



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.36 p.m. – 8.33 p.m.

Gibraltar, Thursday, 25th June 2015

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The Gibraltar Parliament

The Parliament met at 4.36 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

COMMITTEE STAGE AND THIRD READING

Appropriation Bill 2015 – Committee Stage and Third Reading to be taken at this sitting

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

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

FIRST AND SECOND READING

Supreme Court (Amendment) Bill 2015 – First Reading approved

Clerk: We now move to a Bill for an Act to amend the Supreme Court Act.
The Hon. the Minister for Education, Justice and International Exchange of Information.

10 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):**
Mr Speaker, I have the honour to move that a Bill for an Act to amend the Supreme Court Act be read a first time.

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

15 **Clerk:** The Supreme Court (Amendment) Act 2015.

Supreme Court (Amendment) Bill 2015 – Second Reading approved

Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):
Mr Speaker, I have the honour to move that the Bill be now read a second time.

20 Mr Speaker, this Bill makes amendments to the Supreme Court Act, so as to set new training requirements for barristers and solicitors who wish to commence practice in Gibraltar as from July 2015. The format and content of these requirements are the result of extensive discussions and agreements between Her Majesty's Government of Gibraltar and the Bar Council. The Chief Justice was consulted regarding the changes and he fully supports the new requirements. In fact, Mr Speaker, some of these

25 amendments arise following not just discussions, but calls from the Bar Council for harmonisation of training requirements for both barristers and solicitors.

The current system, Mr Speaker, is that whilst barristers are able to be admitted and enrolled as barristers of the Supreme Court, under the Supreme Court Act upon completion of the Bar professional training course, solicitors are nevertheless required to undertake a further two-year training period after completing the common professional examination before they can be admitted and enrolled as solicitors of the Supreme Court. In addition, solicitors and not barristers are required to undertake a professional skills course before admission.

30 Mr Speaker, given the fused profession in Gibraltar, whereby barristers and solicitors essentially undertake the same type of work and have the same rights of audience in our courts, both her Majesty's Government of Gibraltar and the Bar Council felt that the current disparity between the training requirements for barristers and solicitors could no longer be justified.

35 In fact, Mr Speaker, what was happening was that barristers, upon completion of their training, could come back to Gibraltar and be enrolled immediately as barristers of the Supreme Court and undertake solicitor work, given that we have a fused profession. Whereas solicitors, who did the professional training, still had to do two more years before being able to be enrolled as a solicitor of the Supreme Court and that was an anomaly which we could not allow to stand any longer.

In addition to that, Mr Speaker, local law firms that were previously approved by the Law Society as training establishments, authorised to undertake the two years' training period for solicitors, were having difficulty in renewing their approval. This meant that it would be very difficult, if not impossible, for those who qualify as solicitors to carry out their training in Gibraltar.

40 The new requirements which are given effect by the Bill, which amends the Supreme Court Act, will apply to both barristers and solicitors equally and include the following elements: (1) an academic course in Gibraltar Law; (2) practical training over one year in an approved establishment in Gibraltar; and (3) a professional skills course.

45 Mr Speaker, the academic course in Gibraltar Law will be delivered by the University of Gibraltar as from September 2015. It will involve 24 lectures over the academic year. The lectures will be presented by members of the Gibraltar Bar with a particular interest and expertise in the areas of law covered, and in the case of lectures on accounting for lawyers, by a local accountant.

The practical training element, Mr Speaker, will require barristers and solicitors to undertake a one year's training contract at an approved establishment. The minimum criteria for approval as a training establishment will be a Gibraltar firm that contains at least three practitioners – one with at least ten years' standing and two with at least seven years' standing.

55 The proviso, Mr Speaker, in the Bill is that the Chief Justice may in exceptional circumstances approve an establishment which does not meet these criteria and may set other conditions. This training, Mr Speaker, would cover at least three of the following four areas of legal practice: commercial law, property law, litigation and private clients. The professional skills course is expected to be undertaken towards the end of the year's training and will include advocacy and communication skills, client care and professional standards, and financial and business skills.

60 The new requirements, as with current practice, may be waived by the Chief Justice for outside counsel wishing to be admitted to the Gibraltar Bar for a particular case. In addition, the Chief Justice would have the discretion to waive the requirements of the practical training and professional skills course – but not the academic qualification in Gibraltar Law – for any barrister or solicitor wishing to practice in Gibraltar, if he was satisfied that such barrister or solicitor already had the necessary training or experience.

65 Furthermore, this Bill also contains provisions amending sections 34 and 35 of the Supreme Court Act, which are not directly related to the new training requirements.

70 The amendment to section 34 corrects a typographical error in the paragraphing of subsection (3) and the amendment to section 35 updates the offence of unqualified persons practising in Gibraltar. So a person not enrolled as a barrister or solicitor in Gibraltar, who exercises or holds themselves out to exercise a right of audience before any Gibraltar court, or carries on or holds himself out to carry on any activity which under any enactment is restricted to barristers or solicitors or both, or provides or holds himself out as able to provide for reward legal services of any description in or from within Gibraltar to members of the public or businesses generally, then such a person would be guilty of an offence and is liable on summary conviction to a fine at level five on the standard scale.

75 Mr Speaker, I want to give notice of an amendment I am proposing to make, a minor amendment, which has just arisen and which I propose to make at Committee, and that is to clause 1 in its title and commencement.

80 Clause 1 provides that the Act will come into operation on 1st July 2015. There are currently, Mr Speaker, a number of petitions for call to the Bar before the Gibraltar Court. I understand and I expect that all those petitions will be heard and be decided on before 1st July, but what we want to do is simply make an amendment to this to allow a little bit of flexibility in case there is any slippage of two or three

85 days. We would not want an Act which comes into operation on 1st July to interfere with petitions which are already and currently before the Supreme Court if they are already being dealt with, as I understand they are.

90 So therefore I will be proposing that that should be amended to a day appointed by the Government by notice in the *Gazette*, with different days appointed for a different purpose, which is a standard phrase that we use. If there is slippage, the intention is still that the Act be commenced on 1st July, but if there is a one or two day slippage then we will have that flexibility so as not to interfere with pending cases before the Supreme Court.

Mr Speaker I commend the Bill to the House.

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

100 **Hon. S M Figueras:** Yes, Mr Speaker, I rise to say that this side of the House will be supporting the Bill and mostly really to reminisce of how it used to be. Certainly, I remember during the Bar year, knowing that we had the advantage that we did over our English counterparts in returning to Gibraltar qualified as barristers and knowing that we would be enrolled and admitted immediately and that we would be able to start practising from the moment we arrived in Gibraltar.

105 The experience, Mr Speaker, of doing that and not having the training that this Bill contemplates introducing, was one of much stabbing in the dark, if I am honest, and I was at Hassans, which is not to say that there was more stabbing in the dark or less by any means, but there was obviously no formal training and that was the rule of the day and everybody got on and hoped and prayed that they were going to pick it up along the way. It was only really down to the generous giving of time of some of the practitioners – many actually in most cases – in the firms that we were able to find our way through the mine field, because of course we would return from the UK with much fresh in our minds that we promptly had to disregard to learn something new, particularly in the companies context where our Bill was based on the English 1929 Act, and that is certainly not what we had been taught in the UK.

110 So I certainly welcome this. I understand as well that concerns that have been raised by relevant bodies have been addressed. In relation to the academic course, I have had the opportunity of discussing with the Hon. Minister what that course might entail and the practitioners that might be cast with providing it and I have to say it is exciting, certainly from this side of the House, as I am sure it is from theirs.

115 The fact that the training requirements will be equalised between barristers and solicitors is probably going to be of benefit to the profession because of course, as we all know, so much of our work is solicitor-style work that it seems only right that the training requirements should be equalised, and that will likely have the effect that more people choose not to don a wig during their professional training in the UK and return probably a little better prepared for the style of practice that is prevalent in this jurisdiction.

120 This side of the House has no problem with the amendment proposed by the Hon. Minister and I look forward to seeing how the training develops and learning of its delivery in the new academic year.

125 **Hon. G H Licudi:** Mr Speaker, we are grateful for the support of the other side of the House and the words of the hon. Member.

130 These new requirements, which as I mentioned have been the subject of consultation and agreement with the Bar Council and consultation also with the Chief Justice, have generally been... or rather have been universally accepted and received with glee by all members of the profession, certainly everyone that I have spoken to and I am aware. *(Interjection)* Yes, well members of the profession. *(Laughter)* That is why I say by all members of the profession.

135 The hon. Member has mentioned that concerns were raised by relevant bodies and in fact no concerns have been raised, certainly to me, by any member of the profession. There was some correspondence by a group of students, who were now going to be required to comply with these requirements and to that, correspondence separate and individual replies were given by myself, by the Chief Justice and by Melo Triay as Chairman of the Bar Council. So we each addressed all those issues and we have not heard any further; therefore I hope that they are satisfied with the responses that they have received.

140 As the hon. Member has mentioned, the system we had is that to return to Gibraltar you are called to the Bar and in some cases thrown in at the deep end with no form of practical training; but that in itself was not so much the problem. The anomaly of solicitors having to do two years and barristers having to do no practical training at all when they were *both* doing the same job and in particular barristers doing the work of solicitors, that was something that needed to be corrected. What we have done is reduce the time that solicitors have to do from two years, as they are required to do in the UK, to one year and increase what barristers have to do from nothing to one year. So it is a compromise. So it harmonises and also adds the new and exciting prospect of a brand new academic requirement in Gibraltar Law, which has never existed.

145 I would add, Mr Speaker, just to end, that this new academic course, although it is a requirement for those who want to practice and be called to the Bar, it will in fact be open to everyone, whether you work in financial services, banking, gaming or anywhere else, and you want to have an oversight of what Gibraltar Law is about in any field, then that is something that anyone can enrol.

150 I would commend the course to the hon. Member. We would be very happy to see him at the University as from September.

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

Clerk: The Supreme Court (Amendment) Act 2015.

COMMITTEE STAGE AND THIRD READING

Supreme Court (Amendment) Bill 2015 – Committee Stage and Third Reading to be taken at this sitting

155 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

160 **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

Fair Trading Bill 2015 – First Reading approved

165 **Clerk:** A Bill for an Act to establish and provide for the functions of the Office of Fair Trading and the Office of Fair Trading Commission; encourage businesses to comply with consumer law and improve their trading practices; streamline and simplify the trade licensing system and re-name the modernised system as business licensing; establish enforcement powers for the Business Licensing Authority, being part of the Office of Fair Trading, in cases of non-adherence by licensees; establish a single point of contact as part of the business licensing procedure; amend the law relating to the protection of the collective interests of consumers; enable action to be taken against conduct which may significantly harm the interests of consumers; and for purposes connected therewith.

170 The Hon. the Minister for Business and Employment.

175 **Minister for Business and Employment (Hon. N F Costa):** Mr Speaker, I have the honour to move that a Bill for an Act to establish and provide for the functions of the Office of Fair Trading and the Office of Fair Trading Commission; encourage businesses to comply with consumer law and improve their trading practices; streamline and simplify the trade licensing system and re-name the modernised system as business licensing; establish enforcement powers for the Business Licensing Authority, being part of the Office of Fair Trading, in cases of non-adherence by licensees; establish a single point of contact as part of the business licensing procedure; amend the law relating to the protection of the collective interests of consumers; enable action to be taken against conduct which may significantly harm the interests of consumers; and for purposes connected therewith be read a first time. It reads like a speech actually.

180 **Mr Speaker:** I now put the question, which is that a Bill for an Act to establish and provide for the functions of the Office of Fair Trading and the Office of Fair Trading Commission; encourage businesses to comply with consumer law and improve their trading practices; streamline and simplify the trade licensing system and re-name the modernised system as business licensing; establish enforcement powers for the Business Licensing Authority, being part of the Office of Fair Trading, in cases of non-adherence by licensees; establish a single point of contact as part of the business licensing procedure; amend the law relating to the protection of the collective interests of consumers; enable action to be taken against conduct

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which may significantly harm the interests of consumers; and for purposes connected therewith be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

190 **Clerk:** The Fair Trading Act 2015.

**Fair Trading Bill 2015 –
Second Reading approved**

Minister for Business and Employment (Hon. N F Costa): Mr Speaker, I move that the Fair Trading Bill be read a second time.

It is both a pleasure and a privilege to have the opportunity to present to Parliament what I am sure this House will agree, is a project that will, amongst other things, take that leap in easing the administrative burdens of establishing a business in Gibraltar.

195 The Fair Trading Bill and the establishment of an Office of Fair Trading in Gibraltar have been in the making for the better part of three years, due to the breadth of our research and consultation. Mr Speaker, with your indulgence, I will abbreviate the Office of Fair Trading to OFT during the course of this speech.

200 As some Members of the House are already aware, the OFT is a statutory regulator, set up by Her Majesty's Government of Gibraltar as a watchdog to protect consumer interests and ensure that a fair marketplace is adhered to by all businesses. It will study the market, issue information and educational guidance, enforce consumer protection law, prohibit practices that significantly harm consumer interests and simplify the licensing regime.

205 Mr Speaker, I must at the outset thank the hon. Member opposite, Mr Damon Bossino MP, for reading the Bill and for his very useful suggestions, most of which I am sure he will be pleased to learn have been incorporated in the Bill.

210 Mr Speaker, for the most part our differences are highlighted in public and not our agreements or collaborations. I therefore wish to highlight that Members of this Parliament can and do in fact work together and in this instance our joint endeavour is to draft better law, which can only be of benefit to our community.

Mr Speaker, leaving aside my gush for my partisanship, I should note that on 18th March of this year, our officers of the Department of Business and Employment held and open seminar on the OFT. It was clearly the collective opinion of the participants that the Bill should commence as soon as practicable and that the introduction of best practice guidance could not be introduced soon enough.

215 The general consensus after all the research and feedback received was that the following three elements would be essential to the success of the OFT: licensing, which is currently out of date; regulation, which is not fully in place; and enforcement, which is not currently in place.

220 The purpose of this speech, Mr Speaker, is to set out how the Bill, when put together, will form the legal premise from which Gibraltar's OFT is launched, standing proudly at the forefront of the Government's regulatory revolution for consumers and businesses alike.

225 Part 2, Mr Speaker, establishes the Office of Fair Trading, as well as its duties and functions. At the end of each financial year, clause 4 requires that the OFT assesses performance and any relevant developments throughout the year, as well as the extent to which it has met its main objectives in the form of an annual report which must be laid before this House. The OFT has a duty to obtain and provide information to the public as to its functions and consumer protection measures. It is envisaged that the OFT will be active in its informative role and will engage the public by publishing educational materials and carrying out educational activities.

230 The OFT will review commercial activities that relate to goods or services supplied or offered to consumers in Gibraltar in order to become aware of any practices that could significantly harm the interests of consumers. The OFT is not there merely to act as an after-the-event type of complaints handler; it will be active and forward looking in its approach and engage with the general public. It will strive to improve potential for growth in an environment that is well regulated, neutral and fair for all involved. In this spirit, the OFT is granted a power under clause 7 to formulate proposals as to any aspect of the law or proposed changes.

235 The OFT Commission – known in the Bill as 'the Commission' – is the quasi-judicial body of the OFT established by clause 10. It is responsible for implementing decisions, upholding consumer law and hearing referrals from the OFT alleging that a person or business has significantly harmed consumer interests. The Commission does not initiate inquiries independently; all of its activities are undertaken following a reference to it by the OFT or a Minister.

240 On issues of law, the Commission has the power to refer a case for the opinion of the Supreme Court under clause 15 of the Bill. In this respect, the rules of the Supreme Court apply to the Commission in the same way as it would apply to the Magistrates' Court.

245 Part 4 of the Bill allows for complaints to be made to the OFT, either by individuals or designated consumer bodies. Designated consumer bodies are appointed by the Minister and published in the *Gazette*. Consumers may not always have the knowledge or information necessary to judge whether markets are failing them, known as information asymmetry. The Bill therefore allows for designated consumer bodies to make a super complaint to the OFT, while they consider that a feature or a combination of features of a market for goods or services is significantly harming consumer interests. In that way the designated bodies on behalf of consumers refer the matter to the OFT. They are a fast track to ensure that these complaints are considered within a shorter time period, being 90 days from the receipt of all information relating to the complaint.

250 By virtue of clause 19, a consumer or a business may also make a complaint to the OFT. The ability for businesses to also be able to make a complaint is important. For this reason the definition of 'consumer' in the Bill includes persons who are acting for the purposes which are wholly or mainly outside of the businesses – for example, goods bought by individuals primarily for their own personal needs, but also for their businesses, are also afforded protection under the Bill.

255 If the OFT has reasonable grounds for suspecting that any feature or combination of features of a market in Gibraltar for goods or services is or appears to be significantly harming consumer interests, it may refer the matter, in accordance with clause 20, to the Commission for review. The Minister may also make a reference to the Commission where he is not satisfied with a decision of the OFT not to make a reference, or where the Minister has brought information to the OFT's attention that he is not satisfied, or she is not satisfied, that the OFT will decide to make a reference. The content to be included in references to the Commission, such as the place where the goods or services are supplied or acquired or the persons by or to whom they are supplied, are more particularly set out in the Bill.

260 Before the OFT makes a reference, it will use its best endeavours to communicate with that person and obtain from them an assurance in the form of an undertaking. An undertaking is a satisfactory written assurance given by the person concerned that they will refrain from behaving in the manner described as being significantly harmful to consumer interests. The undertaking may be extended to an individual to refrain from such behaviour or by a body corporate, as a director, manager or similar officer, or has a controlling interest in the company.

265 The OFT can investigate and ask the relevant business to give evidence and, at clause 24, to help decide whether a reference is necessary. An undertaking in lieu of reference will come into force when accepted by the OFT. It may be varied or suspended by another undertaking or may be released by the OFT. No reference will be made in relation to any feature or combination of features of a market if (a) the OFT has accepted an undertaking within the previous 12 months; and (b) the goods or services fall within the same description as the goods or services described in the reference. This will not stop a reference being made to the Commission, however, if the OFT considers that an undertaking has been breached, a reference may still be made where the person giving an undertaking supplied false or misleading information to the OFT.

270 Mr Speaker, one of the main criticisms of the UK's OFT model was that it failed to actively identify risks of malpractice, instead relying on complaints from consumers and information from other third parties and it is for this reason that Gibraltar's Fair Trading Bill has introduced street level consumer protection officers. The CP enforcers' primary role is to protect the collective interests of consumers and ensure a level playing field for all businesses. The enforcers will be required to: monitor and check advertisements for accuracy; visit businesses to review the practices and inspect weighing and measuring equipment used for businesses; inspect and test goods for safety; check licences to ensure they are in place and up to date; ensure that no person is selling goods to consumers without a licence; and act and investigate conduct that could appear to harm consumer interests.

275 In order to provide and impose effective deterrents, the OFT must be active on enforcement. If a business has conducted itself in a way that could be significantly harmful to consumers, the OFT will consult such business to try and remedy their harmful conduct at an early stage. If this fails the Commission will become involved. An enforcement order issued by the Commission would name the suspected person who was engaged in conduct that significantly harms consumer interests. It will direct the person to comply with the content of the order sometimes within a specified time period.

280 Businesses, Mr Speaker, need not fear the law however. The OFT will, as soon as is reasonably practicable after the data is sent, prepare and publish advice and information explaining the provisions relating to CP enforcers and indicating how the OFT expects such provisions to operate. At both seminars held this year, such explanations and guidance were put forward and discussed with the attendees. Any person aggrieved by a decision of the OFT, the Minister or the Commission in connection with a reference, may appeal to the Supreme Court, but an appeal may *only* be brought on a question of law and an appeal must be made within 28 days of the Commission's decision.

Mr Speaker, part 9 deals with business licensing and is therefore an important and central component of the Bill. The Trade Licensing Act 1978 will be repealed upon implementation of the Fair Trading Act, which makes the way for a modern and streamlined business licensing procedures. In line with the improvements of a licensing regime, we have replaced the term ‘trade licence’ with the modern equivalent, a ‘business licence’.

Mr Speaker, the revised licensing provisions are forward thinking and in line with European Union requirements. A prime example of this is the new statutory presumption that an applicant will be able to carry on business in Gibraltar, subject to obtaining the required licence. There is also a presumption that a licence will be renewed subject to there being no breaches of the terms of the licence having taken place.

Trade licences previously run in calendar years from 1st January to 31st December. Under the Bill, a licence will continue in force for one year from the date it is issued and will thereupon expire.

The OFT, Mr Speaker, will cover a wider reach of businesses and services to avoid incidents of unlicensed malpractice. From feedback received from the industries, those who did abide by the existing regulatory regime often felt cheated by those who are able to avoid regulation by selling goods or providing services without a licence. Gibraltar needs to ensure a fair playing field, not just for the benefit of consumers, but equally as importantly for businesses as well. The ability to licence sellers of goods is invaluable as a consumer protection tool. Licences will not only cover trade, but also services of any kind not already catered for under existing legislation. In other words, all businesses and services not regulated under Gibraltar legislation are caught by the Bill.

As the law currently stands, a licence can only relate to a single property. Under the Bill, however, the Licensing Authority has a discretion to allow more than one licence over a single premises. To do so, the Authority will need to be satisfied that the existing licence can co-exist in a compatible manner with a licence to carry on business of a different type at the same premises.

Further, Mr Speaker and as a vitally important step forward, the requirement to have premises may be waived entirely in cases where the Licensing Authority is of the opinion that such businesses do not need premises in which to operate, such as, but not limited to, online services. To protect the OFT’s position, a person who knowingly gives any false information when applying, or with regard to an application to object, will face a fine of up to level 3 on the standard scale. Previously, Mr Speaker, there was no administrative procedure for a licence to extend the licence, which led to existing licence holders making manuscript amendments to a new application. The new Act corrects this.

In order to encourage productivity and enterprise in Gibraltar, provision of licences may be granted to start-ups. The pre-condition for such a provisional licence is that the applicant has premises that are being or will be constructed for the purposes of being used for a business in Gibraltar. Provisional licences may also be granted where premises are being altered for the purpose. The provisional licence would only be granted on the condition that such premises are fit for use within 12 months from the date of issue of the provisional licence, following which the provisional licence automatically expires.

The new Bill, Mr Speaker, removes the statutory discretion to refuse a licence on the basis that the needs of the community in Gibraltar, or in the area of where the trade or business is to be carried on, are adequately provided for. This removal reduces the risk of monopolies and provides consumers with a greater variety of competitively priced goods and services in accordance with Directive 2016/123/EC on the services in the internal market.

In the spirit, as well, of the EU Services Directive, member states should facilitate the establishment of productivity in new business. As a result, in addition to the reduced grounds under which a person may launch an objection, the Bill also introduces a filing fee payable upon the lodging of any objection. Business licence hearings, Mr Speaker, were previously held on an *ad hoc* basis, usually once a month. These meetings must now be held at a minimum of fortnightly intervals and whereas the previous trade licensing meetings were called to consider all applications, the Business Licensing Authority will *only* call for a hearing if either of the following circumstances are met: that it is deemed necessary for the purpose of considering the applications or where an objection has been received.

Mr Speaker, it is imperative that the licensing hearings are carried out in an objective and impartial manner and for this reason any person who has a disqualifying interest in the matter being heard, being for reasons of financial interest, having an interest in a competing business, organisation or relationship, or personal relationships, will be prohibited from considering the application, which allows the Authority to alert itself to potential risk of conflicts at all times.

Mr Speaker, also in an important modernisation and overhaul of the current system, the concept of business licensing will be revolutionised by the introduction of an online area for information, forms, payments and advice in relation to business licensing. Increasingly, Mr Speaker, daily tasks are carried out online and this Government is steadfastly committed to introducing the legislative and logistical structure to accommodate the digital era. The information that a Government places in the public domain forms a crucial part of our engagement with the general public. The introduction, therefore, of an online information

portal and the new online business licensing system will steer us towards the technologically modern way we intend to conduct our business.

In line with the EU Services Directive, Mr Speaker, there will also be an office within the OFT known as the Single Point of Contact. The Single Point of Contact aims to drastically ease an applicant's administrative burden. This will become the first port of call for new businesses that intend to set up in Gibraltar. The Single Point of Contact is a convenient one-stop shop providing information and guidance on the various licensing and registration requirements, historically handled by a multitude of Government Departments. An applicant will be able to collect and complete these forms at the Single Point of Contact. Whereas previously forms had to be delivered to several different locations, the Single Point of Contact will also accept completed forms and redistribute them. It sets out that these forms may relate to a business licence, town planning permits, environmental health permits, registration as a business, trade or profession and registration for tax and social insurance.

The Single Point of Contact provides applicants with all information and procedural formalities by electronic means, so that these can be accessed and completed remotely as well as manually. The facility will also include the provision to help and support electronically and/or by telephone for its users in accordance with clause 98.

Mr Speaker, schedule 3 of the Bill is divided into two clearly distinct parts, both of which cover areas that require a licence under the Bill. Further, any category whose business involves handling client monies or holding financial deposits for clients will be required to evidence to the OFT that the business has put in place a separate client account within three months from the date of issue of the licence.

The Minister has the power to issue codes of conduct or consumer codes as guidance for certain categories of licence holders to follow in their practice. The codes, which we are to publish in conjunction with the opening of the OFT, are comprised of a consumer code for estate agents, a consumer code for travel agents and a consumer code for all those licenced businesses that require a client account under the Bill.

Mr Speaker, to conclude, the Government has worked earnestly to bring into fruition the legislative provisions of the Fair Trading Bill in a way that is capable of being read by the non-legal person and avoids legal jargon. By its simplicity, the legislation marks the passage of the piecemeal consumer protection currently found in our law and ushers in a modern and unified area of consumer protection, complaints redress and enforcement. We also ensure a fair level playing field for businesses by mandating that all businesses play by the same rules and that no one inures an unfair advantage.

Further, in the spirit of the European Union Digital Single Market, Gibraltar is taking bold steps to create an open and flexible market within the supervisory and regulatory framework established by the OFT. Our outdated trade licensing legislation and lack of consumer enforcement powers did not match our aspirations for economic growth.

Gibraltar, Mr Speaker, must strive to maintain choice in our markets and allow for new businesses to flourish. We aim to give applicants access to services at a single point of contact, without having to resort to paper-based processes delivered throughout Gibraltar. By digitising information services and allowing consumers to submit applications for business licences online, businesses would be able to establish themselves much more efficiently. I believe that this legislation caters for the dynamic nature of the digital economy in which we live.

I also firmly believe that the new streamlined application system and Single Point of Contact will be an effective way to bring fresh ideas and business to Gibraltar. Making life simpler makes doing business a more user friendly experience for those involved and provides consumers with greater choice. After all, Mr Speaker, the less time that business people spend lodging applications, the more time they will have to dedicate to their businesses.

Mr Speaker, I commend the Bill to the House.

Several Members: Hear, hear. (*Banging on desks*)

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

Hon. D J Bossino: Mr Speaker, yes, just to thank the Hon. Minister for the recognition of the work done by the Opposition. I am grateful for that, and he knows that this side of the House will be supporting the Bill. He heard me yesterday during the course of my intervention in relation to the Appropriation Bill.

So going into the meat of things, Mr Speaker, just to raise a few points which arise from my further very quick review of the second incarnation of the Bill, I would refer him – if he could take a note perhaps in his reply later on and give an explanation or assistance – in relation to the words in clause 10... does he have it, it is clause 10(2) and it reads:

‘The function of the Commission is to ensure a level playing field between businesses for the benefit of consumers and the economy.’

I think he may recall that during the course of our discussion – and this is one of the clauses which has survived in the new Bill – I think I mentioned that I found some difficulty with those words because – and I know that the intention has been because he has told me throughout that the wording should be as non-legal as possible, but I think, certainly in my mind in many respects it has given rise to more complications than less and perhaps he give some explanation as to whether there is any case law or any form of guidance as to what that will mean in practice and legally.

Moving on, Mr Speaker, I am glad to see in clause 20 the removal of some of the tests which were reflected in the wording used in relation to references to the Commission. I think it was a very confusing in the first draft of the Bill where it referred to preventing, restricting and distorting good consumer practice or fair trading. I think that has now been changed to – if the House bears with me – significantly harming consumer interests. Perhaps, if he could confirm in his reply that that is the uniform test, which applies irrespective of the matter that is being addressed in the particular clause in the Bill, whether it is a reference of the OFT Commission or any other rules. I think the test is now standard and the test now is significantly harming consumer interests, but I would be grateful for his confirmation in relation to that.

Moving along, again, from a quick review of the Bill, I see that that the erroneous cross references to the previous clauses have also been addressed, which is very useful indeed.

Mr Speaker, if I could ask the Minister also to take a note of this particular clause – it is clause 28(5)(b) and I will just double check that it is still there in the new Act... I think it was when I saw it – where it reads:

‘For the purposes of this part a benefit is a consumer benefit’

I will ignore (a)...yes, so it would read:

‘For the purposes of this part a benefit is a consumer benefit’

Then you have got (a):

‘if it is a benefit for consumers...’

– blah, blah, blah.

And then (b) it says:

‘The Commission believes that...’

I am not sure that the wording quite flows as nicely as it should there, because I think that (a) and (b) ought to be read disjunctively. So you read the first bit:

‘For the purposes of this part a benefit is a consumer benefit’

And then it goes on –

‘The Commission believes’

I think there maybe something missing there.

Then if he could give an explanation of (b)(i) and (ii) which again I think survives, where it says –

Hon. N F Costa: Will you give way?

Hon. D J Bossino: Yes, of course.

Hon. N F Costa: Mr Speaker, just on that point, if I am following the hon. Gentleman correctly, I am referring to section 28, subsection (5)? (**Hon. D J Bossino:** Yes.)

Well, it reads:

‘For the purposes of this part a benefit is a consumer benefit –
(a) if it is of benefit to consumers or future consumers in the form of –’

Then it has paragraphs (i) and (ii) and:

‘The Commission believes...’

Hon. D J Bossino: Yes, he is absolutely right, and that clarifies completely the point that I was making.

475 But in any event (b)(i) and (ii), I do not necessarily need to read the entirety of that clause, but I thought
when I first read it, Mr Speaker, that the wording was rather woolly and I did not quite understand it.
Maybe if he could specifically home in and focus on that particular section and provide the House with
some explanation for its current existence in the Bill in its current form.

480 Clause 70, subsection (4), again I am very happy to see the drastic tidying up that we see there, because
I think in the original draft of the Bill... yes, in the original draft of the Bill I think we had erroneous
references. I see that Miss Miles, who assisted the Minister in relation to the drafting, who but is nodding
her head. I think it was a very specific to the death of a licence holder and it has now been made much
wider and I think as it currently stands, Mr Speaker, it now works. It now very definitely works and it
makes it much more user friendly.

485 Just a final point, Mr Speaker, and perhaps this is a point I could have raised at the Committee stage, but
in schedule 2(5), this is a point... yes, probably more properly raised... can be raised – but at least I can
give him notice, and maybe it is an amendment that he could himself suggest. (*Interjection*) It is schedule 2
at 3(5) to be precise and it reads:

‘The Chairman of the Commission may be removed from office only for inability to discharge the functions of his
office...’

490 – I will forget the brackets –

‘or for misbehaviour and shall not be removed expect in accordance with subparagraph (5)’

495 So it is not clear which subparagraph (5) it is referring to. Is it that paragraph? Is it that subparagraph
itself? Maybe it should just simply read ‘in accordance with this paragraph’ or ‘this subparagraph’. It is just
a suggested wording, but I think it may be a bit of a nonsense as it currently stands. (*Interjection*) Thank
you. You are so kind.

I think that is the end, Mr Speaker, and I am grateful.

Hon. S M Figueras: Mr Speaker, yes, I am grateful for the opportunity to contribute to this debate.

500 Mr Speaker I would ask a specific question in relation to schedule three in the business licensing classes
and in particular to clause (b)(6) which is drafted as online services provided from Gibraltar. I appreciate
that I have not given notice to the hon. Member, because I have not actually looked at it until today
(*Interjections*) Well, it is not my area of responsibility, so hardly that shameful, Mr Speaker. (*Interjection*)
505 Schedule 3 (b)(vi) and I am very happy that I have decided that I will make the comment that I will declare
just in case, because *asi esta el ambiente* that a potential interest because it is... Isolas is the firm for which I
work that has drafted this and so I just put that out there so that you are aware of it before I raise the point,
because it is not a point in any event. I will revert to the point and sit down quickly because I can see that
the longer I stand, the longer I am a target, Mr Speaker.

510 ‘Online services provided from Gibraltar’ strikes me, Mr Speaker, as being very wide and in capturing
all online services. Mr Speaker, the hon. Member may or may not be aware that there are websites out there
that are special interest blogs and special interest web publishing where the income from which websites is
purely affiliate marketing commissions based, and therefore it is not a service, as such. I wondered when I
saw it, given my particular interest in that kind of activity in any event, whether it might be possible
perhaps to suggest an amendment that might exclude that kind of business. Again, I appreciate the lateness
515 of the notice, but it may be something to think about at this stage because, Mr Speaker, you see that is the
kind of activity where many entrepreneurs might start out in online business, as such. They may be writing
about the subject that they are interested in and they may be able to generate some income as a result of the
availability, the very easy availability of online affiliate marketing initiatives.

520 I would suggest, Mr Speaker, and it is something for the hon. Member to consider, whether perhaps we
might be able to exclude services other than special interest web publishing, where the income arises
exclusively from affiliate marketing commissions. Again, I leave it to the hon. Member to consider. I have
drafted a potential amendment to that clause and would move it if he considers it relevant. In fact, if he
would like to have a quick word about it behind the Speaker’s chair, if that is appropriate, Mr Speaker, then
I am more than happy to do that too.

525 **Hon. N F Costa:** Mr Speaker, I will take first the Hon. Mr Bossino’s questions to me.

In the first place, he asked me about the reasons why at clause 10, subclause (2), the specific reference
to level playing field, and I think that I have explained during the course of my speech and in my
discussions with him over the phone and in my office that the main thrust of the Office of Fair Trading Bill

530 actually, interestingly, was not so much from consumers, but from businesses. It is the legitimate complaint
and gripe of licenced businesses who play fairly by rules and by certain codes of conduct that there were
other players within the Gibraltar market who were not playing by the same rules or by the same conduct.
Therefore, whereas there is no case law because that part of the Bill is specifically from us – drafted by us –
535 I do not think that it will be a difficult point on which the Supreme Court will be able to adjudicate, for that
simple reason, and for the reason that the schedule – I believe it was schedule 3 – sets out all of the
businesses that are to be licenced by this Act. But in the body of the Bill it also says that the licences to be
issued by the Business Licences Authority are for those businesses which are not already caught or covered
by other legislation – Financial Services legislation and the Supreme Court Act for Barristers and Solicitors.
540 So we are talking, by exclusion, of a set of businesses not already covered and therefore the Supreme Court
I think will have a very easy time to be able to determine whether the business falls under schedule 3,
whether it is a business that needs to be licenced as a result of that schedule, and because it is not covered
by any other enactment. Therefore all that the phrase does is ensure that everyone, who is not already
covered and should be covered, *is* covered, so that no business gets away with not playing by the same
rules.

545 In respect of consumer interests, he is absolutely right when he says that the consumer interest test is the
standard test throughout the entirety of the Bill.

In respect of the mismatch of cross references, as the hon. Gentleman knows, and as I explained,
because of the numerous numbers of drafts, there were certain sections which did not correctly cross
reference to others and I am grateful to him, as I told him in my bipartisan gush speech, for pointing that out
550 to me.

In respect to the Hon. Mr Figueras, in the first place to remark about his preface to the question, there is
very good *ambiente* in this House; and secondly, if he were to – (*Interjection by Chief Minister*) At the risk
of irking the Hon the Chief Minister, who is already alerting me to the fact that he does not like this level of
bipartisanship, if he puts to me a proposed amendment, I will be more than happy to consider it by the time
555 we get to the Committee stage.

Hon. D J Bossino: Will you give way?

Hon. N F Costa: Yes, of course.

560 **Hon. D J Bossino:** Just before he sits down, I think, unless I missed it, there is one point which I think
he has left out, which is an explanation in relation to the wording in 28(5)(b), did I miss that?

Also, it just occurred to me when he was speaking about the home grown wording in relation to a level
playing field, I think in his discussions he told me that there was some EU Directive influence in relation to
565 this. Is that correct? No? Do you remember when we discussed about it, it did not actually feature in the
first pages of the Bill and...

Hon. N F Costa: Yes, Mr Speaker. My discussions with the hon. gentleman, although not seared in my
mind as having been unpleasant, I do remember what we spoke. The EU Services Directive comes in in the
570 points that I pointed out in the speech, which are essentially the Single Point of Contact and also making
sure that the grounds that said that you could not set up a business if that particular area of Gibraltar was
already catered for, had to be abolished because it was deemed to be anti-competitive.

In respect of section 28(5) subparagraph (b)(ii), the Commission will always have to carry out a
balancing exercise and there will be occasions where a particular market feature complained of has good
575 aspects and bad aspects, and therefore the Commission will have to determine whether the good outweighs
the bad.

Mr Speaker: I now put the question, which is that a Bill for an Act to establish and provide for the
functions of the Office of Fair Trading and the Office of Fair Trading Commission; encourage businesses to
580 comply with consumer law and improve their trading practices; streamline and simplify the trade licensing
system and re-name the modernised system as business licensing; establish enforcement powers for the
Business Licensing Authority, being part of the Office of Fair Trading, in cases of non-adherence by
licensees; establish a single point of contact as part of the business licensing procedure; amend the law
relating to the protection of the collective interests of consumers; enable action to be taken against conduct
585 which may significantly harm the interests of consumers; and for purposes connected therewith be read a
second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Fair Trading Act 2015.

COMMITTEE STAGE AND THIRD READING

**Fair Trading Bill 2015 –
Committee Stage and Third Reading to be taken at this sitting**

590 **Minister for Business and Employment (Hon. N F Costa):** 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.)

FIRST AND SECOND READING

**Gibraltar Land Titles (Amendment) Bill 2015 –
First Reading approved**

595 **Clerk:** A Bill for an Act to amend the Gibraltar Land Titles Act 2011.
The Hon. the Deputy Chief Minister.

Deputy Chief Minister (Hon. Dr J J Garcia): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 be read a first time.

600 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Gibraltar Land Titles (Amendment) Act 2015.

**Gibraltar Land Titles (Amendment) Bill 2015 –
Second Reading approved**

Deputy Chief Minister (Hon. Dr J J Garcia): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 be read a second time.

605 In accordance with a manifesto commitment, as listed in page 19, this Bill makes various amendments to the Gibraltar Land Titles Act 2011, to address concerns of legal practitioners with respect to registration of deeds.

610 When the Act was commenced, together with its accompanying regulations, it introduced significant procedural changes, with the aim of tightening up the regime of registration of deeds. Many lending institutions complained about the inordinate amount of time it took them to retrieve registered deeds, post-completion, from some legal practitioners. Registered deeds provide security to a lending institution against a loan or mortgage that it has given out and it is understandable that the said institutions would want them in their safe keeping immediately after. In order to rectify the situation and allay fears held by lending institutions, the Act came about.

615 Problems arose when the transitional provisions commencing the Acts and deadlines – where unregistered deeds were to be registered before the new Acts came into operation – were not achieved by some legal practitioners. In order to rectify the situation, pursuant to the Acts, they would have to make an application for late registration to the Supreme Courts. They claim that this was burdensome, an expense they had not catered for and that it was unfair.

620 I take this opportunity to advise the House that the Bar Council has been consulted before this Bill was presented to Parliament today, with submissions received from only two lawyers advocating a complete overhaul of the land registration system which has existed in Gibraltar since 1888. The merits and costs of moving away from the current system is something which may be explored as a long-term project. It will take more detailed consideration and was not in our election manifesto. In the meantime, and in the light of
625 the manifesto commitment, the Bill contains the main changes to deal with the concerns raised by legal practitioners and the Registrar of Land Titles at the time.

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

A Member: Hear, hear.

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

I now put the question, which is that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

635 **Clerk:** The Gibraltar Land Titles (Amendment) Act 2015

COMMITTEE STAGE AND THIRD READING

Gibraltar Land Titles (Amendment) Bill 2015 – Committee Stage and Third Reading to be taken at this sitting

Deputy Chief Minister (Hon. Dr J J Garcia): 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.

640 **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

Private Trust Companies Bill 2015 – First Reading approved

Clerk: A Bill for an Act to make provision for the voluntary registration of private trust companies and for matters related thereto.

The Hon. the Minister for Financial Services and Gaming.

645 **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 make provision for the voluntary registration of private trust companies and for matters related thereto be read a first time.

650 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for the voluntary registration of private trust companies and for matters related thereto be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Private Trust Companies Act 2015.

Private Trust Companies Bill 2015 – Second Reading approved

655 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I have the honour to move that the Private Trust Companies Bill 2015 be now read a second time.

660 Mr Speaker, private trust companies, or PTC's, may already be established in Gibraltar. Any limited company may act as a trustee provided that it is not carrying on a licensable activity. Typically, however, such a company will notify the FSC (a) that it has been formed to administer a trust settled by one or more individuals; (b) that this is its sole purpose; and (c) that it will not receive remuneration for providing trusteeship... in order to be able to act as a trustee of any one or more trusts, often the trusts of the family.

665 Mr Speaker, while this provides a simple and cost-effective process for establishing a PTC, the lack of a formal registration procedure sometimes prevents clients and intermediaries from recommending Gibraltar as an appropriate jurisdiction for the incorporation of a PTC as there is no legislative or regulatory framework from within which the PTC is formally recognised and can operate. Introducing a law to govern the operation of PTC's will provide greater legislative protection and certainty and encourage potential clients to consider Gibraltar as an attractive jurisdiction in which to establish a PTC structure.

At present Gibraltar is at a disadvantage compared to other international financial centres, which have made specific provisions for PTC's in their legislation. Indeed, Mr Speaker, it is appropriate to report and to mention to this House that the Society of Trust and Estate Practitioners, who have been promulgating this legislation together with a series of other Bills, some of which we will be considering today... some seven years ago – are delighted at the steps that we are taking. There are numerous benefits to appointing a PTC as a trustee of a trust in place of professional individuals or licenced professional trustees.

Mr Speaker, I must also mention the approach that we have adopted towards implementing this legislation. A mandatory registration regime could be unfairly and unnecessarily onerous, especially on PTC's in respect of which the cost of registration and renewal might be disproportionate to the size of the trust fund. We therefore felt that a voluntary system of registration would provide, for those who chose to submit to it, a legal framework within which a PTC could be officially established and operated, whilst at the same time provide flexibility for those seeking to opt out of it.

The legislation therefore fills a gap in Gibraltar's offering as an international finance centre without prejudicing those who may have felt caught by a mandatory system of registration. Notwithstanding the voluntary character of the PTC regime however, Mr Speaker, the proposed legislation provides for, among other matters, the establishment of a register, and for inspection of the register by members of the public and registration and renewal to be accompanied by a declaration of compliance.

Before I close, I should briefly mention that amendments have been notified to you, Mr Speaker, in writing and these largely comprise the correction of minor errors and stylistic changes; however, we also decided, after input from the Finance Centre Council, that it served no purpose not to include the name and address of the registered administrator in the register and that information will now therefore be fully available for public inspection.

Mr Speaker, the Government is confident that the legislation we are proposing will be of great addition to Gibraltar's trust offering especially, but by no means exclusively, in the context of family offices. Once again, Mr Speaker, the Government is indebted to the efforts of those individuals and firms, as well as the Committee, drawn from the private sector in bringing this Bill to fruition.

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

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

Hon. S M Figueras: Mr Speaker, yes.

The Opposition will be supporting this Bill, as it will be supporting the other two Bills, which effectively, as a package, deliver for the financial services industry in various different respects. Some very positive changes and initiatives, which many in the industry have agreed for a long time, were needed and probably overdue.

Certainly, Mr Speaker, the Bills have clearly been drafted in consultation with the relevant stakeholders and in that regard, having reviewed them, there is nothing we need to add to the debate, other than that to say that we, on this side of the House, welcome the arrival of these initiatives and look forward to benefiting, certainly in a professional context, from the advantages that this will bring in due course.

Several Members: Hear, hear. (*Banging on desks*)

Mr Speaker: I now put the question, which is that a Bill for an Act –

Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi): Mr Speaker, Mr Speaker.

Mr Speaker: Mr Speaker, sorry.

Hon. G H Licudi: Mr Speaker, I also welcome and will be supporting this Bill – (*Interjections and banging on desks*) That is, of course, no surprise, but I do so with a great deal of pleasure because this Bill, and as the hon. Member opposite has mentioned, the two Bills that follow – and I will not be making the same speech three times, hon. Members will be glad to know, which will be for the Purpose Trusts Bill and the Trusts (Private International Law) Bill – are good for business, good for the industry and generally good for Gibraltar. They have been much awaited and are needed tools to increase the range of products and armoury that professionals in Gibraltar have to offer the financial services world.

I remember... and the hon. Member, Mr Isola, has mentioned discussions or steps promulgating these measures as far back as seven years ago, and I certainly remember being in private practice and having discussions with colleagues at Hassans and elsewhere about the need to include this type of legislation to the financial services offering that we already have in Gibraltar. I started work when I was Minister for

Financial Services in this area and I am very glad to see that my learned and hon. colleague took over that work and this now sees fruition during this term of office.

730 Gibraltar primarily, as we all know, Mr Speaker, is a services jurisdiction – that is primarily what we do. We offer services. We have a competitive world out there and the greater the range of products and the greater the range of tools that we have in Gibraltar, the greater our competitive edge. We are required to remain at the top of our game and for our professionals to remain at the top of their game by having the necessary tools and that is what we in Government are required to do: facilitate that work; work in
735 partnership with a private sector; provide the tools that are necessary; promote the work of the industry and thereby to improve the offering of Gibraltar. That is how Gibraltar moves on. That is why we have got the resources we have in the Finance Department with the senior executives who go round, visit conferences and talk about what we do in Gibraltar and it is important that we come to this house and we enact these pieces of legislation so that that message gets out there and that Gibraltar continues to be recognised as the
740 first class jurisdiction that we all recognise that we are and that we will continue to be for many years.

Thank you Mr Speaker.

A Member: Hear, hear. (*Applause*)

745 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for the voluntary registration of private trusts companies and for matters related thereto be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Private Trust Companies Act 2015.

COMMITTEE STAGE AND THIRD READING

Private Trust Companies Bill 2015 – Committee Stage and Third Reading to be taken at this sitting

750 **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.)

FIRST AND SECOND READING

Purpose Trusts Bill 2015 – First Reading approved

755 **Clerk:** A Bill for an Act to make provision to allow for trusts for a purpose or purposes otherwise than for charitable purposes and for matters related thereto.

The Hon. the Minister for Financial Services and Gaming.

760 **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 make provision to allow for trusts for a purpose or purposes otherwise than for charitable purposes and for matters related thereto be read a first time.

765 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision to allow for trusts for a purpose or purposes otherwise than for charitable purposes and for matters related thereto be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Purpose Trusts Act.

**Purpose Trusts Bill 2015 –
Second Reading approved**

Minister for Financial Services and Gaming (Hon. A J Isola): Mr Speaker, I have the honour to move that the Purpose Trusts Bill 2015 be read a second time.

770 Mr Speaker, ordinarily a trust will contain identified or identifiable beneficiaries and the duties imposed upon trustees are owed to those beneficiaries. Charitable trusts established for one or more charitable purposes are a long held exception to this principle. With regard to non-charitable purposes however, the law has been slow to recognise that trusts have a role to play.

775 A number of finance centres therefore have taken steps in their legislation permitting the creation and enforcement of trusts, whereby the trustees hold property on trust to carry out specific purposes which do not qualify as charitable and this type of trust is usually referred to simply as a purpose trust. The Bill before Parliament will add Gibraltar to that list of jurisdictions, which includes Jersey, Guernsey and the Cayman Islands.

780 Mr Speaker, there are a number of purposes for which a purpose trust can be useful, which include to fill the charity gap. That is to say, to label purposes which cannot strictly be said to be charitable, but which equally do not require beneficiaries – for example, a request that a trust fund be used for the promotion of peaceful relations between nations.

785 To maintain control over family assets, such as when there is an aim to benefit family, but also to ensure the continuance of a business. A purpose trust might make certain that the benefit of the business is retained without interference from the beneficiaries and the beneficiaries could still receive dividends from the business without right to interfere.

790 Mr Speaker, you will see that the Bill has been carefully designed so as to ensure that, among other things, a purpose trust established in Gibraltar has purposes that are capable of being carried out and are sufficiently certain to be capable of being carried out. We have also made certain that at least one trustee of a purpose trust must be a licensed trustee.

This Bill also sets out particular powers that a trustee will need in the context of a purpose trust, such as, for example the discretion to formulate the means by which to give effect to the purpose of the trust.

795 Finally, the Bill also provides applications to Court by the trustees and other authorised parties, disappplies the rule against perpetuities in common with other jurisdictions that have adopted purpose trust legislation and also creates various offences for breaching various provisions of the Act.

800 Mr Speaker, this Bill is another example of how Government is ensuring the continued growth and success, not just of the trust industry and the financial services industry. As with the Trusts' firewall legislation and the Private Trust Companies legislation, I want to record my gratitude to the Private Sector Committee and those personally involved in the drafting this legislation for their work in bringing this to the House.

Mr Speaker I commend the Bill to House.

Two Members: Hear, hear. (*Banging on desks*)

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

I now put the question, which is that a Bill for an Act to make provision to allow for trusts for a purpose or purposes otherwise than for charitable purposes and for matters related thereto be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

810

Clerk: The Purpose Trusts Act.

COMMITTEE STAGE AND THIRD READING

**Purpose Trusts Bill 2015 –
Committee Stage and Third Reading to be taken at this sitting**

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.

815 **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

**Trusts (Private International Law) Bill 2015 –
First Reading approved**

Clerk: A Bill for an Act to provide for certain matters of private international law in relation to Gibraltar trusts and for connected purposes.

The Hon. the Minister for Financial Services and Gaming.

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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 provide for certain matters of private international law in relation to Gibraltar trusts and for connected purposes be read a first time.

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Mr Speaker: I now put the question, which is that a Bill for an Act to provide for certain matters of private international law in relation to Gibraltar trusts and for connected purposes be read a first time.

Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Trusts (Private International Law) Act 2015.

**Trusts (Private International Law) Bill 2015 –
Second Reading approved**

830

Minister for Financial Services and Gaming (Hon. A J Isola): Mr Speaker, I have the honour to move that the Trusts (Private International Law) Bill 2015 be read a second time.

Mr Speaker, the trust industry worldwide is a large, mature and increasingly competitive one. In this marketplace many jurisdictions have enacted so-called firewall legislation, designed to attract substantial investments and deposited trust funds, by providing a secure environment in which local law trusts are free from attack by foreign laws and foreign courts.

835

Typically, firewall legislation does two things. Firstly, it sets out rules that limit the circumstances under which any foreign law can affect a local law trust; and secondly, it prevents the enforcement of foreign judgments that undermine these principles. The Cayman Islands was the first major finance centre to enact such legislation in 1987 and remains a global leader in this field. In response, other centres have reformed their laws and many have since extended the scope of their firewall legislation beyond that of the Cayman Islands. For instance, Jersey has amended its trust law several times in recent years. Guernsey and Cyprus have also amended their legislation. Each successive amendment in each jurisdiction goes further than the last in the quest to provide world-leading protection.

840

In the Bill before you I believe we have struck the right balance between, on the one hand, too little protection, such that the legislation is unlikely to prove attractive in the global marketplace and unlikely to attract meaningful investment, and on the other hand, Mr Speaker, so much protection that we would risk being perceived as a haven for shielding assets. It will, of course, be appreciated that Gibraltar's position is unique. We are bound by EU regulations in the field of private international law, and in particular we are bound to recognise and enforce judgments from fellow EU member states, pursuant of Regulation EC44 2001 and EC4 2009.

850

Moreover, Gibraltar's position differs again from, for example, the Cayman Islands and Cyprus, and then the provisions of the Hague Convention on the law, applicable to trusts and their recognition, apply in Gibraltar. The Hague Trust Convention also applies in many other finance centres, including Jersey and Guernsey. The Convention states that the law chosen by a set law applies to almost all issues relating to the trust once created, but does not apply to preliminary issues necessary for the creation of the trust.

855

Importantly, the Convention also contains a number of exceptions in favour of rules of the legal system designed by Gibraltar's choice of law rules, for related areas of law, such as divorce and matrimonial property, which cannot be derogated from by voluntary act.

Mr Speaker, the legislation of some jurisdictions which have purported simply to exclude the possibility of any derogation to foreign law is not one that Gibraltar could or would want to follow and we are making it clear in this Bill that our legislation is subject to the provisions of the Hague Trust Convention as enacted by the Trust Recognition Act 1989 and, of course, to EU law.

860

Mr Speaker, besides providing for the various circumstances in which Gibraltar Courts have jurisdiction in relation to trusts, this Bill sets out in clause 4 when various questions relating to Gibraltar trusts are to be determined by Gibraltar Law alone, subject again, of course, to the Convention. Moreover, the Bill provides for the regulation of foreign law and foreign judgment orders and decisions in relation to Gibraltar trusts

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and when foreign trusts *must* be regarded as being governed by and interpreted in accordance with its proper law.

870 Mr Speaker, this Bill is another milestone in this Government's plan to strengthen Gibraltar as a finance centre, and I again, Mr Speaker, for the third time today, want to acknowledge the great work of the Private Sector Committee that has been advising Government on this and the other pieces of legislation referred to earlier.

Mr Speaker, I commend this Bill to the House.

875 **Several Members:** Hear, hear. (*Banging on desks*)

Mr Speaker: Before I put the question, does any hon. Member wish to speak on the general principles and merits of this Bill? I now put the question, which is that a Bill for an Act to provide for certain matters of private international law in relation to Gibraltar trusts and for connected purposes be read a second time.
880 Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Trusts (Private International Law) Act 2015.

COMMITTEE STAGE AND THIRD READING

Trusts (Private International Law) Bill 2015 – Committee Stage and Third Reading to be taken at this sitting

885 **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 this 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 2015; Gibraltar Land Titles (Amendment) Bill 2015; Supreme Court (Amendment) Bill 2015; Fair Trading Bill 2015; Private Trust Companies Bill 2015; Purpose Trusts Bill 2015; Trusts (Private and International Law) Bill 2015

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

890 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House should resolve itself into Committee to consider the following Bills, clause by clause: the Appropriation Bill 2015; the Gibraltar Land Titles (Amendment) Bill 2015; the Supreme Court (Amendment) Bill 2015; the Fair Trading Bill 2015; the Private Trust Companies Bill 2015; the Purpose Trusts Bill 2015; and the Trusts
895 (Private and International Law) Bill 2015.

In Committee of the whole Parliament

Appropriation Bill 2015 – Clauses considered and approved

900 **Clerk:** A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2016 and further sums of money to the service of the year ended 31st day of March 2014.
Clause 1.

Mr Chairman: Stands part of the Bill.

905 **Chief Minister (Hon. F R Picardo):** Mr Speaker, if I might, I have circulated to hon. Members and I think they have received a notice of amendment which I am advised by the Financial Secretary, who is in the House this afternoon, Mr Mena. It is the first time he is in the House with the Government and I am sure all will want to welcome him (**Several Members:** Hear, hear.) (*Banging on desks*) despite the press releases which were related to his appointment – (*Laughter*) and the amendments, Mr Speaker, relate to typographical errors which have crept into the book.

910 I think we have given Members the amendments with the mark-up so that they can spot it. Some very minor amendments, but then they are followed through in the rest of the whole of the book. So if something is wrong, if something is improperly described, then that description has to go through in the book. Then there are one or two at the end, which I will bring Members to when we get to them, where the complement is wrong in two areas. The vote of cash for the complement is correct and so the sums do not change. The number that has been put has crept in as a typographical error.

915 Mr Speaker, whenever you want. There isn't anything to move in clause one... or that you have moved clause one already to stand as part of the Bill and there is nothing to move now for some time.

920 Mr Speaker, so I formally move that these amendments be incorporated... these typographical errors be incorporated in the draft. I think it will be easier for everyone.

Mr Chairman: Unless any hon. Member wishes to raise any matter or has any problem with any of these amendments – they have been circulated and are fairly clear cut – I move that the Committee agree that they be incorporated as appropriate.

925

Several Members: Aye.

Clerk: Clause 2, Head 1, Treasury; subhead 1 Payroll; subhead 2 Other Charges.

930 **Mr Chairman:** Head 1, Treasury, stands part of the Bill.

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

Mr Chairman: Head 2, No. 6 Convent Place, stands part of the Bill.

935 Does the Hon. Leader of the Opposition wish to raise any matter under these Headings? [*Inaudible*]

Clerk: Head 3, Customs, subhead 1, Payroll.

940 **Hon. J J Netto:** Mr Speaker, may I, with your indulgence... *Mr Chairman*, sorry, I beg your pardon – with your indulgence - go to Head 2 on page 27, subhead 21 (*Interjection*) Advertising and Official Notices?

945 What I notice from the figures here provided is a forecast outturn for 2014-2015 of £1,280,000 from an estimate of £½ million. Given that the estimate is in itself a substantial amount of money, can the Government provide an explanation for the doubling or for the forecast outturn? (*Interjection*) Page 27, Item 21 – (*Interjection*) Page 27, Item 21 – (*Interjection*) Oh, sorry, I beg your pardon.

950 **Hon. Chief Minister:** Yes, Mr Speaker, this figure is every year an estimate because we do not know how much advertising or how many official notices have to be put. There may be more traffic works, there may be less traffic works, there may be more advertising or less advertising and so it is because of that. This is to an extent demand driven. It depends what is happening and what we are advertising in.

Clerk: Head 3, Customs; subhead 1, Payroll; subhead 2, Other Charges.

955 **Mr Chairman:** Head 3, Customs, stands part of the Bill.

Clerk: Head 4, Broadcasting; subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 4, Broadcasting, stands part of the Bill.

960 **Clerk:** Head 5, Income Tax; subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: The Hon. Mr Bossino?

Hon. D J Bossino: No.

965

Mr Chairman: Head 5, Income Tax, stands part of the Bill.

Clerk: Head 6, Parliament; subhead 1, Payroll; subhead 2, Other Charges.

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Mr Chairman: Head 6, Parliament, stands part of the Bill. *(Laughter and banging on desks)*

Clerk: Head 7, Human Resources; subhead 1, Payroll; subhead 2, Other Charges.

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Mr Chairman: Head 7, Human Resources, stands part of the Bill.

Clerk: Head 8, Immigration and Civil Status; subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 8, Immigration and Civil Status, stands part of the Bill.

980

Clerk: Head 9, Financial Secretary's Office; subhead 1, Payroll; subhead 2, Other Charges.

Hon. J J Netto: Mr Chairman, could I ask the Government for... have I got it right? I might have got it... secondment. On page 42, Item 2(3) Secondment, is the figure £183,000? Is that the correct figure for the estimate? Is it correct?

985

Hon. Chief Minister: Yes, it is.

Hon. J J Netto: And could the Government therefore provide an explanation... sorry, I beg your pardon. –

990

Hon. Chief Minister: The hon. Gentleman needs to... this is the salary for the Financial Secretary on secondment, Mr Speaker.

Mr Chairman: Head 9, Financial Secretary's Office, stands part of the Bill.

995

Clerk: Head 10, Procurement Office: subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 10, Procurement Office, stands part of the Bill.

1000

Clerk: Head 11, Civil Aviation; subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 11, Civil Aviation, stands part of the Bill.

Clerk: Head 12, Town Planning and Building Control; subhead 1, Payroll; subhead 2, Other Charges.

1005

Mr Chairman: Head 12, Town Planning and Building Control, stands part of the Bill.

Clerk: Head 13, Health; subhead 1, Payroll; subhead 2, Other Charges.

1010

Mr Chairman: Head 13, Health, stands part of the Bill.

Clerk: Head 14, Environment; subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Mr Netto.

1015

Hon. J J Netto: Can we actually go back on payroll, if I may?

In relation to 1(e) Salaries, I noticed, Mr Chairman, that there was an estimate of £900,000 estimated for 2014-15 and we have a forecast outturn of £780,000. Can we have an explanation as to why it was estimated in relation to the complement figures of the Department and why the drop, because I notice that the estimate for this new financial year is even slightly less than the complement... or rather than the forecast outturn?

1020

So what I am seeing here is a picture between the estimates of 2014-15 in comparison to the new estimate. It is quite a significant drop and that must in one way or another reflect the establishment figures and so could I have an explanation for that?

1025 **Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes):** Mr Chairman, I believe that this is because at the time there may have been a move – and we are talking about back in 2014-15 – between Departments. Certainly – (*Interjection*)

1030 **Hon. J J Netto:** If you look actually at the establishment figures on page 51, and I do not know whether this is helpful or not, but I notice that under the Department of Environment there has been a movement of personnel. For instance, in environmental monitors, which were in the previous financial year 3 and this year is not. But then if we go to the next page, on page 52, and we see the movement reflected there and also with the Environmental Protection Officer, but I am really assuming a lot of things here and this is why I am really asking the question to get some details.

1035 **Hon. Dr J E Cortes:** Mr Chairman, I am not concerned about the slight drop between last year and this. This is nothing major, but I do believe – and I would need to go back – that it may be that in 2014-15, I think for a while one of the –

1040 **Hon. J J Netto:** In fact, once the Hon. Minister... I think if you look at the bottom of the summary...

Hon. Dr J E Cortes: Alright, yes, thank you.

1045 The Financial Secretary has kindly assisted. I was thinking of a previous year in which we had some areas that were in Environment which were passed, first of all, to my colleague and then they have come back.

1050 But if you look at Payroll, what essentially has happened is that from the Department of the Environment, they have been moved and now entered, instead of being scattered between the Department of the Environment and supernumerary, they have now been entered as a cleansing section. If you go down to cleansing section, there is now an element there of salaries, which adds up to the £740... the £186, and that balances out approximately the figure that you are looking at. So it now appears under the cleansing section, rather than as the Department of the Environment.

A Member: Look at (m) –

1055 **Hon. Dr J E Cortes:** If you look at (m), the zero for last year and the £186 for this year. Yes. I knew there was some change, but I thank the Financial Secretary for his assistance.

Hon. J J Netto: Mr Chairman?

1060 **Mr Chairman:** Head 14, Environment, stands part of the Bill.

Hon. J J Netto: Mr Chairman, I do not know whether... just as we move on from the actual Head itself, there are a couple of other points which I would like to raise. The thing is that we seem to be going too fast and I need some space or rather, time to actually look at some of the details here.

1065 One of the things I would like to raise for an explanation, if the hon. Member goes to page 55, Item 2(c) under the title of Air Quality Monitoring Environmental Agency, and what I am noticing is a slight decrease between the estimate of last year and this year. I was just wondering whether, as a result of the contract in existence for the services of air quality monitoring, there is a reason why that range of services is being limited or is becoming less and less. Why is the explanation of – (*Interjection*) Mr Speaker, can I have a – (*Interjections*)

1070 **Hon. Dr J E Cortes:** Mr Chairman, a number of what is paid for from that Head are contractual with external contractors, and others are certain local things that we do – certain works and certain equipment – and the Department this year believes that we do not have to have the expenditure that we had last year, but it does not mean that there is going to be any less air monitoring. It is just that we spent a bit more last year than this year because we... it is a thing we do not need to repeat every year.

1080 **Hon. J J Netto:** But is it not the case that the Hon. Minister did allude to the fact that there was a need to increase the services, in terms of air monitoring, as a result of new circumstances? I would have assumed, if that was the case, and there was a need to increase the different type of air monitoring. I would at least have expected that the size of the contract would remain the same or, if not, even increased.

1085 **Hon. Dr J E Cortes:** Mr Chairman, the staff of the Financial Secretary has kindly confirmed that what I alluded to earlier was correct, that we did buy certain equipment last year and therefore we do not have to buy it this year. What I said in my budget speech that we were considering, we are now at a point of

revising the contract which is now due for renewal with the UK consultants. We are revising to see how we are going to be changing the monitoring. This may mean that we deploy the existing monitors in different locations, rather than getting new monitors – that is a process that we are going through now. So it may not be necessary to buy any more additional equipment, if that is the case, and clearly we would need to see how we fund that, but that is going to take a while to review.

1090

But the drop here that the hon. Member mentioned earlier is, I can confirm, due to the fact that we bought equipment last year. We do not need to buy it again this year. It has got a lifespan and therefore there is no need to have that expenditure.

1095

Hon. J J Netto: I am grateful, Mr Chairman.

May we move to Item 2(g), Animal Welfare and Conservation, Animal Welfare Centre? We had an estimate of £95,000 for the last financial year 2014-15 and, well, the forecast outturn is more or less that level, but then there is a jump up to £150,000. Can the Hon. Minister provide an explanation of the reason for that?

1100

Hon. Dr J E Cortes: Most certainly.

The Animal Welfare Centre is assisting in the provision of personnel for the increased management regime in the Upper Rock, which we have seen increase this year, and that is what is reflected there.

1105

Hon. J J Netto: And lastly on this section of Head 14, Item 4(f) Commonwealth Park, we had an estimate of £100,000 for the financial year 2014-15 and a forecast outturn of a £¼ million. (*Interjection*) Can the Hon. Minister provide some information as to this over expenditure?

1110

Hon. Chief Minister: It is for the car park, Mr Speaker. We have started to dig!

Hon. Dr J E Cortes: Yes, certainly.

Remember, Mr Chairman, that last year was the initial year of the management contract and therefore there is always an additional amount of equipment and so on to start up any new management programme. That is, again, not going to be necessary this year to that extent and in any case, Mr Chairman, he would have seen a slight increase in the upkeep of planted areas. So if we were to find that there was any shortfall as a result, then we do have flexibility there, but essentially it is due to the fact that a lot of the initial equipment that had to be bought – lawn mowers, spiking machines and so on – do not have to be bought other than in the first year.

1115

1120

Hon. S M Figueras: Mr Chairman, and the Minister can confirm that that just went towards equipment? No?

Hon. Dr J E Cortes: Not *exclusively* towards equipment, but partly towards equipment and security. It is the whole management of Commonwealth Park. But the start-up expenses are greater than the running expenses.

1125

Hon. S M Figueras: Mr Chairman, the point I am getting to is to whether any element of that was in addition to the contractual arrangement with Wildlife or whether this is exclusively for equipment and other needs that were required at the park, rather than as an additional contribution to the contractual payment that is already agreed and paid to Wildlife.

1130

Hon. Dr J E Cortes: This is the whole budget for Commonwealth Park and so it is likely that there would have been a bit of both.

1135

Hon. S M Figueras: And therefore there will have been an additional payment to Wildlife as part of that?

Hon. Dr J E Cortes: Not necessarily. It depends on whether the equipment was bought through the management company, which sometimes happens in contracts, or bought directly by the Department. Essentially it is cost only. It is not that there is a profit element or anything like that, but partly it depends on whether particular items were bought directly or not.

1140

Hon. S M Figueras: I wonder whether the information is available to, perhaps the Financial Secretary.

1145 **Hon. Dr J E Cortes:** Yes, I do not have a breakdown of exactly what was bought. This is something that we are looking at retrospectively, si it is something that, I can either be asked in correspondence or in a question in the House as to what was spent.

We believe that the running costs this year, because it is not the start-up year, will be lower and closer to the £100,000. We are also changing some of the security arrangements and so on, and so we believe that it will be closer to £100,000. But any breakdown as to last year, I can obviously provide that information because that is money spent.

Hon. J J Netto: Yes, Mr Chairman, that is fine, but I just spotted another item which is very close to my heart, much to the discomfort of the Chief Minister.

1155 In relation to Item 2(h) Control of Seagulls, GONHS, (*Laughter*) what I have noticed is that we have gone – as I said, indeed, in my Budget speech – from making a payment in 2012-13 of... I think it was either £84,005 or £85,005. I think it was £84,000 to £230,000, which roughly speaking is an increase of 270% and although I have been highly critical for not having any sense of value for money, because we are culling less seagulls now than we used to do long before the termination of the FERA contract –
1160 (*Interjection*) Less, we are doing less now for much more money – that is what we are doing, and while the Chief Minister may think this is funny, I think that we are talking about taxpayer's money here – not his money and not my money. We are talking about taxpayers' money. I think I am entitled to ask, whether he likes it or not – (*Interjection*) Can I get on with my comment? (*Interjection*) Thank you very much. Thank you.

1165 Can I have an explanation therefore – (*Interjections and laughter*) Well, I have not finished my point – (*Interjections*) Exactly, because I am trying to finish my point, but your colleagues are not allowing me to finish – (*Interjection*) The point I am trying to find out is whether these increases in expenditure reflect perhaps an increase in personnel, hopefully to do a much better service than the one we have had in the last few years.

1170

Hon. Dr J E Cortes: Mr Chairman, firstly I would like to say that I am taking the benefit of using the Chief Minister's counsel, the Hon. Joe Bossano QC, QC, who is *not* in favour of my killing any more gulls, and I have to recognise that. Now that he is QC, QC, I have to listen to him a lot more even than I used to before.

1175 There's a very clear explanation to *both* things, Mr Chairman. There is an increase and this is largely to do with equipment. The time has come to purchase new equipment, which includes rifles, and there has been an increase in the complement. But I think... and do have to point out because the hon. Member has referred several times to the contract with FERA and he said so yesterday in his address.

The contract with FERA was not terminated by me; in fact, it ran into 2012 and then expired and we agreed to hold it. There had been a certain amount of success and there was no need to repeat it the following year, but we continue in contact and we may think about how we use their services in future years. But one thing I have to make very clear is that what was not revealed in Parliament the other day is that the cost of FERA was at least...I do not have the figures, but it worked out at about £120,000-something for a six-week period, when people would come over for six weeks approximately (*Interjection*) cost £20,000 a week... whereas the money is now going to create employment for four or five Gibraltarians all year round.

1185

Several Members: Hear, hear. (*Interjection*) (*Banging on desks*)

1190 **Hon. J J Netto:** Well, Mr Speaker, that is not an explanation that explains the reason for the increase. The fact of the matter is that the Hon. Minister seems to say that the increase is largely based on the fact that they have had to buy new rifles. Well, are we going to have a situation where new rifles are going to be bought *every* year? (*Interjection and laughter*)

1195 **Hon. Dr J E Cortes:** No, not necessarily. I do not keep a personal tab any more. I used to when I used to be more closely involved in another occupation, but I do not keep a close tab personally on when each item of equipment needs to be renewed. Clearly, if I had to keep tabs on each item of equipment, I would probably keep tabs more on equipment in the hospital than on gull culling equipment, but I don't have... no, of course, provided the wear and tear.

1200 The thing is that the more seagulls you kill – with an apology to the Hon. Joe Bossano – the more you use the rifle, the quicker the wear and tear and the more quickly you have to replace them. So I do not know whether the point that the Member is saying is that we should actually decrease the money so that we have a less active gull unit, although he has all the time been accusing me of not (**A Member:** Doing enough.) doing enough. There we are. It is one or the other and I would have thought he would have welcomed that.

1205

Mr Chairman: Head 14, Environment, stands part of the Bill.

Clerk: Head 15, Utilities; subhead 1, Payroll; subhead 2, Other Charges.

1210 **Mr Chairman:** Head 15, Utilities, stands part of the Bill.

Clerk: Head 16, Collection and Disposal of Refuse; subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 16, Collection and Disposal of Refuse, stands part of the Bill.

1215

Clerk: Head 17, Gibraltar Health Authority, Elderly Residential Services Section, subhead 1, Payroll; subhead 2, Other Charges.

1220 **Mr Chairman:** Head 17, Gibraltar Health Authority, Elderly Residential Services Section, stands part of the Bill.

Clerk: Head 18, Equality and Social Services, subhead 1, Payroll; subhead 2, Other Charges.

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

1225

Could I have an explanation? If I can take the hon. Lady to page 64, Item 2(d)(a) Contribution from Revenues Received. I mean if I look at all the other columns right now, I see that the figures almost have the same meaning. The actual 2013-14 in £1,180,000, the estimate for 2014-15 is £1,170,000, the forecast outturn for 2014-15 is £1,170,000 and then there is a drop for the estimate... There must be a sensible explanation for this and if the hon. Lady perhaps could provide that, then I would be grateful.

1230

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Yes, Mr Chairman.

He may have realised that the previous Head we just approved was for Elderly Residential Services, which means that the money has been extracted from here and transferred to Head 17, Mr Chairman.

1235

Mr Chairman: Head 18, Equality and Social Services, stands part of the Bill.

Clerk: Head 19, Tourism, subhead 1, Payroll; subhead 2, Other Charges.

1240 **Hon. D J Bossino:** Head 19, no?

Mr Chairman, can I take the Minister to Head 23(a) under Marketing Promotions and Conferences? There is an increase of about £610,000 from the estimated figure to the forecast outturn and then it goes down to £900,000. So it seems that going forward the standard figure that we see of £900,000 will prevail. Can she explain why there is a blip upwards of £610,000?

1245

Hon. Miss S J Sacramento: Mr Chairman, it is for additional marketing, particularly in relation to the new airline routes (**Members:** Hear, hear.) (*Banging on desks*) Mr Chairman, which would have flown to any airport terminal (*Laughter*) as long as they can land on the runway, Mr Chairman.

1250

Last time I checked, people do not go on holiday to check the airport terminal, Mr Chairman. They go to visit the destination (**Several Members:** Hear, hear.) and, Mr Chairman, generally it is in relation to an increase in marketing. There is also a payment in relation to the School of Hospitality and that is work that the Tourist Board was doing in connection with the University as well.

Mr Chairman: Head 19, Tourism, stands part of the Bill.

1255

Clerk: Head 20, Housing Administration, subhead 1, Payroll; subhead 2, Other Charges.

Hon. E J Reyes: If I may, Mr Chairman, in Head 22(a) under Housing Legal Expenses, I see that the forecast outturn for the 2014-15 shot up to £45,000, given that the estimate is reverting back to £12,000. It must have been because of some particular one-off expense. I do know, Mr Chairman – and it could help the Hon. Minister – that I asked during the course of the year on a couple of occasions what sort of legal expenses had been incurred in removing squatters out of the homes and so on, and from the answers I got it was a figure much, much lower than the £33,000 overspend. So perhaps the hon. Lady has some sort of information available that can show to us why this figure went up by well over £30,000.

1265

Hon. Chief Minister: Mr Speaker, we have had, as you know, a change of Minister halfway through the... in fact towards the end of the last financial year, and I do not know whether our friends from the Treasury would be able to help, but Mr Balban is not here, who was the Minister at the time and might be able to shed some light.

1270 From memory, the decanting is done on the basis of a retainer and so I do not think it is that –
(*Interjection*) No retainer? There is a fixed fee element, I think, for the decanting etc and so this must be an extraordinary expenditure. Let us see whether we can find the bill.

1275 Can I invite the hon. Gentleman that we should continue until we either find the bill or we are able to get the information perhaps from the principal – from Gerry Reading or from some of the other...Ah, we have got it. It has arrived.

Hon. Miss S J Sacramento: Mr Chairman, I am informed that we have had a higher volume of cases which required legal representation in the last year.

1280 **Hon. E J Reyes:** Perhaps I might be advised to perhaps pose the question because I understand the Minister is certainly trying her best to search a higher number of cases. Can she at least confirm that these were not in relation to the removal of squatters, which we had been asking for, but rather that it could be connected with the unpaid rent or something like that? Does she have an indication, or if she doesn't, I think at the next session I can pose a question. Whatever is possible, Mr Chairman.

1285 **Hon. Miss S J Sacramento:** Mr Chairman, sometimes cases are referred for legal advice and not necessarily end up in litigation and so it may have been cases beyond eviction of squatters or beyond eviction. I have myself asked for advice. I have asked for clarification. I have asked for an opinion on the Act. So it may be that we are being a little bit more proactive, in terms of obtaining legal advice, before we actually take steps.

1290 I have noticed that there has been an increase in cases for eviction, but in most cases I seek advice in advance of the eviction and so it means that more referrals are made for legal advice.

1295 **Hon. E J Reyes:** I am grateful for that now, Mr Chairman, and obviously should I require something further, if need be I will even obtain guidance from the Chair and it can be brought up at a future Question Time.

Mr Chairman: Head 20, Housing Administration, stands part of the Bill.

1300 **Clerk:** Head 21, Technical Services, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 21, Technical Services, stands part of the Bill.

1305 **Clerk:** Head 22, Driver and Vehicle Licencing, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 22, Driver and Vehicle Licencing, stands part of the Bill.

Clerk: Head 23, Port, subhead 1, Payroll; subhead 2, Other Charges.

1310 **Mr Chairman:** Head 23 Port, stands part of the Bill.

Clerk: Head 24, Economic Development, subhead 1, Payroll; subhead 2, Other Charges.

1315 **Hon. D J Bossino:** Mr Chairman, if I may, with some trepidation, I am going to just make a comment and suggest an answer and maybe the Hon. Minister can confirm it, in relation to the establishment, where we see a significant decrease overall. Presumably, is that because of the change of responsibilities in his Department...?

1320 **Hon. J J Bossano:** The people who have disappeared have taken the work with them – And the money.

Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano): The people that work and the money have all moved together. The people that work and the money.
(*Interjection*) It is now under my colleague and so he has got the people, he has got the work and they have got the money.

1325 **Mr Chairman:** Head 24, Economic Development, stands part of the Bill.

Clerk: Head 25, Statistics Office, subhead 1, Payroll; subhead 2, Other Charges.

1330 **Hon. D J Bossino:** Mr Chairman, if I may, this will be a question for Minister Bossano in relation to Head 24. Can I go back, with your permission?

It is page 87 (2) subparagraph (7), which deals with services provided by Gibraltar General Support Services Ltd. Before, it used to be under the Environment... seems to be the case. Can he explain why it is now under his Department, under Economic Development?

1335 **Hon. J J Bossano:** Mr Chairman, it has not come now under me. It came under me a year ago and he voted in favour. If he looks back, it was under the Environment in 2013-14, okay? These two entities are the entities that were originally created for people to be there on the basis that eventually they would be redeployed to permanent jobs within the public service and I am making sure that any changes are only in one direction, which is down and not up.

1340

Mr Chairman: Head 25 Statistics Office, stands part of the Bill.

Clerk: Head 26, Business, Employment and Social Security, subhead 1, Payroll; subhead 2, Other Charges.

1345

Hon. J J Netto: Mr Chairman, if I can draw the attention of the Hon. Minister for Employment, we are talking about payroll here – (*Interjection*) Talking about employment and more specifically on the question of the Health and Safety Officers. If we look at page 92 on the establishment figures, we have Health and Safety Officer three, which is one, and Health and Safety Officer four, which is two.

1350

Can I first of all ask whether... because of course this is representative of the established figures, regardless of the fact whether someone is in post or not in post – and so therefore then my first question is whether everyone is in post? In other words, whether we have, perhaps, two Health and Safety Officers four, while one could be acting on the higher post of three or is it that we have perhaps, two, three and one four? Can I have an explanation of that?

1355

Minister for Business & Employment (Hon. N F Costa): Yes, Mr Chairman, to answer the question of the Hon. Mr Netto, the officials from Treasury have confirmed my recollection, which is that there is the Principal Health and Safety Officer, which as you know, of course, from the Budget debate, that's vacant, and of the two positions on the Health and Safety Officer four, one of them is vacant.

1360

Hon. J J Netto: Okay. So at the moment what we have basically are two factory inspectors, but how do we reconcile that with the Hon. Minister's statement yesterday – was it yesterday or was it today? I cannot even remember... no, it was yesterday. That is right – when he actually said there were five factory inspectors employed. Have I misunderstood the hon. Gentleman?

1365

Hon. N F Costa: Mr Speaker, I said that there were four operational officers and one administrative officer. But in any case, as I explained to him, the vacancy for the Health and Safety Principal Officer is vacant and the Health and Safety Officers underneath will now apply for that post and one of them may or may not be successful. Depending on that, we may have to then go down the chain, which is why the position is currently as it is.

1370

The position of the Principal Health and Safety Officer is a position that is filled by the PSC and so it is in their hands to fill that post.

1375 **Hon. J J Netto:** Mr Chairman, I can understand the logic that the higher post will have to go out. People will apply and if someone is successful they will get into that particular post and if nobody is successful by the board, then you will go outside. All that I do understand, but what I want to reconcile in my mind, is at the moment, according to the figures presented here, we have got two, whilst the hon. Gentleman is saying there are four. I am removing from the equation the administrative officer, I am talking here about Health and Safety. You can call it factory inspectors. We can call it, if you like, Health and Safety Advisers. Sometimes we have been talking different words, but at the moment under the establishment figures there are only two; whereas the hon. Gentleman is saying four.

1380

Is it – and I am making here an assumption and this is why I want to clarify the matter – is it because the original Health and Safety Advisers that used to belong to what is now the Housing Agency, before that Buildings and Works, probably three years ago were seconded to, under the factories unit, and maybe those two figures under a different head. But at the moment I am trying to reconcile having two figures here, with his statement there are four, but I need to try and square the circle.

1385

Hon. N F Costa: Mr Chairman, just to add to what I have already said, two of the Health and Safety Inspectors are GDC.

1390

Hon. J J Netto: That would have explained the fact of what I have always said from the beginning: we do not have four factory inspectors. We have two factory inspectors, of which, in addition to that we have two members seconded from the Housing Agency to form part of this group, which must be somewhere in this book.

1395

Hon. J J Bossano: Mr Chairman, it has nothing to do with the Housing or the secondment. It is just that there are people who are qualified and doing the work of factory inspectors, but are GDC equivalent grades, but not... (*Interjection*) The fact that it is not shown there is because the GDC grades are shown collectively.

1400

Hon. J J Netto: Where is it? Show me.

Hon. J J Bossano: Under GDC. If the hon. Member has not yet worked out that there is at the back of the book a GDC, he is not going to have much time left before he departs from the House to work it out. They were the ones who put it there in the first place when they decided that in order to make everything more transparent, the GDC complement would then be broken down showing where everybody was.

1405

So it is in the green pages and on top of that, if he looks at the outturn from the preceding year, when they were mine, he will find that there is a block number for the GDC in Head 24, which shows 45. This year it is 17. In the 45 were the people who were Health and Safety Inspectors, who are no longer with me. Part of the reason why we have gone down from 45 to 17 is that not just in the Civil Service, but in the non-Civil Service grades, there has also been a separation of function, personnel and cash.

1410

Hon. N F Costa: Mr Chairman, to add to what the Hon. Minister Bossano has very eloquently explained, if the Hon. Mr Netto cares to hear the answer and not just ask questions which he thinks is going to embarrass us, but is simply going to confirm our position (*Interjection*) he will have read, if he had bothered to read the book when he got it, that on page 93, Head 26(4) in the Gibraltar Development Corporation Staff part, there are 26 GDC. If he adds all of it up, he has his answer. (*Banging on desks*)

1415

Mr Chairman: Head 26, Business –

1420

Hon. D J Bossino: Mr Chairman, can I take the Minister to (2) (12) on page 96? There is a Head there, under Industrial Tribunal Reform, £40,000. Can he tell me what that is? Is that exclusively legal fees or maybe not at all actually?

1425

Hon. N F Costa: Mr Chairman, as the hon. Gentleman knows, the Industrial Tribunal Reform is currently taking place and I have taken them in the past in respect of the legislative reforms that we are conducting and on which he knows that the £40,000 relates to the amounts that may be payable to chairpersons, whilst discharging the function of chairpersons. It is £40,000. It could be less in this financial year or it could be more.

1430

Hon. D J Bossino: And if I can take him back, just one further point, it is 8(f) – can you hear me? – under the Office of Fair Trading. It is one page back and it deals with office, rent, parking space and service charges of £76,000. Can he tell me where the Office is likely to be situated, because clearly there is an expenditure in relation to these items? So it is not a Government Department or Government premises, it is... well, basically the question is where is it going to be situated?

1435

Hon. N F Costa: Mr Speaker, I will be delighted to give the hon. Gentleman personally a tour of the new Europort premises which have been rented for the Office of Fair Trading. I will even allow him to use one of the parking spaces. (*Laughter and interjections*)

1440

Mr Chairman: Head 26, Business, Employment and Social Security, stands part of the Bill.

Clerk: Head 27, Postal Services, subhead 1, Payroll; subhead 2, Other Charges.

1445

Mr Chairman: Postal Services stands part of the Bill.

Clerk: Head 28, Education, subhead 1, Payroll; subhead 2, Other Charges.

1450 **Hon. E J Reyes:** If I may, Mr Chairman, on subhead 2(h), under the heading of Transport of School Children, from an estimate of £16,000, we have a forecast outturn of £45,000, which is a substantial increase. That seems to be an increase in something that somehow or another the Minister for Education is going to establish as a more permanent feature because we are even predicting for this year we just commenced at £55,000. Does the hon. Member have an indication why we have quadrupled from one year to another in respect of what?

1455

Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi): Yes, Mr Chairman. This is over expenditure, which relates to the hire of additional vehicles to cater for the increase in demand as a result of special educational needs children and we expect that demand to continue into next year.

1460

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

Further down the page on the subsection (12) Contract Officers, the forecast outturn for last year was £47,000 and that expenditure is not only continuing, but has even been increased by an extra £18,000. Is it in respect of one officer, more officers, and what sort of contract officer is it that we have engaged?

1465

Hon. G H Licudi: Mr Speaker, this is to cover the cost of employers' pension contributions, as well as £8,000 provision in relation to a school counselling service for eight hours per week.

1470 **Hon. E J Reyes:** Sorry, Mr Chairman, but I am not quite clear in that. Something to do with the pension contribution does not really tally in accounting purposes as contracted officers. I think I may have suggested something about £8,000 a week or whatever for someone? Can he repeat it and clarify it for me?

1475 **Hon. G H Licudi:** Mr Chairman, I am informed that it relates to what I have said and also that there was one individual who was incorrectly charged to salaries previously, but it was a contract officer and therefore it should have been charged as contract officer and not to personal emoluments under charges, under salaries.

1480 **Hon. E J Reyes:** I can understand that it has been charged now correctly under contract officer and it is continuing because it even receives an increase of an extra £18,000, which – (*Interjection*) Sorry?

Hon. G H Licudi: That is why there is the increase.

1485 **Hon. J J Bossano:** The change is this year. Last year it was the outturn of £47,000 as opposed to £46,000, which is almost holding in line, but last year there was £47,000 here and an amount in personal emoluments. The increase this year is compensated, in part, by a reduction in personal emoluments.

1490 **Hon. E J Reyes:** I got that, Mr Chairman. Which contract officer is it? Is it an educator delivering a service inside the classroom or is it an administrative post? Do we have an indication of what the duties are in respect of the contract officer?

Hon. G H Licudi: Mr Chairman, it is the Educational Psychologist that was previously included, as I understand as payroll, but it is in fact a contract officer.

1495 **Hon. E J Reyes:** That is fine. I am grateful for that, Mr Chairman. Two little subheads further down on relief cover of £22,000, I know on the previous page that we do cater already for temporary cover for absences and maternity leaves and so on, which I take it to be in respect of the school teachers. So this must be relief cover, am I correct in assuming, for someone other than a school teacher? If that is the case, what grade or what relief cover is it that has been offered?

1500 **Hon. G H Licudi:** Sorry, which particular subhead?

Hon. J J Bossano: Subhead 40, Relief Cover.

1505 There is a standard provision in every Head now for relief cover that covers maternity, sickness and absences in respect of any other grade that is not already covered. So, in this case, if the teachers have got their own cover in the complement, this would be any non-teaching staff.

Hon. E J Reyes: No. I follow that. Minister Bossano is completely correct in the way he has explained it, which is why last year in the estimate we put down the token figure of £1,000 and it just so ended up

1510 being £22,000. But this year instead of putting once again, as we have done in other cases, a token figure of £1,000, we are already predicting exactly the same £22,000 –

1515 **Hon. J J Bossano:** That normally happens - For example, if we find that there is a token and there are people on long-term sickness or a long-term period of maternity leave, which is known beforehand to overlap the end of the financial year and the beginning, there is not much point in putting a token of a £1,000 in April if you know you are going to be spending more than £1,000 in the first month. So where there is a higher sum, it is because there is an ongoing cover, at the end of March normally.

1520 **Hon. E J Reyes:** I am just checking upon myself. Am I correct in saying that Minister Bossano was able to confirm that this was relief cover, other than for classroom teachers, which are covered under another heading?

Hon. J J Bossano: Yes, that will be the case, yes.

1525 **Mr Chairman:** Head 28, Education, stands part of the Bill.

Clerk: Head 29, Policing, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 29, Policing, stands part of the Bill.

1530 **Clerk:** Head 30, Prison, subhead 1, Payroll; subhead 2, Other Charges.

1535 **Hon. S M Figueras:** Yes, Mr Chairman, on payroll, I note the estimate for 2015-16 is up by approximately a £120,000-odd and I just wanted to clarify... sorry, Head 30, Prison, (1) Payroll. The main figure, the main estimate and it is at page 113. The estimate is at £1,706,000 over the £1,590,000 forecast turnout. My query was only whether that, as I suspect, incorporates the estimate for the weekend premium that the Hon. Minister announced during his intervention?

1540 **Hon. G H Licudi:** Yes, Mr Chairman. This is an actual estimate, taking into account the complement and what it is expected that they will be paid.

1545 There is, as the hon. Member will see, also an additional amount in respect of overtime and that was because of the announcement that was made as part of the overall agreement that was made with prison grades which now includes payment of overtime instead of time off in lieu, which has been historically the case, and as part of the overall package which has been agreed, that has resulted in that amount being the estimate for this year.

Mr Chairman: Head 30, Prison, stands part of the Bill.

Clerk: Head 31, Gibraltar Law Courts, subhead 1, Payroll; subhead 2, Other Charges.

1550 **Mr Chairman:** Head 31, Gibraltar Law Courts, stands part of the Bill.

Clerk: Head 32, Attorney General's Chambers, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 32, Attorney General's Chambers, stands part of the Bill.

1555 **Clerk:** Head 33, Justice, subhead 1, Payroll; subhead 2, Other Charges.

1560 **Hon. S M Figueras:** Yes, Mr Chairman, in relation to Head 33, Payroll, I note that there is a new section Probation – a total of a £161,000 – and obviously if you look in terms of the establishment figures as well, it is evident that it has moved into there. I was just going to ask whether the Minister could explain why it is that this is happening in this way?

1565 **Hon. G H Licudi:** Previously it used to appear under Social Services, as I recall, and this year it now appears under the Ministry for Justice and so it is just a move from one Head to another.

Hon. S M Figueras: I am grateful for that. It is just that I did look at the establishment figures for Social Services as well and there does not seem to be a corresponding drop in the figures in Social Services this year. That is the only reason I asked actually, because I did check it and it did not crop up. *(Laughter)*

1570 **Hon. G H Licudi:** I can certainly confirm to the hon. Member that the Probation Service *did* exist before this year and therefore this is not something new. It was somewhere else or it must have been somewhere else and now appears here.

1575 **Hon. S M Figueras:** Mr Speaker, just for the information of the relevant people, then they might want to look at the figures in Social Services just to see whether they haven't, you know, let a few people in.

Mr Chairman: Head 33, Justice, stands part of the Bill.

1580 **Clerk:** Head 34, Fire and Rescue Service, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 34, Fire and Rescue Service, stands part of the Bill.

Clerk: Head 35, Civil Contingency, subhead 1, Payroll; subhead 2, Other Charges.

1585 **Mr Chairman:** Head 35, Civil Contingency, stands part of the Bill.

Clerk: Head 36, Sport and Leisure, subhead 1, Payroll; subhead 2, Other Charges.

1590 **Hon. E J Reyes:** Mr Chairman, in subhead 1 I note the introduction of a salary of £32,000, which on the previous page on the establishment shows the creation of a new position: Sports Performance Director. The Hon. Minister made no reference to this particular post. He did mention some review in the Sports and Leisure Authority. Can he confirm that this post has already been filled or is going to be filled and perhaps a very brief insight into what duties come under this nomenclature?

1595 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Yes, Mr Speaker, the Sports Performance Director will be working under the Ministry and not under the GSLA and therefore the £32,000 is because we do not envisage the Sports Performance Director to come into play, or come into work until September, October or November. So therefore it is probably half of what is the salaries as it is not a complete year, because by the time that the Sports Performance Officer is in place, there will be, we reckon, about... it is a calculation of £32,000.

1600 But, yes, the person, whoever that person may be, has to go through the process of the PSC and all because it would be under the Ministry and not under the Sports and Leisure Authority. (*Interjection*) Pardon? Yes, like we did with the archaeologist in relation to Heritage. It is similar.

1605 **Hon. E J Reyes:** Am I correct – a simple 'yes' will confirm it – is it premature to ask the Minister for some information in respect of the duties or would you rather that be the subject of a question because it is still under negotiation?

1610 **Hon. S E Linares:** It is not quite under any negotiation, but mainly the person will deal with things with elite athletes, co-ordinating all the sports associations in order to help them and in conjunction with the Development Unit. So that person is specifically under the Ministry.

Mr Chairman: Head 36, Sport and Leisure, stands part of the Bill.

1615 **Clerk:** Head 37, Culture and Heritage, subhead 1, Payroll; subhead 2, Other Charges.

1620 **Hon. E J Reyes:** Yes, Mr Speaker, in the subhead 2(9), Purchase of Cultural Items, there have been no provision in the estimate and they had to undergo an expenditure of £122,000; therefore for this year, such as the Hon. Joe Bossano reminded all of us, you just leave a token figure of a £1,000 in case it happens again. But given a substantial expenditure in something that had not been predicted or asked for in the previous year's estimate, can the Minister enlighten us on the £122,000 expenditure?

1625 **Hon. S E Linares:** Mr Speaker, most of that was the buying of the Leni Mifsud collection, which is now in the Mario Finlayson National Art Gallery. We had an offer to buy all her collection and all her works, but it is not the full amount and other bits and pieces that have been bought. I think there was a Gustavo Bacarisas that was bought at one point as well and so all these amount to the £122,000.

1630 **Hon. E J Reyes:** May I say, Mr Chairman, with your leave. I am really glad to see that we have continued that practice. I was also responsible for acquiring some Gustavo Bacarisas; in fact we even had to go all the way to Seville to purchase it. But it does make Gibraltar all the richer and I am sure even the hon.

the Father of the House will agree that it is money well spent because it is invested there and it is like a sort of a piggy bank. There will always be enough collectors somewhere in the world that one day might make a bid and give us a substantial profit and so I am glad to see that the Minister and I have managed to convince the Leader of the House to invest in art works.

1635

Hon. S E Linares: Mr Speaker, just to say that at least we have got the Head now, because we never had that Head. It used to come from another pot, sort of thing. (**A Member:** Hear, hear.) Now it is 'Purchase of Cultural Items' and it has got a token of £1,000 and so we got there, yes.

1640

Mr Chairman: Head 37, Culture and Heritage, stands part of the Bill.

Clerk: Head 38, Youth, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 38 Youth, stands part of the Bill.

1645

Clerk: Head 39, Financial Services, subhead 1, Payroll; subhead 2, Other Charges.

Hon. D J Bossino: Yes, Mr Speaker, can the Minister – sorry, Mr *Chairman* – explain the increase by four in the Senior Finance Centre Executive Head, under the establishment? Also if I can just deal with both points... I have just got two points.

1650

What the subvention to the FSC is about. I think the forecast outturn figures there of £4.78 million and then it goes down to £560,000, can he give me an explanation as to why the subvention arises? On the face of it this year it is the first time that there is a...

1655

Minister for Financial Services and Gaming (Hon. A J Isola): Yes, Mr Chairman, the first point: these are the senior executives that we promised to deliver in our manifesto and subsequently delivered. They are contract officers and they are being transferred into the main complement. So they are from contract coming in. It is the same people. There are not four new – (*Interjection*) There were four (**A Member:** Yes.) and now there are three... plus Jimmy, is four, and so I assume that is where the four come from, but they are not four new people, no. We are not taking on another four. It is the same four contract officers that we are looking at coming through.

1660

With respect to the subvention to the Financial Services Commission, this stems from the announcement that we made some months back in respect of the new strategy for the Financial Services Commission and our agreement to fund the shortfall in costs for the Financial Services Commission over a period of time, which we are doing in partnership with the industry, because the industry in their licence fees have had those fees increased so that within a period of time we step out and they continue.

1665

As you will know, I am sure, the Finance Centre Council, the Financial Services Commission and ourselves are working together on a totally new methodology for the charging of licence fees during the course of this year, which will come into effect next April when those fees are levied and which will review totally the manner in which those fees are currently addressed. I cannot predict what that outcome will be, but in terms of the numbers, we expect to make this contribution over the next 12 months to the Commission as a shortfall.

1670

Hon. S M Figueras: Mr Chairman, what are the terms of the subvention and is it anticipated that any further subventions will be required?

1675

Hon. A J Isola: There is a three-year budget, which we have agreed with them and we are committing to the extent of that budget. I do not expect any overruns and so I do not expect to pay more than we are voting for.

1680

Hon. S M Figueras: Mr Chairman, he says there is a three-year budget, I confess that I do not understand what he means in that respect, in terms of the subvention this year being just over a £1 million. Does that mean, in effect, that there will be a need to continue to pay subvention next year and the year after that, beyond what is being paid this year?

1685

Hon. A J Isola: It is a three-year budget, in the sense that the funding requirements they had to employ the strengthening of the resources and the expertise that they have has been costed over a three-year plan. I say three years because we are committed to funding them for three years. This last year we have had is the first, and so this year and next year, after which we do not expect to be funding them any further and they will be standing on their own two feet. Does that answer the question? (*Laughter*)

1690

Hon. S M Figueras: Partly, Mr Chairman.

Is it anticipated then that at the conclusion of three years they will be standing on their own two feet and there will be a return of funds to Government from the FSC? Is that it?

1695

Hon. A J Isola: It is not coming back to Government and that is why it is a subvention. It is a three-year investment plan that the Government has agreed with the Financial Services Commission, and at the end of which we fully expect them to, from the licence fees, be able to meet their own needs.

1700

Hon. S M Figueras: And finally, Mr Chairman, is the extent of the commitment to investment of the Government three times what has been paid in this financial year?

Hon. A J Isola: No, they are different each year, Mr Chairman.

1705

Hon. D J Bossino: Different in what way? Are they going down? Is the third year figure going to be less than the £560,000? Is that the expectation?

1710

Hon. A J Isola: Well obviously as the licence fees increase, the Government contribution reduces. So what we have had is in the part of the first year a lower amount, in the year we have just passed a higher amount and then next year a lower amount again and then zero.

Mr Chairman: Head 39, Financial Services, stands part of the Bill.

Clerk: Head 40, Gambling Division, subhead 1, Payroll; subhead 2, Other Charges.

1715

Hon. D J Bossino: Again, Mr Chairman, I will group the three points and it is basically seeking an explanation for each of the increases in these areas: (2)(e) Office Rent and Service Charges – that goes from £33,000 to £57,000; the other one is Conferences, Training and Office Travel, and from the estimated figure you see the increase to the forecast outturn from £21,000 to £37,000; and then finally, where we see a considerable increase in the contribution to the GDC, from the estimated figure to the forecast outturn and then going forward for the estimated figure for 2015-16, it also goes up. An explanation for those three increases, please.

1720

Hon. A J Isola: Mr Chairman, in respect of the first one, Office Rent, you will recall that the Gambling Department was within the floor of offices which I share with the Minister for Education and Justice. They were relocated some months back to the ground floor – the former offices of the Gibraltar Regulatory Authority – and then I have a small unit on the ground floor of Europort. Those are the new arrangements, so it is a slightly increased cost from the sharing costs of being with us and being on their own stead.

1725

With respect to Conferences Training and Official Travel, there has been a significant increase in travel this past year with relation to the point of consumption tax and I would expect some of those costs are put into that. We have attended two conferences this year. So that is what was envisaged and the increase has not been there, it has been more on the travel and attending those events in London.

1730

With respect to the final point, there is a contribution of one extra person from the GDC.

1735

Mr Chairman: Head 40, Gambling Division, stands part of the Bill.

Clerk: Head 41, Maritime Services, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 41, Maritime Services – (*Interjection*) I am sorry. The Hon. –

1740

Hon. E J Reyes: I just wanted to ask something like... on subhead 2(a) Computer Running Expenses, there seems to have been quite a substantial expenditure there which probably Government is considering to have just been necessary last year, because from the estimate of £10,000, which still remains at £10,000, we actually have a forecast outturn of £58,000, but it is down as running expenses, rather than as purchase of new equipment or whatever. Can the Minister enlighten us on how the computer running charges have been so high?

1745

Hon. A J Isola: Yes, Mr Chairman.

The increase in cost was wrongly charged to recurrent; it was a capital cost in terms of new IT equipment and so it will not be there next year, hence the drop back to £10,000 for the forthcoming year. It was a capital cost.

1750

Mr Chairman: Head 41, Maritime Services, stands part of the Bill.

1755 **Clerk:** Head 42, Gibraltar Audit Office, subhead 1, Payroll; subhead 2, Other Charges.

Mr Chairman: Head 42, Gibraltar Audit Office, stands part of the Bill.

Clerk: Head 43, Gibraltar Regulatory Authority, subhead 1, Payroll; subhead 2, Other Charges.

1760

Mr Chairman: Head 43, Gibraltar Regulatory Authority, stands part of the Bill.

Clerk: We now move to clause 3 of the Bill, Head 45, Contribution to Government-owned Companies, subhead 1, Contribution to Government-owned Companies.

1765

Mr Chairman: Head 45, Contribution to Government-owned Companies, Contribution to Government-owned Companies, stands part of the Bill.

Clerk: Head 46, Transfer from Government Surplus; Head 1, payment to Social Assistance Fund, Input Duty, Transfer from Government Surplus.

1770

Mr Chairman: Head 46, Transfer from Government Surplus, stand part of the Bill.

Clerk: Head 47, Contribution to the Improvement and Development Fund, subhead 1, Contribution to the Improvement and Development Fund.

1775

Mr Chairman: Head 47, Contribution to the Improvement and Development Fund, stands part of the Bill.

1780

Hon J J Netto: Mr Chairman, am I perhaps jumping the gun? (*Interjection*) I think I might be because we will be coming now into –

Clerk: Yes. We now move to clause 4, Head 48, Exceptional Expenditure; Head 1, Giraldi Home Inquiry.

1785

Mr Chairman: Head 48, Exceptional Expenditure, stands part of the Bill.

Clerk: We now move to clause 5, Improvement and Development Fund, Head 101, Works and Equipment, subhead 1 Works and Equipment.

1790

Hon J J Netto: Mr Chairman, if I may on subhead 1(h) Contribution to the Gibraltar Electricity Authority, I see an estimate there of £380,000. Could I perhaps ask the Minister... I mean it must be for the purchase of perhaps some equipment for the Power Station or something related to that, and perhaps could the hon. Gentleman provide some information?

1795

Hon. Dr J E Cortes: That is works and equipment, particularly works that are programmed and that is the estimate that we have included there. It includes, for example, refurbishment to buildings, vehicles, computer hardware, plant and machinery. That is the test equipment. It is a selection of equipment and works.

1800

Hon J J Netto: So we are basically talking about plant equipment, vehicles and that kind of thing. We are not talking about any sort of consultant's report or anything of that kind are we?

1805

Hon. Dr J E Cortes: Not in the document I have here, no. New building refurbishment, tools, vehicles – (*Interjection*) yes – public lighting, distribution network, Eastside distribution building, contribution to that.

1810

Hon J J Netto: If I can move on, Mr Speaker, I am not quite sure whether my hon. colleagues have got some questions, but I certainly have another one and if I can point it out to the hon. Gentleman?

I am talking about subhead 1 item (y) Government Vehicles and Plant, there is a provision there of £150,000. My point is not so much about the amount of money for the ongoing provision of vehicles in the Government fleet of vehicles, my point is more related... the more I have seen from the figures provided by the hon. Gentleman – in fact I think it was the Hon. Mr Balban, who is the Minister for Transport – that in

1815 relation to the vehicles purchased by the Government in the last few years, the last three and a half years, in relation to the amount of European classification on polluting cars, once we remove the G1 and the Tesla, the hybrid cars, the rest of the other vehicles purchased are classified under the European label either very excessive, excessively polluting, very polluting, polluting.

1820 I know that one of the answers that is a reasonable answer for the Government to say is because some vehicle purchases are for plants working in a particular construction side and by the very nature those particular cars are very polluting. Can I ask the Minister that the environmental filter is focused far greater in the need to ensure that as reasonably as possible when the purchase of cars are made, that they are made in a manner which is less contaminating, because from the figures provided for the last few years they have not been, once you exclude the ones I have said. It seems to me that something that needs to be addressed and if it can be addressed as reasonably possible, then it should be done.

1825 **Hon. Dr J E Cortes:** Certainly, Mr Chairman. It is not my Head, but the Minister Balban is not here, but this is part of the strategy that we will be taking forward.

1830 **Mr Chairman:** Head 101, Works and Equipment, stands part of the Bill.

Clerk: Head 102, Projects, subhead (1) Roads and Parking Projects; subhead (2) Relocation Costs; subhead (3) Reclamation Projects; subhead (4) Other Projects; and subhead (5) Equity Funding.

1835 **Hon. D A Feetham:** Mr Chairman, yes, in relation to equity funding of Government-owned companies, this is where, in the past, there has been contributions to Gibraltar Investment Holdings, as I understand it, by way of equity funding that has then trickled down to all the other Government-owned companies. There is a £40 million actual 2013-14, with an estimate of a £1 million... for £1,000, I beg your pardon, in 2014-15, and the forecast outturn for that year, the past year, is zero. As I recall in previous years, I think it is probably... I may be wrong in relation to this, but I have got a recollection that 2012-13 is about 1840 £70 million and so there has always been substantial contribution. There is a zero forecast outturn 2015, the past year that has gone, and can he explain why?

1845 **Hon. J J Bossano:** Well, Mr Chairman, the initial contribution was partly because of the fact that the companies, for a number of years, had had loss-making situations, which were covered by advances. When the equity was increased, in effect it meant that the capital came into the company and the company repaid the advance.

1850 The provision of £1,000 is to determine whether in the course of the year we want to meet the capital requirements of a company because we think it needs to be done by increasing its capital or we find that the company's requirements, in terms of cash, can be met sufficiently by the £25 million we have now put at the beginning of the year. If the hon. Member looks back he finds that we had the practice initially of putting a token, as we do for Community Care, and then at the end saying the surplus is given. This time, what we have done is we have actually put the provision of the £25 million right at the beginning. If we find, that as a result of expenditure that the company has incurred, it looks as if that is not going to be enough, we then decide whether to up the money that is given from the consolidated fund or we do it by 1855 increasing the capital through the equity.

Hon. D A Feetham: This is the contribution... effectively, this is equity funding. (**Hon. J J Bossano:** Yes.) that is then used in order to fund Government Projects. Correct?

1860 **Hon. J J Bossano:** It is used to repair the balance sheet, basically, which is what we did initially, because in fact for a number of years the balance sheets of the companies were getting to the stage where the shares that the Government held in GIH were at a level that the accumulated losses would have brought us into an area where the nominal value of the shares no longer had any relation to the reserves of the company because the losses were being covered by advances of cash and not by transfers of cash. In effect, 1865 when the big money was transferred after the 2011 election, it was in fact restoring the position of those companies. The last time we moved money into increasing the equity was in 2013-14. Last year we put in a token amount, but we decided there was no need to make use of it and this year we will put a token amount and we will see how the year goes.

1870 **Hon. S M Figueras:** Mr Chairman, yes.

On subheading 1(a)(i), on tunnels and roads to North Front, I note that the actual for 2013-14 was just shy of £7 million and that the forecast outturn for this year is just over £3 million. The £1 million estimate for last year almost looks like it was a token amount given the actual outturn. Is the estimate for next year and therefore, by implication, the amount of work remaining on that project as that figure would suggest?

1875 Or how far along are we in relation to that project? That is what I am getting at essentially, the tunnels and roads to North Front, subheading 1(a)(i).

1880 **Hon. Chief Minister:** Mr Speaker I had the discussion on this subject with the former Leader of the Opposition about discussing these issues behind the Speaker's chair. All I would say at this stage – remember we are in litigation in relation to this matter – is that it is the Government's intention to complete this project as soon as possible, but the litigation has delayed the attempt to complete the project ourselves because of issues arising in respect of liability and the walls that we have inspected – the walls that are under the runway now – having more damage than was anticipated. But the work on the 'dewatering', which is a term I use because it is what I am told, but I have very little technical understanding of what it means... dewatering is about to start and that in any event as I think I said in my main speech, the works to the south of the runway, in other words the road that goes down towards the tunnel and the road that will come through what used to be Devil's Tower Camp and now the Aerial Farm, Beach View Terraces site, and leading to a roundabout there, all of that is expected to be completed by the end of August, because what we have not wanted is to hand over that estate – and we should be ready by the end of August to 1890 September – and then have to go back in with heavy machinery to do works once people are living there and we assume that principally those are going to be families with young children etc and we want to do as little disrupting of that area, which will be pristine, when it is handed over, as possible. I hope that helps the hon. Gentleman to understand. I am quite happy to have a further discussion with him later if he wishes.

1895 **Hon. J J Netto:** Mr Chairman, if I may?

In subhead (4)(n) Camp Bay, construction of groyne, there is a token figure there of £1,000. I wonder whether he can give some sort of explanation as to the need of this particular project and whether we are dealing basically here with the same problem we had in Both Worlds in terms of erosion of soil on this kind of thing, or is it a completely different kind of project whatsoever?

1900

Hon. Dr J E Cortes: This is really the Minister for Technical Services and so I will try and assist in his absence.

1905 There was a study being carried out – and I am not sure as it is not one of my areas of responsibility – as to see whether a groyne was (a) possible because of the depth of water there and (b) whether it would have an effect of increasing the size of the beach. I am not sure of the outcome, but I think that pending the outcome, a token was provided because it was not possible yet to give any details. That is my recollection in my discussions with him.

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

1910 Moving on to just a few lines down below from there, Item S Parliament House, again there is a token figure there of £1,000. What I would like to know is what is envisaged, perhaps, that would be done in this new financial year and particularly whether the lift will be done during the course of this financial year?

1915 **Hon. Chief Minister:** Mr Speaker, all that is planned at the moment is the lift, if we finish that process. I know that he was being pooh-pooed the fact that there needs to be more consultation. I certainly think we should just have the lift, but the Heritage Trust is very keen that we should try and hide the lift and there are issues there, but anyway...

1920 And, of course, the monument to Sir Peter Caruana, the monument to Jaime Netto and the monument to Joe Bossano (*Laughter*) which will use a lot of copper and will be very expensive, but other than that... seriously, it is the lift, Mr Speaker.

1925 **Hon. J J Netto:** Mr Chairman, I thoroughly agree with the Hon. Chief Minister there. I mean I can understand people from the heritage position saying putting a lift here will detract from the beauty of the building, the façade, but I really think that there are ways and means and different types of lift, which can be actually adding value and beauty to the building itself, if it is done correctly and nicely, and really we ought to do that and move forward. So if that is done, it will be great.

Hon. Chief Minister: Mr Speaker, I thank him for his support. He and I are entirely on the same page.

1930 I think the other thing that has happened is that the Heritage Trust has asked me for another engagement on the subject and therefore, you know, if we had said no, he would be attacking me for not consulting them. I think it is important that we do have that consultation, but more important is that people with disabilities should have access to this building. This is the most important building, in terms of democracy in this country and they need to have access.

1935 I agree it can be done in a very tasteful way. I think that the existing plans are very tasteful. They take the lift off the building. It is a glass structure and they come in through the window at the end there and I

1940 think it is perfectly acceptable. Then, when you propose that, the argument is that it gets rid of the symmetry. Well, there are two ways of dealing with that: either just putting up with it because it is important or we add two lifts, one on one side and one on the other, which, or at least a glass atrium so that you have symmetry back. Look, this has to be resolved because the important thing is that people who are disabled should not be shut out of this building.

Hon. J J Netto: Well, I certainly support and agree wholeheartedly with that statement, Mr Speaker.

1945 **Mr Chairman:** Head 102, Projects, stands part of the Bill.

Hon. J J Netto: Mr Chairman, there was another item... yes, just one more item, which on subhead (4)(z)(h) Commonwealth Park, page 156 – (*Interjection*) yes, there is an entry there of £200,000. What I am trying to get at, because when we were discussing recurrent expenditure under Head 14, Commonwealth Park, the Hon. Minister in his reply stated that part of the over expenditure from £100,000 to £250,000 was the need to terminate the project... had to buy a lot of equipment, machinery, mowers and things of that kind, but I would have thought that then the expenditure would have finished, but it seems to be like every year putting more and more expenditure. Can the Minister perhaps provide an explanation for this?

1955 **Hon. Dr J E Cortes:** Yes, I can. That is provision for the payment of some of the last few bills from the construction, which had not passed into the previous year. So it is nothing new. It is just to take care of the tail end of the creation of the park.

Hon. J J Netto: So that will be the last payment.

1960 **Mr Chairman:** Head 102, Projects, stands part of the Bill.

Clerk: We now move to clause 6, which is situated at page 145 of the Book, and that is Head 44, Supplementary Provision, subhead 1 Supplementary Funding.

1965 **Clerk:** Page 145.

Mr Chairman: Clause 6, Head 44, Supplementary Provision, subhead 1 Supplementary Funding [*Inaudible*] Any questions? Stands part of the Bill.

1970 **Clerk:** We now move to Clauses 7 and 8, starting at page 162, Gibraltar Development Corporation.

Mr Chairman: Clause 7, Gibraltar Development Corporation, stands part of the Bill.

1975 **Clerk:** Then we have got Borders and Coastguard Agency, which is at page 171.

Mr Chairman: Does anybody have any questions? No? Then clauses 7 and 8 stand part of the Bill.

Clerk: We move to the Gibraltar Health Authority, which is situated at page 173 [*inaudible*]

1980 **Mr Chairman:** Go back to page 171 and there we have Borders and Coastguard Agency. Any questions? Stands part of the Bill.

Mr Chairman: Gibraltar Health Authority. Do you have a question? Stand part of the Bill.

1985 **Clerk:** Gibraltar Electricity Authority.

Mr Chairman: Gibraltar Electricity Authority, page 179, stands part of the Bill.

Clerk: Gibraltar Health Authority, Elderly Residential Services Section, page 183.

1990 **Mr Chairman:** Stands part of the Bill.

Clerk: Care Agency, page 187.

Mr Chairman: Care Agency, page 187, stands part of the Bill.

1995

Clerk: Housing Works Agency, page 193.

Mr Chairman: Housing Works, Housing Works Agency, stands part of the Bill.

Clerk: Gibraltar Port Authority, at page 196.

2000

Mr Chairman: The Hon. Mr Bossino.

Hon. D J Bossino: Yes, I am grateful Mr Chairman.

2005 I mentioned this during the course of my budget intervention and it relates to... it is at page 198, and really what I am seeking is an explanation for the increase in 24, which is Advertising, Marketing and Travel. The estimated figure for assistance was £80,000 and then the actual forecast outturn is close to £300,000 and so it is quite a significant increase.

2010 **Hon. Chief Minister:** Mr Speaker (*Interjection*) but in any event, I think this relates to an increase. We changed the Captain of the Port. Different people do things in different ways, and I assume that this is the increased activity that we have seen from this Captain in the marketing of the Port in the short time that he has been there. I think that is very likely the reasoning.

2015 **Hon. D J Bossino:** I am happy to... perhaps the former Minister for the Port can give the full explanation once he is back. I know he is in the antechamber. I can hear him from here. (*Laughter*)

Hon. Chief Minister: You can hear the energy and the enthusiasm (*Interjections*) and the intelligence coming through.

2020 **Mr Chairman:** Gibraltar Sport –

Clerk: Gibraltar Sport and Leisure Authority at page 199.

Mr Chairman: The Hon. Edwin Reyes.

2025

2030 **Hon. E J Reyes:** Yes, Mr Chairman, I am just seeking a little bit of clarification on page 200, under subparagraph 23, this introduction of Sports Grant, as a general heading, of £½ million, and what used to come before under subparagraph 24, we had £490,000, almost the same amount, but broken down. There was already a subdivision before. I am not quabbling because the figures seem to be the same, but can the Minister confirm that what he has done is amalgamated all the funds there, so as to give the Committee of GSAC more freedom to move between those sub-heads with all the pros and cons that there might be? He might want to enlighten me in the philosophy behind that movement.

2035 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Yes, Mr Chairman, in fact, as he rightly says, last year – and I have got the book here with the estimates of last year – it was broken down into four different ones. But, as he rightly says, GSAC at one point was probably... because we had last year £150,000, £150,000, £150,000 broken down and therefore the Committee said, ‘Well, sometimes we only spend a £100,000 in one section and only £50,000 in the other’. They were having problems with passing on through the system the monies from one to the other. So we arranged in GSAC, and I said, ‘Well, if you have a lump sum, we can still have those within, divided into four, say’, but we have more flexibility in being able to pass some of the monies for some other things. So that is why this year it is in italics – all those broken down – and therefore they will have more leeway in passing, for example, multi-sports competition to the sports development projects. That is exactly why.

2045 **Clerk:** That is clauses 7 and 8 completed.

Mr Chairman: Gibraltar Sport and Leisure Authority, stands part of the Bill.

Clerk: Clauses 9 to 12.

2050

Mr Chairman: Clauses 9 to 12 stand part of the Bill.

Clerk: The scheduled parts 1 to 10.

2055 **Mr Chairman:** The scheduled parts 1 to 10 stand part of Bill.

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**Gibraltar Land Titles (Amendment) Bill 2015 –
Clauses considered and approved**

2060 **Clerk:** A Bill for an Act to amend the Gibraltar Land Titles Act.
Clauses 1 and 2.

Mr Chairman: Stand part of the Bill.

2065 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**Supreme Court (Amendment) Bill 2015 –
Clauses considered and approved**

2070 **Clerk:** A Bill for an Act to amend the Supreme Court Act.
Clause 1.

Mr Chairman: Stands part of the Bill.

2075 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):**
Mr Chairman, in clause 1, I move an amendment to remove the words ‘the 1st July 2015’ and replace those
with ‘a day appointed by the Government by notice in the Gazette and different days may be appointed for
different purposes’.

2080 **Mr Chairman:** Do all hon. Members agree to that amendment? (**Members:** Aye.) So clause 1, as
amended, stands part of the Bill.

Clerk: Clause 2.

Mr Chairman: Stands part of the Bill.

2085 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**Fair Trading Bill 2015 –
Clauses considered and approved**

2090 **Clerk:** A Bill for an Act to establish and provide for the functions of the Office of Fair Trading and the
Office of Fair Trading Commission; encourage businesses to comply with consumer law and improve their
trading practices; streamline and simplify the trade licensing system and re-name the modernised system as
business licensing; establish enforcement powers for the Business Licensing Authority, being part of the
Office of Fair Trading, in cases of non-adherence by licensees; establish a single point of contact as part of
the business licensing procedure; amend the law relating to the protection of the collective interests of
consumers; enable action to be taken against conduct which may significantly harm the interests of
consumers; and for purposes connected herewith.

2095 Part 1.

Mr Chairman: Stands part of the Bill.

2100 **Clerk:** Part 2.

Mr Chairman: Stands part of the Bill.

2105 **Clerk:** Part 3.

Mr Chairman: Stands part of the Bill.

Clerk: Part 4.

2110 **Mr Chairman:** Stands part of the Bill.

Clerk: Part 5.

Mr Chairman: Stands part of the Bill.

2115

Clerk: Part 6.

Mr Chairman: Stands part of the Bill.

2120

Clerk: Part 7.

Mr Chairman: Stands part of the Bill.

Clerk: Part 8.

2125

Mr Chairman: Stands part of the Bill.

Clerk: Part 9, clauses 58 to 72.

2130 **Mr Chairman:** Detailed amendments have been circulated to all hon. Members amending clause 73 and clause 74 in fact – (**Members:** Yes.) both of them. So I will put the amendment.

Do all hon. Members agree to the amendment circulated in respect of clause 73? (**Members:** Aye.) Clause 73, as amended, stands part of the Bill.

2135 Do all hon. Members agree to the amendment in respect of clause 74, as circulated? (**Members:** Aye.) Clause 74, as amended, stands part of the Bill.

Clerk: Clauses 75 to 90.

Mr Chairman: Clauses 75 to 90 stand part of the Bill.

2140

There is an amendment to clause 91, which notice has been given and has been circulated. Are all hon. Members happy with the amendment? (**Members:** Aye.)

Clause 91, as amended, stands part of the Bill.

Clerk: Clauses 92 to 100.

2145

Mr Chairman: Clauses 92 to 100 stand part of the Bill.

Clerk: Schedules 1 to 3.

2150

Mr Chairman: Schedules 1 to 3 stand part of the Bill.

Hon. D J Bossino: Mr Chairman, if the Hon. Minister recalls, I mentioned a point in schedule 2 and then paragraph 3(5), where there was a reference to subparagraph 5. Has he considered that and would he be considering an amendment in relation to that, just to clarify that it is referring to the same paragraph?

2155

Minister for Business and Employment (Hon. N F Costa): Yes, Mr Chairman, I have considered the amendment proposed by the Hon. Minister Bossino and I think that – (*Interjections*) Mr Bossino. I thought he would – (*Interjections and laughter*) (**Hon. Miss S J Sacramento:** it's been such a good day! No!) I just keep considering him a Member of the Government and I think that (**Hon. Miss S J Sacramento:** Potential.) section 3, paragraph 5, reads well the way that it does.

2160

Clerk: Schedule 2.

Mr Chairman: Stands part of the Bill.

2165 **Clerk:** Schedule 3.

Mr Chairman: Stands part of the Bill.

Clerk: The long title.

2170

Mr Chairman: The *very* long title stands part of the Bill. (*Laughter*) (*Banging on desks*)

**Private Trust Companies Bill 2015 –
Clauses considered and approved**

Clerk: We now move to a Bill for an Act to make provisions for the Voluntary Registration of Private Trust Companies and for matters related thereto. Some amendments have been circulated beforehand.

2175 **Mr Chairman:** There has been an amendment... a series of amendments... [*Inaudible*]

Hon. D A Feetham: Mr Chairman, we are happy to take the amendments, having already been read out to the House.

2180 **Mr Chairman:** Right. We will do so as we go clause by clause. Okay?
So Clause 1.

Clerk: Clause 1.

2185 **Mr Chairman:** Stands part of the Bill.

Clerk: Clause 2, as amended.

Mr Chairman: Clause 2, as amended, stands part of the Bill.

2190

Clerk: Clauses 3 and 4.

Mr Chairman: Clause 3 stands part of the Bill.

2195 **Mr Chairman:** Clause 4, there is an amendment.
Is that agreed to? Then clause 4, as amended, stand part of the Bill.

Clerk: Clause 5, as amended.

2200 **Mr Chairman:** Again, clause 5, as amended, stands part of the Bill.

Clerk: Clause 6, as amended.

Mr Chairman: Clause 6, as amended, stands part of the Bill.

2205

Clerk: Clause 7.

Mr Chairman: Clause 7, stands part of the Bill

2210 **Clerk:** Clause 8, as amended.

Mr Chairman: Clause 8, as amended, stands part of the Bill.

Clerk: Clause 9 as amended.

2215

Mr Chairman: Clause 9, as amended, stands part of the Bill.

Clerk: Clause 10 as amended.

2220 **Mr Chairman:** Clause 10, as amended, stands part of the Bill.

Clerk: Clause 11.

Mr Chairman: Clause 11 stands part of the Bill.

2225

Clerk: Clause 12, as amended.

Mr Chairman: Stands part of the Bill.

2230

Clerk: Clause 13 as amended.

Mr Chairman: Stands part of the Bill.

Clerk: Clause 14.

2235

Mr Chairman: Stands part of the Bill.

Clerk: Schedule 1.

2240

Mr Chairman: Stands part of the Bill.

Clerk: Schedule 2, as amended.

Mr Chairman: Stands part of the Bill.

2245

Clerk: Schedule 3, as amended.

Mr Chairman: Stands part of the Bill.

2250

Clerk: Schedules 4 and 5.

Mr Chairman: Stands part of the Bill.

Clerk: The long title.

2255

Mr Chairman: Stands part of the Bill.

**Purpose Trusts Bill 2015 –
Clauses considered and approved**

Clerk: A Bill for an Act to make provision to allow for trusts for a purpose or purposes otherwise than for charitable purposes and for matters related thereto.

Part 1.

2260

Mr Chairman: Stands part of the Bill.

Clerk: Part 2.

2265

Mr Chairman: Stands part of the Bill.

Clerk: Part 3.

Mr Chairman: Stands part of the Bill.

2270

Clerk: Part 4.

Mr Chairman: Stands part of the Bill.

2275 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**Trusts (Private and International Law) Bill 2015 –
Clauses considered and approved**

Clerk: A Bill for an Act to provide for certain matters of private international law in relation to Gibraltar trusts and for connected purposes.

2280 **Clerk:** Clauses 1 to 8.

Mr Chairman: Stand part of the Bill.

2285 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

We will amend that. It is clauses 1 to 9 stand part of the Bill. The long title, of course, also stands part of the Bill.

BILLS FOR THIRD READING

**Appropriation Bill 2015;
Gibraltar Land Titles (Amendment) Bill 2015;
Supreme Court (Amendment) Bill 2015;
Fair Trading Bill 2015;
Private Trust Companies Bill 2015;
Purpose Trusts Bill 2015;
Trusts (Private and International Law) Bill 2015 –
Third Reading approved: Bills passed**

2290 **Mr Chairman:** The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to report that the Appropriation Bill 2015; the Gibraltar Land Titles (Amendment) Bill 2015; the Supreme Court (Amendment) Bill 2015; the Fair Trading Bill 2015; the Private Trust Companies Bill 2015; the Purpose Trusts Bill 2015; and the Trusts (Private and International Law) Bill 2015 have been considered in committee and agreed to, some with amendments, and I now move that they be read a third time and passed.

2295 **Mr Chairman:** I now put the question, which is that the Appropriation Bill 2015 be... be what? (*Interjection*) – be read a third time and passed. Those in favour? (**Members:** Aye.) Those against?

2300 **Hon. Chief Minister:** Mr Speaker, sorry. I think that you do the list, don't you, and you have to do the appropriation –

Mr Chairman: [*Inaudible*]

2305 **Hon. Chief Minister:** No, because I want a division on the Appropriation Bill.

Mr Chairman: You want a division on the Appropriation Bill? Very well. The Appropriation Bill, we will call a division.

2310

A division was called for and voting resulted as follows:

2315

FOR

The Hon J J Bossano
The Hon D J Bossino
The Hon Dr J E Cortes
The Hon N F Costa
The Hon D A Feetham
The Hon S M Figueras
The Hon Dr J J Garcia
The Hon A J Isola
The Hon G H Licudi
The Hon S E Linares
The Hon J J Netto
The Hon F R Picardo
The Hon E J Reyes
The Hon Miss S J Sacramento

AGAINST

None

ABSENT

The Hon P J Balban
The Hon Sir P R Caruana KCMG QC
The Hon Mrs I M Ellul-Hammond

Mr Chairman: There are three Members absent – (*Interjections*) 13 Members have voted in favour, 1 against, carried. (*Banging on desks*) I thought I had heard a no – (*Interjection*) I didn't. (*Laughter*) So three Members are absent and with all the others that is 14 in favour: the Appropriation Bill is approved. (**Members:** Hear hear) (*Banging on desks*)

2320

I now put the question that the Gibraltar Land Titles (Amendment) Bill 2015 be read a third time and passed. Those in favour? (**Members:** Aye.) Those against? Carried.

That the Supreme Court (Amendment) Bill 2015 be read a third time and passed. Those in favour? (**Members:** Aye.)

That the Fair Trading Bill 2015 be read a third time and passed. Those in favour? (**Members:** Aye.)

2325

That the Private Trust Companies Bill 2015 be read a third time and passed. Those in favour? (**Members:** Aye.)

That the Purpose Trusts Bill be read a third time and passed. Those in favour? (**Members:** Aye.)

And that the Trusts (Private International Law) Bill 2015 be read a third time and passed. Those in favour? (**Members:** Aye.)

ADJOURNMENT

2330

Chief Minister (Hon. F R Picardo): Mr Speaker, the debate on the Appropriation Bill is always a difficult one for every Member of this House that prepares for it intensely. We exchange many views and yet it is now over for another year, and I think we will all be reflective of that and happy that the difficult work of the House at this time is now over.

2335

I thank all Members, Mr Speaker, for their contributions. I thank all Members for voting in favour of the Bill presented by the Government in that respect and I now have the honour to move that the House do now adjourn *sine die*.

Mr Chairman: I now propose a question that the House do now adjourn *sine die*.

2340

I now put the question that the House do now adjourn *sine die*. Those in favour? (**Members:** Aye.) Those against? Carried.

The House will now adjourn *sine die*.

The House adjourned at 8.33 p.m.