, it is a joke: that is why he is not credible, Mr Speaker.

1390 **Hon. D A Feetham:** Mr Speaker, Point of Order. The hon. Gentleman has said that I have misquoted him. I am going to quote exactly what he said. Mr Netto basically went up to GBC, because I asked him to. I made a note of it and Mr Netto went up and this is exactly what he said:

‘One is tempted to ask who was going to pocket the half of the extra amount that it was going to quote.’

That is what he said.

1395 **Hon. Chief Minister:** Exactly.

Mr Speaker: I think the Hon. the Chief Minister has really clarified (**Hon. Chief Minister:** Exactly.) exactly what he meant, and that he was not attributing any unseemly conduct on the part of anybody.
1400 (*Interjections*)

Hon. Chief Minister: On the Point of Order, Mr Speaker, the hon. Gentleman has now got himself on the hook of *Hansard*. He said, during the course of his question a moment ago, that I had said one thing. I clarified what I said, which is much closer to what he has actually read than to the thing he said. And so,
1405 Mr Speaker, if the Point of Order is going to get anywhere, what we need to do is adjourn the Point of Order until *Hansard* is available and the hon. Gentleman can see what he says that I said originally and what he now accepts that I said – and what I reflected I had said is much closer to what I actually said than what he pretended to have said.

1410 But they will have to answer to this community: where were they going to throw away the money? Where was this going to go? Where was this – (*Interjection*). Is it that twenty... Right where was the money... In what pocket was the money going to end up? Because £20 million is a lot of money; £60 million is a lot of money. That difference they have to account for to the community. Why did they go for a more expensive option, that was going to incur fines and that was going to make Gibraltar a polluter and a consumer of carbon credits in a huge amount? They need to explain that; they know they cannot. That is
1415 where the bluster comes from, trying to avoid that point.

Mr Speaker: Mr Netto.

Hon. J J Netto: Thank you, Mr Speaker.
1420 I have got a few supplementary questions whereby I would like to try and get more information from the information that the Chief Minister has already provided.

I beg your pardon for the tone of my voice, but I am actually losing my voice. I will try to do my best.

1425 The Hon. Chief Minister, in his answers, talks about the process of taking the risk assessment, the site investigations, the vapour dispersion modelling and the general safety and other issues, and then he actually goes on, in bullet points, to name which ones they are – I do not know whether he has got his own note in front of him.

1430 Basically, in that aspect of his answer that he has provided, what I would like is, if it is possible, for him to give me the information as to by when will the Government be in a position to consider those issues. In other words, by when will those issues be available to them and be in a position to consider them?

Hon. Chief Minister: Mr Speaker, I am happy to provide the hon. Gentleman with the information, once it is provided to me by the technical people who prepare the answer. I do not have that in my

1435 supplementary list of notes for today, but I am quite happy to make a note of that – because it is a defined part of my answer – get a date for him of by when that is going to be available, and write to him and provide it. I may even be able to provide it tomorrow morning when we come back.

Hon. J J Netto: I am most grateful, Mr Speaker.

1440 The next supplementary question: just a few paragraphs down from where we were just discussing now, the Chief Minister went on to say that the source of the liquid natural gas will be the responsibility of the company that is successful, and then he goes on to continue to say with the storage, gasification and the supply. Again, I would like to know whether he has an indication by when this will be so?

1445 **Hon. Chief Minister:** Just to clarify, is the hon. Gentleman asking me when does he think that we will have selected the final supplier of gas?

Hon. J J Netto: Yes.

1450 **Hon. Chief Minister:** Right, okay. Again, there are technical considerations in all the proposals put to the Government which are subject to assessment and there is a technical process to go through, so I will get that date and let him have it.

1455 **Hon. J J Netto:** Mr Speaker, the same applies on the following page, if he moves forward. When he talks about the UK entity, Health and Safety Laboratory (HSL), doing the things that they need to do. I would like a date for that, if it is possible.

Hon. Chief Minister: Mr Speaker, I will provide it on the same basis, if possible.

1460 **Hon. J J Netto:** Again, Mr Speaker, a few paragraphs down from there, he goes on to say that the operator of the new power station, Gibelec, has not yet submitted an application for the permit under the Pollution Prevention and Control Regulations. Again, by when will the Government think to be in a position to be able to do so?

1465 **Hon. Chief Minister:** There I think I can provide a little bit more information, Mr Speaker. I think that is at the end of the final design being available to Gibelec. Gibelec can then go to the Environmental Agency under the IPPC directive.

If he wants the exact date when we currently think that will be possible, then I – (*Interjection by Mr Netto*) Well, I am quite happy to give him an indication, as I have with the others, when I get that from the Chief Executive and the technical people.

1470 **Hon. J J Netto:** There is a sentence and then there is another paragraph, and it goes on to explain what is being considered in relation to fire prevention measures in relation to the South Mole, to the Detached Mole and the North Mole. In other words, in order to look at all these activities in relation to the new power station and what current level of safety is required once the assessment has been conducted, by when he reckons this part of the exercise will be completed and the Government will be in a position to provide an answer?

1480 **Hon. Chief Minister:** Well, Mr Speaker, if he looks at that paragraph, the last phrase there is ‘carried out by the contractor’. That will require me to be in touch with the contractor through the technical people, so that I may not be able to give him in short order. I think the best thing is if I write to him with all of these dates that he has asked me for. I have got a note of five and I am quite happy to write and give him that detail, certainly before the next meeting of this House.

Hon. J J Netto: I am grateful for that, Mr Speaker.

1485 For the sake of clarification, I suppose the answer to this particular supplementary question is going to be that he is not in a position to provide me with information, because one of my earlier questions was in relation to what sort of terminal technology would be applied for the purpose of regasification for the liquid natural gas, and I was asking him the question whether the technology to be used was going to include either a low-pressure system as fuel for the power station or will include a high-pressure gas supply. I suppose that the answer probably he is going to give me now is that they are not in a position to be able to give me that answer. Is that correct?

1490 **Hon. Chief Minister:** Well, Mr Speaker, I can tell him that both will be possible and that there are choices to be made as to which will be preferable, depending on distance of the regasification facility to the

1495 power station and different technical issues and choices to be made which are not yet finally determined; but both the choices might be available and can be applied in different circumstances.

Of course, the regasification facility may also do other things and therefore there may be other... It may be that the regasification facility provides high-pressure gas and low-pressure gas as well, depending for what purpose it is to be used. So there are a number of options on the table there, but the final choices will be made nearer the final design of both facilities.

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Hon. J J Netto: Thanks, Mr Speaker.

The Chief Minister, in the answer that he provided earlier on, was talking about the Health and Safety Laboratory, which was I think the one that was going to be assisting the Environmental Agency. Just for my own satisfaction, when we are talking about the Health and Safety Laboratory in the UK, are we talking about... that this is a particular body within the UK Environment Agency, or is it a completely different entity?

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Hon. Chief Minister: Mr Speaker, the Hon. Minister for Utilities has been dealing with them, I think specifically, but they are a 'related entity' I think is the correct way of describing them.

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Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, may I assist? It is the Health and Safety Executive and it is an arm of the Health and Safety Executive, which is called the Health and Safety Laboratory – so they do tests and stuff, but they are basically the same entity which do all these assessments for the Environment Agency in the UK.

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Hon. J J Netto: I think I am getting more confused as a result of that particular answer, because if I take what the Hon. the Minister for Utilities has just said, it follows that the Health and Safety Laboratory is providing assistance to the UK Health and Safety Executive, while the answer provided by the Chief Minister was in relation to the UK Environment Agency. Are we getting our wires crossed here?

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Hon. Chief Minister: No, Mr Speaker, (*Interjections*) the Environment Agency is a UK Government entity. It subcontracts a lot of its work to the Health and Safety Executive and the Health and Safety Laboratory. We are plugging in to that, which is a... I do not know that I can tell him it is private – I think it is public-private – but we are plugging in to that where we can buy services from them.

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The Environment Agency of the UK has no jurisdiction and would not be able, at UK public expense, to be involved in our work, so what we are doing is going to the semi-public-private agencies that they use, that do also sell their services, in order to buy their services for Gibraltar. But not the Environment Agency – they are constitutionally distinct from us and would not be involved.

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Hon. J J Netto: Yes, but there are clearly two different sets of considerations to be considered in all this process: one is environmental issues in relation to pollution and things of that kind; and then there is another kind of assessment to be done as far as health and safety is concerned.

Do I take it, for the sake of clarification, that the Health and Safety Laboratory will be providing both the environmental aspects and separately the health and safety aspects?

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Hon. Chief Minister: Mr Speaker, I see where he is going now.

The Gibraltar Environmental Agency will deal with all of the pollution aspects and has the responsibility to do that. The Health and Safety Laboratory and the Health and Safety Executive are contracted to give the risk assessment work that needs to be done and the health and safety assessment which are being done; but the pollution work is done principally by the Gibraltar Environmental Agency, that will be responsible for the IPPC permits etc when that time comes. So it is a different aspect.

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The confusion, if it is being created, is because what the hon. Member has said, in order to try and assist, is that the Health and Safety Executive and the Health and Safety Laboratory are part of the wider UK Environment Agency; but as I say, they are entities from which one can buy services, and the services we are buying are risk assessment services and health and safety services, not pollution assessment services, where the Environmental Agency will either do that itself or buy in such expertise as it might usually do when assessing Waterport and OESCO and GMES.

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Hon. S M Figueras: Mr Speaker, yes just a couple of points there that perhaps the Hon. Chief Minister can clarify. He referred to the heat recovery generators as being included as part of the new power station project, but then made reference as well in the page following – a third page – to the switchgear and associated equipment for Mid Harbour at £1,065,000 and then the estimated costs for WDC at £2,668,000 and £1,482,000 for other equipment. Are those costs that he set out there not included in the power station project?

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1555 **Hon. Chief Minister:** I think, from memory, they are not; I think they are additional costs.

Hon. S M Figueras: Then my only other supplementary is: in relation to the total number of power outages that the Chief Minister helpfully set out in response to one of the Questions, he said that there were a total of 83 power outages since SO Energy provided turbines, and 43 were attributable to turbines. That is more than 50% of the outages attributable to the turbines.

1560 Two aspects to the supplementary: one is to which turbines were the outages attributable – was it to the ones that SO Energy had provided, or others; and is it in the Chief Minister’s knowledge from the technical officers that he will have been dealing with in respect of these Questions, is this proportion of outages being attributed to turbines something that is normal, or are there any particular circumstances that are attributing to this higher incident rate?

Hon. Chief Minister: Mr Speaker, the only turbines in Gibraltar are the SO Energy turbines – everything else is engines, so there are only five turbines in Gibraltar – and the high number of outages appears to be because of manual operation of the turbines at one stage and because of sulphur content of fuel being higher than usual operations are recommended for those turbines, something which was recently determined by the operator – remember, the Government is not the operator – and they have therefore changed the fuel that they take for those turbines to ensure it is lower in sulphur content.

Hon. S M Figueras: And can the Minister say with any certainty... and I will appreciate if he cannot, because it may well be a very recent development, or at least the diagnosis of the sulphur content being an issue might be recent. Is it anticipated that, having determined that that was the cause, that the rate of outages may decline significantly?

Hon. Chief Minister: I think it is possible to say that once that was determined the number of outages has become considerably reduced.

Hon. J J Netto: Mr Speaker, I am not quite sure whether I actually got an answer for one of the particular Questions I had. This actually dealt with whether they were in a position to know the all-in rate cost, which is quantity surveying terminology. I think engineers tend to use the copex and opex definition in relation to the transporting of the liquid natural gas to Gibraltar with storage, regasification and final distribution. Will that be still pending; and if so by when will the Government know the answer to this?

Hon. Chief Minister: Well, Mr Speaker, that is going to be the subject of the negotiation finally between the people who are bidding and the price that we get. That is going to be I think what in Spanish is called the ‘*madre del Borrego*’.

Mr Speaker: We will now have a recess until 5.30.

The House recessed at 5:11 p.m. and resumed at 5.34 p.m.

CHIEF MINISTER

Q619/2014

**Haresh K. Budhrani QC, former Speaker of the House –
Leak re tax affairs –
Commissioner of Income Tax report**

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

1595 **Clerk:** Question 619, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Chief Minister confirm that the report into the leak of the tax affairs of the previous Speaker of this House has now been completed?

1600 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, yes, the Commissioner of Income Tax has finalised his report into the leak of the tax affairs of the previous Speaker of this House.

1605 The investigation has proved inconclusive and the Chief Secretary is now considering it to determine what, if any, further investigation is deemed necessary.

1610 **Hon. D A Feetham:** Mr Speaker, on previous occasions he has indicated to me that the report was actually being prepared by the Speaker of the House – sorry, by the Chief Secretary, I beg your pardon. I have asked this on a number of occasions, so just to clarify, it is a report that has been prepared by the Commissioner of Income Tax, not the Chief Secretary?

1615 **Hon. Chief Minister:** I think *for* the Chief Secretary, Mr Speaker, because it was the Chief Secretary who was investigating this and it was the Commissioner of Income Tax who was preparing the report for him – because it happened in his Department, and therefore that, I think, is the structure of what has occurred.

1620 **Hon. D A Feetham:** Mr Speaker, again I have asked this particular question on a number of occasions in this past: will the Chief Minister undertake to make this report public, or at the very least provide Members of the Opposition with a copy of this report, bearing in mind not only that we are dealing with a criminal offence in relation to the leaking of the tax affairs of the previous Speaker, but that it involves a Member of this House?

1625 **Hon. Chief Minister:** Mr Speaker, it is not my report to make public, but I will certainly approach the Chief Secretary in that respect to see whether he will agree to disclose the report as it is now, or such other future report as he may be considering taking, to Members opposite. I think this a hugely important issue. It must not be underestimated. None of us would ever want to find our tax information on the front page of any newspaper.

1630 For whatever reason it happened, my own view is that I am uneasy with a report that is inconclusive and that we must try further to determine exactly what happened. As I told the House before, I do not discard... In fact, I do not think I have powers to instruct the Chief Secretary, but I do not discard seeking to persuade the Chief Secretary to involve the Royal Gibraltar Police if that is the only way to try and drive this to some conclusion.

1635 **Hon. D A Feetham:** Mr Speaker, I do not quite understand that answer, because if the investigation, which effectively was concluded in December of 2013... This is an answer that he has given me previously when I have asked this. The investigation itself was concluded in December of 2013. If there had been any evidence at that stage that led or pointed the finger to anybody in relation to the committal of a criminal offence, I would have expected the Chief Secretary, or anybody else within the Government, to have provided that evidence to the Police. It does appear to me to be very late in the day to be considering instructing or passing the matter on to the Gibraltar Police – unless, from the conclusion of the investigation in December of 2013 to now, there has been some further evidence that has come to light which actually throws some light in relation to the matter, but that does not appear to be the case.

1645 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman is forgetting that I have told him this before. I have told him my opinion about this before, but we were waiting for the report to be prepared – and the report that has been prepared suggests that the conclusion is not pointing in any particular direction.

1650 That is why I think it may be necessary to involve the RGP – not because the report points in a direction or does not point in any other direction, but because if it has been inconclusive it may be that the RGP needs to start from scratch and they may be better able to find forensically where this leak has occurred. We are talking about a ‘leak’, Mr Speaker – we are using laymen’s terms. There must have been some information provided in breach of the Income Tax Act. That is what we are talking about. I think it was appropriate for the Income Tax Commissioner to be involved with the Chief Secretary in trying to determine it internally, but as I have said before, we should not discard the Royal Gibraltar Police becoming involved.

1655 **Hon. D A Feetham:** Mr Speaker, I accept that you cannot discard that, but what surprises me in relation to this is that we are dealing with two separate issues: we are dealing with an internal investigation by the Commissioner of Income Tax and the Chief Secretary, which produces a report internally to the Government about the question of the leak; and secondly, it is a criminal investigation by the Police.

1660 I would have thought, given the fact that quite evidently there has been a breach of the criminal law – the only issue is by whom, but there *has* been a breach of the criminal law, because obviously the tax affairs of the Speaker were leaked and that is a breach of the criminal law – that the Police would have been brought in at a far earlier juncture. Is he saying that actually the Police were not brought in at the beginning,

1665 when we knew there was a breach of the criminal law, and there is consideration of bringing the Police in at this juncture – which appears, with respect to the hon. Gentleman, quite a strange way of proceeding?

Hon. Chief Minister: Mr Speaker, I have told him this before and he has not told me it was a strange way of proceeding when I said it last time that I thought this was sufficiently serious that at some stage the Police might have to get involved.

1670 He needs to understand I am not Columbo; I am not the investigator here. I am allowing the process to run its course in the appropriate way. Allowing the Civil Service to be independent means allowing the Chief Secretary to run investigations which relate to the Civil Service, and it also means that if the Royal Gibraltar Police see something on the front page of a newspaper which they think they need to investigate, they do so whether or not the Chief Minister calls them in.

1675 I do not think it is appropriate for me, as Chief Minister, to be calling the Police in or not calling the Police in. What I think is appropriate is for me to give the Chief Secretary the view, when he finally has that report and discusses it with me, if it is as inconclusive as it appears to be, that he may wish to communicate with the Royal Gibraltar Police to see whether they can identify how this leak has occurred.

1680 I do not think there is anything particularly strange in that. I think it is clear that what we are trying to do is understand what has happened and we should all be on the same side – namely, working out how somebody's tax affairs ended up on the front page of a newspaper. *That* is the most important thing.

Hon. D A Feetham: Mr Speaker, obviously I agree with that, but I still believe that there are two separate aspects to this: there is the internal investigation by the Chief Secretary and criminal investigations.

We know that there has been no criminal investigation, because nobody has formally reported it to the Police or asked the Police to investigate the matter, which I would have thought should have occurred at the beginning, because otherwise what we have is the situation that the Police would have done so off their own bat, just based on the report on the front page of the *Chronicle*. There is no indication that that has occurred.

1690 But the report is what interests me. On a number of occasions I have said, 'Is the Government going to make it public?' At that stage, the Chief Minister said, 'Well, we don't know whether there is any evidence of pointing the finger at anybody, which might then have repercussions in terms of the disclosure of that report,' which I understood. But the report appears to indicate that the investigation is inconclusive. Therefore, in the light of that, doesn't he agree that there are no conceivable reasons why this report ought not to be disclosed to Members of the Opposition and that ultimately it is not a decision for the Chief Secretary – ultimately it is a decision for the political Government as to whether this report, a report to the Government itself, is disclosed or is not disclosed?

Hon. Chief Minister: Mr Speaker, it is not a report to the Government. It is a report to the Chief Secretary. It is a report that he has control of.

Mr Speaker, as I told him last time – he is forgetting, or neglecting to mention – the issue may be that if the Royal Gibraltar Police is to become involved, then publishing this report at this stage, before they can become involved and deal with the issue in such manner as they may consider appropriate, may not be the most appropriate thing.

1705 I know that the Chief Secretary follows the proceedings of this House assiduously. He now knows that the hon. Gentleman wants him to provide a copy of his report to him.

Hon. D A Feetham: Mr Speaker, the Chief Secretary has known that the Leader of the Opposition and the Opposition want a copy of this report since I first started to ask the questions in I think it was June of 2013. So he certainly knows that.

Mr Speaker, what I do not want – and can I receive some assurance from the Hon. the Chief Minister in relation to this – is that this is consistently played into the long grass.

In December of 2013, he said to me, 'The investigation has concluded, but the report has yet to be finalised.'

1715 I then asked him in February, 'Is the report finalised?' and he said, 'No, the report is not yet finalised.'

I asked him in June of 2014, 'When is the report going to be finalised?' and he said, 'At the end of October the report will be finalised.'

1720 Now he is saying, 'As a consequence of that report, there may have to be – we do not know – some report to the Police,' which I would have thought would have been done anyway at the start of the investigations, that you have two parallel investigations, and we then might find us in a situation where there are going to be further delays in the disclosure of this report until after the next general election, or into the long grass.

Can he, at the very least, alleviate concerns that we may have that the Government is playing this into the long grass?

1725 **Hon. Chief Minister:** I can, Mr Speaker: the Government has no interest in long grass. This is a Government that, in two years and 10 months, has transformed Gibraltar. We are a very nicely trimmed lawn, in fact. We are not long grass.

1730 Long grass is to receive a report in 2003 that tells you that your engines in your power station will not make it past 2010 and do nothing about it; to receive a report in 2005 that says that your distribution network is not going to survive and that you need to be on a wing and a prayer and do nothing about it. That is long grass, because we were elected six years later and nothing had happened.

Mr Speaker, if something happened in December 2013 and I am reporting again to the House in October 2014, and there has been progress from the end of an investigation and now a report is already in place, that is not long grass.

1735 But this is not my report, Mr Speaker. I have told the hon. Gentleman I share his concerns. He should have been assuaged by that.

Hon. D A Feetham: Mr Speaker, unfortunately I am not, because of the way that this has been played out.

1740 The Hon. the Chief Minister will recall that originally what we asked for was an investigation by this Parliament, because it involved a Member of this House. There were exchanges in this House at the time when the former Speaker made his statement, and one of the points that was made by the then Leader of the Opposition was this, if I may just remind him. He said:

‘a report which can only have been leaked either by a civil servant in the Income Tax Office, by a civil servant in the office of the Chief Minister to whom the report was sent or, for the sake of equanimity, by the Chief Minister or by somebody to whom the Chief Minister gave a copy – it cannot be anybody else: one of those four must be the source of the leak...’

1745 Of course, that remains the concern that we want to be absolutely assuaged: that nobody on the Government benches has been involved in the leaking of this report in order to effectively have the Speaker removed from office. That is the point. Indeed, quite apart from that, Mr Speaker, there are very limited potential sources of that leak.

1750 **Hon. Chief Minister:** Mr Speaker, he should not rely on the Hon. the former Leader of the House as the bible when he says there can only be four potential sources and one of them is the current Chief Minister... as being absolutely and completely the only way in which things can happen. They could have happened in myriad other ways, especially now, in the days of technology and people from very far away being able to get into anybody’s computer from anywhere else in the world. There could have been a little boy in Peking who got into the computers of the Income Tax Office and decided to leak it to the *Chronicle*, or whoever it was leaked to. He should know better than that.

1755 But now we know exactly what he is getting to, Mr Speaker. As usual, what he is trying to do is to impute improper motive to his political opponent – in particular to me. He has, in effect, said that what he wants to be satisfied of is that I did not leak the matter of the previous Speaker’s tax affairs. Mr Speaker, I give this community as a whole an assurance, if I have to, that it is not the current Chief Minister who is in the business of leaking anything to the newspapers – but it is absolutely, frankly, shameful that he should have the audacity to suggest that it was me.

1760 **Hon. D A Feetham:** Mr Speaker, I have not suggested that the Hon. the Chief Minister as a source of the leak. What I have suggested is that there are very limited *potential* sources of this particular leak. We are talking about the tax information of the Speaker of the House at the time. The source of that leak could only have come from a very limited number of sources, which I have just described.

1770 Does he not agree with me that, in order to dispel any possible suggestion that anybody on the Government benches was involved in the leaking of this particular report to bring about a particular result, that the investigation had to be conducted openly and transparently? That is why we asked for a parliamentary investigation, but now I am asking... That is the reason why we need to see a copy of the report: to see exactly how the investigation was conducted and to make our own minds up as to the thoroughness of that report and that everything that ought to have been done has been done in order to make sure that the source of this leak could have been traced.

1775 Nothing that he has said today has alleviated any concerns that I may have, because of course the Police have not even been brought in. The matter has not even been reported to the Police, which I would have expected at the very outset, given the fact that this was a criminal offence from the very beginning. I would have expected a criminal investigation from the very beginning, not three years later – or two years later, I beg your pardon.

1780 **Hon. Chief Minister:** Mr Speaker, this is the most disgraceful conduct by the Leader of the Opposition. He is, in effect, accusing me of committing a criminal offence, or saying that I am a suspect in the commission of a criminal offence.

Let me tell him that there are other people who may have made that leak. That leak could also have been made by the *former* Chief Minister, who I understand had access to a similar document. Therefore, he
1785 might like to get up and impute Sir Peter Caruana also with the *potential* that he might be the *fifth* person who might fall under suspicion.

Because of course, if it is that Sir Peter should not fall under suspicion because he was the person who appointed Haresh Budhrani as Speaker of this House, then I am exonerated in exactly the same way, Mr Speaker because you see, after the election it was I who asked Haresh Budhrani to remain as Speaker, and
1790 in fact it was I who used *my* Government's majority to see him approved as Speaker, having previously voted against him.

So I did not need to enter a conspiracy of the sort that the hon. Member has tried to attribute to me in order to 'get rid' of Haresh Budhrani as Speaker. All I needed to do was to ask my Great Aunt Wilma to be Speaker, and with my 10 votes in this Parliament Haresh Budhrani would not have been Speaker and my
1795 Great Aunt Wilma would have been.

Does he get it now? Does he understand that in the Machiavellian world that he lives in, in which he has spun this web where he can feel that he can make accusations against people, there was absolutely no need to do the sort of thing that he has imagined in his worst nightmare; that actually, if I wanted to get rid of Speaker Budhrani, all I needed to do was not persuade myself to appoint him?
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Hon. D A Feetham: Mr Speaker, can we set at least some finality in terms of dates for a decision by the Government as to whether this report is going to be disclosed to the Opposition or not, bearing in mind that I have been asking this question consistently and constantly, as the rules allow, for the last two years? And can he give me an indication by when he will make a definitive decision as to whether this report is going to
1805 be disclosed to Members of the Opposition or not?

Hon. Chief Minister: Mr Speaker, he needs to go back to *Hansard*. He needs to see what I have said. He needs to see I have said this is not my report; it is the Chief Secretary's report. He needs to see exactly what it is that he has been asking about.
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Frankly, Mr Speaker, given what he has said this afternoon, I am not going to give any further answers. I am going to reflect on what he has said and how he has said it and whether it is actually quite proper for him to come to this House and make those sorts of imputations.

Hon. D A Feetham: Mr Speaker, he obviously does not like anybody questioning him. He obviously does not like anybody putting him under any kind of pressure at all – legitimate pressure, because it is not a point that I am just simply taking out of my sleeve – as he did with those investors in May of 2011 – now. It is something that we have raised and we raised, and flagged up at the very beginning when the Speaker made his statement to this House.
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Does he not recognise that a report to the Chief Secretary, or by the Chief Secretary, is disclosable if the political Government agree to disclose it? There is nothing, there is no impediment, there is no magic to the fact that this is a report produced to the Chief Secretary. We are dealing with the leaking of the tax affairs of the Speaker of this House. It could have been any Member of this House. Therefore, there is not only the question of the underlying criminality – because that is what it was: the leaking of what are confidential tax affairs – but also a matter of concern to this House. Does he not recognise that it is *his* decision – not the Chief Secretary; *his* decision – as to whether this particular report is disclosed or not, and he cannot hide behind the Chief Secretary?
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Hon. Chief Minister: Mr Speaker, I am not a man who hides behind anyone. That is why I have got to where I have. I am not a man who stands in the way of people who want to disclose things that belong to them. That report belongs to the Chief Secretary. This is not a Government that tells the Chief Secretary what to do. Clearly, he was a Member of a Government where the attitude was completely different, because the suggestion coming from the hon. Gentleman is that Chief Secretaries do what Chief Ministers tell them. Well, we know what sort of Chief Minister he would be then, if he ever made it to the post, and what sort of experience he has of the person who used to do it when he was elected.
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He has made a very, very serious accusation today, Mr Speaker, across the despatch box. It is absolutely and utterly unfair. He has not paused to think. He has not realised that I am the one who appointed Haresh Budhrani when we were successful in winning the election in December 2011. That has infected his logic.
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What I am going to say to him is that I am feeling absolutely no pressure. I think he is making a complete and utter fool of himself by his line of questioning, and all he is doing is disclosing why it is that he always rubs people up the wrong way. He gets up and he accuses me of being potentially a suspect in the
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commission of a criminal offence and he expects me just to smile at him and say, 'Yes, Danny, I'll roll over and you can have whatever you like.' Well look, Mr Speaker he needs to wake up earlier than that to persuade me of the fact that he has made any serious point whatsoever in respect of the allegation that he has made.

1845 And I will tell him something else: the tax affairs of every Gibraltarian and resident of Gibraltar are just as important as the tax affairs of any Member of this House. That is the attitude of the Government. As far as I am concerned, there can be absolutely no other approach. Everybody is entitled to confidentiality. He obviously thinks that people in this House – or at least *he* is – entitled to a bit more than any other citizen. Well, he is absolutely wrong, as far as I am concerned.

1850 But what he should stop, Mr Speaker, is trying to spread as much muck as he can in order to try and sully all of us by trying to make us suspects in criminal investigations, because if he goes down that route, one day the worm might turn and say everything it knows.

Hon. D A Feetham: Mr Speaker, if the hon. Gentleman has anything to say, he should say it openly and not make statements in key or code. I am here to listen directly and respond to anything that the Hon. Chief Minister wants to say.

I know that I rub him up the wrong way – I know that I do – but I rub the Hon. Chief Minister up the wrong way just by simply standing up and asking questions of him. He has become everything that he used to criticise in his predecessor. That is the reality. He is the 'New Dawn' Chief Minister! (*Laughter*) Quite frankly, I do not see the rays of sunshine shining on his Government.

1860 Is he really seriously suggesting and seriously asking the people of Gibraltar to accept as a position that a report produced by the Chief Secretary is only disclosable at the behest of the Chief Secretary, without the political Government actually taking a decision and saying, 'No, we believe that this particular report is so important that it be made public; it is so important that we show transparency and openness in relation to this particular issue that we are going to make it public.'? Quite frankly, I do not think that anybody in Gibraltar is going to believe the Chief Minister if he says that is the position.

Hon. Chief Minister: Well it must be, Mr Speaker, because *he* thinks everybody in Gibraltar is used to the way they used to do things or the way *he* would do them.

1870 He is absolutely wrong about everything he has said. He does not rub me up the wrong way every time he stands up. Most of the time he tickles my fancy and I laugh a lot because he makes such a fool of himself. Most of the time, the best that he can do is make us laugh. But there are only extremes: he either plays the fool or he makes an allegation of a criminal offence being committed. He just cannot play it straight: that is his problem.

1875 In *my* Government, the things the Chief Secretary is responsible for, the Chief Secretary is responsible for. Has he written to the Hon. the Chief Secretary and asked him for a copy of the report? I dare to say that he has not, Mr Speaker. In *my* Government, the things that people are responsible for, they take responsibility for. They are empowered, and that is what a Government should be doing with its Civil Service; not what we saw in the 16 years that they were in Government.

1880 He says I am becoming everything that I used to criticise in the hon. the now backbencher, then Leader of the House. Well, I do not know whether that makes me, in his estimation, the second greatest Gibraltarian of all time, (*Laughter*) which is what he used to call Mr Caruana when he was in Government, in another flight of fancy, although he now spends most of his time criticising things done '*a la Caruana*'.

1885 Mr Speaker, the position is very clear; I have set it out already. He just wants to keep going and going, because I guess he does not want to get on to the other Questions and he wants to repeat the issue over and over again.

As far as the Government is concerned, the Chief Secretary's report belongs to the Chief Secretary and *he* can make decisions about it.

Q620/2014
HM Attorney General post –
Number of applications

Clerk: Question 620, the Hon. D A Feetham.

1890 **Hon. D A Feetham:** Mr Speaker, can the Chief Minister state how many people have applied for the post of Her Majesty's Attorney General of Gibraltar?

Clerk: Answer, the Hon. the Chief Minister.

1895 **Chief Minister (Hon. F R Picardo):** I will answer this Question together with Questions 621 and 622.

Q621/2014
HM Attorney General post –
Salary

Clerk: Question 621, the Hon. D A Feetham.

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Hon. D A Feetham: Mr Speaker, can the Chief Minister confirm that the post of Her Majesty's Attorney General for Gibraltar will continue to attract the same salary, with the usual annual increases, as it does at present?

Q622/2014
Director of Public Prosecutions –
Creation of post

Clerk: Question 622, the Hon. D A Feetham.

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Hon. D A Feetham: Can the Chief Minister please state whether the Government intends to create the post of Director of Public Prosecutions?

Clerk: Answer, the Hon. the Chief Minister.

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Chief Minister (Hon. F R Picardo): Mr Speaker, there are six applicants for the post of Her Majesty's Attorney General for Gibraltar. The interview process is presently on foot for this post.

Salary is as advertised in Bulletin of Circulars HRD No. 9/2014, which was advertised internally within the public service as well as publicly in Gibraltar's press and in *The Times* – of London, I should say.

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In a number of other Overseas Territories the role of Attorney General has been split to provide for a Director of Public Prosecutions that has day-to-day management of criminal prosecutions, although often under the overall supervision and constitutional purview of the Attorney General. That may be an option for the future in Gibraltar, but it is not a matter on which any decision has yet been made by Her Majesty's Government of Gibraltar; nor is the Director of Public Prosecutions a post for which there is any active recruitment. The only relevant post in respect of which recruitment is currently active is the post of Attorney General.

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Hon. D A Feetham: Mr Speaker, how many Gibraltarians out of the six applicants have there been?

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Hon. Chief Minister: Mr Speaker, I confess I cannot give an answer in that respect with accuracy.

Hon. D A Feetham: Mr Speaker, I did not quite catch the answer... I do not think he has provided the answer to the Question about whether the salary is going to remain the same for the post of Her Majesty's Attorney General.

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Hon. Chief Minister: He needs to listen more carefully, Mr Speaker. What I said was this: salary is as advertised in Bulletin of Circulars HRD 9/2014, which was advertised internally within the public service as well as publicly in Gibraltar's press and *The Times*. I assume he saw the advert in the press.

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Hon. D A Feetham: Mr Speaker, does the Government envisage to have a situation where £128,000 is paid to the Attorney General of Gibraltar for his role as Attorney General, but perhaps he may be asked to perform other functions, for which the Government pays the Attorney General something over and above the £128,000, if indeed it is the Government's intention for the Attorney General to perform roles over and above what the current Attorney General performs?

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Hon. Chief Minister: Mr Speaker, the advert I am looking at says £120,000. I do not know whether the £128,000 is with the increase given this summer, but the advert says £120,000.

I am not going to be involved in answering hypothetical questions. There is an advert with a salary, and that is what is presently being interviewed for by the Specified Appointments Commission. That is the

1945 position. I am not going to try and in any way interfere with that process, which must remain entirely neutral and independent.

1950 **Hon. D A Feetham:** Mr Speaker, I accept that there is a process and the Special Appointments Committee will then advise the Governor as to the preferred candidate, but I am trying to explore with the Hon. the Chief Minister the Government's thinking in terms of the appropriate candidates for this particular... and how far the Government is willing to go in terms of, potentially, the candidate who is chosen doing something else, other than Attorney General, over and above the traditional role of Attorney General, and if that person might then be paid something over and above the £120,000 or £128,000 for the role of Attorney General.

1955 It is an important point. I will tell you what my concern is in relation to this. An Attorney General will have security of tenure and will have security in terms of salary. His salary is £128,000. If you then have a situation – and he will know where I am going with this – where that particular candidate, the chosen candidate, is then paid say £200,000 or £300,000 over and above to perform certain other functions, then potentially that goes to the heart of the security of tenure for the Attorney General, because the Government can effectively turn, at any moment, the tap off in terms of the larger portion of the salary. That is what I am getting at. What I am getting at is the successful candidate will only be doing his or her role as Attorney General of Gibraltar and be paid £128,000 – nothing else.

1965 **Hon. Chief Minister:** Mr Speaker, I know exactly what he is doing, and I know exactly what he has said about this subject to many people about this issue and how he has expressed his views in respect of particular individuals.

1970 All I am going to say is that there is a Specified Appointments Commission interview process ongoing for a job with an advertised salary, and I am not going to go anywhere near seeking to influence the decision of the people who are constitutionally required to make the recommendation to His Excellency the Governor by engaging in a debate with him to try and pull them one way or the other – which is exactly what he is trying to do.

1975 **Hon. D A Feetham:** Mr Speaker, I am not trying to pull anybody in one direction or another; I am trying to get, as I have in relation to other answers, other questions, a straight answer from the hon. Gentleman.

1980 *He* makes policy: *he* must know what the policy is. Is the policy that the person chosen as Attorney General simply does work traditionally done by the Attorney General; or does he leave his doors open for that person not only to do that work but to do work over and above that which the Attorney General has traditionally done – and does he also leave his doors open therefore for that person to be paid extra over and above the £128,000?

If the answer is, 'You're barking up the wrong tree completely; no, that is not on the horizon, it is not in the Government's plans,' it ought to be capable of being given a straight answer.

1985 **Hon. Chief Minister:** Mr Speaker, the problem is that my answers are always straight: it is the questions that are crooked.

The hon. Gentleman is trying to do something which is nefarious, and I am not going to fall in the trap. I am not going to fall in the trap of giving effect to the wishes that he has of trying to stymie one or other candidates.

1990 There is a process. There is a Specified Appointments Commission that is interviewing a number of candidates. They have to be constitutionally independent whilst they do that and they have to make a recommendation to His Excellency the Governor, and there is an advert –

1995 **Mr Speaker:** May I correct the Chief Minister? They do not make a recommendation; they *advise* the Governor. There is a difference between advice and recommendation. It is the same with the Public Service Commission.

Hon. Chief Minister: I take that point, and the hon. Member –

2000 **Mr Speaker:** The Public Service Commission advises the Governor – the Governor has to act on that advice.

Hon. Chief Minister: Advice. I appreciate, Mr Speaker, the importance of that distinction, and thank you for pointing it out, but I am not going to tread into any debate which can affect the impartiality of the SAC whilst it does the work that it is doing.

2005 To those who are informed of what is going on, what the hon. Gentleman is trying to do is absolutely clear and transparent, and those who know the conversations that he has had about this will be even more clearly of the view that what he is trying to do is to stymie a particular candidate.

Well, Mr Speaker, we take a different view. We take the view that the Specified Appointments Commission has too important a job to do. It must not in any way be interfered with – not even should there be a debate that might suggest something which could put one candidate in a stronger or less strong position.

2010 That is why I am not going to go anywhere near the issues that the hon. Gentleman wants me to go to, for the reasons that he specifically wants me to go to; but he needs to know that this community expects more from its Leader of the Opposition than simply trying to snooker people in the way that they advance themselves for applications for jobs.

Hon. D A Feetham: Mr Speaker, it is an outrageous suggestion that somehow, because I am asking questions, that I am trying to snooker somebody's application for Attorney General. Nothing could be further from the truth.

2020 I am asking about Government policy. It is in the gift of the Chief Minister to come clean on Government policy. All I am asking is: is it Government policy that the Attorney General of Gibraltar, whoever is chosen – I do not *care* who is chosen, quite frankly – is just going to be doing that job, or is there a possibility in Government policy that he or she is going to be doing something over and above that? That is all I am asking, and that should be capable...if it is a possibility, without going into whatever candidate has applied, if that is a possibility, if that is the Government thinking, he ought to be able to say to this House, 'Yes, that is a possibility,' and then defend the policy, as no doubt he will if that is the direction the Government is going.

Hon. Chief Minister: Mr Speaker, doesn't he understand that the process of interview and advice is presently on foot? It is happening as we speak – and he wants to have a debate about it which could somehow affect the interview process or the advice that might be given.

If he wants to know what the Government's policy is... If he were genuine for one moment, if there were one fleck of good faith about him, he would simply look at the advert. That is the Government's policy. It appeared internally in the Government and it has been advertised externally. That is the Government's policy: there was a job; there is a salary. He cannot be seriously saying to me – and he has wasted already precious minutes of this Parliament's time – that he wants to know what the Government's policy is. We advertise all sorts of jobs and he never says to me, 'Is it your policy that, in respect of this job, the salary is the advertised salary or a higher salary that you are going to negotiate?'

2035 If he thinks for one moment that anybody on this side of the House or in the wider community is going to believe that he is doing this out of the kindness of his heart and trying to ensure that the security of tenure of the Attorney General is not affected, well then those people who might think that do not know him and they have not seen the advert and they do not see what is clear in black upon green in my copy and black upon white in just about everybody else's, as to the salary of what the Attorney General for Gibraltar will be.

2045 **Hon. D A Feetham:** Well, Mr Speaker, let me put it another way then. Perhaps he can answer this: will the role of the person who is chosen to fill the post of Her Majesty's Attorney General be limited to the role as set out in that particular advert and nothing else?

2050 **Hon. Chief Minister:** Mr Speaker, he has finished with the salary; now he is going to start with the role.

The role of the Attorney General, Mr Speaker, is set out in the advertisement and in the Constitution and in the Laws of Gibraltar. That will be the role of the Attorney General.

2055 **Hon. D A Feetham:** And, Mr Speaker, the Government has no policy in order to extend the role of the person who has been chosen as Attorney General beyond the work description set out in that advert?

2060 **Hon. Chief Minister:** Mr Speaker, the role of the Attorney General is set out in the advert for applicants to understand and in the Constitution. There are some statutes which also set out the obligations of the Attorney General.

The Government is unable to change the role of the Attorney General, should we wish to do so, without having a new Constitution. Which part of that doesn't the apparent senior lawyer, who has been Minister for Justice, understand? Or is it that he is just being intentionally obtuse?

Q623/2014

Tunnel project –

Allocation of contract to GJBS; commencement of works

2065 **Clerk:** Question 507, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Government please state what posts in the Care Agency are being currently filled in an acting capacity and since when that has been so?

2070 **Clerk:** Answer, the Hon. the Minister for Equality, Social Services and the Elderly.

Mr Speaker: Question 623.

Clerk: Sorry, 623.

2075 **Hon. D A Feetham:** Mr Speaker, can the Government explain why the tunnel project has been allocated to GJBS without any tender, and when are the works likely to commence?

Clerk: Answer, the Hon. the Chief Minister.

2080 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the tunnel project works were allocated to the Government's wholly owned company, GJBS, without tender by the previous administration.

The contractor is currently beginning their mobilisation and work is expected to commence on site within the next few weeks. (*Banging on desks*)

2085 **Hon. D A Feetham:** Mr Speaker, it is, in fact, a decision that the hon. Gentleman opposite criticised at the time, was not happy about at the time and went on at great lengths in relation to the tender process. What is it that has made them take a different line now from the line that they were taking then?

2090 **Hon. Chief Minister:** Mr Speaker, as you can imagine of somebody who has accused me of committing a criminal offence, I am not going to take anything he says at his word, and therefore I do not accept that I have ever criticised the previous administration for giving the allocation of this work to GJBS. Everything that he has said, as far as I am concerned, he has to prove.

2095 The fact is that what we did was we created a prequalification tender for the continuation of the tunnel works as one of the potential options that we allowed ourselves for the resumption of the work. So we had a tender award to our own wholly owned company and we prequalified third parties.

As a result of the decision of the court, we have made the decision that we want to continue with the wholly owned Government subsidiary and not proceed down the road of a further European tender, which would involve a further delay.

2100 Mr Speaker, the hon. Gentleman was asking when it had happened and now pretends to have known. It appears to me that he forgot that actually it was when he was in Government that the tender to GJBS was awarded directly.

Hon. D A Feetham: Mr Speaker, he may think whatever he wants about my state of knowledge.

2105 The reality therefore is that the decision the Government has taken is based on the speed of the works being carried out, and that therefore he agrees that the original decision that was taken by the GSD administration, post the problems that we experienced with the original contractors in relation to the tunnel, was quite justified. Therefore he must accept that.

2110 **Hon. Chief Minister:** No, Mr Speaker. His question is clear: he asks can we explain why the tunnel project has been allocated to GJBS. We did no such thing: *they* did, and he had forgotten that they had done it. All we have done is continue that and allow it to continue without kicking in a different process. His Question is designed to create scandal around the idea that GJBS might have got something without tender, and then asked when the works are likely to commence. He had forgotten that it happened when *they* were in power!

2115 Mr Speaker, he accuses people who forget the slightest detail of being unfit to do the jobs for which they are appointed, and then he goes and forgets something as important as this, which is one of what he describes as the major civil engineering works for the benefit of this community, and comes to this House and asks us why the project was allocated. We could simply have turned around and said, 'Ask Sir Peter, because it was not us who allocated it.' The Question is about *allocation*, and we did not make the allocation.

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Does he want the list of the number of contracts that were awarded directly to GJBS, without going to tender, by them when they were in administration – himself in particular; or shall I just keep that for another day, when he is not accusing me of committing criminal offences?

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Hon. D A Feetham: Mr Speaker, at this stage I am not accusing the Hon. the Chief Minister of *anything*. He really is very tetchy this afternoon, and I seem to be rubbing him up the wrong way every single time I ask a Question.

2130

The reality is that this contract was allocated. It was allocated to a company. There was a dispute that arose for a variety of reasons, which led to litigation. The previous administration allocated to GJBS the doing of certain works in relation to the tunnel, which had been left in a certain state as a consequence of that dispute with the original contractors. It could have been open to the Government to have not continued with that decision to continue with GJBS and basically award the contract to somebody else, or to have another tender. I wanted to understand what was motivating the Government decision, and what he has just said is that the decision is based on the fact that what you want to do is to effectively complete the works as quickly as possible.

2135

There is no imputation at all on the Hon. Chief Minister. He really must calm down today.

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Hon. Chief Minister: Mr Speaker, I am going to give him an out, and it is going to be one which is actually one which he can perform quite quickly. He can tell it to the marines, and as they are coming next weekend he can tell them then, because *they* might believe him.

2145

He had simply forgotten that it was their Government that actually had given the contract to GJBS. When we were elected, GJBS were in the process of completing the tunnel project, they were estimating what it was going to cost, they were mobilising on site, and their estimate was then a very high figure, in fact. What has happened is that we have not proceeded with the project; we have told them to pause. We prequalified others, we considered what to do and we continued with the allocation that had been made by them.

2150

Does that mean that we have agreed with the allocation made by them? Well, yes, it does mean that we agreed with the allocation made by them. Is that man bites dog? No. He will know that I often come to the House and say that we are pursuing a course of action which was commenced by them. I have told him today that the appointments of Chief Secretary, Chief Technical Officer and Financial Secretary have been done in the way that was established by the Hon. the former Leader of the House. I have no problem in saying so.

2155

He had just forgotten, Mr Speaker. Why doesn't he just own up? Instead of getting up and calling me another name, saying that I am tetchy, saying that I need to calm down... All of these reactions that he tries to produce to pretend that he is calm himself and not tetchy – because what one says is what one is reflecting about oneself – just do not wash. So he needs to calm down, be less tetchy and own up; or go and tell it to the marines. They are holding a fantastic concert next weekend. I suggest he tell the whole band and see whether he finds one who will believe him.

2160

Hon. D A Feetham: Mr Speaker, thank you very much for the advice on going to the marines and everything else. Apart from all the other qualities that he undoubtedly has, he is also a psychologist and a psychiatrist to boot!

2165

But does he not accept that yes, GJBS had been contracted by the GSD Government to effectively step into the breach that had been created by the mess that we had been landed in through the breach of contract, which has now been confirmed by the courts... the tribunals in the UK, the arbitration tribunal, that it was a breach of contract by the original contractor; but it could have been open to the hon. Gentleman to just simply award the contract somewhere else, or have a tender?

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What he has done, effectively, is just simply go with a decision that we had taken originally, which had been questioned by the hon. Member when we took it originally.

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Hon. Chief Minister: Mr Speaker, I do not accept that we questioned it. As I have told him, I take nothing that he says for granted or at face value. But he has to stop digging. He has to stop digging and just accept that he forgot this.

I am not just proceeding with a decision made by the previous administration to award the contract to GJBS. I have defended in Court, and spent most of the last two and a half years since we were elected defending the decision and the *modus operandi* of the decision-taking process of the Hon. the former Chief Minister, which is what, has enabled us to succeed.

2180

I could have taken another attitude: I could have landed Gibraltar in it for a few million pounds, just for the sake of demonstrating that what they had done was not properly done. I did not do that. I did not even countenance it for a moment. I set out to defend the decisions of the previous Chief Minister of Gibraltar in the commercial and economic interests of this community. I took advice and I worked very hard on the

2185 issue, so I am not just agreeing with the decision to award it to GJBS: I spent many hundreds of thousands of pounds defending Sir Peter Caruana's decision to terminate the OHL contract, and in doing so have won in the High Court in London and, I am confident, will succeed in defending any appeal, and will have produced in that way the largest award of damages in favour of the Government of Gibraltar in the history of Gibraltar. That is what I have done.

2190 What the hon. Gentleman needs to do is to do a bit more research and not come here with ill-researched Questions to waste this community's time, because *this* Question clearly demonstrates that he had just plain forgotten.

I will tell him what this will do for his honesty: if he just owned up, he might actually start growing in stature; but at the moment, frankly, I think the community is very clear in what it thinks about him.

2195 **Hon. D A Feetham:** Mr Speaker, he is not the judge –

Mr Speaker: I am going to allow one last supplementary, then we are going to move on to the next Question because we have been over 50 minutes with a couple of Questions.

2200 **Hon. D A Feetham:** He is not, Mr Speaker, the judge of public opinion. Public opinion will be determined next year in the general election.

2205 But when he talks about gaffs – and I do not accept that that is so; I knew exactly what had happened post the termination of the contract in relation to the original contractor – when he talks about gaffs, well perhaps he ought to consider the gaff on GBC about people being able... should be allowed to vote at 16 because they can die for their country, when that is patently not the case and he had not done his research.

Mr Speaker: That has got nothing to do with it. It is totally irrelevant. You are now debating. You are now scoring debating points on some other issue. Please come back to earth and deal with –

2210 **Hon. D A Feetham:** My last supplementary, Mr Speaker.

Hon. Chief Minister: Mr Speaker –

Hon. D A Feetham: I am on my feet, Mr Speaker.

2215 **Hon. Chief Minister:** If I may just be –

Hon. D A Feetham: No, I am on my feet.

2220 **Hon. Chief Minister:** If I may just intervene.

Hon. D A Feetham: I have not started my question.

Hon. Chief Minister: Will you give way?

2225 **Hon. D A Feetham:** No, I will not give way, because *he* never gives way. Well look, I will give way to him, despite the fact that he never gives way to me – but I will give way to him.

2230 **Hon. Chief Minister:** Mr Speaker, I made the mistake on television when I used that example. It has become patently obvious I was wrong about that example. When you make mistakes, you admit it. But it is not what is driving my policy. Sixteen-year-olds can vote to break up the United Kingdom and to take us out of the European Union, and I think that is the more pertinent point.

But look, if you make a mistake... I am the first one who says I am not perfect. It is a pity he thinks he is.

2235 **Hon. D A Feetham:** Mr Speaker, I do not think that I am perfect; I just have not made a mistake. (*Interjections and laughter*) I was perfectly aware that GJBS had been taking over the mess of OHL, but the decision of the Government three years later to effectively award it to GJBS appears to us to be a different decision.

2240 What does – and it arises out of an answer that he has given to the last Question that I asked – what does this Question, Mr Speaker... Does the hon. Gentleman want me to give way? Because he is talking, does he want me.

Hon. Chief Minister: No, no. I am capable to do two things at once. [*Inaudible*].

2245 **Hon. D A Feetham:** How does the Hon. the Chief Minister defend Gibraltar, take a position that does not cost any money to Gibraltar, by allocating the tender to GJBS, or not allocating the tender to GJBS, or essentially saying that the tender should not have been allocated to GJBS?

2250 The reality, the substance, as I understand it, of the case in relation to the OHL case, the original contractors in relation to the Airport, was whether they were entitled to ask for more money to effectively complete the contract – whether they were entitled to walk away, presumably, from the contract. But those are extraneous to GJBS and extraneous to any of these exchanges that we are having here.

I am the first – as I have done publicly – to actually congratulate the Government for concluding the case, which no doubt we would have brought also to a conclusion had we been in Government. There is no issue between us in relation to that.

2255 **Hon. Chief Minister:** Mr Speaker, everything that we do right, they would also have done; everything we do wrong, they would never have fallen into the trap of doing. Well, that is the pleasure perhaps of being in Opposition: there is no responsibility for anything.

Mr Speaker, I just do not understand the question he has formulated now. It is just absolutely without head or tail.

2260 There has not been a tender. The tender was originally the one that created the award to OHL. At the end of the OHL tender, there is an allocation. There is only one allocation here: it is a GSD Government allocation to GJBS. Therefore, the question can the Government explain why... No, Mr Speaker, the hon. Gentlemen is saying to fill the tunnel. He is completely wrong. The GJBS allocation from the GSD Government was to *complete* the tunnel works. At one stage, when we paused the works, I gave the instruction to fill the tunnel works because of airfield security. He has got that wrong as well.

2265 The allocation by the GSD Government was to complete the tunnel works. We paused on that and prequalified others to leave open the door to ourselves to go to another European tender. We decided not to, and therefore we allowed GJBS to continue. It is that simple, but he has again demonstrated he does not know what he is talking about when he has said that the GSD's allocation of the work to GJBS was for them to *fill in* the tunnel. That is completely wrong. That came almost a year later, under my administration for airfield security purposes.

2270 Mr Speaker, he just needs to take advice for once in his life. It is about a tunnel that we are talking. Well, in this case, he needs to stop digging, and leave it to GJBS – they will do a damn better job.

Q624/2014

Ad hoc talks –

Separate voice, vote and veto for GOG representatives

2275 **Mr Speaker:** Question 624.

Clerk: Question 624, the Hon. D A Feetham.

2280 **Hon. D A Feetham:** Mr Speaker, can the Government please confirm that at any *ad hoc* talks, whether at a technical level or otherwise, representatives of the Government of Gibraltar will have a separate voice, vote and veto over any decision taken?

Clerk: Answer, the Hon. the Chief Minister.

2285 **Chief Minister (Hon. F R Picardo):** Mr Speaker, there will be a separate voice, but there will be no votes or anything to veto, as everything will be *ad referenda* to respective Governments. If anything is to require a vote, our technical people would have one; but there will not be anything to vote on. There will be no need for any veto for the same reason, but all parties will of course have one.

2290 These are technical talks, not political talks. They will be akin to the technical-level discussions under the Trilateral, where officials met to try and prepare issues for the political-level talks. The work, if it can begin, will be to try to achieve consensus on matters which are, by their very nature, technical.

As we have repeatedly stated, and as the United Kingdom itself confirmed in New York last week before the 4th Committee of the United Nations, we remain firmly committed to the Trilateral Forum for Dialogue. These *ad hoc* talks would therefore be running parallel to that political forum when re-established.

2295 **Hon. D A Feetham:** Mr Speaker, does the Hon. the Chief Minister accept that the technical detail is often as important as the substance and that great care must be taken that no adverse concession is made on

2300 any technical detail in talks, and that therefore it is important that nothing can be agreed on technical details without the Government of Gibraltar technical team's consent? Therefore, is it the case – my understanding of the answer that he has given – that the Government's technical team will have an effective right of veto over anything that is agreed at those technical talks.?

2305 **Hon. Chief Minister:** Mr Speaker, these are not talks to which anybody is going with the power to agree anything for Gibraltar. These are *talks* – in other words, exchanges of views *ad referendum* to the Government and to the respective governments and authorities, and the respective governments and authorities will then take views as to things which *might* potentially be agreed. If one party does not want to agree them, then there will be no agreement. This is what I am trying to convey to him.

2310 Although the language of 'voice, vote and veto' is attractive – the three 'v's – it is not relevant, because we are only talking about issues that *might* result in a potential agreement. If the technicians talk about it, they are *none* of them empowered to make any concession on absolutely *anything*. They come back to the Government and the Government *might* take the view that there *might* be a potential for an agreement to be done on a particular *technical* issue, *not* a political issue.

2315 So there is absolutely no question of anybody having to fear anything being put past Gibraltar, because we will have *more* than a veto and *more* than a vote. In other words, if we do not agree to something, it does not progress, and the same is true for all the other parties that are present. So this is only – as I have told him before – a process that might be able to reach an agreement on something very technical by consensus. There is no question of *anybody* being able to do *anything* in those talks or make any concession in those talks, unless they had come back to the Government and the Government were prepared to do so.

2320 This is not a Government that has been known for wanting to make concessions. I know that I have often been criticised for that, but we are going to continue to steer the course that we steer.

Hon. D A Feetham: Well, thank you very much for that, Mr Speaker.

2325 So, effectively, no agreements are going to be reached on anything in relation to these technical talks, and therefore what we are talking about is, just by way of example, perhaps the provision of some suggested framework for some further talks, or the provision of a framework about matters on which further talks are going to take place. Ultimately, it is the decision of the political governments as to whether something is done in that particular way, or if something is going to be discussed; but there are going to be no agreements on anything in relation to those technical talks.

2330 **Hon. Chief Minister:** I really cannot decipher what he has said, Mr Speaker. I prefer the way that I have expressed it and I will lie on that explanation. It is in *Hansard* and the hon. Gentleman can refer to it again, if he wishes.

2335 I think I have been extraordinarily clear in setting out that there is no opportunity for anybody who is going to attend such talks, *if* they occur, to make any concession, because the people who attend will not be empowered to make concessions. All they will be able to do is to understand technical issues put to them and refer those issues back to the Government, so that if it is possible at a technical level to agree something – and we are talking about *very* very technical level – then it may be possible to agree them if it does not involve any concession by any party.

2340 We are not in the business of making any concessions; we are not in the business of giving anybody else vetoes over us. We are in the business of saying, 'Let us re-establish contact, let us do it at a technical level, let us do it so that if there are things that can be in some way unblocked... let us understand the technical issues as the other side see them, let the technicians then bring that back to the Government,' and the Government will be able to make political determinations of those technical issues as appropriate.

2345 **Hon. D A Feetham:** Mr Speaker, who sets the agenda for the technical talks? Does the Chief Minister envisage that, effectively, on the Gibraltar side, there will be a number of issues the Gibraltar side will want to discuss, and then on the Spanish side there might be further issues, and then it is for the technicians to talk about the technicalities of those talks and then refer it back to the political Government? Is that how it is going to work? I would presume that there would be some kind of agreed agenda from the Governments, before we have these particular talks, as to the areas on which the technical people will be talking about.

2350 **Hon. Chief Minister:** Mr Speaker, those issues will have to be agreed between the three Governments, again by consensus. The issues that the technicians will be able to consider will be those that by consensus, and therefore each of us with a veto, the three parties might be able to agree.

2355 **Hon. D A Feetham:** And are there any particular areas that the Hon. the Chief Minister... and perhaps he might not want to discuss this across the floor, but if I ask him in private for a briefing in relation to what

areas are the ones that, from the Gibraltar side, they would wish to effectively bring to the table of these technical talks, will he provide me with that information?

2360 Are we essentially talking about this, and it all boils down to this: we are talking about very low-level talks in order to attempt to build bridges that might lead to further more substantive talks in the future, and that is really in essence what we are talking about?

2365 **Hon. Chief Minister:** Mr Speaker, I have given the description that I have given on what the talks are for and about, and I have said before in the United Nations that I hope that they will serve as a catalyst to restart dialogue, so I am grateful that the indication is that the Hon. the Leader of the Opposition has actually read my speech. He might even have watched it live, as GBC were able to organise that for the first time – something for which I am sure the community is grateful.

2370 Mr Speaker, if he can bear to be in the presence of somebody who he has said is a suspected criminal for long enough for me to give him the information, I am quite happy to do so.

Hon. D A Feetham: Mr Speaker, he keeps on saying that I have said that he is a suspected criminal. I have not said anything of the sort, but of course he knows the point that I am making about the report and he can act openly and transparently by directing the Chief Secretary to disclose that report.

2375 So therefore, if my secretary phones No. 6 Convent Place to arrange for an appropriate time at which I can be briefed by the Hon. the Chief Minister in relation to the areas that the Government want to bring to the table in relation to these technical talks, that he is prepared to sit down with me in order to provide me with a briefing in relation to these technical talks?

2380 **Hon. Chief Minister:** Mr Speaker, again he has been very clear in suggesting that it is for Chief Ministers to direct Chief Secretaries, so I think now it is becoming increasingly transparent that that is the sort of Chief Minister he would be: he would be constantly directing the Chief Secretary to do things. Bang would go, once again, the independence of the Civil Service, should he ever be elected. Well, at least he is being honest about *that* issue.

2385 Mr Speaker, if the marvellous Liana – whom I remember well from the time that I used to be active in practice at Hassans – were to call my office, she will of course be treated with the utmost of courtesy; and if what she asks for is an appointment for the hon. Gentleman, then there will be one provided.

2390 I have been the Chief Minister who I think has shared across the floor of the House, but sometimes *in camera*, the most information. He knows that I have proposed the establishment of the Chief Minister's Consultative Council, which is going to soon produce the legislation for this House to consider, and ahead of that, on Privy Council terms, I am prepared to brief him, as I have before, on these issues.

But he just seems to want to make noise and be heard to utter the words '*ad hoc*' and to give us *his* wisdom on the subject. I guess that is why he put a Question and did not simply call me already, before putting the Question, to ask me exactly the same things *in camera* on the basis that he has now.

EQUALITY, SOCIAL SERVICES AND THE ELDERLY

Q507/2014

Care Agency – Posts filled in an acting capacity

2395 **Clerk:** We now go to Question 507. The Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Government please state what posts in the Care Agency are being currently filled in an acting capacity and since when that has been so?

2400 **Clerk:** Answer, the Hon. the Minister for Equality, Social Services and the Elderly

Minister for Equality, Social Services and the Elderly (Hon. Miss S J Sacramento): Mr Speaker, I will answer this Question together with Questions 508 to 511.

Q508/2014
Care Agency –
Employment contracts of less than one year

2405 **Clerk:** Question 508, the Hon. D A Feetham.

Hon. D A Feetham: Can the Government please state how many employees working in positions within the Care Agency are doing so on contracts of less than a year, providing a breakdown by reference to position; nationality, separating British Gibraltarians and others; length of current contract and total length of time that individual has been working in a position within the Care Agency if he or she has entered into more than one contract?

Q509/2014
Care Agency –
Employment by a third party

Clerk: Question 509, the Hon. D A Feetham.

2415 **Hon. D A Feetham:** Can the Government please state how many employees working in positions within the Care Agency are employed by a third party corporation such as recruitment consultants, providing a breakdown by reference to position, nationality, length of current contract and length of time that individual has been working in or occupying a position within the Care Agency?

Q510/2014
Care Agency –
Stress-related sick leave

Clerk: Question 510, the Hon. D A Feetham.

2420 **Hon. D A Feetham:** Can the Government state how many employees of the Care Agency are currently on sick leave for anxiety and stress-related conditions, together with a breakdown of how long those individuals have been on sick leave?

Q511/2014
Care Agency –
Suspensions from employment

Clerk: Question 511, the Hon. D A Feetham.

2425 **Hon. D A Feetham:** Can the Government state how many people are currently suspended from employment in the Care Agency, identifying each department and the date each person was suspended?

Clerk: Answer, the Hon. the Minister for Equality, Social Services and the Elderly.

2430 **Minister for Equality, Social Services and the Elderly (Hon. Miss S J Sacramento):** Mr Speaker, on Question 507, the posts within the Care Agency currently being filled on an acting capacity are as follows: Senior Care Worker, since June 2011; Nursing Co-ordinator, since June 2012; Deputy Nursing Co-ordinator, since June 2012; Team Leader, July 2012; Senior Care Worker, July 2012; Unit Manager, October 2012; Manager, 2012; Senior Care Worker, February 2013; Team Leader, August 2013; Senior Care Worker, August 2013; Team Leader, October 2013; Senior Care Worker, February 2014; Manager, May 2014.

2435 In relation to Question 508, the Care Agency employees working on contracts of less than a year are 92. Of these, 39 are British Gibraltarian and 53 are others. In relation to the length of the current contract, there are 90 of 11 months, one of six months, and one of one month. The total length of time that that individual
2440 has been placed in a position within the Care Agency, if he or she entered into one or more contracts, are as

follows: under one year, 2; between one and two years, 31; between two and three years, 7; between three and four years, 13.

2445 For Question 509, 33 Care Agency positions are currently being filled by employees of a third party. This comprises 10 care workers, eight nursing assistants, one handyman/driver, seven nurses and seven admin. They are not employees of the Care Agency, and as such there is no contract between the Care Agency and these individuals. The Care Agency engages a third party to provide cover for a post, and it may be that that post is covered by different individuals.

2450 For Question 510, the figure is so low, Mr Speaker, that to disclose more specific details of those with this particular illness would make these individuals easily identifiable. A person's medical information is confidential, and as such I am not prepared to make public statements on the medical condition of Care Agency employees.

For Question 511, there are currently four people suspended within Social Services, with the following suspension dates: one since May 2014, one since August 2014, and two since September 2014.

2455 **Hon. D A Feetham:** Mr Speaker, may the hon. Lady assist me with the number for Question 509, which I did not quite pick up from her answer?

Hon. Miss S J Sacramento: Mr Speaker, the number is 33.

2460 **Hon. D A Feetham:** Mr Speaker, does the answer to Question 508 and also 509 include people that are working within Mount Alvernia, the Jewish Home and the John Mackintosh Wing of the Hospital?

Hon. Miss S J Sacramento: Mr Speaker, the Question relates to Care Agency posts and the answer that I have given is in relation to Care Agency posts as they are provided for in the Estimates Book. So, if...

2465 Yes, Mount Alvernia, you said, and John Mackintosh Wing in relation to the Jewish Home, which is relocated to John Mackintosh Wing – and what was the third one that you said, sorry? (*Interjections*) The Jewish Home has been relocated to John Mackintosh Wing while it undergoes refurbishment, and Mount Alvernia, because these are Care Agency posts because they appear in the Care Agency section of the Estimates Book.

2470 **Hon. D A Feetham:** Mr Speaker, that includes also Question 509, which is the Question relating to the recruitment consultants. The 33 people you are taking into account in answer to Question 509, people on short-term contracts via a recruitment consultant... that answer also takes into account the people working in Mount Alvernia, the Jewish Home and also the John Mackintosh Wing of the Hospital.

2475 **Hon. Miss S J Sacramento:** Mr Speaker, my response initially was actually in relation to Question 509, because if you recall my answer, it very clearly says 33 Care Agency positions. A position of the Care Agency is that as reflected in the complement in the Estimates Book, and as I said, there is no distinction. The Jewish Home does not exist at present in its current location; it has been transferred to the John Mackintosh Wing.

2485 **Hon. D A Feetham:** Just so that I am absolutely clear... It is not my area of responsibility – it is the hon. Lady, Isobel Ellul-Hammond – although obviously I have an understanding of it, having been in Government, but not to the detail that some others may have had. But, Mr Speaker, when we talk about the Care Agency, is there anybody else who might be employed – and I will ask the question later on; I will give notice some other time – who might come within Questions 508 and 509, who may be within her responsibility overall for her Departments and who is not, strictly speaking, Care Agency but maybe somebody else, so that this answer may not be complete because it has not been asked in the comprehensive way that it might be asked? Or is, effectively, the answer, as far as employees for whom she is responsible, a comprehensive answer in relation to those employees?

Hon. Miss S J Sacramento: I do not know, Mr Speaker. I find the Questions very clear and I think that the answers are very clear.

2495 In respect of Question 508, it is in relation to people who are employed by the Care Agency; so people on Care Agency contracts are people in Care Agency posts employed by the Care Agency, and those are the figures relating to those people. And for Question 509, it relates to Care Agency posts. That is the Question that is asked and that is the answer that has been provided.

I think that my answers have been very clear.

2500 **Hon. D A Feetham:** Mr Speaker, we have 33 individuals who have been effectively placed within the Care Agency, wherever it is within the Care Agency, via a recruitment consultant, and there has been quite

a lot of discontent amongst individuals who find themselves in that situation. Because of course what we are being told is that effectively what happens here is that the Government, or the Care Agency in this case, is paying the recruitment consultant £x amount and the recruitment consultant is then paying the employee the minimum wage – or something just above the minimum wage, but is making a substantial profit in relation to those employees – and that there are people who are working in these areas on very low wages and with little security of tenure. It is effectively a way in which no doubt one can keep people in employment and keep the unemployment figures down, but it is highly artificial because it really provides no long-term security for those employees.

I wonder what the hon. Lady has to say about that and what comfort the hon. Lady can provide to those individuals who obviously feel that they are being exploited in some way in being placed in this particular way.

Hon. Miss S J Sacramento: Mr Speaker, I am not sure that I understand... Well, I understand where the hon. Gentleman is trying to get, but unfortunately he is not going to get there, because the regime that we have with third-party recruitment agencies who supply labour to cover posts for the Care Agency temporarily is no different to the engagement of people by subcontractors which the Care Agency used in the past – for example, to provide domiciliary care. In fact, it is actually better, because we have negotiated the hourly rate which we pay to the subcontractors and it has been reduced significantly; so if the profit margin is what concerns him, then I can reassure him that it has actually gone down, and thankfully the minimum wage has been increased in the last three Budgets, so people's salary automatically has been increased in line with that – and we make sure of that, Mr Speaker.

So, if he is now concerned with that, then it is a shame that the Care Agency was not concerned with that when the same regime applied for domiciliary care which these Care Agency subcontracts in the same way.

Hon. D A Feetham: Mr Speaker, my concern actually is that, whilst there has always been an element of recruitment from recruitment consultants in the past, the present administration is really taking this much further than was the case when we were in Government, and there unfortunately is a situation where people are being effectively employed on short-term contracts, on very low wages with minimum job security. What it does is effectively keep people from the unemployment list, but it also allows the Government to have people employed within the public sector without increasing the complement within the public sector.

Can the hon. Lady at least confirm that none of these 33 are effectively occupying a vacancy, a post that is vacant, and what they are really doing is – which appears to be the answer she gave me – is filling in for somebody else or filling in on a temporary basis, rather than filling a job on a long-term basis, which would be quite unfair, quite inequitable, to have people on one-month contracts, basically renewed and renewed and renewed.

Some of them have been there for quite a number of months already and obviously feel very aggrieved about the situation – that they are being forced to sign one-month contracts and being kept, effectively, in post without that post being advertised.

Hon. Miss S J Sacramento: No, Mr Speaker. He seems to misunderstand. First of all, we do not use... When I refer to these third parties, they are not recruitment agencies; they are employers themselves, and the people who are deployed to the Care Agency are employees in their own right. It is just that they are not employees of the Care Agency; they are employees of the third-party provider.

What the Care Agency does is, in the event that we need short-term cover, we recruit from employees from these third-party providers, as opposed to having a bank. So, for example, if we were to have a sickness... say a short-term sickness or a long-term sickness, or a maternity-leave cover – a post for which we need cover – then we get it from this bank, as opposed to issuing someone with a short-term contract from the Care Agency. This is how these Care Agency posts are being covered.

To say that these people have short-term contracts is disingenuous, or to imply that the Government is somehow providing these people with lack of security is very misleading, Mr Speaker, because the Care Agency can use one of the agencies that it uses to place employees within the Care Agency, who one day can cover a sickness absence in Mount Alvernia and when the person returns from sick leave, then that employee, who is the employee of the third party, can then be deployed elsewhere – say, for example, in the community to provide domiciliary care. So it is completely misleading, Mr Speaker.

Hon. D A Feetham: Mr Speaker, I will just read you, so that the hon. Lady understands – and this is not something that I am again inventing – that there are serious concerns in relation to some of these 33. I will just read her something that was sent to me. It is a communication that was sent to me by somebody who is in this situation, and it says this:

‘Many other employees and I have a huge grievance. I am working in a particular area...’ –

– I am not going to tell you where –

‘at the Care Agency. I am contacting you because in order to apply to the Care Agency you have to go through a recruitment agency, S&K Recruitment. They only give one-month contracts, which are renewed or not on a monthly basis. Most are also on a minimum wage, when the Care Agency pays S&K at a heightened rate. We have no employee rights and no job security, even though we work in the Care Agency.’

And it goes on.

That is the concern that has been expressed to me, not only in a communication that I received yesterday, but indeed before that I had seen a number of people who came to see me, expressing the grievance of this use of a recruitment agency being abused.

2565 I want to explore with the hon. Lady what Government policy is in relation to this. At least will the hon. Lady look at this and ensure that people’s positions are not abused and this does not become habitual – that you have people on one-month contracts renewed and renewed and renewed, working in these positions, so that effectively what you have is a source of cheap labour with absolutely no job security at all?

2570 **Hon. Miss S J Sacramento:** Mr Speaker, unfortunately, the hon. Gentleman still does not appear to understand. These people are not employees of the Care Agency and the contracts are not issued by the Care Agency.

2575 **Hon. D A Feetham:** I understand that.

Hon. Miss S J Sacramento: Then he will understand that the contracts are issued by the third-party provider that we use to refer a workforce to the Care Agency to cover short-term posts, Mr Speaker.

2580 **Hon. D A Feetham:** Mr Speaker, surely the hon. Lady cannot absolve herself of any responsibility, simply because she says, ‘These are not employees of us; they are employees of S&K or any other recruitment consultants, who then effectively subcontract the labour, place the labour within the Care Agency,’ – because she is the main employer. All it is is a chain. The Care Agency asks the recruitment consultant, ‘Do you have people?’ and the recruitment consultant places.

2585 If this is being abused, what she cannot do, in my respectful view, is, effectively, to just simply wash her hands by saying it is S&K’s problem, it is not the Government. They are working within the Care Agency and the Government is paying S&K for those services, and S&K, or anybody else for that matter – I do not want to focus on S&K; it is just the example that was provided – are then placing those people with the Care Agency.

2590 **Hon. Miss S J Sacramento:** Mr Speaker, I do not know how to explain this, because it appears that the hon. Member continues to miss the point.

2595 These are not posts that are being filled by Agency employees on an indefinite basis; these are posts that are being filled on a temporary basis. Because it is on a short-term basis that we require cover, then it is a matter for the employer, the third party, to issue whatever contracts the employer deems fit for those employees.

2600 Mr Speaker, for these posts it is only because we require people to cover for a short period of time. It may be that that employer may, when... If say, for example, someone is covering a maternity leave and the Care Agency member of staff returns, then the Care Agency would no longer require the temp cover. Then that temp may be sent by that employer to another organisation. This is what it is, Mr Speaker. These are temps. It is not people who are employed by the Care Agency and it is not the Care Agency that is abusing or undermining anybody. On the contrary, it is people who now have the opportunity to have employment.

2605 **Hon. D A Feetham:** Mr Speaker, does she not recognise that actually it is she who is missing the point in relation to this?

The posts that are being filled, temporary or otherwise, temporary maternity... Let’s focus on maternity because it is an example that people will understand. It is a Care Agency position that is vacant because somebody is on maternity leave. The Government, the Care Agency in this particular case, then goes to a recruitment consultant and says, ‘Do you have somebody to fill this particular post?’ and the recruitment consultant then places someone in that particular post.

2610 But surely it must be a matter of concern to the hon. Lady and to the Care Agency if effectively what is happening is that there is a huge disparity between (1) what the Government is paying that recruitment consultant and (2) what the recruitment consultant is paying the worker who is going to be placed; and also that any disparity that there may be between what the Government would actually pay for somebody to do

2615 that particular job, had the Government been recruiting that person on a temporary basis directly, and what that person is being paid, unfortunately, via the recruitment consultant.

Those are concerns that have been expressed to me, and all I want is an answer that at least indicates and allows me to go back to those people who have expressed these concerns and say to them, 'Yes, the Government is now aware of this, the Government is looking into it, and if there is an abuse of this,' – you are clearly of the view there is abuse – 'it will be dealt with.' That is all.

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Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano): Mr Speaker, given the concern the hon. Member has, I assume that, as appears to be the case in other areas, as with tunnels, he is not aware of things that were going on when he was in Government. Otherwise, he would have known that the disparity when he was in Government was that the workers were getting £5.40 –

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five pounds forty – and the Care Agency was being charged £14.30.

I can assure the hon. Member that that disparity has now been cut in half, and that now, of course, instead of £5.40, they are on £6.50, and that in fact the use of relief cover was an invention of the previous Government, which was predominantly being used in the Health Authority, where it got to the stage that so many jobs were being covered under the label of 'relief cover' that it got to £2½ million a year. The then

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Chief Minister realised that the workforce of the Health Authority was being expanded under his nose, without his knowing it, under the cover of the relief cover, to the extent that he took it away from them three or four Budgets ago and decided he would control it directly – not in order to improve the role of the workers, but in order to stop the system being used to not simply replace existing people in the complement but to have a much larger complement.

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The only innovation that has taken place is because in principle the concept of the relief cover existed in some places and not in others. In the places where it did not exist there was another kind of grievance, which was that if people were working in a place and somebody was on maternity leave and somebody was sick and somebody was absent, the people left behind were not given any support and therefore they had to cope with the workload irrespective of how shorthanded they were. So the expansion that there has been –

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and there has been expansion – has been, in effect, to create, as the hon. Member will know, a token vote in every single head of expenditure of £1,000 where the head of department feels that the workload in a particular area cannot be simply handled. Because if somebody misses one day and is on USL then there is no need to bring somebody in, but if it is going to be longer and the people there feel that the service will suffer or the people will be having difficulty in coping, then it is at the discretion of the management as to how many people they bring in.

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The entity that has been mentioned as an example is the entity that was there, already doing it, in 2011. It is not a new entity. There are three or four companies that have been supplying Government with this, but this one has been the one that has been used mostly in the past and is being used mostly now. The differential, if anything, is less than it used to be, and the reason for doing it was that there was a logic to the introduction of that many years ago. We have accepted the logic of the previous Government and made it apply to all heads of department in all the votes, instead of in just one or two. That has been the change.

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Hon. D A Feetham: Mr Speaker, I am afraid that in blaming the previous Government for the current state of affairs he forgot one fact that he normally throws in my direction, and that is Luis Montiel. I did not

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hear him mention Luis Montiel in the answer that he has given me, and I want to congratulate the Hon. the Father of the House for not mentioning and for resisting the temptation of mentioning the former Minister for Employment.

I am interested in alleviating the concerns of these individuals. Therefore, what I do then is go back to these individuals and say that the Government does not believe that there is a proper grievance that they may have in relation to the current state of affairs. That is what his long answer really amounts to.

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Hon. J J Bossano: Mr Speaker, I have not mentioned Luis Montiel because it was not his idea, as far as I can tell; but I hope before the day is over we will have an opportunity of mentioning Luis Montiel!

(Laughter)

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On this occasion, I do not know why he needs to be the intermediary here, to go between us and the people concerned.

It is not something new. It is something that has been going on for a very long time. To the extent that there is more of it, there is more of it because it is an opportunity that is being given, which in the context in which I have explained it is that in the places where it did not exist before it was not that they were being employed on better conditions, it is that they were not being employed at all. That is to say the people who did not have relief cover did not employ anybody. So, if you take the relief cover away, it does not mean that most people will be able to get a job; it means they will *not* have a job. That was the case before, and that is the difference between before.

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2675 Before, predominantly most of the relief cover, which as I have said ran to over £2 million, was in the Health Authority and got very big there, and therefore it really... When we came in, there was still some of that left there and there were people who had been there permanently for years, but the Department had never got the political or the Treasury support to increase the complement. So, in effect, if the complement said there were x posts, there were x posts on paper, in the estimates that we were voting in this House, and then there were perhaps another 10% over the x which were being shown as relief cover, when in fact they

2680 were not relieving anybody – they were actually jobs being occupied by supply workers under the previous administration: a decision taken by the management in order to get past the filter of the limit that they could spend on personal emoluments and the limit they had on money.

2685 That was happening then, but of course the people who were there understood that in fact if the Department had been working to the complement that had been voted, it was not that they would have been able to get a job, because a job did not exist. So the reality of it is that if tomorrow there is a reason for increasing the number of jobs, then when those jobs come out, the people who have been doing relief cover will probably have a better opportunity, because they will have some experience and that may stand them in good stead. But at the end of the day, if the relief cover is stopped it just means that they will be without work. It may not be an ideal job, but certainly it is a job that, as far as I am concerned, is better than being

2690 on the dole and on my list with me trying to find them work.

Mr Speaker: I think we have dealt with this question of the recruitment consultants at very, very great length and we are going to move on to the next Question.

Q512/2014
Question unallocated

Clerk: Question 512 is unallocated.

Q513/2014
Dr Giraldi Home –
Tribunal of inquiry into allegations of abuse –
Publication of report

2695 **Clerk:** We move now to Question 513, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Government please confirm whether the report from the tribunal of inquiry into the allegations of abuse at the Dr Giraldi Home will be made public?

2700 **Clerk:** Answer, the Hon. the Minister for Equality, Social Services and the Elderly.

Minister for Equality, Social Services and the Elderly (Hon. Miss S J Sacramento): Yes, Mr Speaker.

ENTERPRISE, TRAINING, EMPLOYMENT AND HEALTH & SAFETY

Q545/2014
Department of Employment –
Requests for vacancies

2705 **Clerk:** We now move to the Questions to be answered by the Minister for Enterprise, Training, Employment, Health and Safety.

We start at Question 545. The Hon. D J Bossino. (*Interjections*)

Hon. D J Bossino: Yes, asking Questions of the Hon. the Minister for Employment, I will try to be as short and crisp as possible in my Questions –

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Mr Speaker: And I will enjoin upon the Hon. Minister to also make his answers as short as possible in the interests of good procedure. (*Laughter and interjection*)

Hon. D J Bossino: Mr Speaker, I am sure he will.

2715 It was Question 545. (**A Member:** Yes.)

Can the Minister for Employment confirm that requests for vacancies are not being rejected by his Department on the basis that the person who is requesting them is already in employment?

Clerk: Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

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Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano): Yes.

Is that short and crisp enough?

Mr Speaker: Yes. You have omitted, Mr Speaker. (*Laughter*)

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Hon. D J Bossino: Just a short supplementary. The reason why I raise this and I know that is his position. I asked it in a different way, some time ago, as to whether it was Government policy. He said no, and in fact he referred me to statistics which showed that people in employment were getting employment.

2730 The reason why I raise this is that I would ask the Hon. the Minister to check with his members of staff, because the information I am getting continues to be – and that is why I asked the Question in the first place – that people are attending, currently in employment, and saying, ‘Look, I want to see if there is anything else available to me.’ I am sure, because of the answers he has given me in the past, that he would be surprised if members of staff in his Department were telling him, ‘No, you are in employment, I will not show you the vacancies.’ But I need to tell him across the floor of the House that that is the information. It may be erroneous, but I trust that the information that is reaching me is correct and is what continues to happen.

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Maybe it is an administrative issue which needs to be dealt with; but, rephrasing the Question, could I ask the Hon. the Minister to perhaps check the position that his policy is actually being carried out on the ground?

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Hon. J J Bossano: I think the issue is that what the Department will not do is send people who are employed to vacancies as a submission of the Department, because that is not done by any unemployment service anywhere in the world. Otherwise, it would mean there are 20,000 people working in Gibraltar, and if a vacancy comes out it is not just the four or five hundred people without work that we would send to those vacancies, but the whole of the 20,000.

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The rate of jobs taken up by people from the unemployment list is still under 20%. At one stage it was as low as 10%. I have not been able to even double it to 20%. So it is still the case that for 80% of the vacancies that reach us, we send people, somebody is selected, but not the person we have submitted, and that is in eight out of every 10 jobs. So I do not see how people can claim that they are being deprived of the 20% that the unemployed get.

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But it is certainly true that the people who can go there, see the vacancy, find out about it and do it under their own steam generally have a better chance. The reality of it is that when an employer is looking at applicants who are already working, they tend to see them as prospective better candidates than somebody who says, ‘I haven’t worked for the last five years.’ So a person who has been unemployed a long time starts at a disadvantage.

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Clearly, the people in the Employment Service try to persuade the employer to take on the unemployed, because that is what we have got the Unemployment Service for, but they do not do it by discriminating against the others. It is just that they will not send somebody who is working to vacancies. The information on the vacancy is available – and I will go back and check again, but I am told that when people say, ‘Well, look, I want to be sent by the Employment Service,’ the answer is, ‘No, we cannot send you.’

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Q546/2014

Employment and Training Board – Management structure

Clerk: Question 546, the Hon. D J Bossino.

Hon. D J Bossino: Can the Minister for Employment provide details of the management structure of the ETB, to include details of the roles of each of the senior positions within the ETB?

2765 **Clerk:** Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):
Mr Speaker, I will answer this Question together with Questions 547 and 556.

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Q547/2014
Labour inspectors –
Details

Clerk: Question 547, the Hon. D J Bossino.

2775 **Hon. D J Bossino:** Can the Minister for Employment provide the names of the current labour inspectors, together with details of their positions within the Civil Service, GDC or wholly owned Government company they are employed by, as the case may be?

Q556/2014
Joanna Hernandez –
Details of post occupied and responsibilities

Clerk: Question 556, the Hon. D A Feetham.

2780 **Hon. D A Feetham:** Mr Speaker, can the Government please state what post within the public service does Ms Joanna Hernandez occupy and what are her responsibilities?

Clerk: Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

2785 **Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):**
Mr Speaker, the structure of the management of the Ministry for Enterprise, Training, Employment and Health & Safety is as shown in the approved Estimates of Expenditure. The roles of the persons employed are in accordance with the duties of their grade, or that of a lower grade, depending on the workload and the availability of staff at any given time.

2790 The staff in the Department are moved around so that they are able to cover each other's role as and when required. Those currently employed in the Department, I am happy to say, accept this degree of flexibility in their roles – so as to maximise the support they give to their client base, which consists of the registered unemployed, and the assistance they provide to employers who recruit through the Employment Service – as far as the employment function of the Department is concerned.

2795 The civil servant named by the Leader of the Opposition occupies a management post within the structure of the Department as Head of the Investment Unit, and her responsibilities consist of the supervision of the staff of the unit and providing support to the business activities and other duties that she and her staff may be asked to perform in the context of the flexibility that exists in the Department.

2800 The labour inspectors comprise one HEO; two GDC Grade IVs, which are HEO equivalents; and one GDC Grade III, which is an EO equivalent.

2805 **Hon. D J Bossino:** Mr Speaker, in relation to that last answer to Question 547, is he able to confirm that... remember the graduates which he had gazetted as labour inspectors... whether those roles have been terminated now, so that in other words the labour inspectors now, in effect, comprise and are formed of public servants, the ones he has just referred to?

Hon. J J Bossano: That is correct, Mr Speaker.

Hon. D J Bossino: Thanks for that.

2810 Moving on, in relation to Question 546, when I was talking about the management structure, yes, he is absolutely right that the lists of SOs and SEOs etc are set out in head 24 of the Estimates of Expenditure. What I was trying to find out, in terms of... He has mentioned that people move around in this Department and they are happy with it. The Question really relates to the top echelon, the management structures. In other words, what I was interested to know... I know the Hon. the Minister for Tourism provided me with a very full and detailed – even with names – structure, or chart, of those who are employed in his

2815 Department. It was very useful to see, literally, in a chart, where they were and what their roles are. That is
something that I would... Although he will refuse to provide me with names – we have had this point raised
in the House before – is he able to at least provide me with something similar in relation to this
2820 Department? For example, obviously, I could see at the top of the charts the Director of Employment, but
then under him there would be the relevant whatever it is – HEOs and SEOs – and what it is that they do. If
that is possible?

Hon. J J Bossano: We do not have that kind of authoritarian structure.

A Member: That is the answer!

2825 **Hon. D J Bossino:** Oh, I see, so it is completely flexible. So the relevant SEO may be in charge, for
example, of the Labour Inspectorate one day, and then another day of the Health and Safety issues, and
another day inward investments. Is it as flexible as that, and not as authoritarian as the Hon. the Minister for
Tourism, according to how Mr Bossano has just suggested he runs his Department?

2830 **Hon. J J Bossano:** No, Mr Speaker, I did not suggest that he was running it in an authoritarian... I said
the structure was, and I am saying that...

He has quoted the wrong examples, clearly, because labour inspectors are appointed by the director and
gazetted, and therefore they cannot be substituted; but they can be used for things that are not labour
2835 inspector work, and they are. The Health and Safety Inspectors are people with the necessary training and
qualification to do the health inspector work, but they are not allowed not to be doing work if there is no
health inspector work to do.

So the answer is that the philosophy of those who work with me, which is shared by all of us, is that we
are all equals and therefore we all muck in and do the work that needs to be done. If Dr Coram is doing
2840 some work with the School of Nursing, which also comes under him, and is not available, then somebody
else will be doing what he does, and if there is a need to be doing something in another Department... We
work on the basis that, although where people are fitted is where the Estimates say they are, they are all
interchangeable.

It does not mean that if you are in one area you cannot do anything unless you have got a specialist
2845 knowledge in a specialist area. For example, the people who do the EU programmes cannot be replaced
because they are the only ones who understand exactly what the methodology is of meeting the criteria that
the EU requires so that we get the money that we get for funding support for the business community and
so on throughout the year. So that is more of an isolated unit, but when they need help and they are short of
staff we draft people in from other places.

2850 **Hon. D A Feetham:** Mr Speaker, what does the Investment Unit that he has mentioned actually do?

Hon. J J Bossano: Well, it does more than it did before, when he was in Government! (*Laughter*) That
is something also I inherited – so, I did not invent it! (*Laughter*)

2855 I think what it used to do was simply give out very well produced and colourful leaflets. Now, because
it has been moved from where it was – which was down in Europort – to the Employment Service, in effect
it is an important element of the integrated approach where, when we are talking to people who may come
for advice on, for example, EU support for opening a new business or for expanding an existing business,
one of the things that they have to do in order to meet the criteria for EU funding is identify how many jobs
2860 are going to be created and the cost of each of those jobs.

Because we have got Investment, Training and Employment, the philosophy is that when we talk to
investors, whether they are internal or external, we talk to them about the level of the investment, we talk
about the help we can give them, we talk to them about the possibility that the unit in our Department will
be able to get EU funding, and then we talk to them about their labour requirements and the skills that they
2865 may need and the extent to which we are prepared to supply trainees for an agreed period of time in order to
get them to take labour from the unemployment list, as opposed to bringing people in.

So the Investment Unit is an integral part of that concept. They are the first people the business people
come to. The bulk of the business people are local people who are looking at ways of expanding their
business, but when we have people coming from outside it also goes there, and then from there it is
2870 expanded into making them aware of what is available in terms of support both for capital funding and for
training purposes.

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Hon. D A Feetham: Yes, Mr Speaker, an important role within the Government.

What training was provided to the manager of this particular important unit, to ensure that the person concerned obviously met the requirements to properly manage such an important unit within the Government?

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Hon. J J Bossano: To my knowledge, no more training than was supplied in the 15 years previous to the person who was doing it before.

This has always been considered just to be a job in the structure of the Civil Service at that level and at that grade. There is nothing magical about it. It is not that you need to have huge training or huge knowledge to sit down with an employer and find out how many people he thinks he is going to need. The information comes from the employer, not from the person providing the service.

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At the end of the day, the unit – which is a small unit, it only consists of four people, but what the unit does effectively is meet the requirements of the employer and put them in touch with the people they need to be in touch with. Rather than give them pamphlets, the unit actually contacts different Departments on their behalf in order to assist them. But the primary reason for being where it is is so that we are at the beginning of that process and with the best opportunity of getting jobs for some of the people we have got on our lists.

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So, really, the fundamental thing is that by giving a service to people who want to invest money in terms of people who come here, for example, to do a hotel... They first came to this unit, we looked at what they wanted to do, we helped them with the thing they wanted to do with the planning. That kind of assistance means that at the end of the day they know that when the crunch comes and the hotel is going to start then we expect that that relationship will be reflected in them accepting... what is not an obligation, because I have already told the hon. Member sitting next to him that we lose 80% of the vacancies, but where we have got that kind of relationship, we hope to be able to do better and get the first bite of the cherry to try and get some of our people in.

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If we have sufficient advanced notice of potential training needs, what we do now is we have developed, in terms of the relationship between that side and the employment side, a concept that every worker, every person who becomes unemployed and registered, gets an appointment within 24 hours. So everybody who registers today will already have an appointment for tomorrow with somebody who will give them an interview, help them with their CV and explain to them, 'Look, these are the vacancies we have got at the moment and these are the training possibilities that exist as a result of what we know is in the pipeline in terms of potential jobs.'

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In spite of that, we still, as I said, have not been able to increase... We have gone from about 10% or 11% to something like 17% or 18% of the jobs being filled from the unemployment list, but it is still not all that high.

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Hon. D A Feetham: Mr Speaker, no, I understand that on the recruitment of employees and ensuring that people from the unemployment list are effectively taken on as part of, for example, any deal that the Government wishes to agree with an incoming investor, 'We will scratch your back,' effectively, 'but you have got to make sure that you employ our people.' I understand that has always, to a lesser or greater extent, happened. We can debate about whether it is lesser or greater now, but what concerns me is that this is a unit that has a very wide remit, from the explanation that he has provided, including ensuring that anybody who comes to Gibraltar is properly appraised of the planning laws, of the opportunities that Gibraltar offers on a very, very wide variety of fronts. That presumably was why this particular unit was traditionally with the DTI at Europort before he moved it to his Department.

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Therefore, does he not agree that the people running the unit... it is not as simple as just picking a civil servant from a particular Department and placing that civil servant there. That person must either have a level of background knowledge of all these requirements, or alternatively that person needs training, and that is the reason why... what kind of training? But it appears from the answer that effectively this individual running this particular unit has received no training at all – it is just she has been placed there.

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Hon. J J Bossano: Neither that individual, nor the rest of the people in the unit, nor the people who have been there before, nor the people who were there before 2011... From my knowledge, the only difference, basically, in terms of what is being provided is that instead of giving leaflets, which is what I inherited when I inherited the unit... although the people who are doing it there are all doing work elsewhere in the Civil Service and the people who are doing the job now are people who have been recruited, but then they move in and out, on promotions and stuff like that.

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The work is administrative work, because it does not mean that we explain to them the Income Tax Act or the high net worth individual... What we do in the unit is, instead of having somebody running around from pillar to post, trying to find things out, we actually do the donkey work for them and we put them in touch with the right people in the right places, and that is an essential part of the function.

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2940 The bulk of the function is then with the training and the provision of labour. This is why it is really an ancillary thing to help us be more effective in increasing employment from our perspective. The people who want to invest already know what they want. They just need to be guided, so that they do not waste time going to the wrong place for the wrong information, and that guidance is provided because that feedback of information comes into the unit from the rest of the machinery of the Government.

2945 **Hon. D A Feetham:** Mr Speaker, do any of the individuals in this unit, or does the unit itself also deal with the question of who gets a contract in the construction industry, really mainly because we are talking about small construction contracts, allocated by direct allocation – I am not talking about those that go out to tender; by direct allocation – and then also ensure that those companies that are awarded these contracts on direct allocation also take on board a sufficient number of either unemployed or alternatively trainees from the Future Job Strategy? Is that dealt with by any of these individuals too?

2950 **Hon. J J Bossano:** All the contracts that we handle on the construction side are on the housing stock, and therefore that is work that is transferred to us and goes through the offices in Town Range, where I have got the people who have been relocated from the Housing Work Agency. As I have explained in the past when I have been asked questions about them, they are people who are doing the same kind of work they were doing before. They are people who are either craftsmen themselves, or former craftsmen, in technical grades. What they do, effectively, is... there is a pool of construction companies that are all on the approved contractor list, and we get three quotes from each, and then the quote is... If there is a big discrepancy in prices, normally the lowest quote gets the job; if the prices are all very close to each other, normally the work is given to the person who has got least work, so as to ensure that they do not have to lay people off and that there is continuity of work. That is not the [Inaudible] no.

Q548/2014
Trainee employees –
Details of placements

2960 **Clerk:** Question 548, the Hon. D J Bossino.

2965 **Hon. D J Bossino:** Can the Minister for Employment provide details of where the trainees in each of the areas of placements set out in letters he has sent to me dated 14th January, 24th April and 3rd October 2014, have moved to? Were they employed in the private or public sectors; and if in the public sector, which Departments?

Clerk: Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

2970 **Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):** Mr Speaker, the letters mentioned by the hon. Member in his Question provide the number of trainee employees at the end of each quarter by area of placement as at the end of December 2013, March 2014 and June 2014.

2975 On those days, they were all employed in the public sector. I have told Parliament on a number of occasions over the last three years that persons are moved across Departments to widen their experience. The information contained in the letters provides a snapshot of where they happened to be at the end of a quarter, which is what the Members opposite said was all they wanted to know when they asked me to provide the letters.

2980 **Hon. D J Bossino:** Mr Speaker, I have not done the additions, actually, in each of the quarters, so is he telling me that the totals would remain the same – is that the case – and that what we are seeing, in terms of the differences in numbers in each of the areas of activity, is on account of the movements that he has referred to? So, in other words, the totals are... It is a question of getting the calculator out and doing a quick calculation. On the face of it, it seems that the total number seems to have gone down from when he first provided me with the information. If he could assist me in relation to that, to understand fully his answer.

2990 **Hon. J J Bossano:** Then he is asking me about the people who are not on the letters, but the people who are missing from the letters, right. Well, the people who are missing from the letters are missing from the letters because, in fact, they have terminated their employment with ETCL – and they have terminated it because they have found work.

2995 As he knows, because I have told him before, unless they belong to the category of care and social
workers, where they are being trained specifically for a vacancy that exists, the rest have found jobs by
applying for other jobs. We do not monitor that, because what happens is they come back and give us a
resignation, but we send them to all the vacancies as if they were unemployed – because otherwise the
number would never go down and they know that there is no prospect of them being given a job in the
system unless... For example, if we have got people who are police cadets... Well, even the police cadets,
all that happens is that when they open vacancies now, they will have to apply and go through a selection
process. The only thing is that if the Police have had them for two years as cadets, presumably it is very
unlikely that they will then decide that they are not suitable, because they would have found them
3000 unsuitable previously and terminated them previously.

Other than those, like the police cadets or the care workers or nurses, or something like that, the rest are
people who have found jobs by themselves or because they are given the opportunity to apply...
Notwithstanding that they are in Government Departments, we circulate to them all the vacancies that we
think they might be interested in, so that the number comes down. It is coming down slowly, but it *is*
3005 coming down.

Hon. D J Bossino: Thank you for that.

The Hon. the Minister refers to vacancies: are these vacancies exclusively in the private sector, or is it a
mixed bag of private and also public sector?
3010

Hon. J J Bossano: They are predominantly in the private sector, but the vacancies in the public sector
they can apply for. For example, some of these people have applied for the Customs. If they get it, or they
do not get it, the fact that they are here will make no difference, other than that they can mention that they
have been in the scheme, presumably in their CV or in their interview. But when the interviews take place,
3015 clearly, if they are successful they will come back and resign from the scheme.

Hon. D J Bossino: The Hon. Minister has said that he does not monitor this, his Department does not
monitor this; but if I ask a specific question in relation to that, it would be information which he would have
available to answer as to where they have moved to – is that a possibility?
3020

Hon. J J Bossano: Well, the information that he asked me for was whether the people in the letters...
The people in the letters are the people in my employment. I do not monitor everybody who finds a job in
Gibraltar; nor do I see a need to tell Parliament where... just because they happen to have been in this
system, the bulk of which we inherited. Remember, this is now the tail-end of the old VTS. Nobody comes
3025 into here anymore, other than in the care... where there is a job.

Frankly, I would have liked to have seen this shrinking faster, but it is determined by the market and I
do not influence the market. I cannot influence who gets the job or does not get the job, because it is not in
my hands to do so. If I could, I would have been able to put everybody – (*Interjection*) I would, yes, but I
can't!
3030

So the answer is we do not normally monitor it, and frankly I do not see what the issue is in having to go
and search where people have gone after they have left us.

Hon. D J Bossino: One of the issues in my mind is that... I know that he had this during the course of
question and answer sessions certainly when the Leader of the Opposition had this particular shadow
portfolio – that when there was a concern that they would have had... I think one of the points raised... an
3035 advantage in being successful in obtaining jobs within the public sector... I think the hon. Member may
recall, because these were, as he rightly pointed out, individuals who had been inherited from *our* scheme,
the VTS scheme, and he had to allocate jobs to those who had not obtained placements in the private sector.

I recall all of that, and I suppose where I am coming from is to establish whether indeed how many have
3040 actually been subsumed in the public sector and how many in the private sector. He has indicated, using
broad terms, that he thinks that the vast majority have been employed in the private sector, as opposed to
the public sector, although some of them, other than those categories he has mentioned – i.e. the RGP and
the care and social services – the minority of them would have been employed in the public sector. That is
the type of statistical information which would be interesting to have a look at in order to monitor that.
3045

Hon. J J Bossano: Mr Speaker, he asks how many have been absorbed. If I tell him tomorrow the
numbers of unemployed have gone down because they have found employment, he would not use the word
'absorbed' to describe what is happening. Therefore, what I am telling him is they are not being absorbed
and they have not got an advantage, because if they had had an advantage then the list would not be this
3050 long. So the proof of the pudding is in the eating.

3055 Regrettably, from my point of view, the advantage has been minuscule or non-existent, because the people who have gone... If he looks at the care and social work, that is the number that changes very little and that is the one area where there is a movement out and a movement in, because in the public sector we supply trainees for vacancies and they go through a training period which enables them to then get employment. So they get taken on as trainees, and during the training period, instead of being funded by the agency, they are funded by this programme, because they are not in the complement. They are being trained to fill vacancies in anticipation of those vacancies coming up.

3060 The rest are the ones that will only go down if people find work. I would say that 99% of the movement in the rest is private sector, and I am lucky if I have got 1% that goes into the public sector. So, in fact, it has not proved an advantage even in the concept of interviewing, because the competition is so huge.

3065 Members will recall that when we came out with the AA vacancy, we had 603 applicants. If you have got a situation now where people have got the prospect of unemployment from Barclays Bank and things like that, they are very qualified, experienced people entering the labour market, where the chance of getting a job depends on how good the competition is. Therefore we try very hard to get them into the private sector, because that is where we have got an opportunity of trying to persuade the employer. We have got a very clear concept that we will not do the same in the public sector: in the public sector they are on their own.

3070 **Hon. D A Feetham:** Mr Speaker, the reality is that if it had been up to the hon. Gentleman, many more of these individuals would have been 'absorbed' – to use my learned and hon. Friend's word – into the public sector.

3075 Indeed, in relation to the AAs, I detected from answers that he had given me when I asked the question that he would not have set some of the conditions for entry into AA – for example, the exam condition that was set at the time. Those conditions would not have been set if he had had his way, because his view at the time was, 'Well, look, an AA – you don't need to really be passing these exams to do this particular job.' I am right in characterising this in this way, am I? If he had had his way, he would have really liked to have seen more of these people employed in the public service.

3080 **Hon. J J Bossano:** There is a certain amount of self-interest in this, Mr Speaker. I want these people to be... This is a problem that we want to see finished, as far as I am concerned, and I want these people to have jobs. If I am able to get them into the public sector, having had them on our payroll... In some cases, some of these people have been in the public sector six or seven years; not just the three with us, but four years before that. We were clear that they had to compete, and that the only way that we can help them is by trying to persuade private sector employers to take them on, and it is not all that easy to achieve that.

3085 It is true that I felt that the idea that you would weed out candidates by giving them an exam which... I do not know where they got it from, but it was asking them questions all about the United Kingdom. I did not see what that was going to produce in terms of better-quality AAs, but I am not involved in selecting the people who enter the Civil Service, and therefore this is a matter that I cannot influence. Clearly, I would have wanted to be able to help these people, but it was not something that I could do, and therefore the list is there, still longer than I would have wanted to see it.

3090

Q549/2014

Wholly owned Government companies – Details of public sector employee jobs provided

Clerk: Question 549, the Hon. D J Bossino.

3095 **Hon. D J Bossino:** Can the Minister for Employment provide details of the wholly owned Government companies which provide employee jobs in the public sector; and of the 908 employees set out in table 5.3, which wholly owned Government companies are they employed by?

Clerk: Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

3100 **Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):** Mr Speaker, I will answer the Question together with Question 550.

Q550/2014

**Wholly owned Government companies –
Full-time employee jobs provided**

Clerk: Question 550, the Hon. D J Bossino.

3105 **Hon. D J Bossino:** Can the Minister for Employment provide details of the wholly owned Government companies which provide full-time employee jobs with how many such jobs are provided by each of those companies, broken down by the activity as set out in table 6.6? Obviously, the tables I am referring to are of the Employment Survey of 2013.

Clerk: Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

3110 **Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):** Mr Speaker, I cannot provide a breakdown of the employers reflected in the figures in tables 5.3 and 6.6 of the Employment Survey Report 2013.

3115 **Hon. D J Bossino:** Mr Speaker, why? Why can't he provide that information?

Hon. J J Bossano: Mr Speaker, because it is a legal requirement of the Employment Survey that the names of the employers who make the returns on the distribution of their workforce cannot be made public. All the survey forms have got that condition of confidentiality.

3120 If he is interested in the information from the source that is available to me – which is not the Employment Survey, because I cannot have access to the raw data of the Statistics Office – I can give him what information I have from employment records, which may not necessarily match exactly the other figure, because I have explained in the past that the discrepancy between the employment records and the Employment Survey is that there are time lags, in that people sometimes have been employing somebody, including the public sector – which I have been very critical of, but it still is not entirely cured – where
3125 people have been employing somebody for months and they do not submit the contract of employment, even though there is a legal requirement to do it and there are heavy fines for not doing it. Of course, if they get the form, they put down in the form that the guy is working for them, but he does not appear in the Employment Service. Alternatively, the guy is no longer there, but they have not sent the termination, so we still have him on our records. I didn't mention Montiel in that context if Members will remember!
3130 *(Laughter)* So, if the hon. Member wants the information that I have got in the employment records of the Department, then I can tell him what the position is as far as we are concerned.

He has already got the position as far as the training companies are concerned, because he has got another Question on that, where I have got him the numbers each month. So, excluding the training companies, the wholly owned companies that we have got registered are: Europa Incinerator Company,
3135 5 employees; Air Terminal Company, 30 employees; GibiBikes, 4; Gibraltar Bus Company, 57; Gibraltar Car Parks, 31; Gibraltar Cleansing Services, 31; Gibraltar Defence Estates, 57; Gibraltar Facilities Management, 170; Gibraltar General Support Services, 37; Gibraltar Industrial Cleaners, 38; Gibraltar Mechanical and Electrical Services, 63; JBS, 132; and GRPI, 5.

3140 The industrial classification of these companies: 'air transport and related services' is the Air Terminal Company; under 'building and construction' we have Gibraltar Defence Estates, Gibraltar General Support Services, Gibraltar Mechanical and Electrical Services, JBS and the Construction Training Company – which I have not mentioned in the list I have given before because the employee numbers come in another Question; 'insurance and real estate', GRPI; 'legal, accounts and other business services', GRAD; 'road transport', GibiBikes and the Gibraltar Bus Company; 'sanitary services', Europa Incinerator and Gibraltar
3145 Industrial Cleaners; and 'other services' are the Employment Training Company, the Car Parks Company, Gibraltar Cleansing Services and Supported Employment Company Ltd.

The number of employees are the ones that I have already given in Question 549, but I cannot provide a breakdown between full-time and part-time.

Q551/2014

**Graduate scheme –
Status**

Clerk: Question 551, the Hon. D J Bossino.

3150

Hon. D J Bossino: Can the Minister for Employment state whether the graduate scheme continues to function?

3155 **Clerk:** Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano): Yes, Mr Speaker.

3160 **Hon. D J Bossino:** Mr Speaker, is he able to tell the House whether new recruits are being taken on – because I heard that somebody in the private sector – I put it as widely as possible – was told that the Hon. Minister was not taking any new people on in this particular scheme. So his answer may be accurate as to the fact that it is currently still functioning, but is he able to tell me whether any new people are being taken on?

3165 **Hon. J J Bossano:** Mr Speaker, the hon. Member has got another Question in the Order Paper on the people coming in and going out of the company.

3170 **Hon. D J Bossino:** I suspect that all will be cleared up – I think that is a Written Question that I have got – in the answer to the Written Question, but is he able to assist me in providing this answer orally across the floor of the House? I would be very grateful if he did.

Hon. J J Bossano: I am able to do it, but I choose not to. Yes.

Hon. D A Feetham: And he was so cooperative today. (*Laughter*)

CHIEF MINISTER

Q552/2014

Aggregate public debt– Breakdown of bank debt

3175 **Clerk:** Question 552, the Hon. D A Feetham.

Hon. D A Feetham: Yes, Mr Speaker. Can the Chief Minister please provide a breakdown, by bank and amount, of that part of the aggregate public debt which comprises bank debt, as at 30th September 2014?

3180 **Clerk:** Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano): Mr Speaker, I will answer the Question together with Questions 553 to 555.

Q553/2014

Aggregate public debt– Breakdown of Government debentures

3185 **Clerk:** Question 553, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Chief Minister please provide this House with a breakdown, by debenture issue, of that part of the aggregate public debt which comprises Government debentures, as at 30th September 2014?

Q554/2014

Gibraltar Savings Bank – Value of debentures and debt security

Clerk: Question 554, the Hon. D A Feetham.

3190 **Hon. D A Feetham:** Mr Speaker, can the Chief Minister please provide details of the value of Gibraltar Savings Bank debentures or other debt security as at 30th September 2014?

Q555/2014
Gibraltar Savings Bank –
Investment of moneys deposited

Clerk: Question 555, the Hon. D A Feetham.

3195 **Hon. D A Feetham:** Mr Speaker, can the Chief Minister please provide a breakdown of where and how all moneys deposited in the Gibraltar Savings Bank have been invested and the rate of return on each of these investments as at 31st March 2014, 30th April 2014, 31st May 2014 and 30th September 2014?

Clerk: Answer, the Hon. the Minister for Enterprise, Training, Employment and Health & Safety.

3200 **Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):** Mr Speaker, as at 30th September 2014, the aggregate public debt consisting of bank debt was: Barclays Bank, £150 million; and NatWest Offshore Ltd, £50 million.

Government debentures by maturity date were as follows: 2017 debentures, £67,632,800; one-month notice, £185,290,700.

3205 The value of Gibraltar Savings Bank debentures and other debt security by maturity date was: one month, £26,883,300; 2015 debentures, £44,016,100; 2016, £23,015,600; 2017, £92,599,500; 2018, £164,485,600; 2019 debentures, £72,828,900; other debentures, £8,686,047; bonds, £101,183,467; and deposit accounts, £326,678,747.

3210 The average yield in respect of the different categories of investment vehicles held by the Savings Bank for the months of March 2014, April 2014, and May 2014 was already given in answer to Question 458/2014. The comparable figures for September 2014 are as follows. On-call accounts with the Bank of England, the Crown Agents Bank and the Gibraltar Banks had an average yield of around 0.48%. The Gibraltar Banks were the Royal Bank of Scotland, Barclays Bank, National Westminster, Jyske Bank and Lloyds Bank.

3215 The floating rates notes quoted on the London Stock Exchange had an average yield of 0.99%. The floating rates notes were issued by the following: European Investment Bank, the International Bank for Reconstruction and Development, Neder Waterschapsbank, KfW, Republic of Finland, Dexia, Volkswagen Financial Services, GE Capital UK, Westpac Securities, Australia & New Zealand Banking Group, ASB Finance Ltd, Royal Bank of Canada, BG Energy Capital plc, Centrica plc, Daimler AG, BMW Finance and BP Capital Markets plc.

3220 Monthly income debentures had a return of 6% and preference shares in Credit Finance had an average dividend of 5.5%. As previously explained in answer to Question 458, quoted stocks and call accounts fluctuate marginally on a daily basis. These fluctuations are not significant.

3225 The Fund Statement listing its investments for the relevant months are as follows – which is what the hon. Member told me the last time he wanted and I had left out. There is a list for the month of March, April, May and September. I will read the one for March, and since there is very little difference between the March one and the other two I will make a concession and pass the other three without reading it. *(Laughter)*

3230 For March, we had EIB floating rate notes, where there was an investment of £20 million and a market value of £20,093,621.

The EIB floating rate, 2015: another £20 million, with a market value of £20,015,317.

The third EIB floating rate note for 2016: the bank invested £25 million in that, and the current market value in March was £25,024,820.04.

3235 The International Bank for Reconstruction and Development had an investment of £4,235,000 and a market value of £4,239,685.

Dexia Credit: £12 million invested, and a market value of £12,024,215.

Wertmanagement FRN, which are floating rate notes with a maturity date of 2014: we had £10 million in that, and the market value was £10,005,283.

The Caisse Societe FRN, 2014 as well: £10 million, and the price in the market was £10 million.

3240 KfW fixed-rate notes, 2015: £17 million, and that had a market value slightly below – £16,997,800.

Republic of Finland: £5 million nominal value; market value, £5,025,116.

Capital Bonds Government of Gibraltar: £100 million, and had a market value – because it had accumulated interest – of £104,171,270.

3245 We had £22,348,948 in the Bank of England, and the £400 million in Credit Finance shares, of which the Members are aware. The Royal Bank of Scotland call account in Gibraltar had £1,843,702; in Lloyds Bank we had £36,004,493; in the Crown Agents Bank in the UK, £164; in Barclays Bank in Gibraltar, £126,101,321; in NatWest, £32,959,889; and in Jyske Bank, £20 million.

The figures for the other months may show some changes in the amounts as between one institution and another, but there is very little difference between one month and the other.

3250 Mr Speaker, I am asking now for the information to be passed for all four months.

Cont. Q555/2014 (p3)

March 2014

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS

DESCRIPTION OF STOCK	NOMINAL VALUE	MARKET PRICE ACCRUED INTEREST	MARKET VALUE ACCRUED INTEREST	TOTAL MARKET VALUE ON 31/03/2014
EIB FLOATING RATE NOTE 22/02/17	£20,000,000.00	100.399	£20,079,777.20 £13,844.27	£20,093,621.47
EIB FLOATING RATE NOTE 19/02/15	£20,000,000.00	100.008	£20,001,683.20 £13,634.19	£20,015,317.39
EIB FLOATING RATE NOTE 05/01/16	£25,000,000.00	99.963	£24,990,731.00 £34,089.04	£25,024,820.04
INTERNATIONAL BK RECON & DEV FRN 19/01/16	£4,235,000.00	100.003	£4,235,125.10 £4,560.88	£4,239,685.98
DEXIA CREDIT LOCAL FRN 01/04/14	£12,000,000.00	99.979	£11,997,454.32 £26,761.64	£12,024,215.96
FMS WERTMANAGEMENT FRN 16/06/14	£10,000,000.00	100.024	£10,002,404.80 £2,879.13	£10,005,283.93
CAISSE D'AMORT DETTE SOC FRN 30/06/14	£10,000,000.00	100.000	£10,000,000.00	£10,000,000.00
KFW FRN 09/03/15	£17,000,000.00	99.951	£16,991,726.78 £6,073.30	£16,997,800.08
REPUBLIC OF FINLAND FRN 25/02/16	£5,000,000.00	100.449	£5,022,446.15 £2,670.82	£5,025,116.97
GOVERNMENT OF GIBRALTAR - CAPITAL BONDS	£100,000,000.00	100.000	£100,000,000.00 £4,171,270.72	£104,171,270.72
BANK OF ENGLAND	£22,348,030.06	100.000	£22,348,030.06 £918.41	£22,348,948.47
CFC LTD SHARES	£400,000,000.00	100.000	£400,000,000.00	£400,000,000.00
ROYAL BANK OF SCOTLAND GBP CALL A/C	£1,843,702.52	100.000	£1,843,702.52	£1,843,702.52
LLOYDS BANK GBP CALL A/C	£36,004,493.20	100.000	£36,004,493.20	£36,004,493.20
CROWN AGENTS BANK	£164.56	100.000	£164.56	£164.56
BARCLAYS BANK PLC	£126,101,321.41	100.000	£126,101,321.41 £100,835.38	£126,202,156.79
NATIONAL WESTMINSTER OFFSHORE LTD	£32,959,889.24	100.000	£32,959,889.24 £222.52	£32,960,111.76
JYSKE BANK	£20,000,000.00	100.000	£20,000,000.00 £12,224.84	£20,012,224.84

Cont. Q555/2014 (p4)

April 2014

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS

DESCRIPTION OF STOCK	NOMINAL VALUE	MARKET PRICE ACCRUED INTEREST	MARKET VALUE ACCRUED INTEREST	TOTAL MARKET VALUE ON 30/04/2014
EIB FLOATING RATE NOTE 22/02/17	£20,000,000.00	100.386	£20,077,288.80 £25,710.79	£20,102,999.59
EIB FLOATING RATE NOTE 19/02/15	£20,000,000.00	100.008	£20,001,528.00 £23,859.84	£20,025,387.84
EIB FLOATING RATE NOTE 05/01/16	£25,000,000.00	99.965	£24,991,181.25 £9,388.10	£25,000,569.35
INTERNATIONAL BK RECON & DEV FRN 19/01/16	£4,235,000.00	100.003	£4,235,119.00 £536.33	£4,235,655.33
NEDER WATERSCHAPSBANK FRN 09/04/18	£12,200,000.00	100.000	£12,200,000.00 £4,955.12	£12,204,955.12
FMS WERTMANAGEMENT FRN 16/06/14	£10,000,000.00	100.029	£10,002,892.70 £9,048.69	£10,011,941.39
CAISSE D'AMORT DETTE SOC FRN 30/06/14	£10,000,000.00	100.000	£10,000,000.00 £6,346.77	£10,006,346.77
KFW FRN 09/03/15	£17,000,000.00	99.950	£16,991,487.59 £14,749.45	£17,006,237.04
REPUBLIC OF FINLAND FRN 25/02/16	£5,000,000.00	100.041	£5,002,071.40 £5,027.42	£5,007,098.82
CAPITAL BONDS	£100,000,000.00	100.000	£100,000,000.00	£100,000,000.00
BANK OF ENGLAND	£22,353,087.89	100.000	£22,353,087.89	£22,353,087.89
CFC LTD SHARES	£400,000,000.00	100.000	£400,000,000.00	£400,000,000.00
ROYAL BANK OF SCOTLAND GBP CALL A/C	£1,568,660.45	100.000	£1,568,660.45	£1,568,660.45
LLOYDS BANK GBP CALL A/C	£35,842,344.37	100.000	£35,842,344.37	£35,842,344.37
CROWN AGENTS BANK	£585.74	100.000	£585.74	£585.74
BARCLAYS BANK PLC	£126,336,530.79	100.000	£126,336,530.79	£126,336,530.79
NATIONAL WESTMINSTER OFFSHORE LTD	£39,419,485.29	100.000	£39,419,485.29	£39,419,485.29
JYSKE BANK	£20,000,000.00	100.000	£20,000,000.00	£20,000,000.00

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3260

Cont. Q555/2014 (p5)

May 2014

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS

DESCRIPTION OF STOCK	NOMINAL VALUE	MARKET PRICE ACCRUED INTEREST	MARKET VALUE ACCRUED INTEREST	TOTAL MARKET VALUE ON 31/05/2014
EIB FLOATING RATE NOTE 22/02/17	£20,000,000.00	100.375	£20,074,951.20 £3,590.78	£20,078,541.98
EIB FLOATING RATE NOTE 05/01/16	£25,000,000.00	99.966	£24,991,604.25 £22,041.62	£25,013,645.87
INTERNATIONAL BK RECON & DEV FRN 19/01/16	£4,235,000.00	100.003	£4,235,113.24 £2,614.63	£4,237,727.87
NEDER WATERSCHAPSBANK FRN 09/04/18	£12,200,000.00	100.347	£12,242,325.46 £12,269.82	£12,254,595.28
FMS WERTMANAGEMENT FRN 16/06/14	£10,000,000.00	100.029	£10,002,892.70 £15,423.90	£10,018,316.60
CAISSE D'AMORT DETTE SOC FRN 30/06/14	£5,000,000.00	100.000	£5,000,000.00 £6,452.55	£5,006,452.55
KFW FRN 09/03/15	£17,000,000.00	99.955	£16,992,403.38 £23,714.80	£17,016,118.18
VOLKSWAGEN FIN SERV NV FRN 12/10/15	£5,000,000.00	99.990	£4,999,508.85 £5,648.56	£5,005,157.41
BPCE SA FRN 06/03/17	£5,000,000.00	100.456	£5,022,796.85 £15,558.11	£5,038,354.96
ASB FINANCE LTD LONDON FRN 13/03/17	£5,000,000.00	100.347	£5,017,346.50 £11,913.63	£5,029,260.13
REPUBLIC OF FINLAND FRN 25/02/16	£5,000,000.00	100.040	£5,001,979.15 £317.12	£5,002,296.27
COMMONWEALTH BANK AUST 2.25% 07/12/18	£5,000,000.00	99.645	£4,982,250.00	£4,982,250.00
DAIMLER AG 1.625% 02/12/16	£5,000,000.00	100.320	£5,016,000.00 £2,226.03	£5,018,226.03
BMW FINANCE NV 1.75% 20/11/17	£5,000,000.00	100.250	£5,012,500.00 £46,027.40	£5,058,527.40
GSBA LTD	£5,000,000.00	100.000	£5,000,000.00	£5,000,000.00
CAPITAL BONDS	£100,000,000.00	100.000	£100,000,000.00	£100,000,000.00
BANK OF ENGLAND	£22,359,090.19	100.000	£22,359,090.19	£22,359,090.19
CFC LTD SHARES	£400,000,000.00	100.000	£400,000,000.00	£400,000,000.00
ROYAL BANK OF SCOTLAND GBP CALL A/C	£1,206,292.90	100.000	£1,206,292.90 £3.30	£1,206,296.20
LLOYDS BANK GBP CALL A/C	£37,842,344.37	100.000	£37,842,344.37	£37,854,542.86
CROWN AGENTS BANK	£787.88	100.000	£787.88	£787.88
BARCLAYS BANK PLC	£126,369,677.35	100.000	£126,369,677.35	£126,369,677.35
NATIONAL WESTMINSTER OFFSHORE LTD	£33,247,234.95	100.000	£33,247,234.95	£33,247,234.95
JYSKE BANK	£20,027,897.72	100.000	£20,027,897.72	£20,027,897.72

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September 2014

**SAVINGS BANK FUND
STATEMENT OF INVESTMENTS**

DESCRIPTION OF STOCK	NOMINAL VALUE	MARKET PRICE ACCRUED INTEREST	MARKET VALUE ACCRUED INTEREST	TOTAL MARKET VALUE ON 30/09/2014
EIB FLOATING RATE NOTE 22/02/17	£20,000,000.00	100.352	£20,070,426.80 £16,326.58	£20,086,753.38
EIB FLOATING RATE NOTE 05/01/16	£20,000,000.00	99.973	£19,994,615.40 £29,170.60	£20,023,786.00
INTERNATIONAL BK RECON & DEV FRN 19/01/16	£4,235,000.00	100.002	£4,235,090.63 £4,989.15	£4,240,079.78
NEDER WATERSCHAPSBANK FRN 09/04/18	£12,200,000.00	100.000	£12,200,000.00 £20,427.05	£12,220,427.05
KFW FRN 09/03/15	£17,000,000.00	99.977	£16,996,007.38 £6,435.78	£17,002,443.16
REPUBLIC OF FINLAND FRN 25/2/16	£5,000,000.00	100.032	£5,001,616.05 £2,943.84	£5,004,559.89
VOLKSWAGEN FIN SERV NV FRN 12/10/15	£5,000,000.00	99.993	£4,999,628.95 £9,128.99	£5,008,757.94
DEXIA CREDIT LOCAL FRN 15/04/16	£4,000,000.00	100.030	£4,001,193.56 £6,621.49	£4,007,815.05
GE CAPITAL UK FUNDING FRN 09/05/16	£3,000,000.00	100.577	£3,017,306.10 £4,565.26	£3,021,871.36
WESTPAC SECURITIES NZ LT FRN 02/10/17	£5,000,000.00	100.000	£5,000,000.00	£5,000,000.00
AUST & NZ BANKING GROUP FRN 04/02/16	£5,000,000.00	100.265	£5,013,253.60 £6,369.04	£5,019,622.64
ASB FINANCE LTD LONDON FRN 13/03/17	£5,000,000.00	100.305	£5,015,265.60 £2,349.41	£5,017,615.01
ROYAL BANK OF CANADA FRN 4/6/19	£5,000,000.00	100.087	£5,004,342.25 £3,424.73	£5,007,766.98
BG ENERGY CAPITAL PLC 5.125% 07/12/17	£5,000,000.00	110.490	£5,524,500.00 £208,510.27	£5,733,010.27
CENTRICA PLC 5.5% 24/10/16	£5,000,000.00	108.350	£5,417,500.00 £256,917.81	£5,674,417.81
DAIMLER AG 1.625% 02/12/16	£5,000,000.00	100.278	£5,013,878.20 £29,383.56	£5,043,261.76
BMW FINANCE NV 1.75% 20/11/17	£5,000,000.00	100.222	£5,011,109.80 £75,273.97	£5,086,383.77
BP CAPITAL MARKETS PLC 4.325% 10/12/18	£5,000,000.00	108.588	£5,429,400.00 £174,184.93	£5,603,584.93
GSBA LTD	£5,000,000.00	100.000	£5,000,000.00	£5,000,000.00
GOVERNMENT DEBENTURES	£100,000,000.00	100.000	£100,000,000.00	£100,000,000.00
BANK OF ENGLAND	£22,381,999.37	100.000	£22,381,999.37	£22,381,999.37
CFC LTD SHARES	£400,000,000.00	100.000	£400,000,000.00	£400,000,000.00
ROYAL BANK OF SCOTLAND GBP CALL A/C	£4,557,177.71	100.000	£4,557,177.71	£4,557,177.71
LLOYDS BANK GBP CALL A/C	£22,384,556.58	100.000	£22,384,556.58	£22,384,556.58
BARCLAYS BANK PLC	£114,578,930.54	100.000	£114,578,930.54	£114,578,930.54
NATIONAL WESTMINSTER OFFSHORE LTD	£47,739,940.25	100.000	£47,739,940.25	£47,739,940.25
JYSKE BANK	£20,062,193.69	100.000	£20,062,193.69	£20,062,193.69

3265

Hon. D A Feetham: Mr Speaker, I could continue with my supplementaries whilst this is being sorted out.

3270

There is just one anomaly in relation to the list, that stands out to me. In April 2014, there does not appear to be any reference to the Government debentures of £100 million that appears in... Well, it certainly appears in September 2014, but I thought that the £100 million Government debentures was actually something that had already been taken out prior to the Budget. I do not have my budget figures here, but off the top of my head I am pretty sure that the £100 million of Government debentures issued from the Government to Credit Finance was there at the Budget. Is that his understanding as well? May

3275 there be a mistake in the list in April 2014? I am pretty sure that I mentioned this in my Budget speech and I also made the point in exchanges prior to the Budget, so I do not know why it does not appear in the other two lists – certainly not in April 2014 – but it does appear in September 2014.

3280 **Hon. J J Bossano:** In the months of March, April and May it appears as Government of Gibraltar capital bonds, as opposed to the debenture. It changed from... the debenture pays –

Hon. D A Feetham: So the nomenclature has changed?

3285 **Hon. J J Bossano:** Yes. The capital bond pays the interest on the maturity date and the debenture pays the interest on a monthly basis. That is the difference.

Hon. D A Feetham: My hon. Friend, sir, Mr Figueras, is quite impressed with the word ‘nomenclature’, particularly at this time of the evening! (*Interjections*) Of course, the Leader of the Opposition must remain on his toes at every single moment in time, particularly when he is asking questions of the Father of the House!

3290 Mr Speaker, if I can move on to a related question to the one that I have asked about the Government debentures, in answer to a communique that I issued –

Mr Speaker: We have a problem, and that is that the recording equipment seems to have got... ‘stuck’ is the word.

3295 I was proposing to adjourn to tomorrow morning. Would the Hon. the Leader of the Opposition like to leave this matter to first thing tomorrow morning – unless Mr Bossano cannot be here tomorrow?

Hon. J J Bossano: I was hoping to go to listen to the thing that is going on on self-determination tomorrow morning, which I have got a great interest in.

3300 **Hon. D A Feetham:** Does the Hon. the Speaker of the House want me to continue?

A Member: A five-minute break.

3305 **Hon. D A Feetham:** Or a five minute break. I am just confused as to what is the plan of action. Is it a five-minute break?

3310 **Mr Speaker:** The Hon. the Minister for Employment has now finished with his answer to the Questions. Therefore, it was my intention at this point to adjourn to tomorrow morning – but the Hon. the Leader of the Opposition is raising some other matter.

3315 **Hon. D A Feetham:** No, I am asking him a supplementary on the Question that he has... I am here tomorrow morning, so I do not mind asking the supplementary tomorrow; but of course I want to assist the Hon. the Father of the House because he wants to be at the self-determination symposium. I can either ask the supplementary now, and he can answer it; or alternatively, we can take a five-minute break whilst the technical problems with the recordings are sorted out.

Mr Speaker: Is it a minor hitch...? We will recess for five minutes.

3320 *The House adjourned to Friday 17th October at 9:15a.m. on Thursday 16th October 2014 at 8:25p.m.*