



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.00 p.m. – 7.59 p.m.

Gibraltar, Thursday, 3rd July 2014

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The Gibraltar Parliament

The Parliament met at 4.00 p.m.

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

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

Order of the Day

BILLS

SECOND READING

Appropriation Bill 2014 – Second Reading approved

Clerk: Mr Speaker.

Mr Speaker: Before lunch, the Clerk was cut off before he was able to stand up to proclaim that the Appropriation Act had been given a Second Reading. So for the record he should do so now.

5

Clerk: The Appropriation Act 2014.

COMMITTEE STAGE AND THIRD READING

Appropriation Bill 2014 – Committee Stage and Third Reading to be taken at this sitting

Chief Minister (Hon. F R Picardo): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

10

Mr Speaker: Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

FIRST AND SECOND READING

Tobacco (Amendment No. 2) Bill 2014 – First Reading approved

Clerk: A Bill for an Act to amend the Tobacco Act 1997.
The Hon. the Chief Minister.

15

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Tobacco Act 1997 be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Tobacco Act 1997 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

20 **Clerk:** The Tobacco (Amendment No. 2) Act 2014.

**Tobacco (Amendment No. 2) Bill 2014 –
Second Reading approved**

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

25 Mr Speaker, this is a short Bill, which was published on 3rd June 2014. Hon. Members will therefore note that the six weeks required after publication before the House is able to proceed upon such a Bill have not expired. I therefore yesterday certified this Bill, under section 35 of the Constitution, as one which could not await a longer period for the House's consideration, having consulted previously with the Hon. the Leader of the Opposition and having explained to him the Government's position in respect of this Bill.

30 The fact is, Mr Speaker, as I have indicated to the House, we shall not be calling a meeting for July in order to enable certain of the works to proceed, which are required in the antechamber and for the fitting of a lift to make this place accessible, and as a result this Bill, which could not otherwise be considered until I think the 16th July, could not come to consideration by the floor of the House until the third week of September. The Government considers that in the public interest this Bill needs to be on our Statute Book before then. It relates to issues which pertain to the retailing of tobacco and how that particular commodity can be retailed, and in particular how people, who are holders of tobacco licences, who breach the requirements of the Act are to be dealt with and their ability to dispose of their licences before courts dispose of any matters relating to offences which may have been committed under the Act.

35 The Bill is quite self-explanatory and I have had an indication from the hon. Gentlemen that it enjoys Opposition support. So I do not pretend to say more than that at this stage, although I will deal with any queries that hon. Members opposite may have if they express any.

40 In discussions with my Hon. And Learned Friend, the Minister for Justice, he has indicated a better way of dealing with 6B(1) in a way that is slightly more flexible. So instead of the type of notice that the Collector is going to require retailers to erect on their premises being set out in the legislation, I will be moving an amendment at the Committee Stage, which I am going to attempt to give written notice of in a few moments before we move to that stage, which will take the wording of the notice out of the Act in case it becomes necessary at any stage to make slight amendments as Customs allowances etc change, so that there is not the need to come here to amend the wording.

45 I will propose a wording which will nonetheless require the Collector to publish the type of notice that he wishes retailers to erect in the *Gazette*, as well as giving them notice directly in his discretion as licenceholders. That would be a more flexible way of ensuring that both the community at large and each retailer is notified of any changes and that this House does not need to become involved where simply a small amendment to a notice may be required.

Mr Speaker: Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill?

55 I will now put the question, which is that a Bill for an Act to amend the Tobacco Act 1997 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Tobacco Amendment No. 2 Act 2014.

COMMITTEE STAGE AND THIRD READING

**Tobacco (Amendment No. 2) Bill 2014 –
Committee Stage and Third Reading to be taken at this sitting**

60 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that... oh, hang on. I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

Mr Speaker: Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

FIRST AND SECOND READING

**Commonwealth Park Bill 2014 –
First Reading approved**

65 **Clerk:** A Bill for an Act to establish a park to be known as Commonwealth Park and for connected purposes.

The Hon. the Minister for Health and the Environment.

70 **Minister for Health and the Environment (Hon. Dr J E Cortes):** Mr Speaker I have the honour to move that a Bill for an Act to establish a park, to be known as Commonwealth Park, and for connected purposes be read a first time.

75 **Mr Speaker:** I now put the question, which is that a Bill for an Act to establish a park, to be known as Commonwealth Park, and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Commonwealth Park Act 2014.

**Commonwealth Park Bill 2014 –
Second Reading approved**

80 **Minister for Health and the Environment (Hon. Dr J E Cortes):** Mr Speaker, I have the honour to move that the Bill now be read a second time.

80 Mr Speaker, I mentioned Commonwealth Park extensively in my Budget speech, as have other contributors to this week's Budget debate, so I will keep this brief. In any case, Mr Speaker, it is the thousands of our fellow citizens, especially the hundreds of children who have, through their happy faces, their laughs and their excitement, already indelibly stamped on our community the reality and the success that is Commonwealth Park.

85 Mr Speaker, I have had few more enjoyable moments in my two and a half years as Minister than seeing my three-year-old grandson Ryan running with joy and giggling away as he experienced the grass under his little feet and splashed away in the play fountain. To me, Mr Speaker, that means many times more than all the glum faces, and all the comments of doom, and all the cynicism and all the criticism of the actually relatively little cost from all the Members opposite, and the whole community agrees. Mr Speaker, the Opposition's cynical view of Commonwealth Park, which clearly continues even now, is very reassuring to us on this side of the House as it proves categorically that they are not in touch with the pulse of our community; but that, Mr Speaker, is clearly not good for Gibraltar.

90 Commonwealth Park is an asset to Gibraltar that will bring huge benefits socially and healthwise to the people. It provides an area of beauty, by day and by night, bringing nature into the heart of our city. Mr Speaker, even after its opening, even after it has been so welcomed and acclaimed by our community, Commonwealth Park is still referred to mockingly by the Members opposite, notably by the Opposition spokesman for Health, when she kept on alluding to it in her Budget Speech of just a few days ago, insinuating that the investment in the park had been a waste of money.

100 Mr Speaker, little children, youngsters and teenagers, the middle aged and the elderly are all making use of this incredible new asset. Mr Speaker, people are commenting *no parece Gibraltar*. Well, Mr Speaker, what this Government is doing and what it plans to continue doing is that this sort of thing *si parecerá Gibraltar* will be Gibraltar (*Banging on desks*) because that is a new Gibraltar we are creating – a *different* Gibraltar. A Gibraltar that provides for the wellbeing of its people, to paraphrase the lady opposite, Mr Speaker, *para eso está el dinero, para el pueblo*.

105 Mr Speaker, the lady must clearly not be aware that there are plenty of studies that conclude that trees and green areas in urban settings serve to reduce aggression and improve the health of the surrounding community. Again, Mr Speaker, can the Opposition not take one step away from their obsession with Commonwealth Park and accept that they were wrong? Can they at least, Mr Speaker, support this Bill?

110 Mr Speaker, the response of the public to the park has been tremendous. Clearly it is something that the people wanted and something that the people want to keep; therefore, it is only correct, in the same way as the Alameda Gardens are protected in perpetuity and set out for the enjoyment of the community and visitors alike, well into the future, that this House should legislate to ensure such protection.

Following this, Mr Speaker, the rules of the park will be published in regulations as subsidiary legislation. It is with this purpose of ensuring that any change in use of this new and beautiful asset should

115 require the approval of this House that I commend this Bill to the House, not just for my little Ryan, but for
all the children of Gibraltar for many years to come... nay, Mr Speaker, in perpetuity.

I commend this Bill to the House. (*Banging on desks*)

120 **A Member:** Hear, hear.

Mr Speaker: Before I put the question, does any hon. Member wish to speak on the principles and merits of the Bill?

125 **Hon. D A Feetham:** Mr Speaker, yes.

Well, Mr Speaker, my little Gabriel is actually enjoying the park as we speak. It is his birthday and from Parliament I would like to wish him a very, happy birthday. It is his eighth birthday today (*Banging on desks*) and he too is enjoying the park, Mr Speaker.

130 We have never, Mr Speaker, taken issue with the park. Indeed, I note that the hon. Lady, when it was completed, actually tweeted that it was a very, very nice park. I happen to think it is a very nice park. We all on this side of the House think it is a very nice park, that perhaps we question the Government's priorities in pursuing the project of a park at the expense of perhaps pursuing a different type of project. In terms of its timing the park has gone first when other things that Gibraltar needs could have perhaps been given a greater priority, but nobody takes issue with the park Mr Speaker, and I want to make it absolutely clear.

135 Of course we also took issue with the fact that the way that the hon. Gentleman actually proceeded with the project after the General Election was different to the way that the project was characterised during the General Election, because of course the parking underneath the park mysteriously disappeared after the General Election, when we were telling them before the General Election that it is not possible to build a multi-storey underground car park underneath that park for geological reasons. The hon. Gentlemen... they said, 'No, we have taken expert advice on this and it is perfectly possible', only to bin the idea of the underground car park after they got elected. Perhaps we have been critical of what was, in our view, quite blatant cynicism on their part, but there is nothing wrong with the park and everybody on this side of the House thinks it is a wonderful park.

140 In relation to the Bill, Mr Speaker, when the Bill in relation to Alameda Gardens was brought before this House, my instinct at the time was to vote against the Bill. My instincts were to vote against the Bill because one cannot constitutionally, I thought, and legally I thought it was a complete and utter nonsense to come to this House and say, 'We are going to do something in perpetuity', because you cannot bind a future Parliament and really it was an artificial nonsense. (*Interjection*)

145 At the time I was persuaded by the Hon. the Chief Minister to support it on the basis that actually the wording 'in perpetuity' already existed in the Public Health Act, from which those aspects had actually been extrapolated, and indeed, because of it, we said, 'Right, okay. Well, if it is in the existing legislation already, we are going to be supporting it'. Having had time now to consider the position, to go back and see the reasons why that wording was included in relation to Alameda Gardens, I have to say that my original instinctive reaction to that Bill was absolutely correct, because of course the Public Health Act dated back to the 1950s. The wording of the grant of Alameda Gardens 'in perpetuity' was actually taken from the original grant, the original lease... the original grant from the then British Government to the people of Gibraltar. It was granted... 'Alameda Gardens are granted to the people of Gibraltar in perpetuity' and that then found its way into the legislation, but it does not make it the correct form or sensible form of wording or formula or legislative practice in relation to anything else, Mr Speaker.

155 The reality is that something continues to be so for as long as this Parliament wants it to be so. To say that it is going to remain a park 'in perpetuity' is just a gimmick and a nonsense –

Hon. D J Bossino: It adds nothing.

165 **Hon. D A Feetham:** – and adds absolutely nothing.

Mr Speaker, for those reasons, we are not on this side of the House prone to vote in favour of gimmicks or nonsense and therefore we will not be supporting this Bill.

170 **A Member:** Hear, hear. (*Banging on desks*)

Mr Speaker: Does any other hon. Member wish to speak on the principles and merits of the Bill?

Chief Minister (Hon. F R Picardo): Mr Speaker, thank you so much to the Leader of the Opposition for having confirmed that they are not going to be supporting this Bill on the basis very much that is in

175 keeping with their description of Commonwealth Park, whether his son is there or not, as a vanity project, namely one which was useless and now the Bill to protect it is nonsense.

Well, the Hon. the Leader of the Opposition cannot mean the things that he has said if he has recalled the slightest bit of the constitutional law that he learnt whilst he might have been at University, because it is not nonsense to legislate in perpetuity. One legislates in perpetuity until another Parliament comes and undoes it, unless they do not, in which case legislation will stand in perpetuity. So, Mr Speaker, whether the word ‘perpetuity’ is in the Bill or is not in the Bill is not really a reason for voting in favour or against anything. In fact, what we have seen in the Hon. the Leader of the Opposition is a desire to speak against this Bill and vote against it, full stop. If he had *wanted* really to deal with the issue as a legal issue, he would have said, ‘Look, I have a concern *only* about the word “perpetuity”’. He would not have described it as nonsense and he would have said, ‘I have thought of another word we should use’, and I invite Members opposite to think of making the *small* amendment which would allow the Opposition to support the Bill.

So he has come here wanting to vote against the Commonwealth Park Act, not wanting to be constructive, extending their attitude of lack of support for what is happening at Commonwealth Park *de facto* into now this *de jure* expression of the park which will be the Commonwealth Park Act.

190 Mr Speaker, he says that they supported everything about the park, except perhaps the priority it has had in respect of the Government’s delivery of manifesto commitments. Well, again, Mr Speaker, I cannot take that point seriously. The hon. Gentleman I know likes to do social media mischief by saying, ‘Oh, a park before a power station, isn’t that terrible. A park before a housing estate, isn’t that terrible’.

195 Well, Mr Speaker, things are done when they can be done and some things are easier to do than others. We did not have to decide whether to power the park with diesel or with gas. We have not had to take any legal advice as to where to put the stacks or how high they can be. We have not had to consider with technical experts whether we should have six floors, eight floors or 15 floors on the park. It is a park and it is therefore easier and quicker to deliver than a power station, than a housing estate, or a waste treatment plant or any of the other things which are in our manifesto, which are timed to be delivered during the lifetime of the Parliament and which we are delivering during the lifetime of the Parliament.

200 So he has set up two excuses in order not to support the Bill and they will forever – in fact, Mr Speaker, in perpetuity (*Laughter*) – be in the *Hansard* as nothing more than that, ruses set up to avoid supporting what is, in my view, a very worthy Bill, which will ensure that this green area remains a green area for as long as somebody does not come to this Parliament and persuade the majority that it should be something else, and there maybe circumstances in the future where that is necessary, but we want to add this extra layer of protection for the park. We think it is the right thing to do. The use of the word ‘perpetuity’ in the Alameda Gardens protection in the Public Health Act is a useful model, if that comes from the original grant, well, that is a very good reason for having it in there; if it did not, the fact that we might all want to protect the Alameda Gardens is a very good reason for having it in there. Now that we are, with the opportunity to make this Bill, we want to express it in the terms that will provide the greatest amount of protection for the longest period and we want the Act itself to be a deterrent in the way it is expressed.

210 Mr Speaker, the concept of supremacy of Parliament is extraordinarily clear, from Dicey onwards we have all understood what it meant, and we do not need the Hon. the Leader of the Opposition trying to pretend that the use of the word ‘in perpetuity’ is a legislative device that does anything other than express the wish of this Parliament today, and that is a very good reason, Mr Speaker, because it is the wish of this Parliament today to support this Bill as drafted.

Mr Speaker: The Hon. Sir Peter Caruana.

220 **Hon. Sir P R Caruana:** Obligated, Mr Speaker.

Last night I had dinner in Queensway Quay Marina and as it was such a pleasant evening, my wife and I walked back to Irish Town from Queensway Quay Marina and we routed via the park, which looks absolutely spectacular.

225 Different people would design spatial use differently according to taste; that is true. I would have done one or two things differently, but that is just one person’s preference over another’s. The park, I would rather have seen it where we would have built it, opposite the English Steps and not in Commonwealth Parade. It would not have been as big as this, but it would have been the size of one third of the combined football pitches and the space in between the two. So we can argue about whether the pond is too big or too small whatever. I am not going to submit it to that sort of criticism. It is a beautiful public amenity. I would prefer to see it in a different place, not there, but that also is a matter of opinion. So in signalling to the House that I cannot support this Bill, it is *not* because I am not willing to eulogise one of their flagship projects, which I have just done.

230 Clause 3 of the Bill – notwithstanding that I have heard what the Hon. the Chief Minister has just said – is a legislative nonsense. There is a case for legislating for the park to give yourselves powers to make rules and regulations for its administration or for any other purpose to do with its running or with ... but to

legislate that the Commonwealth Park shall be perpetually set apart for the health, recreation and enjoyment of all persons, the key words there are ‘perpetually set apart’ because a park may not necessarily be for health, recreation and enjoyment. Children may fall over and hurt themselves and that is not for their health or enjoyment. So let us not be pedantic. A park is necessarily for people’s enjoyment and for people’s health, so the purpose of this is not in the words ‘health, recreation and enjoyment’, it is in the words ‘perpetually set apart’, that is the crux of this clause.

It is a legislative nonsense in two respects. First of all, because it is an attempt, which I think he acknowledges is ineffective, but nevertheless an attempt to go as far as he thinks he can into making it as difficult as possible for anybody to do differently, but of course it does not provide any greater protection for the longest possible period because it is still the same seven-day process or whatever it now is following the new constitution – *(Interjection)* Yes, thank you. It is now a six-week process to amend to repeal this Bill as any other Bill.

Nevertheless, the device to try and get everybody in this Parliament to say today that we are all here committed to perpetually set this apart. I am not... I think it is a fantastic facility, but I am not prepared to now commit myself that in three, four or five years’ time there may be a project of greater need for Gibraltar, of greater socio-economic need for Gibraltar that may require some of us, who may be in the House at that time either on this side or on that side in Government, to take the view that the park has got to be made smaller or that that end of it has got to be given up for some other necessary function, it is just an *unreasonable*, in my opinion, thing to say and unnecessary. I think it is unnecessary for the hon. Members to have the credit that they deserve and that the community may choose to give them for having executed this project. I think this is a wholly unnecessary device, which can only have as its objective getting us all to sign with our Parliamentary blood to never undoing a grand GSLP/Liberal alliance Government project. Religiously, I cannot support that, and I do not mean religiously in the church sense, I mean it in the word’s technical meaning. Religiously, I cannot support such a device.

I am told that the hon. Member has asked for words to be suggested in the alternative, and I would propose – and I am not going to make it a formal amendment unless there is an indication that they might be willing to support it... there is no point – that the words ‘perpetually set apart’ shall simply be changed to ‘operated as’. The Commonwealth Park shall be operated as a park for the health, recreation and enjoyment of all persons. Well, fine, Mr Speaker, to the extent that that is acceptable to them, what it means is that the difference between us is in the space between the meaning of ‘operated as’ and ‘perpetually set apart as’, well, that is not just semantics. That is not just semantics, it is about... and I cannot imagine that somebody might want to dismantle all of that park. I can see that in due course there may be a Government that decides that there is too much flat land allocated to it and the use to which it is put does not quite... also an unlikely decision, but possible. I cannot imagine that anyone would want to remove the park from there altogether, but that is not a reason for committing ourselves, us 17 individuals, that there will never be another need of Gibraltar greater than the desirability of this park, desirable as it is, and that is what I have difficulty with.

It is just an unnecessary curtailment of our obligation, as 17 Gibraltarians charged with this Parliamentary governance and those 10 charged with its executive governance, to abrogate our rights to make decisions in accordance with the needs of Gibraltar as they are at the time. I would be making the same point – if this was not about the park – if it was about the price of fish. This is not about the subject matter of the Bill, it is the concept.

Yes, of course I will give way to him, although he did not give way to me this morning. *(Laughter)*

Hon. Chief Minister: Because I knew what you were going to do and if you had not done it, they would not have done what you indicated they had to do.

Mr Speaker, this is about the curtailment of executive power in effect. If he will just bear with me, let me tell him why I think that is the case.

What we are trying to do – and it maybe that there is a measure of agreement that we can reach in what it is that we are trying to do – we are trying to take away from a putative future Chief Minister, who as he knows is the person who would agree that the land could be used for another purpose, the sole decision-making power to decide that park can be something else. So what we are trying to do is not shackle this Parliament, but empower it to be the entity that can decide in future, should those circumstances arise, that the park should be used for something further, because we think this is more than just a plot of land now that the executive can decide to use in a different way... much as the Alameda Gardens – for the reasons we have been discussing before and in another meeting – have also now got that character.

So if he takes that away from my intervention, a form of words that if it is offensive for him to think that we are, with the word ‘perpetuity’, shackling the Parliament in some way, and he can quickly think of a way that actually is empowering the Parliament – like, for example, ‘shall not without the consent of this Parliament be used for a purpose other than to be a park’ – I think maybe that has the effect of empowering the legislature over the executive in respect of this particular plot of land.

Hon. Sir P R Caruana: Mr Speaker, the hon. Member has to understand that I do not speak for the Opposition. I am a backbencher. I do not have a position as spokesman. I think it is clear – (*Interjection*) It is clear that this will be a matter for the Leader of the Opposition and my other colleagues on this side of the House.

But look, I am glad to hear what the Chief Minister has said, because if the object, if the purpose of this Bill is to make the ‘change of use’, for want of a better phrase, away from a park and a decision for the legislature rather than for the executive, I think that that is a legitimate objective. In this and in any other area of executive power that the Government of the day, whoever it is, decides that they want to add what he has called a ‘layer of protection’ from executive whim.

But look, Mr Speaker, if the Bill read, ‘Commonwealth Park shall be operated as...’ to which he could add if he wanted, ‘operated and preserved as a park for the health’, then by the law of Gibraltar the park could not be used; not only could it not be used for anything else without this Bill being repealed, but it would have to continue to be operated as, so they could not even close the park down, let alone use it for something else. They could not cease to operate it as a park, never mind cease to operate it as a park and apply it to some other use. They could not do *either* of those things without repealing this Bill and that would be, in my opinion, a perfectly proper legislative provision – (*Interjection*) Yes.

Hon. Chief Minister: So, Mr Speaker, with that understanding, which is really where we are going –

Hon. Sir P R Caruana: Only with the backbencher.

Hon. Chief Minister: Yes, absolutely.

A Member: Good enough for us.

Hon. Chief Minister: With that understanding, that is where we are going.

The use of the words ‘in perpetuity’ is simply there until a future Parliament wants to undo it. So whether you like it as a device or not, it is removed when a future Parliament removes it. So, with that device, can he just remind me of the words that he was proposing?

A Member: To operate it exclusively –

A Member: Operated as and preserved as –

Hon. Sir P R Caruana: Be careful with the exclusivity, because it means he will not be able to organise certain sorts of events in it. It might be perfectly appropriate. I just think operated exclusively... I mean he can add it if he wants, but he has got to be careful though that there is not a debate.

If the Minister for Heritage decides that he wants to organise a concert there, that someone is not going to have him prosecuted for breaching the Commonwealth Park Act or whatever this is going to be called.

A Member: Commonwealth Park – (*Interjections*)

Hon. Chief Minister: I think that the father of the House...He likes to be referred as such. The Father of the House, the oldest Member sensibly is suggesting that in fact we achieve it by leaving the Bill as it is, and adding the words, ‘shall not without the prior consent of the Parliament be operated other than as...’

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

Hon. Chief Minister: ‘... in perpetuity’.

Hon. Sir Peter Caruana: I am not going to...

Mr Speaker, the Opposition voting against this Bill is not the most important Bill that we will vote against. How much effort the hon. Member thinks it is worth making to obtain the Opposition’s support for this Bill is a matter entirely for them. I will not be supporting a Bill that in my personal opinion purports to bind *this* group of parliamentarians, including me, into what decisions we can make personally about this, as legislators, about the future use of this park.

So if he wants to leave the word ‘perpetuity’... he has expressed to me what is his objective, which as I have understood him was to make sure that an executive could not without the consent of the legislature cease to operate the park or use it for... or the land for any other purpose. I have offered him a formula of words that necessarily achieves that objective. If he wants to continue to put in the word ‘perpetuity’, I do

360 not think it is worth... or ‘perpetually’ or anything like that, which as he knows is a word that gives me difficulty. Fine, they are going to pass the Bill. More important Bills like this have gone through on a Government majority (**Hon. Chief Minister:** Yes, indeed.) and so I do not think it is very ... I leave the decision entirely for him.

Mr Speaker: If no other Member wishes to contribute, I will call upon the mover to reply.

365 **Hon. Dr J E Cortes:** Mr Speaker, I have very little to add to this exchange. I am very pleased of course to have heard the words of praise from both the official Opposition and the hon. the backbencher. The park is, as I said, for all of Gibraltar to enjoy, including, of course, the Members opposite. They have recognised the value and the beauty today, I think probably for the first time.

370 I think we have discussed the issue of change in words, and having had a brief discussion I am persuaded that we should keep it as it is. Mr Speaker, after all, it is Parliament at this point in time that decides that it shall be perpetually set apart. A Parliament in another point in time can take a different decision and then they have every right to come here and change that; but if the majority of this House feels that this is correct, then that is the decision that we have to take.

375 So I will leave it at that and when I am asked to, I will give notice for the Committee Stage and Third Reading.

Hon. Sir P R Caruana: Would the hon. Gentleman give way to me just before he sits down?

380 **Hon. Dr J E Cortes:** Yes.

Hon. Sir P R Caruana: I would qualify what he has said with these words: it is true that future Parliaments are not prevented from repealing this Act, but he *personally*, and I *personally* and anybody who votes in favour of this Bill *personally*, will have the legal power to do it, but they will be countermanding their own vote today. (*Interjection*)

385 Their own vote today was that it should be perpetual. If any of the people here in the future vote for this land to be used for any other purpose, they will be contradicting themselves in a way, yes; but his recognition, his *recognition* that he will be free to do that with just a shrug of the shoulders is the very purpose... is exactly the very same argument why we say it is unnecessary. I am grateful to him for letting me interrupt him.

390 **Hon. Dr J E Cortes:** Mr Speaker, the shrug of the shoulders was in no way meant to be offensive. It was saying... well, you know, these are –

395 **Hon. Sir P R Caruana:** No, it was not the shrug... I did not interpret it as offensive. The shrug I interpreted to mean that it could easily be done and – (*Interjection*)

Hon. D A Feetham: Will you give way?

400 Mr Speaker, I have very patiently listened to the exchanges between the hon. the backbencher and the Minister (*Interjection*) and also the Chief Minister – (*Interjection*) Absolutely. I have not wanted to intervene to see whether some measure of agreement could have been reached that would have been acceptable to the rest of the Opposition as well. I have to say that we have absolutely no difficulty with the wording that the hon. the backbencher has suggested. From the very beginning I have said that it is the word ‘perpetually’ that we find, as the Opposition, offensive, and that is the reason why we are voting against the Bill. But I wanted to make the position clear, less it be suggested that somehow the rest of the Opposition are not being reasonable by not – (*Interjection*) I beg your pardon? (*Interjections*) Yes.

405 Of course I want to add this as well, that simply because we are voting against the Bill, and I think that for the reasons that I have said during the course of my own intervention and I think it was clear from my own intervention, does not mean that we have any intention should we win the Election in a year’s time to bulldoze the park and build blocks of flats. (*Interjections*)

410 I have to say, Mr Speaker – (*Interjections*) Mr Speaker, I have to say, and I speak only for myself in relation to this, because one never knows what the position is going to be. I speak for myself. I think it is an excellent idea. It is an excellent park and I would not wish to see it used for any other purpose, but the reality is that what I would not wish to do, which is what I said during the course of my intervention, is do anything that can be interpreted as binding us in any way, shape or form in the future.

415 And of course I also think that it is a legalistic nonsense to add the word ‘perpetually’ and for those reasons we are voting against it. But there is no intention, and I want to make it absolutely clear, after the next General Election to go in with the bulldozers and bulldoze the entire park – that is not the point. (*Interjection*)

420 **A Member:** You will give way back to somebody –

Hon. Dr J E Cortes: No, I am giving my way back to the Chief Minister.

425 **Hon. Chief Minister:** Mr Speaker, at least now it is clear that what they want to do is pretend until the next Election that they are not going to bulldoze the park, but leave themselves the doors open after the next Election for the possibility of bulldozing the park, and I thank hon. Members opposite for making their position clear.

430 Why it is they cannot live with the word ‘perpetually’... I am minded to move an amendment to include the words ‘eternally, until Armageddon or salvation come uponeth the whole of the world for all time’, but I think given that I do not think they stand a chance of winning the next Election, we are alright with ‘perpetually’.

Dr J E Cortes: *Per omnia secula seculorum* Mr Speaker, I have nothing further to add, so I will wait to be called to give notice for Committee Stage.

435 **Mr Speaker:** I now put the question, which is that a Bill for an Act to establish a park to be known as Commonwealth Park, and for connected purposes, be read a second time. Those in favour? (**Government Members:** Aye.) Those against? (**Opposition Members:** No.) The Opposition are...?

440 **Hon. D A Feetham:** No.

Mr Speaker: Carried by Government majority.

Clerk: The Commonwealth Park Act 2014.

COMMITTEE STAGE AND THIRD READING

Commonwealth Park Bill 2014 – Committee Stage and Third Reading to be taken at this sitting

445 **Minister for Health and the Environment (Hon. Dr J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

Mr Speaker: Are all hon. Members agreed that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

FIRST AND SECOND READING

Income Tax (Amendment) Bill 2014 – First Reading approved

450 **Clerk:** A Bill for an Act to amend the Income Tax Act 2010.
The Hon. the Minister for Financial Services and Gaming.

Minister for Financial Services and Gaming (Hon. A J Isola): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Income Tax Act 2010 be read a first time.

455 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Income Tax Act 2010 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Income Tax Amendment Act 2014.

**Income Tax (Amendment) Bill 2014 –
Second Reading approved**

460 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I have the honour to move that the Bill now be read a second time.

Mr Speaker, the principal purpose of this Bill is to enable QNUPS, Qualifying Non-UK Pension Schemes, to be offered from Gibraltar. Hon. Members will be aware that QNUPS are pension schemes established in a country or territory outside the United Kingdom and which must fulfil certain conditions in order to be recognised in the United Kingdom. Indeed, Mr Speaker, as the Government announced in early
465 March, we have been in consultation with the Gibraltar Association of Pension Fund Administrators and in discussions with HM Revenue and Customs in order to enable to allow Gibraltar based QNUPS to be recognised in the United Kingdom.

Broadly, Mr Speaker, QNUPS recognition can be achieved, among other ways, by fulfilling the following two conditions: (1) The scheme must be open to persons resident in the country or territory in which it is established; and (2) the scheme is liable to taxation on its income, which we have set at 2.5%, as indeed we did with QROPS in 2012 and either of the following conditions: (i) the scheme is approved or recognised by or registered with the relevant tax authorities in the jurisdiction in which it is based; or (ii) the scheme rules must provide that at least 70% of the member's relevant scheme are designed to provide a lifetime income. The new Section 14B of the Act will amply provide for these and other conditions to be
470 met.

Mr Speaker, QNUPS are highly attractive for a number of reasons, not least because they can invest in a wide range of assets and because they are exempt from United Kingdom inheritance tax on a member's death. The fact that we will now be able to offer these pensions schemes from here is an important step, a further step in establishing Gibraltar as an international pensions centre.

480 Mr Speaker, I should mention that the Government has taken this opportunity to amend section 14A, which allowed for QROPS, Qualified Recognised Overseas Pension Schemes, to be recognised in order to clarify the language regarding the jurisdiction from which funds in the scheme may be transferred. Specifically, these amendments are subsections (2) and (5) of section 14A. The amendments do not alter the substance of the transfer jurisdiction provision.

485 Also as regards 14A, we are introducing an amendment to allow the Commissioner of Income Tax to vary the commutation percentage of 30% in case of any changes that are made in the United Kingdom legislation. This amendment is to be found in subsection (3)(a) of section 14A. Incidentally, this flexibility for the Commissioner is included in the new section 14B. We will of course keep QROPS and QROPS legislation in the United Kingdom under review and introduce any needed changes to our own legislation as and when those may be required.

490 Finally, Mr Speaker, you will note that I am moving three amendments to the Bill. The first is simply to capitalise 'tax' in the long title. This is in a letter, Mr Speaker, that I have forwarded to the Speaker and I have copied the hon. Member on 24th June.

495 The second and third is remove the wording 'as to residency' since it might be taken to mean that the source of income could only be funded by a resident of the United Kingdom or Gibraltar, something which is not required by the UK's QNUPS legislation and which would therefore unnecessarily restrict QNUPS offerings. The substitute wording makes a reference to the UK's statutory instrument that sets out the actual criteria for QNUPS.

500 Mr Speaker, I would like to say how happy I am with the efforts of the Finance Centre executives, in particular in this case, Mr Michael Ashton, in bringing to fruition this exciting development for the pensions industry in Gibraltar.

Mr Speaker, I commend this Bill to the House. (*Banging on desks*)

505 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill?

Hon. D J Bossino: Yes, Mr Speaker.

510 The Opposition will be voting in favour of the Bill. I have had the opportunity of discussing the provisions contained in it with the Hon. the Minister for Financial Services, who has just spoken on the Bill, and I need to recognise, acknowledge and thank him and his team, in particular Mr Lloyd DeVincenzi, who wrote to him in relation to the points that I raised yesterday by e-mail, in respect of which I think all of them have been addressed.

515 But simply to refer to some of them, for example, I think clause 2(a) which amends the wording in section 14A of the Income Tax Act is a very helpful amendment indeed. Mr DeVincenzi is absolutely right when he says that that particular clause... section rather, required clarification. I can understand why it would have been confusing to both practitioners and those in the Income Tax office, having read through it,

and indeed the Minister and I had opposite interpretations as to the effect of that particular wording and I think that the amendment, as it currently stands, clarifies the issue very satisfactorily.

520 I also raised a point in relation to clause 2(c), which says that for the purposes of this section, ‘the term “country, territory or jurisdiction of the European Union”’, which appears in the previous section, ‘means the United Kingdom’. I simply asked why is it exclusionary of all other states within the EU. It has been explained to me. At the moment it only relates to the UK, but the wording would remain as it stands in order to give the relevant authorities the flexibility to add other states of the EU, and I think that is something which ought to be welcomed and I accept the explanation given by the Hon. Minister’s team in
525 relation to that.

Mr Speaker, clause 2(d) of the Bill... yes, which is in effect the entirety of new section 14B or soon to be new section 14B, which is in effect, as it has been explained, introduces into the Statute Book the QNUPS products. My question was the wording as it stands. The wording of soon to be section 14B is very similar to section 14A, which is currently in the Statute Book. I do not understand, given the very difference
530 in substance in terms of the wording, why there was a need for an entire new section. That again has been addressed and explained to me and I am happy to accept and vote in favour of the wording as it currently stands, subject to the amendments, which have been moved by the Minister and given notice to me today. I daresay some of them, I think, as a result of some of the points that I hopefully helpfully made to the Minister yesterday.

535 Mr Speaker, there is also a reference to a Statutory Instrument, which is then defined as meaning the Statutory Instrument enforcing the United Kingdom in the exercise of the powers conferred by the relevant section of the Inheritance Tax 1984, which is the English statutory provision. I think that is very useful and it ought to be there and it is something which I welcome in terms of the drafting.

540 An explanation has also been given, which again is satisfactory, as to why it is that it is going to be... that this particular provision is going to have retrospective effect to 6th April 2006, which also features in section 14A and it has got to do with the dove-tailing of the provisions as they stand in England and Wales.

So, for all of those reasons, I am very happy with the Bill as it currently stands and the Opposition is equally happy to be supporting it.

545 **Mr Speaker:** Does the mover wish to reply?

Hon. A J Isola: Mr Speaker, just very briefly.

I am grateful to the hon. Members for their support. In effect the 14A and the 14B, one strand of the 14A is for QROPS and the 14B is for QNUPS, in effect replicating the main difference being that in 14B there is reference, as the hon. Member has said, to the Statutory Instrument which sets out the criteria in the United Kingdom legislation as to what is required for a pension scheme to qualify as a QNUP.
550

Mr Speaker, the changes that have been made to 14A are basically to simplify and clarify some of the language and I am grateful to the Members. I do not think there is anything further to add.

555 I am excited by yet another product. Obviously as hon. Members will know, the QROPS that were introduced by my Learned Friend, my predecessor the Hon. Mr Licudi, have proved extremely successful with the pensions industry. We have a number of schemes that are leaving one of our major competitors, Malta, trailing in our wake, and the number of members of each of those schemes is growing at an alarming rate. So I am delighted with the success of the QROPS product and I am very much looking forward to QNUPS doing equally the same for our pension’s community, Mr Speaker. *(Banging on desks)*
560

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Income Tax Act 2010 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Income Tax Amendment Act 2014.

COMMITTEE STAGE AND THIRD READING

Income Tax (Amendment) Bill 2014 – Committee Stage and Third Reading to be taken at this sitting

565 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

Mr Speaker: Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

COMMITTEE STAGE

**Appropriation Bill 2014;
Tobacco (Amendment No. 2) Bill 2014;
Commonwealth Park Bill 2014;
Income Tax (Amendment) Bill 2014**

570 **Clerk:** Committee Stage and Third Reading.
The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that the House should
575 resolve itself into Committee to consider the following Bills clause by clause: the Appropriation Bill 2014;
the Tobacco (Amendment No. 2) Bill 2014; the Commonwealth Park Bill 2014; as well as the Income Tax
(Amendment) Bill 2014.

In Committee of the whole Parliament

**Appropriation Bill 2014 –
Clauses considered and approved**

Clerk: A Bill for an Act to appropriate sums of money to the service of the year ending on
31st March 2015 and further sums of money to the service of the year ending 31st March 2013.
580 Clause 1.

Mr Chairman: Stands part of the Bill.

Clerk: Clause 2 – Head 1, Treasury, subhead 1, Payroll.

585 **Mr Chairman:** Stands part of the Bill.
I shall be saying ‘stands part of the Bill’, unless some hon. Member indicates that they wish to rise to
raise any matter.

Clerk: Subhead 2, Other Charges.

590

Mr Chairman: Stands part of the Bill.

Clerk: Head 2, No. 6 Convent Place, subhead 1, Payroll.

595

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

600

Mr Chairman: Stands part of the Bill.

Hon. Mrs I M Ellul-Hammond: Mr Chairman –

Mr Chairman: The Hon. Mrs Ellul-Hammond.

605

Hon. Mrs I M Ellul-Hammond: Mr Chairman, with regard to Other Charges, 14 Grants (b) Other
Grants and Donations, the estimate was for £530,000 and the forecast outturn was £815,000. And again,
there is an increase for the estimate this year. Could the Hon. the Chief Minister provide a reason as to why
it has increased? Are there new beneficiaries as part of the donations and could he provide a list and
amounts for them, please?

610

Chief Minister (Hon. F R Picardo): Yes, Mr Chairman.

These are, as she rightly says, the annual grants. Some of them have increased and some of them are the
same. They do not all increase. There is, for example, here the one that has increased, which I think is the
one responsible for the increase, is the Multiple Sclerosis Therapy Centre increase, which goes up to

615 £468,000. This is the provision of oxygen, which is not done through the GHA. It is not funded through the GHA now, it is funded through here, and I think that is what results in the increase.

Mr Chairman: Any other questions?
Other Charges, stands part of the Bill.

620

Clerk: Head 3, Customs subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

625

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

630

Clerk: Head 4, Broadcasting, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

635

Mr Chairman: Stands part of the Bill.

Clerk: Head 5, Income Tax, subhead 1, Payroll.

640

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

645

Clerk: Head 6, Parliament, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

650

Mr Chairman: Stands part of the Bill.

Clerk: Head 7, Human Resources, subhead 1, Payroll.

655

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

660

Clerk: Head 6, Immigration and Civil Status, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

665

Clerk: Subhead 2, Other charges.

Mr Chairman: Stands part of the Bill.

670

Clerk: Head 9, Financial Secretary's Office, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

675 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 10, Procurement Office, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

680 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

685 **Clerk:** Head 11, Civil Aviation, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

690 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 12, Town Planning and Building Control, subhead 1, Payroll.

695 **Mr Chairman:** The Hon. Selwyn Figueras? No.
Payroll, stands part of the Bill.

Clerk: Subhead 2, Other Charges.

700 **Mr Chairman:** The Hon. Selwyn Figueras.

Hon. S M Figueras: Yes, Mr Chairman, I am grateful.

As I indicated earlier today during the Chief Minister's reply, in subhead 2(b) Land and Property Management shows an overspend of £620,000 over the estimate and the Hon. Chief Minister did indicate that... did explain certain reasons why there was an overspend. Is this the entry for that overspend?

705

Chief Minister (Hon. F R Picardo): Yes, Mr Chairman.

Mr Chairman: Other Charges, stands part of the Bill.

710 **Clerk:** Head 13, Health, subhead 1, Payroll.

Mr Chairman: Payroll, stands part of the Bill.

715 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 14, Environment, subhead 1, Payroll.

720 **Mr Chairman:** The Hon. Mr Jaime Netto.

Hon. J J Netto: Yes, thank you, Mr Chairman.

In relation to Head 1(a) Salaries for the Ministry, we have an estimate for 2013-14 of £46,000 and a forecast outturn of £46,000 and yet the estimate for this new financial year is £72,000. Could we have an explanation for the increase?

725

Minister for Health and the Environment (Hon. Dr J E Cortes): If you look at the establishment, Mr Chairman, there are two new Environmental Protection Officers and one additional Executive Officer and that makes up, I believe, the difference.

730

Hon. J J Netto: I am not quite sure I follow the Minister because the one I have quoted, which is 1(a) Salaries, is in relation to the Ministry and if the Minister looks at the establishment figures at the beginning

of the page, it is exactly the same number. So we are not talking about the staff members in the Department, we are talking about the Ministry. So the numbers are the same, but there is an increase in the figures. So what is the explanation?

Hon. Dr J E Cortes: Yes, sorry, I get it now.
There is now the PA of the Minister, who is now an HEO grade, rather than an EO grade.

Mr Chairman: Is there any other question?
Payroll, stands part of the Bill. Yes?

Hon. J J Netto: Sorry, there is one other issue I would also like some explanation, if I may, Mr Chairman?

In relation to 1(e) Salaries, which is the salaries of the Department we are talking about here. We had an estimate for 2013-14 of £710,000. We have the forecast outturn, which comes to a lower figure, and yet we have an estimate of £900,000. Again here, if we actually look at the figures for the establishment figures, it has only gone up by two particular persons, so it is basically a jump of £900,000 against a forecast outturn of £662,000. It is quite an extraordinary tall figure and I would like some explanation.

Hon. Dr J E Cortes: Yes, Mr Chairman.

I am advised that there we do have the additional Environmental Protection Officers. I am also advised that the Senior Officer's salary was last year being filled on an acting capacity and the actual salary of the Senior Officer, who had been seconded to the Care Agency, was shown elsewhere. That is the explanation for that difference.

Hon. J J Netto: I am sure there must be more than that explanation, Mr Chairman, because even if we add two extra bodies... the wages for two extra bodies, and if we take into account the comment on the Chief Executive, it still could not account for the difference between the estimate and the forecast outturn. It is just too big a figure.

Hon. Dr J E Cortes: It also takes account of the vacancies that there have been that are now coming in and I believe it also takes account of the possibility of taking on more Environmental Protection Officers.

Hon. J J Netto: What vacancies are coming in, because it is not reflected in the establishment figures?

Hon. Dr J E Cortes: The establishment figures show the posts, but it does not reflect whether any of those were vacant during the course of the year.

Mr Chairman: Payroll, stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Hon. J J Netto: Yes, Mr Chairman.

Could I ask in relation to 2(a)(iii) Enforcement and Diving Section, there is an entry, which is a new entry, of £20,000. Could the Hon. Minister please explain what is envisaged will be happening during the course of this financial year with regard to this amount of money?

Hon. Dr J E Cortes: Certainly the Enforcement Officers came in during... I think halfway through last year and therefore that is another reason why it did not reflect in the earlier question. This is a new section which is carrying out enforcement of different bits of legislation, as I described in my Budget address, and also the diving section, which is now carrying out things like, for example, the translocation of certain species when they have to be moved for some development. They are doing monitoring, tagging of underwater structures, like reefs and so on, so that is a *new* activity which is very new and just came in during the latter part of the last year, and that is what that is about.

Hon. J J Netto: Mr Chairman, if I could move the Hon. Minister to item 2(3)(c) Air Quality Monitoring, it goes from an estimate 2013-14 of £363,000, which also shows the same forecast outturn, but there is an increase in the estimate for the new financial year of £440,000 – almost, say, £100,000 more. Could the Minister please enlighten us as to why?

Hon. Dr J E Cortes: Yes, I did mention this in my speech as well. This is the purchase of new equipment to be able to fulfil our obligations under EU and to extend the monitoring to other substances,

795 for example, metals, throughout Gibraltar, and not just in one or two areas. So it is to do with improving the
air quality monitoring, which obviously will have the ultimate effect of informing how we improve the air
quality.

Hon. J J Netto: In relation to item 2(3)(e)(i) the running of the Alameda Gardens, Mr Chairman, we see
800 the difference between a forecast outturn of £900,000 to an estimate of £1,105,000. Could the Minister
please provide some information as to why there is increase in the expenditure?

Hon. Dr J E Cortes: Yes, it was the estimate the previous year. There were a number of vacancies
which had not been filled which now are going to be filled.

805 Also the 200th anniversary of the Alameda Gardens is coming up in April 2016 and this will allow
certain works to be carried out in preparation for that. I am sure that the hon. Member welcomes the fact, as
he had criticised the Alameda Gardens, that there is going to be some more investment this year.

Hon. J J Netto: Does it mean that the new investment is to do with the particular pathways of Alameda
810 or to do... what is extra?

Hon. Dr J E Cortes: I am not sure of the detail, but I am happy to provide him with that information if
he writes to me, but obviously I am not sure of all the details and what that is going to concern. I believe it
does involve some repair to pathways, but I stand to be corrected.

815 **Hon. J J Netto:** Mr Chairman, in relation to item 2(3)(f) Apes Management Expenses, Healthcare and
Food, we have a forecast outturn of £180,000, yet the estimate is £300,000. Can the Minister provide some
explanation?

820 **Hon. Dr J E Cortes:** Certainly, again the estimate the previous year was £273,000. This has two main
elements in it: (1) it brings in the Ape Management Plan, which he is very keen to see and which he will see
very soon; and (2) this takes account of the Gibraltar side costs of the export operation, which we are
planning for a few months' time.

825 **Hon. J J Netto:** Mr Chairman, in my Budget address, one of the things I criticised the Minister for was
the question of the GONHS contract in relation to the culling of seagulls. What I did mention at the time
was the fact that in previous years I think the contract originally that GONHS used to have for the culling of
seagulls was something to the tune of £100,000 and the FERA company had something like £110,000.

830 We have noticed by the figures provided by the Minister that the FERA company now does not exist.
GONHS seems to have subsumed both the amount of money that they had before in GONHS, plus the
FERA company, and they are culling much less seagulls than they used to do before for less money.
Therefore I think it is not a value for money initiative in having terminated the FERA contract because we
have one company only doing much less than what they used to do before.

835 Given the criticism, how is the Minister going to account for the fact that we are putting basically the
two budgets that existed before in the two companies into one, GONHS, whilst we are having less culling
of seagulls?

Hon. Dr J E Cortes: Mr Chairman, the FERA used to take in the first year a lot more... I think it was
close on £200,000 or £199,000 for a six-week contract, so obviously value for money is something that I
think we had better not talk about.

840 But certainly the details of how this is going to be broken up, that does not necessarily mean that all this
money is going into one contract. The details of how this is going to be broken up and so on are being
discussed by the Department's Chief Executive and during the course of this year she hopes to roll out a
gull culling operation which will show figures.

845 Clearly, obviously of course, if figures for culling drop it could be one of two things: it could be less
effort or if the effort is the same, fewer gulls. This is a study that has to be carried out. This figure includes
a study to see how successful the gull culling is in real terms, but it is something that is still being sorted
out.

850 **Hon. J J Netto:** Mr Chairman, with all respect to the Hon. Minister, if he wants to do any more study,
he should have done the study before he took the FERA company out from providing such a service.

The question that the Minister really needs to state is whether GONHS needs to employ many more
people to compensate for the loss of the FERA company in order to match the figures that both FERA and
GONHS used to cull before.

855 **Hon. Dr J E Cortes:** I am wary of going into too much detail in this particular Bill, but if he writes to me, I am happy to give him more detail.

I must say that there was a study carried out before, but in this kind of study you have to do it regularly because you have to chart the trend and see how populations are changing. So a study was done before, but you have to do this regularly and I am sure that the hon. Member agrees.

860 As I say, the details are being dealt with by the Chief Executive, not by me personally. So if he does want more details and he writes to me, I will ask Dr Torres to draft a reply that will satisfy his questions.

Hon. J J Netto: Mr Chairman, as far as satisfaction I will certainly be raising questions in Parliament in the future, rather than writing letters.

865 But can I move on to item 3(l) in relation to conservation measures? I know that there is an entry, it could be a nominal entry of £1,000, but given that there is an idea of doing some particular projects on conservation, could perhaps the Minister provide some information?

Hon. Dr J E Cortes: Thank you.

870 It is a nominal sum. If you consider that we are at the point of publishing an Upper Rock Management Plan, which is not yet totally costed, that is the main reason for having that token entry there.

Hon. J J Netto: Mr Chairman, finally on 2(4)(f) Commonwealth Park, I see that there is an entry for the maintenance of the park of £100,000, but if I do recall in answer to one of my questions by the Hon. the Minister, I think he did say that the maintenance would be £160,000. If I am right, does it mean that we need to amend this particular figure?

880 **Hon. Dr J E Cortes:** No, Mr Chairman. This document was obviously prepared before the tender process had run its course and because there is some flexibility in the upkeep of planted areas and so on, the intention is to keep it within the Department's budget.

Mr Chairman: Other Charges, stands part of the Bill.

Clerk: Head 15, Equality and Social Services, subhead 1, Payroll.

885 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

890 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to Other Charges 2(7) Equality, there is a figure for £100,000. Could the Hon. Minister say what this is for?

895 **Minister for Equality, Social Services and the Elderly (Hon. Miss S J Sacramento):** It is the same figure as last year, Mr Chairman. I recall that the hon. Lady asked me the same question last year and the answer is the same as it was last year. It is projects that we have in the forthcoming year. Some of them which had been planned this year. We have not been able to undertake all of them, but certainly the intention is to undertake them this year. A lot of it will have to do with the establishment of a Commission – (**Hon. Mrs I M Ellul-Hammond:** And conferences?) Yes, and conferences and awareness initiatives related to the projects.

900 **Mr Chairman:** Other Charges, stands part of the Bill.

Clerk: Head 16, Education, subhead 1, Payroll.

905 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Hon. E J Reyes: Mr Chairman, if I may?

910 On Head 2(12), there is an entry for contract officers of £46,000. Can the Hon. Minister please enlighten us a bit more on what the £46,000 entails?

Minister for Education, Telecommunications and Justice (Hon. G H Licudi): Yes, Mr Chairman.

This relates to the educational psychologist who has been recently engaged on a contract. She has in fact replaced a previous educational psychologist who was also on a contract and so it is not new money. The

915 previous payment was made, I believe, under Salaries. We were told that this was incorrect because it is a contract position and therefore it should be reflected separately. So it is the same position, but a new person having taken a new contract and being reflected in a different way.

920 **Hon. E J Reyes:** I am grateful, Mr Chairman, to hear he has the accounting staff, who obviously advise us on where to best charge it.

Just below that one, Head 2(13), there is a forecast outturn in respect of relief cover of £23,000 having been incurred in the last financial year, and yet once again we revert back to the previous estimate of only £1,000. So if we are only expecting £1,000 as well, why was there an additional expense of £22,000 occurring in the last financial year? Can the Minister assure us that this was just a one-off expense incurred and not something that is foreseen, otherwise I am sure his estimate figure would have been a bit higher?

925 **Hon. G H Licudi:** Yes, Mr Chairman.

This is for relief cover. There was a token amount set out at the beginning of the year because we do not know. This is, I understand, administrative cover that was supplied by a private contractor. At the beginning of the year we do not know how much relief we are going to require. This is the amount that was actually expended last year and again we are providing the usual token cover next year because we do not know exactly how much relief cover will be required.

930 **Hon. E J Reyes:** Yes, but Mr Chairman.

I am not quite certain. The Minister has just said it was in respect of administrative cover by a private provider, as opposed to being teaching cover, and it is completely different to cover by teachers. What sort of administrative cover was needed that we had to engage a private contractor?

940 **Hon. G H Licudi:** Yes, certainly. The teaching cover is provided elsewhere under Payroll, in particular cover for maternity/paternity, which is £530,000, and temporary cover for other absences, £400,000, which is due for this year. This is generally the supply list which we now do, particularly for maternity leave, we do on a contract basis because we know how long the person is going out on maternity leave. Whenever teachers go off sick there is certainly a supply list which continues to be used, as the hon. Member well knows. So that provision for teachers is covered separately and this is purely for administrative cover when it is needed.

945 **Hon. E J Reyes:** So may I rephrase my question? What is meant by administrative cover? Does it mean clerks of the Department of Education? What is meant?

950 **Hon. G H Licudi:** Yes, it is essentially clerical workers within the Department of Education and within the school environment. Clerical where there is either maternity leave or extended sick leave and there is a need for a cover, but separately from the teaching cover, which is provided from the supply list and which is provided for separately.

955 **Hon. E J Reyes:** Am I right then, Mr Chairman? Indeed, I think the Minister mentioned that this was contracted through a private supplier or whatever, so it is not like the teacher supply where you put your name down on a list and then if need be you are called up, this is done through an agency. If that is the case, because these relief cover in schools could end up having contact with pupils and so on, is there any type of vetting or whatever, given the proximity with young school children involved?

960 **Minister for Enterprise, Training, Employment and Health & Safety (Hon. J J Bossano):** This was a decision that was taken a couple of years ago, which I think we mentioned when we introduced it for the first time, which was that there were some Departments that had a relief cover vote predominantly to cover office staff. In other Departments when office staff was away on sickness or other absences, the remaining staff were simply expected to cover the workload with whatever was left. We decided to standardise the procedure and every single Department now has a relief cover Head, but it is primarily the clerical staff in the headquarters and it might mean also the cover, for example, of a school secretary. But the people who do that cover are in fact people that are recruited through an agency and they cover throughout the Government, not just in the Education Department.

970 **Mr Chairman:** Other Charges, stands part of the Bill.

Clerk: Head 17, Policing, subhead 1, Payroll.

975 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

980 **Clerk:** Head 18, Prison, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

985 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 19, Gibraltar Law Courts, subhead 1, Payroll.

990 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

995 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 20, Gibraltar Regulatory Authority, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1000 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1005 **Clerk:** Head 21, Attorney General's Chambers, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1010 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 22, Justice, subhead 1, Payroll.

1015 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1020 **Clerk:** Head 23, Social Security, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1025 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 24, Employment and Labour, subhead 1, Payroll.

1030 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1035 **Hon. J J Bossano:** Mr Chairman, in my contribution I mentioned that the Head had kept within the approved Budget and that there was little change for this year. When the Hon. Member opposite Mr Bossino spoke, he said that the Employment and Labour Department had seen a 15-fold increase in

1040 expenditure. A 15-fold increase in expenditure would mean that the vote was going up from £60 million to £234 million, which would make it 50% of the entire Budget. I do not quite know how he got that figure, but I hope he does not think he is voting to spend £234 million in the Employment and Labour Head. I do not understand how he calculated that there had been an increase of £32.5 million.

1045 So since clearly this thing was set in the general principles of the Bill, and we have now come to this point and the figures are in front of us, I would welcome clarification to see if somebody in my Department has been going up by 15-fold or is going to be spending £32.5 million without my knowing it. I want to find out.

Hon. D J Bossino: Mr Chairman, the spots are very much there. (*Laughter*) Still.

In relation to this, it is interesting that the Opposition is now answering questions of the Government; it should be the other way – (*Interjection*) Exactly. We are preparing and readying us for Government.

1050 Mr Chairman, in relation to the 15-fold increase, the point I made was that it is a 15-fold increase from where we left it, and that is –

Hon. J J Bossano: In this Department?

1055 **Hon. D J Bossino:** Yes, that is the point I made and wonder if that exists.

But given, and I was going to... I toyed with the idea of raising the point and in the event I thought I will raise it some other time, but given that he has given me the opportunity, I will ask him this. He gave an explanation in relation to the staff complement. He gave an explanation I think as to where the AAs, the Administrative Assistants... I think he said they would be distributed to other Departments, but can he give an explanation as to why he feels that there is no need for them in his Department? As I understand it, the intended position is that they would go down from currently a complement of 25 AAs in his Department down to one.

1060 **Hon. J J Bossano:** Yes, because it is going back to what it was before. It went up. It went up as a temporary measure, and I explained it in last year's Budget, but since there is not an increase this year of £32.5 million to my knowledge, and he is responsible for the things that he says in this House and we are now at the point of approving the expenditure, if he thinks he is approving an increase of £32.5 million, I would like to know where he got the £32.5 million from.

1065 Surely, Mr Chairman, if he has stated in Parliament in the general principles of this Bill that the vote has gone up by £32.5 million, he has to make himself responsible for the things he says. If he has made the figure up, he should retract it.

1070 **Hon. D J Bossino:** Mr Chairman, he is obviously – as I pointed out to him during the course of my intervention – more used to being on this side of the House than on that side of the House. He seems to be very intent in asking questions. (*Banging on desks*)

1075 I really do not recall referring to that figure in terms of expenditure, the £32.5 million. I will check my notes, but I do not recall making a reference to that particular figure. The *Hansard* is there, but I will check my notes as to what I intended to say. If I said that figure, it may have been uttered in error, but I will double check it. I will write to him.

1080 **Hon. J J Bossano:** I suggest if he gave wrong information that he should stand up the next time and retract it.

Hon. D J Bossino: I will check it.

1085 **Mr Chairman:** Is there any other question under Other Charges?

Hon. J J Netto: Yes, Mr Chairman.

1090 **Mr Chairman:** The Hon. Jaime Netto.

Hon. J J Netto: I am not quite sure whether we are dealing with Other Charges or not. Are we on Other Charges?

1095 Can I therefore raise one particular question in relation to 2, 8 and 9? These are sums of money, which in the last financial year were allocated to Head 14 Environment, under the title of Relief Cover. I am trying to get my head around this issue as to what is the relief cover that was being provided last year by the Environment Department and then why has it been transferred over to Employment.

Hon. J J Bossano: No, I think the hon. Member, Mr Chairman, is misreading the footnote.

1100 What has been transferred is not the relief cover; the relief cover was there already last year. There was a token vote of £1,000 and during the year £14,000 was spent because there were people absent on maternity leave and sick leave, and again there is a vote of £1,000 this year.

The footnote refers to subheads 8 and 9, which is Gibraltar General Support Services and Gibraltar Cleansing Services, which comes to £2 million, which was previously in the Environment.

1105 **Hon. J J Netto:** That is right. So what is it that this particular company, Gibraltar General Services Limited, will be providing for? (*Interjection*)

Hon. J J Bossano: Mr Chairman, if the hon. Member remembers anything from the time that he was in Government, he will remember that when employees were moved from one Head to another, there was always a footnote telling you where you could find them in the previous estimates.

1110 The footnote here tells you that if you look at the outturn for the Environment you will find that there are disappearing subheads, which are now appearing in this one. It happens every year. It happens throughout the Departments and it happened when he was in Government and all it means is that the responsibility for a particular activity is now under me, as opposed to being under the Employment for the Environment. Nothing else has changed.

1115

Hon. Dr J E Cortes: If I may assist,

1120 I think that previous to it being the Environment in the year before we came into Government, the budget was under Technical Services. It is only because some of the activities that they do happen to be Environment related that they were passed to me, but a lot of the other activities are not and therefore there was no absolute logic that they should be under the Ministry for the Environment. I am more than happy that my hon. Friend has taken them over. The same services are still provided and those that work for the Environment still do and so on. There is no issue there at all.

1125 **Mr Chairman:** Other Charges, stands part of the Bill.

Clerk: Head 25, Statistics Office, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1130 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1135 **Clerk:** Head 26, Port and Shipping, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1140 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 27, Tourism, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1145

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1150 **Clerk:** Head 28, Public Transport and Commercial Affairs, subhead 1, Payroll.

Mr Chairman: The Hon. Selwyn Figueras.

Hon. S M Figueras: Mr Chairman, yes, just a couple of queries.

1155 In relation to the establishment figures, under subhead 6 Gibraltar Development Corporation Staff, is set to go up by six and perhaps the Hon. Minister is able to provide some clarification as to why that is to happen.

Minister for Tourism, Commercial Affairs, Public Transport and the Port (Hon. N F Costa): Yes, Mr Chairman.

1160 Five of them relate to Transport Inspectors and the other GDC employee in the last year appeared as an HEO, but then the transfer from the HEO to the GDC did not happen and she stayed as a GDC member. That is right. So last year it appeared as a civil servant and this year it appears as a GDC because the transfer did not happen.

1165 **Hon. S M Figueras:** I am grateful.

Mr Chairman: Stands part of the Bill.

1170 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 29, Housing Administration, subhead 1, Payroll.

1175 **Mr Chairman:** The Hon. Selwyn Figueras.

Hon. S M Figueras: I am grateful, Mr Chairman.

1180 I was just going to quickly ask in respect of the Other Charges, sub subhead (2), the Operation Expenses, and in particular Consultancy and Professional Fees Enterprise, the estimate was £15,000 and the forecast outturn was £35,000... then also additionally it may just assist you to ask at this point in relation to sub subhead (3), Marketing Promotions and Conferences – whether perhaps the hon. Minister would be able to describe the events, in terms of Promotions and Conferences, that that expenditure Head covers?

1185 **Hon. N F Costa:** Sorry, could the hon. Gentleman repeat the question?

Hon. S M Figueras: Yes, indeed. I am happy to assist, Mr Chairman.

1190 Sub subhead 2 Operational Expenses (a) Consultancy and Professional Fees – and this is on Head 28... yes, we did go back – and on sub subhead (3) on Other Charges it is Marketing Promotions and Conferences, I was wondering whether the Minister could perhaps provide a flavour of what it is that those events were that are covered by that expenditure?

1195 **Hon. N F Costa:** Mr Chairman, I am afraid that from the information that has been provided to me that there is no list of breakdown of the conferences or promotions. So, if the hon. Gentleman will allow me, I will seek that information and write to him. I am grateful.

Hon. S M Figueras: Mr Chairman, sorry, there was the other point on subhead 2, which was the Operational Expenses, the Consultancy and Professional Fees Enterprise. Could he just explain what that is? I do not recognise it.

1200 **Hon. N F Costa:** Yes, Mr Chairman, this relates to a breakdown of invoices to ISOLAS, regarding amendments to the OFT, and also for work relating to a breach of contract to Hassans.

1205 **Mr Chairman:** Right, so that is Head 28, Other Charges, stands part of the Bill. Come back to Head 29.

Clerk: Head 29, Housing Administration, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1210 **Clerk:** Subhead 2, Other Charges.

Hon. E J Reyes: Yes, if I may, Mr Chairman?

1215 On subhead 2(2)... the Minister is going to have to help me on this one – on subsection (n), which is a States Cleaning of Internal Communal Areas, I think it is quite understandable what that one is, but just before that on subsection (i) it says Cleaning of the Estates. My first question is: am I correct in assuming that this the cleaning of external areas in the Estates, as opposed to the internal communal areas within a given block? Can I start with that first question?

1220 **Minister for Traffic, Housing and Technical Services (Hon. P J Balban):** Mr Chairman, the cleaning of the Estates, the subsection (n) refers directly to 'El Turno' whereas subsection (i) refers to the other general cleaning of the Estates that was always there, which is the roads, pavements etc.

Hon. E J Reyes: Thank you Mr Chairman.

1225 So having established that, can I home in on (i)? The actual expenditure in 2012-13 was £2,600. An estimate was made for the following year of doubling that figure and providing up to £5,000, yet the forecast outturn is double or quadruple the previous year –it goes up to £10,000. Now for the forthcoming year we go back to what had been sought before, which is down to £5,000. So given that figure having quadrupled from one year to another, why are we only having what was the real expenditure last year? Was it because there was someone off cleaning or some other explanation the Minister could enlighten us with?

1230 **Hon. P J Balban:** Mr Chairman, the over expenditure was as a direct result of a need to replace fused bulbs with energy saving bulbs.

1235 **Hon. E J Reyes:** Mr Chairman, I am not that content about this. Is there no other better way of accounting for things that are connected with lighting and so on, given that there is a subsection there of electrical services and so on, than putting it down to cleaning of the Estates? It does require a bit of a stretch of the imagination to clean the Estate and say the expenditure was in respect of buying lower energy consuming bulbs. (*Interjection and Laughter*)

1240 **Hon. P J Balban:** I did not hear the question. Could you repeat the question?

1245 **Hon. E J Reyes:** Mr Chairman, what I was trying to get at is that my logic at least said when cleaning of estates one tends to think of cleaning, hygiene-wise and so on. I did not quite expect to have an expenditure for buying less energy consuming light bulbs to be classified under 'Cleaning of Estates', and I said more so because there are other subheadings, like, for example, electrical services, and it might perhaps have made a bit more sense to have that one distinguished as separate. Electricity is very very separate to buying bleach or detergents to use with mops and buckets.

1250 **Hon. P J Balban:** Mr Chairman, it is actually a cleaning and maintenance contract and under the maintenance contract it also includes changing the bulbs. The bulbs have been changed for ones which are more environmentally friendly, which are the bulbs of LED with lower energy consumption, and these are more expensive than the regular bulbs which were changed before.

1255 **Hon. E J Reyes:** Fair enough, Mr Chairman, and should I require a further breakdown, perhaps I can in the future question and ask the Minister for a breakdown of what were traditional detergents and light bulbs and so on.

Mr Chairman: Is there any other question? No.
Other Charges, stands part of the Bill.

1260 **Clerk:** Head 30, Technical Services, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1265 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 31, Driver and Vehicle Licensing, subhead 1, Payroll.

1270 **Mr Chairman:** The Hon. Selwyn Figueras.

Hon. S M Figueras: Apologies, Mr Chairman, it is in respect of subhead 2.

1275 **Mr Chairman:** Payroll, stands part of the Bill.
Head 31, Other Charges.
The Hon. Selwyn Figueras.

Hon. S M Figueras: I am grateful, Mr Chairman.

1280 Three queries in relation to subhead 2 on Operational... or rather on subhead 4, Motorcycle Safety Campaign Expenses, a query why there has been no expense given for the estimate of £6,000.

Then on the Incentive Scheme, am I to read from the £2,000 forecast outturn that that is just for hybrid vehicles that have been registered this year?

And interestingly in respect of (6) Tachograph Cards there is quite a significant estimate there of £85,000, an expenditure of £900.00.

1285 Finally, actually on (2)(c) Driving Licences, that I have just spotted here, there is an estimate of £115,000 and an expenditure of £2,000.

Perhaps there is an explanation for those entries. Thank you.

1290 **Hon. P J Balban:** Mr Chairman, I start off with subhead 2, 4 first of all, and the query was to do with Motorcycle Safety Campaign Expenses. The underspend was actually due to the fact that the motorcycle footrest campaign is in the process of being launched and was expected to be carried out in the last financial year, but for logistical reasons it is going to be done this year. So that is the reason why that appeared and disappeared there.

1295 As to item (6), the Tachograph, the funding has been put in place for the purchase of equipment and related expenses in respect of the implementation of the tachograph card, as per EU Regulations, and we are actually still under negotiations with the DVLA in the UK.

1300 Then we go back to Driving Licences, which is (2)(c), the under-expenditure was actually due to the non-purchase. There was a need for an extra 5,000 driver licence blank cards so that it was budgeted for, but because there has been a change in service provider in the UK, this spend and delivery date has now become March 2015.

Hon. S M Figueras: I am grateful, Mr Chairman.

1305 **Mr Chairman:** Other Charges, stands part of the Bill.

Clerk: Head 32, Utilities, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1310 **Clerk:** Subhead 2, Other Charges.

Hon. J J Netto: Yes, Mr Chairman, if I may?

1315 In relation to item 2(b), which comes under the heading of Commercial Works, I notice that the estimate for the financial year 2013-14 was £1½ million, and yet the forecast outturn is almost twice as much and it comes to £3 million. Could we have an explanation as to why the expenditure has been almost doubled the estimate?

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Yes, Mr Chairman.

1320 I have been informed that there is much more commercial work that the GEA is doing and therefore it would be also reflected in the revenue, so the more commercial work that the GEA does, the more revenue at the other end that they get. So the increase there has been is obviously the pay or the costs of the GEA doing these commercial works, but there will be more revenue elsewhere.

1325 **Mr Chairman:** Stands Part of the Bill.

Hon. J J Netto: Can I just in relation to item 2(4)(a) contract AquaGib Ltd, there is an increase in the new estimate to £2,210,000 from... well, either the forecast outturn or the estimate. So could we have an explanation as to why the increase in the contract for AquaGib Ltd?

1330 **Hon. Chief Minister:** Mr Chairman, this is the shortfall in the non-increase of the tariff, as regards our policy not to increase water charges – *(Interjections)*

Mr Chairman: Any other question?

1335 **Hon. J J Netto:** I think the Hon. the Chief Minister was referring to item 2(3), which is in lieu of the water tariffs, I was not referring to that one. I was referring to item 4(a), which is to do with the contract with AquaGib Limited for salt water.

1340 **Hon. S E Linares:** Mr Chairman, it is a contract that there is with AquaGib, and therefore if there are more services to be done, the contract has to go up. So there is more to do, so therefore the fee of the contract goes up.

1345 **Hon. J J Netto:** Mr Chairman, I am not quite clear, because if there is more to do, as the Minister classified, I would have thought that that would have come under additional maintenance, but I am talking about the contract of AquaGib. Could he provide better clarification for that?

Hon. S E Linares: Mr Chairman, it is the salt water supply contract. In the contract it states how it goes up. Every year it must go up, so that reflects the going up and it is in the contract. It is to do with the contract with AquaGib.

1350 **Hon. E J Reyes:** Mr Chairman, if I may?

If in the contract it says by how much it has to go up from 2012 to 2013, it only went up by less than £3,000 and from 2013 to 2014-15 it goes up by £½ million. I do not see a proportional increase.

1355 **Hon. S E Linares:** I keep on getting informed that it is in the increase of the contract, so I would suggest that it is – (*Interjections*)

Hon. J J Bossano: Mr Chairman, the relationship between the Government and AquaGib is one where the fresh water is charged to the customer, but the salt water is not metered. It is not based on consumption; it is based on the areas that are covered.

1360 Part of the areas that are covered keeps on increasing, both with new estates and with the transfer of MOD estates to the Government of Gibraltar, which previously were not in the original contract. The contract is based on the areas covered and not on the water supplied and that is why it can change from one year to another, depending on how much AquaGib takes over as responsibility for the supply of salt water.

1365 **Hon. S E Linares:** Mr Chairman, if it does assist, in my Budget Speech I said that there was a capital investment of £595,000, I think it was on two specific projects that were included. So therefore those two projects, which include salt water supply to those properties, are to do with the increase here.

1370 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 33, Collection and Disposal of Refuse, subhead 1, Payroll.

Mr Chairman: Well, there is no provision there and so obviously it stands part of the Bill.

1375 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1380 **Clerk:** Head 34, Sports and Leisure, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1385 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 35, Fire Service, subhead 1, Payroll.

1390 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1395 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, in relation to 2(1)(e) Office Cleaning, Government Cleaning Scheme, the forecast outturn was £31,000, up from £25,000 estimate, but again the estimate for this coming year is £25,000. Could the Hon. Minister explain if it cost £31,000 to clean in last year, because that is reflected in the forecast outturn, why is that not again estimated for this coming financial year?

Hon. S E Linares: Mr Chairman, it is called budgetary control – (*Laughter*) Absolutely. So much for the arguments that they put...

1400 It is in the estimates. We estimated £25,000 and last year, if you see the actual, was £30,000. Then we estimated £25,000. The forecast outturn is £31,000, so this year we want to control it again to £25,000.

Hon. D A Feetham: May I commend the hon. Gentleman to No. 6 Convent Place?

1405 **Hon. Chief Minister:** Yes, he certainly can, Mr Chairman, where we will gift to him all of the data, which I went through this morning, so that he can look at exactly how much they overran in their time. I have it in my bag. I think that the total cost overrun in the 16 years that the GSD was in power was £158 million and the last year, Mr Chairman –

1410 **Mr Chairman:** No. No.

Hon. Chief Minister: It was £54 million.

1415 **Mr Chairman:** No, that is the end of that.

Hon. Chief Minister: Okay. I am quite happy to carry on if he wishes.

Mr Chairman: Please call the next Head. (*Interjection*)
1420 You have a question on the other charges? Very well.

Hon. Mrs I M Ellul-Hammond: Mr Chairman, under 2(2) Operational Expenses (a) Maintenance of Fire Service Equipment, again the same question. It was estimated £20,000. The forecast outturn was £27,000 and again estimated for this year £20,000. Is the answer the same, budgetary control? (*Laughing*)

1425 **Hon. S E Linares:** Absolutely. (*Laughter*)

Mr Chairman: Any other question on Other Charges?

1430 **Hon. Mrs I M Ellul-Hammond:** Yes, Mr Chairman.
I will be asking the Minister next year to see if there has been any budgetary control under those subheads.

1435 But finally, under Other Charges (3) Brigade Review the estimate last year was for £8,000, and that was not used. Now, again, £8,000 is budgeted for this coming year. Could he explain what that £8,000 is for, because I believe in answer to questions he said that Sir Ken Knight had offered his services *pro bono* and I was just wondering what the £8,000 is for?

1440 **Hon. S E Linares:** Mr Chairman, it is not only to do with Ken Knight. Ken Knight was not doing it *pro bono*. Ken Knight was doing it at cost, not *pro bono*, and therefore the difference could be that he could be charging that. But there are other issues in the review that we need that amount that has been estimated... or approximate.

Mr Chairman: Stands part of the Bill.

1445 **Clerk:** Head 38, Culture and Heritage, subhead 1, Payroll. (*Interjection*) Sorry, Head 36, I beg your pardon.

Mr Chairman: Head 36, Culture and Heritage, Payroll, stands parts of the Bill.

1450 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: The Hon. Edwin Reyes.

1455 **Hon. E J Reyes:** Thank you Mr Chairman.
I see the introduction under 2, subsection (vi), Contracted Services, Culture and Heritage, which the Minister explained in his previous reading of the Bill, the contribution is going to be £3 million. Can I ask, at this stage, is it just a contribution of £3 million, which is then used in whatever, or are there going to be detailed breakdowns later on coming in a future thing of how the £3 million was actually used and what the

1460 outturn is... whether we actually went over the £3 million or was any money left over from the £3 million?
I am enquiring how the accountability during the course of the financial year will work.

Mr Chairman: Can I direct the attention of the hon. Member to the footnotes. Has he noted the footnotes? (*Interjections*) You are asking about – (*Interjections*)

1465 **Hon. E J Reyes:** Yes, Mr Chairman.
What I am asking is... I know they have estimated £3 million. I am asking is that £3 million, 'Here you are. It has been given and I am going to demand these services from you'? I am asking will a future edition of the Estimate Book say, 'Right, in the forecast outturn we actually went over £3 million' and then one can query or whatever, or is it just going to be £3 million off and then that is it?

1470 **Hon. Chief Minister:** No, what will happen, Mr Chairman, is that he will see if we have contracted services what the next amount we will have to pay will be. So if next time it is £2½ million, he might say, 'Well, what happened? How did you save that money?' Whereas if it is £3½ million, he might ask us that question, 'How did the contract change? Why are you paying some more?' It is a contracted service, and so in the same way as you have other contracted services, for example, Master Services (**Hon. E J Reyes:** Exactly.) where we pay an amount, we cannot account for what happens outside of the payment of that amount other than as client.

1475 **Hon. E J Reyes:** The Chief Minister's clarification has actually answered what I was trying to get at. I am so grateful that has cleared up that point for me. Thank you, Mr Chairman, and the Chief Minister as well.

Mr Chairman: Stands part of the Bill.

1485 **Clerk:** Head 37, Postal Services, subhead 1, Payroll.

Hon. J J Netto: Yes, Mr Chairman, could I ask, because I notice that in Payroll (1)(a) Salaries, the estimate is lower than the forecast outturn, and in fact it is lower than the estimate of the previous financial year, but when I look at the establishment figures for the complement, it has actually gone up by two individuals. Could I have an explanation for this? (*Interjections*)

1490 **Hon. S E Linares:** Mr Chairman, sorry for the delay.

If I remember correctly and just by the word 'arrears' rang to my ears, excuse the pun, but there was payment that was due to the postmen and women and therefore it was to do with the back pay that they were owed, it was to do with the fact that the increase in their wages was not given to them from 2008 or 2009. There was no increase given to them and we backdated it since they did not get it. It was given as back money, so that is the difference there.

1500 **Hon. J J Netto:** So presumably the arrears that the Hon. Minister is referring to is in relation to the amount of the forecast outturn, which is much greater than the estimate for the last financial year.

Hon. S E Linares: Yes, Mr Chairman. We paid it out and therefore it is £1.4 million and so now (*Interjection*) the difference, *that* difference is the back money that was paid through the salaries. (*Interjections*)

1505 **Hon. J J Netto:** So are we saying that those arrears that were owed to the complement were part of the calculation when we did the estimate for 2013-14?

1510 **Hon. S E Linares:** Not necessarily, because there is a difference of £1.337 million to £1.48 million and then it goes down to £1.2 million. There could well have been payments in the estimates and prepared for 2013-14 and 2014-15 this year.

Hon. J J Netto: No, Mr Chairman, the point I was trying to labour on, if I am right at least, is that when we had the estimate for 2013-14 for the complement of £1,337,000, that represented the amount of people in the last financial year was 64.

1515 However, now we have an estimate for this new financial year, which is *less* than the estimate of the last financial year when we have a higher complement of 66, by two. To my knowledge that has got nothing to do with arrears being paid to the men.

Hon. S E Linares: Well, Mr Chairman, that is the explanation that I am given, that it is the arrears, so –

1520 **Hon. J J Netto:** Mr Chairman, I accept that is the only explanation that he has been given, but it does not seem to be clear to me that the explanation has a sense of logic.

Hon. S E Linares: Well, it might not have a sense of logic to the hon. Member, but it does have a sense of logic to the Treasury people and those are the ones who have given me the advice. (*Interjections*)

1525 The explanation is similar to what I am saying, that in 2013-14, if we look at 2013-14 it is £1.3 million, and therefore that calculation could have included some monies that were to do with back money or any other that was owed to them at the time.

1530 The estimate for this year to every single postman and woman is £1.2 million that we have in the Book and so it is not that we are going to underpay anybody else. The calculations are done as is there. The £1.4 million is the difference between that. The £1.4 million is the back money that was paid.

Hon. E J Reyes: Yes, Mr Chairman. I think I understand the hon. Member is saying that the forecast outturn is of course higher because there has been that expenditure of money and so on.

1535 If I can take the Minister a financial year further back, the actual expenditure of 2012-13 is £1.344 million and what we are estimating for 2014-15 by having *two* more employees, one of which is an HEO and therefore it is a substantial salary, the other one being an Administrative Assistant, which is much lower.

1540 Even the figure two years later on is lower than the actual expenditure of 2012-13. I am leaving out the 2013-14 because there was an element of payment of back money and so on, which I think the Minister has tried his best with the explanations. But, two years further down when everybody else's cost on the payroll goes up, there seems to somehow be here the only Department that increases a complement by two people and yet has a saving of what... £60,000/£70,000, or something like that.

1545 **Hon. S E Linares:** Mr Chairman, another explanation could well be that people who retire or have retired, retire at the top end of the scale, and therefore if you recruit people at the bottom end of the scale, they will be earning much less. Therefore we have recruited, in fact, some of the supply ones that were around... we recruited. So, because the complement is increasing and maybe from the 40 single operational grades some of them have retired and gone and now, we get new ones in and they come at the bottom of the grade. That could well be another explanation.

1550 **Hon. E J Reyes:** Yes, Mr Chairman, it could be an explanation. But I understand and I have lived within the Civil Service and know that there is a difference between someone entering a particular grade at the top, but a £70,000 interest... It is something that the Minister for Employment, I am sure, would like to look at these figures and would probably take it as a personal challenge. He will look into it and we can take it up at another moment, Mr Chairman. I am not going to take any more time. I trust the Hon. Minister will certainly welcome the hobby I have given him for the coming weekend. (*Laughter and interjections*)

Hon. J J Bossano: I will have the explanation for the next meeting, Mr Chairman.

1560 **Mr Chairman:** Any other question?
Stands part of the Bill.

Hon. J J Netto: Mr Chairman, I do not think we have covered Any Other Charges.

1565 **Mr Chairman:** We have not covered Any Other Charges yet.
Payroll, stands part of the Bill.
Other Charges.

1570 **Clerk:** Subhead 2, Other Charges.

Hon. J J Netto: Yes, Mr Chairman, thank you.

1575 In relation to item 2(3) Outgoing Mail and Bulk Mailing, there is quite a sharp drop in the forecast outturn of £100,000 against an estimate for 2013-14 of £400,000. Could the Minister please provide some information as to why this is?

Hon. S E Linares: Yes, Mr Chairman, this is an annual thing; it is not a scientific thing. It depends on how many letters go out and when the postal services pay out each other, balance out each other, then that will be worked out at the end of the year. So the estimate again is £400,000 and the forecast outturn was...

1580 if you look at the actual in 2012-13 it is £348,000. So therefore there was an estimate of £400,000 and then the forecast outturn came down to £100,000.

This year they have estimated £300,000 and so it is a thing that goes up and down depending on the volume for the postal services, which is mail and bulk mailing. So it is to do with how many letters, parcels and things are sent to different parts of the world.

1585 **Mr Chairman:** Other Charges, stands part of the Bill.

Clerk: Head 38, Civil Contingency, subhead 1, Payroll.

1590 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1595 **Clerk:** Head 39, Youth, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1600 **Clerk:** Subhead 2, Other Charges.

Hon. E J Reyes: Mr Chairman, may I ask on subhead 2(2)(c) Office Cleaning, where it says Government Cleaning Scheme, there was an actual expenditure in 2012-13 of £2,392 and the forecast outturn is only £3,000, even though there has been an estimate of a huge increase up to £16,000. Something must have happened that the expenditure was not incurred and we have gone for a near halfway figure of what the previous year's estimate was of £10,000.

1605 Can the Minister say what had been estimated but never actually took place, hence giving us that grateful saving of £30,000? What is he expecting to happen that will require perhaps even £7,000 more than we predicted was spent at the last financial year?

1610 **Hon. S E Linares:** Well, Mr Chairman, it was not budgetary control, so we will get that right from the start. *(Laughter)* It was to do with the instructions that were given to try and clean and do all the cleaning of the youth clubs. Youth clubs were not... it was not that they were not cleaned, it was that there was only one cleaner that was doing the whole shift of trying to do all the youth clubs.

1615 Therefore, like he rightly says, although the actual was £2,300 and then it went up to £16,000 because the instruction was given that you can have a company or you can contract people to clean the youth clubs, they are only actually spending £3,000 and we have said, 'Right, okay. We will go down. We will have a little bit, not £16,000. We will go down to £10,000, see if with £10,000 you can then do all the youth clubs'.

1620 But it is to do with the cleaning of the youth clubs. Obviously we are hoping and envisaging that they will use more. They are open during the weekends and so these are the issues that might increase the slight expenditure there.

Hon. E J Reyes: Yes, I am grateful, Mr Chairman.

1625 Can I just be a little pedantic and suggest to the Minister that perhaps for the following year... my first interpretation when one sees 'office cleaning' is you tend to think of a small private space that one of the youth workers tends to have and from the explanation the Minister has explained, that this could encompass the whole moreso communal areas in respect of the youth clubs, perhaps a little change in the wording there saying, 'Youth club area cleaning' or 'club areas', other than making us simple-minded people just think at the beginning of a space where the youth worker is, as I know they tend to work within very confined spaces trying to give as much area as possible for the enjoyment of our youngsters?

1630 **Hon. S E Linares:** I will definitely give those instructions to the Treasury and they can do it... no problem.

1635 **Mr Chairman:** Other Charges, stands part of the Bill.

Clerk: Head 40, Financial Services, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1640 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: The Hon. Mr Bossino.

Hon. D J Bossino: Thank you Mr Chairman.

1645 I wonder if the Minister could assist in relation to the items under 2(1). They are all the subject of considerable reductions and I think in respect of three of them a nominal amount of £1,000 provision is being made. Can he explain why that is the case?

1650 **Minister for Financial Services and Gaming (Hon. A J Isola):** Yes, budgetary control, Mr Chairman (*Laughter*) and obviously LED lighting, which is working very effectively.

Mr Chairman, obviously when I was elected in the by-election and took over my Ministerial responsibilities, in order to exercise more budgetary control I share an office with my very good friend, the Hon. and Learned the Minister for Justice, and therefore the costs have been apportioned between the two Ministries and that is really why it explains that difference.

1655 **Hon. D J Bossino:** Mr Chairman, also in relation to – thank you for that – (3) Marketing Promotions and Conferences, I see that there was not any actual expenditure in 2012-13, no estimate in 2013-14, a forecast outturn of £17,000 for 2013-14 and a considerable increase in terms of the estimate for this coming financial year of £120,000. Can he give an explanation in relation to that?

1660 **Hon. A J Isola:** Yes, I think he mentioned Marketing Promotions and Conferences, but I think you were referring to Consultancy Services.

1665 **Hon. D J Bossino:** You are absolutely right. My error.

Hon. A J Isola: Yes, consultancy services, Mr Chairman, is a consultant that we are using for specialist services in relation to, for example, the National Risk Assessment, which is being prepared. It is an obligation under the forthcoming Money Laundering Directive and the FATF requirements, which is in process... it is being publicised. Also, legislative work which the consultant is also doing, and that is just for this forthcoming year.

Mr Chairman: Stands part of the Bill.

1675 **Clerk:** Head 41, Gambling Division, subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1680 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 42, Gibraltar Audit Office, subhead 1, Payroll.

1685 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1690 **Clerk:** Head 43, Supplementary Provision, Head 1(a) Pay Settlements.

Mr Chairman: Stands part of the Bill.

1695 **Clerk:** (b) Supplementary Funding.

Mr Chairman: Stands part of the Bill.

Clerk: That concludes clause 2.
Clause 3.

1700 **Mr Chairman:** Clause 2, stands part of the Bill.

Clerk: Clause 3, Head 44, Contribution to Government-owned Companies.

1705 **Mr Chairman:** The Hon. Selwyn Figueras.

Hon. S M Figueras: I am grateful Mr Chairman.

This is the point I alluded to during my intervention the day before yesterday and it was in respect in particular of the fact that there is an analysis missing from this year's Head 44 that was present both in last year and the Budget Book the year before, which provided information as to where the contributions were going.

1710 As an example, we know from last year's Budget Book that of the £17.7 million that the Government contributed to its own companies, £2.7 million went to the Gibraltar Bus Company and that £3.7 million went to the Gibraltar Car Parks Ltd and so on. That analysis is not here and I was wondering whether there was any particular reason for its omission this year.

1715 And as an additional point, which I also raised in the intervention and which the Chief Minister did not deal with in his reply, I also note that the expenditure of the Government-owned Companies is not within the Book and I merely made the observation that... I do not know what the protocol is in that respect certainly, but merely to point out that it would certainly be something that would be helpful and I do not know what the policy is in respect of that. Perhaps the Chief Minister can assist.

1720 **Hon. Chief Minister:** Mr Chairman, the trading companies have never been reflected in the Book, even when they were trading when they were in Government. What we have been doing for some years, since we were elected, is giving his right of breakdown here of what the contribution is going for, but what we had found is that on occasions it was necessary to change the allocation of the contribution. So what we propose to do, which I think the hon. Gentleman will find more useful and I think will be helpful to the House, is to provide the breakdown of the £25 million on the outturn, rather than on the contribution. So, in other words, next year in the Book he will have how the £25 million has been distributed in the companies. *(Interjection)* It may be less or it may be more – *(Interjection)* yes, and the contribution for the following year. So in that way he will see exactly where the money goes, and obviously where the money goes will indicate the estimate of where it is going next, but it is not always exact because it is company expenditure.

1725 So the estimate breakdown will be replaced with the outturn breakdown so that we know exactly where the money has gone, rather than where it is intended to go, and that will give us a guide of where it is likely to go the following year.

1730 **Hon. S M Figueras:** Mr Chairman, I am grateful for that, but I am keen to understand why it is... I mean it is only an estimate at the end of the day that has been provided thus far. I am keen to understand why it is that the estimate has been assessed as no longer necessary or unhelpful, because I do not know what the position –

1740 **Hon. Chief Minister:** Mr Chairman, we could simply give him a breakdown that suggests five, five, five and five, depending on... or not like that, but depending on salaries etc, but we would rather give the House a detailed breakdown of where the money has gone and because it is in the companies, the companies are not like the Departments. Remember, there are different employment rules that apply in the companies etc. There is much more flexibility in companies and so it is not so detailed. It is not so fixed and so we think the best thing to do is to give the House the actual payments of where the money has gone and that is what we intend to do, which will show him exactly where the money has gone and will likely be a better guide – it will be like the columns – to where the money is going to go the following year.

1750 **Hon. D A Feetham:** Mr Chairman, that is the decision of the Government. At the end of the day they have provided an explanation and we are not here to debate it.

1755 Just to say that it is helpful to have an estimate or an indication as to the present intention of the Government of where it intends to invest its money. I mean that is what you did last year. Now that may change because the Government may do something different. I certainly at the moment struggle to see the benefit of the practice that the Hon. the Chief Minister is going to be effectively deploying in the future departing from the practice as last year, but at the end of the day we are not here to debate it.

Hon. Chief Minister: Mr Chairman, let us be clear.

When they were in Government they did not show any of these losses anywhere in the Book, which was the subject of debate between us and it will, I am sure, continue to be. What we are saying is we have to

1760 cover these losses. This in part goes to the black hole, but is also recurrent expenditure. We are now bringing that onto the balance sheet.

1765 What we are saying is having brought it onto the balance sheet with indications of where the money was likely to go, because it is company expenditure and not Departmental expenditure which is not as rigidly fixed, we would rather show you where the money *actually* has gone. We think that is the best way of doing it. Members opposite next year will have the benefit of seeing exactly how this money has been spent and that will be a better guide for them of where it is likely to be the next year, subject of course to the fact that in the companies it is not as rigid in terms of moving money from one area to another, because that is the business efficacy that companies bring to the Government.

1770 But they will see something, which we never saw when they were in Government, which is how there is a distribution of contributions to the company to cover their liabilities and they will see it as it exactly occurs, rather than as an estimate.

1775 **Hon. D A Feetham:** But, Mr Chairman, why have you not put the figures of how it is that you have spent the money this year as an indication for next year?

1780 **Hon. Chief Minister:** Mr Chairman, we are looking to introduce a new system of accounting for the companies in the Book in the context of this financial year and that is the decision that has been taken; therefore, in the next Book he will have that breakdown. He cannot with any moral authority assert that we should have done that which they completely failed to bring into the Book. We brought it into the Book as estimate. We now think that in order to give even more precision to the Parliament of the way that the money is spent, we will bring it *not* as estimate, but we will bring it as outturn. That is our position.

1785 It will be here from next year. It is absolutely much more accurate than the estimate and its transparency of where money is spent, rather than where money is going to be spent. Our *estimate* is that we need £25 million to contribute to the companies. The distribution will be as to how that is actually distributed, which is what the Parliament should know... how was it distributed.

1790 The hon. Gentleman will know that in Departmental monies there is an exercise and a paper trail for virement of money from one to the other. In the companies, because the contribution is just down to companies, the money can be spent in one place or another and there is much more change in the way that companies can account for things and that is why we want to bring to the Parliament, the actual expenditure to be entirely transparent with the Parliament and the people of where every penny has been spent, and I cannot imagine anybody wanting to stand in the way of that.

1795 **Hon. D A Feetham:** Mr Chairman, it is not that I am standing in the way of anything. He has outlined... and I apologise to him for my inquisitive mind, but he has just outlined what is a change of policy. I am just trying to understand the change of policy, because of course if he is trying to be more transparent, then I commend him for that. If he is trying to be more transparent and what he is saying is, 'Well, we want to give actual figures', because those actual figures then give a better more precise guide as to how the money is going to be spent next year, the point I am making is you had an estimate last year... give precise figures.

1800 This year, because this year you had precise figures in relation to the estimates that you gave last year and it would appear this year in the Book, because we would then have, on his own rationale by parity of reasoning, a better more precise guide for next year. That is the only point I make.

1805 I understand the explanation that he is giving me, but of course that does not mean that I am not entitled to make the enquiries that arise out of his own explanation. (*Interjection*)

1810 **Hon. Chief Minister:** Mr Chairman, he can make whatever enquiry he likes, I do not mind. I think if he had an inquisitive mind, he would not have fallen into the traps that I laid for him in my opening speech and he would have asked himself whether he should say some of the things he said about recurrent expenditure. It is what I say (*Interjection*) because I also have a mind inquisitive enough to make those determinations for myself.

1815 But I do not think he realises what he is pursuing. He can simply ask me in the next Question Time to give him the breakdown for this year. I am not pretending to hide it. I am going to give it for the following years coming forward, but at the time that the Book was prepared, we decided to introduce the new policy and we did not put in this year's breakdown.

1815 He should just take his inquisition into the next Question Time where he can ask me for the breakdown which will stand as the – (*Interjection*) Sorry?

A Member: You obviously do not like questions.

1820 **Hon. Chief Minister:** No, I love questions. It gives me an opportunity to run rings around you. *(Laughter)* So if he just asks the question, he will have the breakdown and then as from next year it will be in the Book as *actual* breakdown.

Clerk: Subhead 1, Contribution to Government-owned Companies.

1825 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 45, Transfer from Government Surplus, subhead 1, Payment to Social Assistance Fund, Import Duty, Transfer from Government Surplus.

1830 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 46, Contribution to the Improvement and Development Fund, subhead 1, Contribution to the Improvement and Development Fund.

1835 **Mr Chairman:** Stands part of the Bill.

Clerk: That concludes clause 3.

1840 **Mr Chairman:** Clause 3, stands part of the Bill.

Clerk: Clause 4, the Improvement and Development Fund, Head 101, Works and Equipment, subhead 1, Works and Equipment.

1845 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 102, Projects.

1850 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, under Works and Equipment, item (u) Civil Contingency, if the Hon. Minister could explain there was a forecast outturn in 2013-14 for £120,000 and an estimate for this year of £200,000. Could he confirm is this one for the mobile units that were purchased and is it £200,000 for the upgrade of the bunker or is it the other way round?

1855 **Hon. S E Linares:** No, Mr Chairman, it is to do exactly what she has just stated, which is to do with the wonderful, necessary and very important command unit that we have bought. It is an estimate. We know more or less what it is going to cost, but we envisaged that there might be other things like software or computers that might have to be included and also some training, although the training is going to be funded by the company that is doing it, but there could well be extra training that we do. So that is what it is.

1860 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, the £120,000 is also for the command unit from last year, as well as the £200,000 estimated?

1865 **Hon. S E Linares:** In order for the command unit to be done you have to pay a sum upfront, which is the £120,000, which then procures the thing and they start doing it. They will not start doing any command unit unless you pay them up front and then the rest is the balance.

Mr Chairman: Stands part of the Bill.

1870 **Clerk:** Head 102, Projects, subhead 1, Beautification Projects.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Roads and Parking Projects.

1875 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 3, Relocation Costs.

Mr Chairman: Stands part of the Bill.

1880 **Clerk:** Subhead 4, Reclamation Projects.

Hon. J J Netto: Yes, Mr Chairman, what I would like to ask, because I see in Reclamation Projects an entry of £200,000, is this money for the new site of the new Power Station? I would not say so, because of the amount of money we are talking about here. So what likely reclamation are we talking about if it is not the one for the Power Station?

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Hon. Chief Minister: Mr Chairman, most of the reclamations, as he knows, will be paid through the companies, because they produce assets and they go into the companies and that is the way they have always been accounted for. So this may be revetment works on some reclamations – *(Interjection)* Yes, maybe. We have not got the information here. I can check and it is an interesting thing to check because of all of the costs of reclamation are elsewhere in GLRC or somewhere. So we will have a check on that and let him know, but I am almost sure it is going to be revetment work on existing reclamations. It may be a study, as well, into reclamations.

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Mr Chairman: Stands part of the Bill.

Clerk: Subhead 5, Other projects.

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Hon. J J Netto: Just perhaps one clarification in relation to 5(n) Boat Moorings, and the entry of £40 million. Is this £40 million for one financial year or are we talking about this particular project straddling into two financial years with a balance to be paid in the next financial year?

Hon. G H Licudi: Yes, Mr Chairman.

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That is the estimate of what we expect to spend during the course of this year. The project will be completed, as I have said, by the summer of next year and therefore it will straddle another financial year and the final amount will be paid during the course of the next financial year.

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Hon. S M Figueras: Mr Chairman, yes, in relation to subheading (r) the Sustainable Transport and Parking Plan, I note £340,000 is a forecast outturn for 2013-14 and an estimate of £100,000 for 2014-15. Could the Minister explain whether this is just the cost of the contract to Mott MacDonald or whether it also includes expenses in relation to the gathering of information in the survey?

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Hon. P J Balban: Mr Chairman, this is actually a token figure provided last year, despite £400,000 having been bid for. The over-expenditure incurred was in relation to payment of consultant's fees. The funding for this year is the balance to complete the plan.

1915
Hon. S M Figueras: Sorry, I just want to be sure of the point because the hon. Minister referred to the estimate last year and the outturn, but he has actually dealt with the estimate for 2014-15. Could he just say, because I am not certain of what I heard, that the £340,000 has exclusively gone to the consultants or whether that also included expenses in relation to the gathering of information?

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Hon. P J Balban: Mr Chairman, I will have to find that out exactly, but I would assume if that is to do with the whole traffic plan that it would include, in my opinion and I would have to check, the actual survey in the plan as well. I am pretty sure, but I will have to confirm that. But in my opinion it would be the whole lot.

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Hon. S M Figueras: I am grateful, Mr Chairman.

Hon. J J Netto: Mr Chairman, if I may?
It is one particular question that really applies to three particular items and so it is the same thing. It applies to 5(s), (t) and (u), and the question is that we had some sort of estimate for the last financial year, but no forecast outturn obviously, as those particular projects never started and so there was no expenditure. Then in terms of the estimate, I see in those particular items £1,000. Is it likely that that a nominal fee just in case the project starts? Why do we have this situation?

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Hon. P J Balban: Mr Chairman, this is a token figure.

1935
Hon. J J Bossano: Just to have a Head there –

1940 **Hon. P J Balban:** It is just to have a Head in the place where we need to charge and we know where to charge from.

Hon. J J Netto: So is the project going ahead or not going ahead?

1945 **Hon. P J Balban:** Mr Chairman, as far as (s) is concerned, the filling of city centre paving stone gaps, that is one of our manifesto commitments and we have already found the suitable material and we are going to go ahead with that project. The project, yes, is going ahead.

As far as...

1950 **Mr Chairman:** Is there any other question? (*Interjections*)
Any other matter here?

1955 **Hon. P J Balban:** Mr Chairman, as I said earlier, the £1,000 are simply token figures and so it very much depends. They are there in case – (*Interjections*) yes, it depends on the time the project started and whether it started later on in the financial year, then obviously it will be less than if it is started earlier, and then it will be more. But they are token figures and it is just to have a Head in place for those projects.

Hon. J J Netto: So the Minister has not got a clue as to whether it will start or not start. That is basically what he is saying.

1960 **Hon. Chief Minister:** The Minister is in exactly the same position, as every Minister has been who has come to this House with a token set out in the estimates, to ensure that if possible a programme starts that year and there is a Head open for it, and if it does not that it will happen another year, where the Head will already have been open.

1965 I think the position has been put clearly. There is now a very clear indication from the Minister that (s) is likely to start in this financial year, but (t) and (u) are not yet ones that we can say with any certainty are likely to start in this financial year.

1970 **Hon. J J Netto:** Mr Chairman, with the greatest respect, if he has no certainty, why put an entry into the Estimate Book?

Hon. Chief Minister: Because the budgetary style adopted by this Parliament for centuries, if it had been around for that long... decades, as it has – is to put a token when you *might* start – (*Interjection*) Well, you might start. So you give yourself the *ability* to start.

1975 **Hon. S M Figueras:** Mr Chairman, another point – not to pick on the Hon. the Minister for Housing – on point (x) Soft Loans and Repairs to Housing Estates, a couple of questions.

1980 Would the Minister be able to say what proportion of the £2.1 million outturn has gone to Soft Loans and what proportion has gone to Repairs to Housing Estates; and, if so, in respect of both the loans and the actual repairs, what estates that is in respect of?

1985 **Hon. Chief Minister:** Mr Chairman, he will see that FS is the reference there, the Financial Secretary, who is here and is the person who administers that. He will remember that in the course of my Budget Speech I announced that the Soft Loan element is the contribution by the Government to the *interest* payable on loans, so that a cushion is provided by the Government. The Financial Secretary tells me he does not have the breakdown here, but he is able to provide it.

So if the hon. Gentleman wishes to write to me, the Financial Secretary can provide him with that information. It is in my Ministry because it is the Financial Secretary who deals with it.

1990 **Hon. S M Figueras:** I am grateful.

Hon. J J Netto: Mr Chairman, if I may?

1995 There is an item 5(z)(h) Reef Creation Programme and there is an entry of £1,000. I do not know whether the Minister for the Environment perhaps could enlighten us as to what reef in particular he has in mind, or the Department has in mind during the course of this financial year?

Hon. Dr J E Cortes: Well, this is a token sum. The creation of additional marine habitat is something that I mentioned in my Budget Speech. This refers mainly to the possibility of sinking of vessels, which has been carried out for many years, and is also related to the creation of habitat within reefs. That is where the immediate plans are, like in the planting of sea grasses. So this is really related particularly to that.

2000 **Hon. S M Figueras:** Apologies, Mr Chairman, just to come back to the point which we have been discussing, the entry on (x) is Soft Loans and Repairs, and I just wanted the Hon. Chief Minister to confirm that it is in fact just soft loans in respect that we are talking about? He also mentioned interest only in respect that that took £1 million of the forecast outturn.

2005 **Hon. Chief Minister:** No, I said that the Financial Secretary did not have the breakdown between soft loans and repairs with him, but he can give him that breakdown. And with the soft loan element, what the Government does, which I announced in my Budget Speech... in the last one and I think I repeated it in this one, the way I was explaining another aspect of it is that the Government funds the interest (*Interjection*) to make the loan soft. So there is a grant by the Government. If you go back to my Budget Speech, I have explained it. (*Interjection*) No, it is not. No.

2010 The *breakdown* of how much is interest and how much is repairs – (*Interjection*) exactly, and that is what he will get from us if he writes to the Financial Secretary and give it to him.

2015 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 6, Equity Funding.

Mr Chairman: Stands part of the Bill.

2020 **Clerk:** Subhead 7, New Projects.

Mr Chairman: Stands part of the Bill.

2025 **Clerk:** That concludes –

A Member: It does indeed. (*Laughter*)

Mr Chairman: Clause 6.

2030 **Clerk:** That concludes clause 4.

Mr Chairman: That is clause 4?

2035 **Clerk:** Yes.

Mr Chairman: Yes.
Clause 4 or 5?

2040 **Clerk:** Clause 4. (*Interjections*)

Mr Chairman: Clause 4, stands part of the Bill.

Hon. Chief Minister: Mr Chairman, I propose a recess for five minutes.

The House recessed at 6.50 p.m. and resumed its sitting at 7.15 p.m.

**Appropriation Bill 2014 –
Clauses considered and approved**

2045 **Mr Chairman:** Okay, we are on Clause 5.

Clerk: Clause 5.

Mr Chairman: Stands part of the Bill.

2050 **Clerk:** Clauses 6 and 7, relating to Appendices B to J.

Mr Chairman: Does any Member have any question or any clarification that they wish?
Yes, the Hon. Mr Netto? *(Interjections)* Yes, okay.

Clerk: Appendix B, Gibraltar Development Corporation.

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Hon. J J Netto: Yes, perhaps, Mr Chairman, just a quick clarification because I notice on the first page, page 150, on the Establishment figures, the title of a Conservation Officer, and given that this falls within the Gibraltar Development Corporation, could I have some sort of clarification as to the nature of this Conservation Officer, in terms of what that person is doing and whether that particular person is seconded to a particular Government Department, Authority or Agency?

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Hon. J J Bossano: Mr Chairman, as the hon. Member knows, from what was said before, the decision was taken by the previous Government in 2011 to put everybody in the Civil Service. If he goes back to the statement the Government made then about the GDC as it was then, which is what was restored after 9th December, the GDC effectively has no function of its own. None of the people here that are paid by the GDC do work for the GDC, just as was the case before when the GDC existed before and before the decision was taken to dismantle it.

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So everybody here is working for an entity which is shown in the pages that follow, which tells you the different Departments. Treasury, Convent Place, Environment, Equality and Social Services, Telecommunications and Justice, these are the Departments that effectively are supplied by the GDC with labour. So the GDC really is like an employment agency, which is non-profit making. It pays people and it charges a client, a Department, for the money that is paid to the employee. So in effect the 116 people that are being employed in 2014-15 are all distributed as is shown in pages 153, 154, 155 and 156. That is it. That is what they all are. The Conservation Officer is somebody in all probability in the Environment, I would imagine, because that seems to be the most –

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A Member: I think it is Heritage.

Hon. J J Bossano: Or in Heritage, yes.

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But each of them are there on the basis that, for example, when the gaming companies or somebody else wanted to recruit somebody that was not going to be made part of the permanent complement of the Civil Service, rather than employed directly in something new, which would then have to be a gaming agency as it were, what happens is that they are shown in the GDC. The GDC then charges the Head of Expenditure in the gaming area as Other Charges and this is exactly what was being done until the decision was taken that everybody should be made a civil servant in October 2011, in which case the GDC would have disappeared and everybody would have been shown in the Civil Service complements.

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We gave everybody that had been moved the opportunity of coming back and continuing with the relationship that existed before. As Members know, about 60 decided that they did not want to come back and 90 decided that they wanted to come back, and therefore it is the people who came back plus new bodies that have been created in new areas. So where there is a new grade appearing here... in this case the Conservation Officer was there last year, but I understand that he is in the Heritage and it is about conservation of buildings, rather than conservation of flowers or plants.

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Members will see, for example, that there are changes. We have got five Transport Inspectors here and there were none last year; but it is not that they are doing any work for the GDC. There was a Counsellor last year, but there is not one this year. So in effect in the course of the year the GDC provides a home for the people that different Departments wants to recruit who are not Civil Service grades and then they are put into the complement of this, but in effect the GDC of its own initiative does not create complements because it does not have any money of its own to pay people anyway and it charges Departments or Agencies or whoever for the people that it supplies.

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But the actual Conservation Officer was there already last year and I thought he was in Conservation in an Environment, but it is in an Environment, in terms of buildings that the person is responsible for. But it is a grade that was there already, not a new one – *(Interjection)* I do not think I should name the individuals, but – *(Interjection)* Sorry.

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Hon. J J Netto: I am grateful, Mr Speaker, for the explanation... sorry, Mr *Chairman*. I am grateful to the Hon. Minister for the explanation given, but I think we are somewhat confused because I think that the Hon. Minister for the Environment in a helpful way was saying that this was someone seconded to Heritage, and I think that even the Minister of Employment also mentioned Heritage, and yet when I look at the pages... in fact, the actual Minister told me in the first part of his speech to look between pages 150 and 153 (**Hon. J J Bossano:** Yes.) but the only entry I see is for the Environment on page 153 for a total of

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£27,000. So I am not quite sure whether we are talking about this Conservation Officer is seconded with Environment or is seconded with Heritage. Could I have some clarification there?

2115 **Hon. J J Bossano:** There is a staff service salary which is £50,000, which is Head 2, No. 6 Convent Place, but I do not know whether that is this particular officer or not. The fact is that the identity of the individual would tell us what it is, but I do not think it is right to mention people's names. So – *(Interjection)* it is under No. 6 I am told, yes. *(Interjection)*

2120 **Hon. J J Netto:** So do I take it that – *(Interjection)* So the Hon. Minister is saying that this particular officer is seconded in No. 6 Convent Place?

2125 **Hon. J J Bossano:** What I am saying is that the GDC gets paid out of the No. 6 Convent Place vote for one officer, which is shown as 'Technical Division', and that officer I am told is a Conservation Officer. So what this tells you is in terms of the pay that is shown in the payments, which is reflected on the income side by the receipts that the GDC has, this gives you a breakdown of the receipts from the Head of Expenditure that has been voted.

2130 That is to say we have already, Mr Chairman, voted in the Head 2 for the pay of this Conservation Officer, and this Conservation Officer is shown in the breakdown that says 'Technical Division'. So it is somebody who is a Technical Officer in No. 6, which is I think where he was before 9th December 2011 in charge of work that is being done on conservation projects and with a background in heritage and conservation.

2135 **Mr Chairman:** Any other question?
We are dealing under clauses 6 and 7 with Appendices from B to J.

Clerk: Appendix C, Gibraltar Regulatory Authority.

2140 **Mr Chairman:** Please indicate if there are any questions or otherwise we cannot make any progress.
We are at Appendix C and we are dealing with Appendices up until J under these two clauses. *(Interjections)*

I do not have to say 'stands part of the Bill' because... I do not think I do have to because the Appendix does not stand part of the Bill. It is the whole clause. I will then call out –

2145 **Hon. D A Feetham:** Mr Chairman, what you want us to do is to indicate which ones up to J –

Mr Chairman: As the Clerk –

Hon. D A Feetham: – rather than –

2150 **Mr Chairman:** As the Clerk calls out the Appendices, please indicate if you have any question.

Hon. D A Feetham: Yes, that is what I thought. Yes.

2155 **Mr Chairman:** Okay?
So we are Appendix C.

Clerk: Appendix D, Borders and Coastguard Agency.

2160 **Hon. D J Bossino:** I see that Borders and Coastguard, 'Office Manager' is in italics and it is going to be replaced by an 'Administrative Officer' according to the notes there. Is the idea to subsume that particular office? Is that officeholder to become an AO or is the AO to come from outside? I just do not understand how that is exactly going to work. Can an explanation be given?

2165 **Hon. Chief Minister:** There is no such thing as AO's or anything like that in this Agency. Those are grades which you are imputing from the Civil Service. *(Interjection)* Sorry? *(Interjection)* There would be no AAs within here, unless there were people who were seconded to the Agency as AAs and were in any particular level of the Agency.

2170 But what is happening here is that the Borders and Coastguard Manager is becoming... is not going to be replaced and there is going to be an Administrative Officer instead, which is what the CEO has advised us was what he needed.

Hon. D J Bossino: I am not sure I follow the Chief Minister.

So when there is a reference here to Administrative Officer, it is not necessarily referring to the Civil Service grade. Is that correct? (*Interjection*) It is just a description being given to that particular position.

2175 **Hon. Chief Minister:** An officer who is going to do administrative work.

Hon. D J Bossino: So the Borders and Coastguard Office Manager will now be known as an Administrative Officer, but not necessarily to be equated to an AO within the Civil Service grading.

2180 **Hon. Chief Minister:** She is not going to... the Manager is not going to change name; the *role* is going to change.

Hon. D J Bossino: And will be known as an AO, but not necessarily an AO *à la* Civil Service.

2185 **Hon. D A Feetham:** Is it the same person? (*Interjection*) It is the same person. It is not that you are basically effectively doing away with the Manager and replacing her, as you said, by an Administrative Officer.

2190 **Hon. Chief Minister:** I do not know the answer. I do not get involved in who the individuals are that do these jobs. I try and stay completely away.

Hon. D A Feetham: I am not asking about the individual. I am just trying to understand.

2195 What you are doing is you are doing away with the Manager's job and is it that there is already an Administrative Officer there that is effectively... so, in other words, doing away with the Manager, but there is already an Administrative Officer there or is it that somebody is being converted from Manager to Administrative Officer? That is the question.

2200 **Hon. Chief Minister:** I do not know the answer to that because I do not get involved in the day-to-day running of the Agency. I allow the CEO to do that and whether he is recruiting somebody to that post or he is converting somebody to that post is not an item on which I am sighted.

Clerk: Appendix E, Gibraltar Health Authority.

2205 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, with regard to Other Personnel, item 15, could I have further clarification for the employers pension contributions, which was estimated last year at £693,000 and the forecast outturn went up to £900,000 and now there is an estimate for £1½ million? If the Hon. Minister could explain the increases please.

2210 **Hon. Dr J E Cortes:** I am told that this is a reflection of the number of people in posts. (*Interjection*) It is people who have joined the number two and number three – (*Interjection*) Okay, the guaranteed superannuation. So it is people who have joined and therefore more provision has to be made in there.

2215 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, with regard to other recurrent expenditure, item 26, the ICC Health Centre, I am assuming that increase in the outturn and the estimate... is that linked to the new expansion that the Primary Care Centre will see?

2220 **Hon. Dr J E Cortes:** The hire or the rental of the ICC had to be reviewed because the contract expired and therefore there was an increase and it did include a couple of extra rooms, and that is what is reflected there.

Hon. Mrs I M Ellul-Hammond: Mr Chairman, item 34, School of Health Studies Expenses, is the School of Health Studies not run by the ETB and why does it come under the Head of the Health Authority rather than the ETB?

2225 **Hon. Dr J E Cortes:** No, the School of Health Studies is run by the Health Authority. The Government's Training Officer takes the role of supervising the School, but it is actually run as part of the Health Authority.

2230 **Hon. Mrs I M Ellul-Hammond:** Finally, Mr Chairman, under Capital Expenditure there is an item of £3½ million estimate for this financial year. If the Hon. Minister could give an indication as to what this amount is for, please.

Hon. Dr J E Cortes: Yes, I can give a general indication.

2235 About £¼ million, I believe, is for the new CT scanner that is due to be replaced this year and the tender is already in process. There are also works to be carried out in an expansion to the ground floor therapy and cardiac rehab area. There is also a whole programme of replacement of equipment and purchase of new equipment. There is a rolling programme to replace equipment in all the wards. As I say, a lot of the equipment, which was bought new for the Hospital, is now reaching the end of life and that all comes from there.

2240 **Hon. Chief Minister:** Mr Chairman, can I just ask the House to note that the estimate for 2013-14 and the forecast outturn for 2013-14 demonstrates a difference which is £6 million, which is quite a short difference compared to the differences we looked at this afternoon historically in the GHA.

2245 **Clerk:** Appendix F, Care Agency.

2250 **Hon. Mrs I M Ellul-Hammond:** Mr Chairman, with regard to item 36, under Other Recurrent Expenditure, Security Services, there was a forecast outturn of £110,000 from an estimate of £39,000. If the Hon. Minister could confirm if this is in relation to security services for individuals with behavioural problems that needed looking up.

2255 **Hon. Miss S J Sacramento:** It is actually also in addition to a security guard at Bruce's Farm because there was a concern about having vulnerable people up in the Upper Rock and having untrained care staff with them; but it is something that may be redressed when we do the training. But it has been in relation to unforeseen needs for security.

Hon. Mrs I M Ellul-Hammond: And finally, Mr Chairman, again, Capital Expenditure, there is an amount of £250,000. If the Hon. Minister could perhaps provide us with a general breakdown of what that will be for.

2260 **Hon. Miss S J Sacramento:** Sorry, I did not hear that... in relation to which part?

Hon. Mrs I M Ellul-Hammond: Capital Expenditure.

2265 **Hon. Miss S J Sacramento:** There have been a number of capital improvements this year – for example, we have finally been able to fix the balconies at Mount Alvernia after quite a substantial period of time of 10 years. We have also had – (*Interjection*) In Mount Alvernia not only have we fixed the balconies, but there was a problem with the retaining wall. It is an east facing wall at Mount Alvernia and that required a substantial amount of work done to it. Generally we have had to undertake refurbishment in the whole Care Agency Estate. As you know, the Care Agency owns a lot of buildings and it requires constant refurbishment.

2270 **Hon. Mrs I M Ellul-Hammond:** Yes, can the Hon. Minister confirm, Mr Chairman, you mentioned that this is work that has been done and so you are referring, I am assuming, to the forecast outturn figure. I am asking about the estimated figure of £250,000 for 2014-15 and if that is earmarked for anything specific.

2275 **Hon. Miss S J Sacramento:** Mr Chairman, the refurbishment works are not complete and so it is something that straddles both financial years. There are issues that we have in relation to... we need to purchase vehicles for the Care Agency as well and that is included in this. There are various things that we needed to continue too. There are certain buildings that require a facelift and uplift because a lot of them have not been refurbished for a long time. This will include things like, say, for example, the refurbishment. Some of it will refer to the refurbishment of the Jewish Home, for example.

Clerk: Appendix G, Gibraltar Port Authority.

2285 **Hon. E J Reyes:** Mr Chairman, on Payments, 18, under Training, there seems to be a constant figure there of £60,000 as the outturn and the estimate again. Does that include as well those that the Minister said, who were being trained, so there would be the future port operators and so on or what? Does he have an indication of some sort of breakdown, even if it is rough on what the training actually comprises?

2290 **Hon. N F Costa:** Mr Chairman, while the breakdown is being looked for...from memory I can tell him that the training this year has in fact related mostly to the new recruited VTS officers and in fact also, if I

recall correctly, the amount spent as a result of the recruitment of the five additional VTS officers came in higher than that, but the exact information is being obtained for me.

2295 Yes, Mr Chairman, as I was saying there is a course relating to VTS, also courses relating to STCW Fire Fighting, Personal Survival at Sea, Social Responsibility and First Aid, and also a course on counter-pollution equipment familiarisation. There is also a course on internal auditing and quality management. There is also the course on VTS supervisor, and various health and safety courses and also a course relating to accident investigation.

2300 If he wants, and he writes to me, I can certainly give him the full detailed course and the breakdown of the actual cost so that he can have a better idea and a full picture.

Hon. E J Reyes: Yes, I am grateful, Mr Chairman. Yes, I think I had better take it up there and we can look at more individual items.

2305 Thank you.

Clerk: Appendix H, Housing Works Agency.
Appendix I, Gibraltar Electricity Authority
Appendix J, Gibraltar Sports and Leisure Authority

2310 **Hon. E J Reyes:** Yes, Mr Chairman, on Payments, section 14, the Stay and Play Programme, which is part of the Summer Sports Programme – in fact which was extended as well to encompass the Easter period and so on – the forecast outturn in respect of Stay and Play is £19,000 and yet the estimate has been drastically reduced down to £2,000. Perhaps the Minister wants to enlighten me somehow or other?

2315 **Hon. S E Linares:** Yes, Mr Chairman, the thing is that we do not want to isolate or segregate the Stay and Play as an item on its own and so what we envisage to do soon is to incorporate it within the Sports Development Projects all in one inclusive, and therefore there is no separation of the Stay and Play as a separate unit. Why should we have Stay and Play and not the other sports – chess or the football or whatever? It should all be incorporated and what we have done this year is cut down so that we can have
2320 that specifically, at least for that part, but we are hoping that next year we will incorporate it completely to the Sports Development Unit. I hope that...

Hon. E J Reyes: Yes, Mr Chairman, if I take that for my understanding we have cut down by £17,000 and so it has not been done away with altogether to keep a provision of £2,000. Understandable, but that cut
2325 down was £17,000 in the way it is reflected here in the Book.

Taking what the Minister has said on board, if I look further down at number 24, Sports Development Project, it still remains £150,000. I thought perhaps then that one might have now been inflated by the £17,000... you know, rob Peter to pay Paul, and so we are actually £17,000 worse off in available funds.

2330 **Hon. S E Linares:** Yes, that is correct, there is £17,000 *less*; but should we need more money, we would get supplementary for that. But we are hoping that we can do it with the same amount of money that we have for Sports Development Projects. So, yes, you are right, it is a cut down, but it is not going to be necessarily a cut down from the Stay and Play.

2335 **Hon. E J Reyes:** Yes, and I think the Minister when he was trying to explain to me, he mentioned the Sports Development Projects, which is what I looked at straight away, but then he mentioned that the eventual aim was to make it part of the Sports Development Unit. Was that a simple slip of the tongue, because the Sports Development Unit has £10,000 allocated and from my recollection that is something that they use? It is sums of money that they use throughout the year and not what the programmes –
2340 *(Interjection)* Sorry? Sports Development Unit is number nine, because the Minister mentioned the words Sports Development Unit, I immediately had to look at what was there. *(Interjection)* He meant... oh, that is understandable, Mr Chairman. In fact it is better, because that way it goes down on the record in *Hansard* that he means Sports Development Projects, which is number 24.

2345 Mr Chairman, whilst I have the microphone on, can I take the Minister to sub-point 20, the Playground Expenses? The actual expenditure in 2012-13 was £208,000 and in 2013-14 it was £170,000, yet he has kept the estimate the same even though the expenditure was £90,000 more than what was estimated last year. Does he have any information that could enlighten me on that one?

2350 **Hon. S E Linares:** Yes, Mr Chairman, it is to do with what I said in my Budget address. We have now a team of three people who before used to do *some* parts of the parks; now they are *completely* engaged in doing the parks. We can then cut down on certain costs that we had in the park – for example, security,

opening and closing and other issues that the parks have. So this maintenance team will take on board this type of work on a 24/7 basis.

2355 So we are hoping that... and that is why we put the same estimate, because this year we carried on because of the way of restructuring the whole of the maintenance team it has taken a little bit of time and therefore we are hoping that this year we can...in fact I can tell you that they started on 1st July, which is only yesterday. So they have started and are now engaged totally on the parks and that maintenance team will then hopefully be on budget and not what we have been paying for, which is the forecast outturn at £170,000. There have been many costs to that.

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Hon. E J Reyes: Yes, Mr Chairman, so if I have understood it correctly, I think the Minister is saying that a lot of that expense went to things that actually... human resources and so on. So the human resources are being catered for elsewhere and so on.

2365 The actual maintenance costs, sometimes the replacement of equipment and so on, is that then really the main bulk of what the £80,000 is left?

Hon. S E Linares: Yes, because they are incorporated in wages somewhere else. So, yes, it would be replacement and tools and equipment, and basically – (*Interjection*) yes, exactly.

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Hon. Mrs I M Ellul-Hammond: Mr Chairman, with regard to item 26, Elite Athletes Assistance and Injury Treatment, there is an estimate of £80,000. Could the Hon. Minister explain what that is targeted for?

Hon. S E Linares: Well, again, that was as stated in my Budget address in which it will deal with both those items which is a manifesto commitment. It is the Elite Athletes Assistance and Injury Treatment.

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What we have done is incorporate them both together. We had them, last year, divided. If you look, it is £40,000 and £40,000. We have done the £80,000 this year, because again we do not know how many athletes are going to be injured and we do not know how many athletes are going to be elite. So we took the decision of incorporating them both and therefore that vote will cater for both.

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Hon. Mrs I M Ellul-Hammond: Mr Chairman, but could he explain... where did the £20,000 go to? Paying health professional or to...

Hon. S E Linares: No, Mr Chairman, these were certain athletes that were given certain monies to be able to fulfil their...for example, there was a chess player, a tennis player, and what we did was we gave them some aid in order to...it was deemed...

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There were certain criteria that they were elite and they were doing well and therefore we gave them some money aid to fulfil their sports. So it is not to do with any health issues.

Hon. Mrs I M Ellul-Hammond: So, Mr Chairman, could the Hon. Minister then explain what the injury treatment bit is then that would be included in the £80,000?

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Hon. S E Linares: Well, that will depend, because again we are working, together with the Sports Advisory Council and all the Associations, on how we best deal with this and therefore again it is all put together. We do not know how many players will be injured and therefore it is like a sum which we reckon could well fulfil that, but if it does not, if it is less I am sure Mr Bossano will be very happy that it is less, and I will be very happy because we do not have any injuries; but if it is more, we will have to then review it as and when it comes. (*Interjections and laughter*)

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Hon. Mrs I M Ellul-Hammond: Mr Chairman, we are saying injury treatment? By whom, then? By the GHA? By a separate injury clinic? He has not quite explained how that system works.

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Will that individual sports man or woman *not* go to the GHA? Would they receive separate sports injury treatment? If he could elaborate.

Hon. S E Linares: Well, Mr Chairman, we are not in a position to say that yet, because we do not know yet which is the best way to do it. There are issues. I mean the obvious, one is, do we allow a sportsman and woman to take preference to somebody who has an ill. We do not know how to do it. We would probably use the private. We do not know at this stage. So it is still open whether we go through the public, i.e. the GHA, or through the GHA that we go to the private.

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Hon. Mrs I M Ellul-Hammond: So, Mr Chairman, the Minister is saying that this £80,000 at the moment is a token figure while you explore and implement a new service.

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Hon. S E Linares: Yes.

2415 **Clerk:** That concludes clauses 6 and 7.

Mr Chairman: Clauses 6 and 7, stand part of the Bill.

Clerk: Clauses 8 to 11.

2420 **Mr Chairman:** Stand part of the Bill.

Clerk: The Schedule, Parts 1 to 9.

2425 **Mr Chairman:** Stand part of the Bill.

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**Tobacco (Amendment No. 2) Bill 2014 –
Clauses considered and approved**

2430 **Clerk:** A Bill for an Act to amend the Tobacco Act 1997.
Clause 1.

Mr Chairman: Stands part of the Bill.

2435 **Clerk:** Clause 2.

2440 **Chief Minister (Hon. F R Picardo):** Mr Chairman, I have given notice of an amendment, which does what I suggested earlier, which is change Clause 6B(1) from the wording at the moment that says, ‘a notice displaying the following statement’ and sets out the statement, to ‘a notice displaying a statement in such terms as may be required by the Collector of Customs (and set out it by Notice in the *Gazette*) shall be exhibited at every premises’. I have given written notice of that proposed change.
I understand it is not controversial.

Clerk: The long title.

2445 **Mr Chairman:** I think I should put the amendment in the terms moved by the Chief Minister.
All in favour? (**Members:** Aye.) All against?
Clause 2, as amended, stands part of the Bill.

2450 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**Commonwealth Park Bill 2014 –
Clauses considered and approved**

2455 **Clerk:** A Bill for an Act to establish a park to be known as ‘Commonwealth Park’ and for connected purposes.
Clauses 1 to 5.

Mr Chairman: Stand part of the Bill.

Clerk: Schedule.

2460 **Mr Chairman:** Stands part of the Bill.

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**Income Tax (Amendment) Bill 2014 –
Clauses considered and approved**

2465 **Clerk:** A Bill for an Act to amend the Income Tax Act 2010.
Clause 1.

Mr Chairman: I really do not think that there is a need for an amendment; it is typographical.

2470 **Minister for Financial Services and Gaming (Hon. A J Isola):** Yes, Mr Chairman, but there are a series of –

Mr Chairman: We might as well move it –

2475 **Hon. A J Isola:** –there are a series of other changes which are in a letter, which I have given notice of.

Mr Chairman: But on another occasion, if that sort of thing happens, there is no need for an amendment. If you just point out that it is typographical and then get the printers to –

2480 **Hon. A J Isola:** Yes, Mr Chairman, but there are a series of others in clause 2, which are in the letter that I have given notice of.

Mr Chairman: Okay. Fine. (*Interjections*)

Clause 2, we will put the amendment of which the Minister has given notice. Those in favour?

2485 (**Members:** Aye.) Those against?

Clause 2, as amended, stands part of the Bill; and the long title, as amended, stands part of the Bill.

BILLS FOR THIRD READING

**Appropriation Bill 2014;
Tobacco (Amendment No. 2) Bill 2014;
Commonwealth Park Bill 2014;
Income Tax (Amendment) Bill 2014 –
Third Reading approved: Bills passed**

2490 **Chief Minister (Hon. F R Picardo):** Mr Chairman, I have the honour to report that the Appropriation Bill 2014; the Tobacco (Amendment No. 2) Bill 2014; the Commonwealth Park Bill 2014; and the Income Tax (Amendment) Bill 2014 have been considered in Committee and agreed to with amendments, and I now move that they be read a third time and passed.

The Speaker: I now put the question, which is that the Appropriation Bill 2014; the Tobacco (Amendment No. 2) Bill 2014; the Commonwealth Park Bill 2014; and the Income Tax (Amendment) Bill 2014 be read a third time and passed.

2495 Those in favour of the Appropriation Bill 2014? (**Members:** Aye.) Those against? Carried.

Those in favour of the Tobacco (Amendment No. 2) Bill 2014? (**Members:** Aye.) Those against? Carried.

Those in favour of the Commonwealth Park Bill 2014? (**Members:** Aye.) Those against? (**Members:** No.) The Opposition are voting in favour? Carried by a Government majority.

2500 Those in favour of the Income Tax (Amendment) Bill 2014? (**Members:** Aye.) Those against? Carried.

So I now move that all these...well, no, we have voted for them there is no need to.

ADJOURNMENT

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that the House do now adjourn until 10.30 tomorrow morning, in time I believe for us all to attend the important reception to say farewell to –

2505 **A Member:** At 10.30 a.m. tomorrow?

Hon. Chief Minister: At 10.30 tomorrow morning to say farewell to our Bishop, and I hope to see all the Members opposite there sticking their snouts in the trough. *(Laughter)*

2510 **Mr Speaker:** The House will now adjourn until 10.30 –

Hon. D A Feetham: Mr Speaker, yes, I will be there, but I am going to pick up my wife so I will be slightly late.

2515 **A Member:** We will hold the trough for you.

Mr Speaker: The House will now adjourn until 10.30 tomorrow morning.

The House adjourned at 7.59 p.m.