



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.00 p.m. – 7.10 p.m.**

**Gibraltar, Thursday, 25th February 2016**

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# The Gibraltar Parliament

*The Parliament met at 3.00 p.m.*

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

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

## PRAYER

*Mr Speaker*

## CONFIRMATION OF MINUTES

**Clerk:** Meeting of Parliament, Thursday 25th February 2016 – Order of Proceedings.  
Confirmation of Minutes – the Minutes of the last meeting of Parliament, which was held on  
20th, 21st and 22nd January 2016.

5

**Mr Speaker:** May I sign the Minutes as correct? (**Members:** Aye.)

*Mr Speaker signed the Minutes.*

## PAPERS TO BE LAID

**Clerk:** (iii) Communications from the Chair; (iv) Petitions; (v) Announcements; (vi) Papers to  
be laid – the Hon. the Chief Minister.

10

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to lay on the Table the  
Consolidated Fund Supplementary Funding – Statement No. 2 of 2014/2015; and the Audited  
Accounts of the Gibraltar Regulatory Authority for the year ended March 2015.

15

**Mr Speaker:** Ordered to lie.

**Clerk:** (vii) Reports of Committees; (viii) Answers to Oral Questions.

## Questions for Oral Answer

### CHIEF MINISTER

#### Q252-254/2016

#### Naval Ground car park – Details

20 **Clerk:** We commence with Questions to the Chief Minister.  
Question 252/2016, the Hon. T N Hammond.

**Hon. T N Hammond:** Mr Speaker, further to Questions 688/2014 and 75/2015, can the  
25 Government advise what the cost of the construction of the car park at the Naval Ground is?

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

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with  
30 Questions 253 and 254.

**Clerk:** Question 253, the Hon. T N Hammond.

**Hon. T N Hammond:** Can the Government advise how many of the parking spaces at the  
35 Naval Ground car park are, or will be, available to the public and whether this is free parking or  
paid parking?

**Clerk:** Question 254, the Hon. T N Hammond.

**Hon. T N Hammond:** Can the Government advise how many charging points for electric cars  
40 will be made available at the Naval Ground car park?

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

**Hon. Chief Minister:** Mr Speaker, the Government is not building the car park at the Naval  
45 Ground. This is being constructed by a private company, Midtown Coach and Car Park Holdings  
Ltd.

The Government through one of its companies established by the former GSD  
Administration, namely Gibraltar Car Parks Ltd, will acquire the coach and car park once this is  
complete.

50 The coach and car park is expected to be completed for a cost of £21.3 million.

It is envisaged that there will be free day parking for residents using the new ID card and paid  
parking for non-residents, as well as overnight covered parking for taxis and local coaches.

A fuller statement will be made in due course as to the exact nature of the arrangements for  
parking at this excellent facility which will be very welcome by the whole community no doubt,  
55 in particular, people living in the town area and those wishing to visit our city centre and the  
traders who depend on them.

There are a total of 45 charging points for electric cars in Midtown parking. More can be  
added in the future.

60 **Hon. T N Hammond:** Mr Speaker, if I could just ask the Chief Minister whether those electric charging points are metred and paid for or whether they are freely available to members of the public who may own electric cars?

65 **Hon. Chief Minister:** Well, Mr Speaker, he and I and everybody else who is listening, are the only owners of an electric car in Gibraltar. The Taxpayer owns the Tesla P85 G1 vehicle, which is the only electric car in Gibraltar at the moment. The hon. Member will be able to see that from statistics he was given at the last meeting of the House. So G1 could be charged there and any other vehicle could be charged there in the future.

70 Whether we will be charging for the electricity, or not charging, is a point the Government is considering to see whether that might encourage people to continue to purchase electric vehicles, as the Government has demonstrated is a very positive and possible way of running a car like G1.

**Q255/2016**  
**Marriott Hotel plans –**  
**Commencement of works**

75 **Clerk:** Question 255, the Hon. L F Llamas.

**Hon. L F Llamas:** Can Government confirm if the Marriott Hotel plans approved by the Development Planning Commission back in March 2014 are still going ahead; if so, when are the works scheduled to commence?

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

**Chief Minister (Hon. F R Picardo)** Well, Mr Speaker, this is not a Government project. It is a private sector project for which planning permission has been obtained. The Government continues in discussion with developers in respect of this and other ongoing hotel projects.

85 **Clerk:** Question 256, the Hon. R M –

**Mr Speaker:** Yes, the Hon. the Leader of the Opposition.

90 **Hon. D A Feetham:** Mr Speaker, just in relation to that – and if the information is already in the public domain, my apologies – but it would be helpful if the Hon. the Chief Minister were to also inform this House as to whether the land on which the Marriott Hotel is to be built is owned by the Government and whether that has already been sold and that sale has already gone ahead. If it has, what is the consideration for the sale?

95 **Hon. Chief Minister:** Mr Speaker, the sale has not yet been finalised.

**Hon. D A Feetham:** And is there a consideration that has been agreed, even though the sale has not been finalised?

100 **Hon. Chief Minister:** Mr Speaker, as I understand it, the consideration was agreed by the former administration.

105 **Hon. D A Feetham:** That may be so, but the Hon. the Chief Minister must have the information available to him, and I would appreciate it if he would provide the information. What is the consideration for the sale of this particular piece of land?

110 **Hon. Chief Minister:** Mr Speaker, I have from memory so I will not be held to it, the figure of £5 million having been agreed by the former administration of which he was a Member, so I am surprised he is asking me for that information.

**Q256/2016**  
**Coaling Island development and reclamation project –**  
**Details**

**Clerk:** Question 256, the Hon. R M Clinton.

115 **Hon. R M Clinton:** Mr Speaker, can the Chief Minister please advise details of the proposed Coaling Island development and reclamation project mentioned in his 2015 Budget Speech, including the size of any likely premium?

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

120 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government will make a statement in respect of this project in due course.

125 **Hon. R M Clinton:** Mr Speaker, that is a very short and precise answer, but does he have any idea of what the nature of what the project entails, what side of the Coaling Island the reclamation is meant to be?

**Hon. Chief Minister:** Yes, Mr Speaker, and I will make a statement about that in due course.

130 **Hon. R M Clinton:** Could the hon. Member perhaps expand on what he means by due course? Are we talking about weeks or months?

135 **Hon. Chief Minister:** Well, Mr Speaker, as the hon. the politician formerly known as Sir Peter Caruana, until he became known as the greatest Gibraltarian of all time in the lexicon of the Members opposite, indicated to us in the context of parliamentary debates, in this place 'soon' means when the Government is able to do it and 'in due course' means when the Government does it.

140 **Hon. R M Clinton:** From that statement, Mr Speaker, I take it that we are not going to see any money this side of the financial year?

**Hon. Chief Minister:** Well, Mr Speaker, he might think so. I could not possibly comment.

**Q257/2016**  
**Rooke development proposals–**  
**Details**

**Clerk:** Question 257, the Hon. R M Clinton.

145 **Hon. R M Clinton:** Mr Speaker, could the Chief Minister please advise details of the proposed Rooke development and the size of any likely premium?

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

150 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government has issued a number of press statements in respect of the proposed redevelopment of Rooke already. Further details will be announced in due course.

**Q258/2016**  
**Eastside 'Bluewater' project –**  
**Whether going ahead**

**Clerk:** Question 258, the Hon. R M Clinton.

155 **Hon. R M Clinton:** Mr Speaker, can the Minister for Inwards Investment, please advise if the Eastside 'Bluewater' project is still going ahead with the chosen developer, Camoren Holdings Ltd?

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

160

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the answer remains as set out in answer to Question 117/2016.

165 **Hon. R M Clinton:** Mr Speaker, I am sure we all remember that exchange last month, in which an announcement was imminent and would be reaching a climax in due course. I would be grateful if the Chief Minister could perhaps enlighten us as to whether this project is indeed going ahead or not. There are people who have put their names down for affordable housing and they would like some indication.

170 **Hon. Chief Minister:** Well, Mr Speaker, the people who have put their names down for the affordable housing which was announced by the GSLP/Liberal Government will be very happy to know that they are going to be able to purchase properties in very short order and that those affordable housing projects are going to continue to be of the standard that has been developed by my Government in its first term in office, which by all accounts, is one with which everybody is very happy, given that people are already moving into the development at what used to be known as the Aerial Farm and will soon be moving in to the magnificent development in the area known as Mons Calpe Mews.

175 But, Mr Speaker, I do not think that I am going to be persuaded to give the hon. Gentleman a blow-by-blow account of what is happening in the negotiations with Camoren.

180

**Hon. R M Clinton:** Mr Speaker, that is a shame. Perhaps he could tell us if he has had the £83 million premium, yes or no?

185 **Hon. Chief Minister:** Well, Mr Speaker, I refer the hon. Gentleman to the answer I gave him a few moments ago.

**Hon. R M Clinton:** Mr Speaker, I take that to be no.

190 **Hon. Chief Minister:** Well, Mr Speaker, if he can read, he can go back and read what the answer to Question 117/2016 was and he will then be able to work out whether the answer is yes or no. I am not here to answer questions on the basis of yes or no, or in any other terms that the hon. Gentleman might wish me to answer. I will answer them in the way that I wish to answer.

195 **Hon. R M Clinton:** Well, Mr Speaker, I am afraid I do not have the answer to that question in front of me, but as I recall he said that at this moment in time the premium has not been paid. Does he stand by that statement?

200 **Hon. Chief Minister:** I do not, Mr Speaker, because that is not what I said. If he is going to ask questions which follow up on earlier questions, he should check what he was told then. I told him that the premium was not yet due.

205 **Hon. R M Clinton:** Thank you, Mr Speaker. From that statement I take it that it has not been paid.

**Hon. Chief Minister:** Mr Speaker, playing ping-pong from one side of Parliament to the other is not edifying and Mr Speaker, if that is what the hon. Gentleman wants to do, I am quite happy to carry on serving him volleys.

210 It is very simple. If a premium is not due in answer to Question 117/2016 and the answer remains as it was in respect of 117/2016, it is still not due now. He can make of that answer what he likes, as I am sure he will.

**Q259-260/2016**  
**Public finance and public debt –**  
**Written advice**

**Clerk:** Question 259, the Hon. R M Clinton.

215 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please provide details of any written or verbal guidance or recommendations given by the Foreign Office or any other UK Government Agency to Her Majesty's Government of Gibraltar, in respect of the management of Gibraltar's public finance or public debt?

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

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with Question 260.

225 **Clerk:** Question 260, the Hon. R M Clinton.

230 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please confirm that the Financial Secretary is in agreement with the proposed removal of the reference to a recurrent revenue limit in the Public Finance (Borrowing Powers) Act and that he has issued a written advice to that effect?

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



235 **Chief Minister (Hon. F R Picardo):** Mr Speaker, neither the Foreign & Commonwealth Office nor anyone else has tried to tell us how to manage Gibraltar's public finances or Gibraltar's public debt.

Mr Speaker, no Government has ever kept the Opposition informed of what instruction it gives or does not give, or what advice it seeks or is offered by the Financial Secretary or any other civil servant as to what needs to be done or not done to give effect to Government policies.

240 That said, and given that the Member opposite is asking about the proposed Borrowing Powers Bill, in anticipation of a debate on another item on the Order Paper, I feel I should put his mind at rest.

245 I want it to be clearly understood that the Financial Secretary has not felt any need to give any views that suggest that the proposed change should not be made. In fact, it would have been surprising if he had, given that *he* suggested that the change in question should be made.

Having said this, I also want to make clear that this is not a precedent nor a change in the policy of all previous governments and administrations not to share advice referred to Ministers by civil servants or advisors in confidence.

250 I have answered today simply to put the record straight and so that further false information is not propagated by the Members opposite outside this House.

**Hon. R M Clinton:** Mr Speaker, I do not know whether this may be in or out of order, but could the Chief Minister elaborate what he means by 'false information'?

255

**Hon. Chief Minister:** Mr Speaker, outside this House, Members opposite have made statements about the state of Gibraltar's public finances which are, in the view of the Government, false and we believe that this question was designed to try and bolster that series of falsehoods.

260

**Hon. R M Clinton:** Mr Speaker, I can only deny whatever the Chief Minister imagines, but I thank him for his answer.

265 **Hon. Chief Minister:** Well, Mr Speaker, I will make my own assessments as to his denials, but I am grateful that he acknowledges that I have answered his question.

#### Q261-262/2016

#### Drug Rehabilitation and Justice –

#### Opportunity for site visits for shadow Opposition Members

**Clerk:** Question 261, the Hon. E J Phillips.

270 **Hon. E J Phillips:** Mr Speaker, can the Minister for Drug Rehabilitation confirm that the Opposition Member of Parliament with shadow responsibility for Drug Rehabilitation will be afforded an opportunity in the next month to have a familiarisation visit to Bruce's Farm Rehabilitation and Gladys Perez Centres?

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

275

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question with Question 262.

**Hon. E J Phillips:** Mr Speaker, can the Minister for Justice confirm that the Opposition Member of Parliament with shadow responsibilities for Justice will be afforded an opportunity to

280 have a familiarisation visit to Her Majesty's Prison Windmill Hill, during the course of the next month?

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

285 **Chief Minister (Hon. F R Picardo):** Mr Speaker, no sir. The Hon. Member is not the Governor and we are too busy working to do organised tours.

**Hon. E J Phillips:** Well, that is an unhelpful reply to the question, *(Laughter and interjections)* I think he will agree with me, but since we have had a number of them this morning, I would like  
290 to ask the Chief Minister this question. Does he not think it is helpful that someone who is serving this community should be able to visit some of our institutions which would allow him to look at the issues that are involved in Bruce's Farm and also the Prison?

Does he not think it helpful that someone who, although does not have 70% as he likes to keep pointing out to us, still represents a number of people in this community that would like  
295 him to visit the state of the Prison and Bruce's Farm to ascertain for himself whether there is any need for improvements?

**Hon. Chief Minister:** Well, Mr Speaker, he likes to ask questions he knows the answers to. I suppose that is the training of the advocate, because you are always taught not to ask a  
300 question unless you know the answer, because the obvious answer to that question is no, given the first answer that I gave him.

Now, Mr Speaker, it is not no because we are trying to be unhelpful – although it would be helpful if he told me where it was that he was getting answers this morning, and so that I might  
305 find out why it is that he thought we were being unhelpful this morning. I thought we were being quite helpful this afternoon, the hon. Gentleman sitting next to him has just thanked me for answering his question.

Mr Speaker, the facilities that he is talking about are not a zoo. They are not there for him to visit and see and for us to organise a tour for him, Mr Speaker. Look, if he wants to see a facility which is open to the public then he is able to access that facility. If he wants to see a facility  
310 which is a working Government facility, well, Mr Speaker, the position has been of successive administrations that you are not able as a Member of Parliament who is not in Government, to visit a Government facility.

Mr Speaker, if he thinks I am being unhelpful, then he needs to ask himself whether he is sitting with the right party, because when the GSD was in office and I was elected as a young  
315 whipper snapper on the opposite side, *(Laughter)* I asked to spend a night on patrol with the RGP and a night with the Fire Service to understand the challenges that they face. This is the very helpful reply, Mr Speaker, I was then provided with by Mr Ernest Montado, the excellent Chief Secretary of the time, fondly remembered by anyone who has had the chance of working with him, and I have had an opportunity of working with him professionally. Mr Speaker, he said  
320 this:

'Dear Fabian, I am sorry it has taken me so long to reply to your letter of 5th October 2004 which in turn referred to correspondence with the Commissioner of Police and the Chief Fire Officer going back to 30th August 2004. I hope you will understand that I have been heavily engaged on other matters these past few months involving extensive travelling which has resulted inevitably in a backlog of correspondence in the office.'

And, Mr Speaker, only Ernest would be as polite and elegant in dealing with a newly elected MP's letter.

'I should explain that it is normal procedure for Heads of Department to refer to me requests to visit Government Departments which have been received from persons or organisations outside of Government. Having regard to the nature and purpose of your proposed visits as set out in your letters, I have to say it would not be appropriate to accede to your request.'

This is the head of the administration, not a politician.

'It would not be acceptable for an Opposition politician to spend time with public officers, let alone officers in the essential services whilst they are engaged during working hours in carrying out their duties. You are at liberty of course to raise issues concerning the workings of Departments or terms and conditions of employment of staff directly with the Minister responsible, either by approaching him/her directly or by raising questions in the [then] House of Assembly. Moreover, it is open to you also to raise such issues with the relevant trade unions or staff associations and/or their staff representatives directly.

I trust that this clarifies the position.'

Mr Speaker, I trust that this clarifies the position.

325

**Hon. E J Phillips:** Mr Speaker, I am glad to see then that nothing has clearly changed with the New Dawn Government.

I refer the Chief Minister to a statement in the manifesto of 2000 in which his Deputy Chief Minister said:

'We will be absolutely implacable in the pursuit of changing the political system.'

330

Is it right then if you are happy to change the system, implacable in changing the system, that you should be offering me the opportunity to go and visit our institutions to assist our community in understanding what is done there, what effective treatments are being offered at Bruce's Farm? (*Interjection*)

Have you finished?

335

**Hon. Chief Minister:** Have you finished?

**Hon. E J Phillips:** No, not yet I was just being rudely interrupted, I would like to know. (*Interjection*)

340

I have the floor?

**Mr Speaker:** Let me make one thing clear. There are occasions when comments are made on both sides of the House, and they may or may not constitute an interruption. It is for me in the final analysis to decide whether it is an interruption or not, and whether it is out of order or not.

345

So please continue.

**Hon. E J Phillips:** I am grateful, Mr Speaker. That is my question.

350

**Hon. Chief Minister:** Well, Mr Speaker, I am grateful that he reminds us of the provision set out in our New Dawn manifesto. It was a manifesto that seven out of ten people in the last General Election believe we had delivered with such vigour and so magnificently that they returned us to Government with a renewed and stronger mandate, under a manifesto to strengthen the foundations of this community.

355

We were in fact, Mr Speaker, implacable in the pursuit of change; or is it that the hon. Gentleman does not know of all the changes that we implemented to the way our democracy works? He himself was able to write to the Chief Secretary and to have access to the civil servants in the 90 days before the last General Election, something which I was denied, Mr Speaker – I have the letter here – on 25th October 2011 by the former Chief Secretary, because the previous administration, the one that he represents – he needs to be reminded of that, I think – did not think that that was appropriate.

360

So, Mr Speaker, many things that the GSD were doing, we have changed. Some we have not changed. Some of them, Mr Speaker, are just constitutionally as they were and will be. The ten people on this side are Ministers; the seven people on that side are Opposition Members. Mr Speaker, they have a role to play. That role is not to visit Government facilities and inspect them

365 in order to ask us questions about them. It is to receive the concerns of people who may use those facilities, as was so eruditely set out in the letter from Ernest Montado

But, Mr Speaker, not implacable in change, not a New Dawn administration. Well, Mr Speaker, he is on television today because of the New Dawn administration. He gets to ask us questions once a month except for the Easter break and the summer break because of the New Dawn administration. I wonder what he would have made of the GSD administration that called three meetings a year, sometimes two meetings a year? Oh hang on! He opposed them too, he was in a different party! (*Laughter*) He was making the same argument we were making. It is only now that he sits under the same initials of those he used to criticise that he believes that he should defend what they used to do in Government. (*Banging on desks*)

375 **Hon. E J Phillips:** Mr Speaker, we welcome the institutional changes and the cosmetic changes to Parliament. I have something else to say about that, but that can wait until the Freedom of information Bill is presented.

Mr Speaker, I think it is right that a shadow representative in relation to the Prisons and in relation to Justice and in relation to rehabilitation of offenders is afforded an opportunity to visit these facilities. I take it from his answer that he is refusing. His Government is refusing me access to those two places.

385 **Hon. Chief Minister:** No, Mr Speaker, that is not right. If he wants me to arrange for an extended stay in the prison facility, I will talk to the Minister for Justice and see what we can do!

I am only joking, I am not pretending to incarcerate the hon. Member, I would miss out on all my fun in Parliament.

Mr Speaker, the Opposition remains, as has been the case in respect of all previous administrations – in other words, Government facilities which are not open to the public are not open to Members of the Opposition. It has ever been thus, it is not a question of change for the sake of change that we believe in. We believe in change for the purposes of ensuring transparency and accountability to our people, so that people can see what is going on in the heart of Government.

395 Look, a prison and a facility like Bruce's Farm are not a place, Mr Speaker, where we can, and I say organise tours; this is a place where people are either receiving treatment or it is a place of incarceration where people can have an element of shame because they are there. Mr Speaker, even when I have visited and I *am* in Government, I have visited once, I have been very careful. It has caused logistical problems for the prison staff because they need to ensure I am able to see areas and prisoners are moved etc.

400 Look, this is a small community, I know people who are there. I may have acted for them, I may know them in another way – it is very embarrassing for them. Others might welcome the contact; not all of them would.

And so, Mr Speaker, this is not a frivolous no. This is a well thought out, careful no. And Mr Speaker, believe me, I examine my conscience before I give these answers, I remembered the letter from Ernest, I checked the letter from Ernest, I tried to understand the issues in the letter from Ernest, which I had accepted at the time I must say, and I checked once again with the Chief Secretary. He gave me the same conclusion that the former Chief Secretary had given to me when he wrote to me, Mr Speaker.

410 This is about ensuring that those facilities are able to continue providing the service that they provide, and look Mr Speaker, it is not as if this is a place where if there is a problem in the Prison or in Bruce's Farm, he is not going to be told by someone who is going to go and tell him, 'Look, I have been up at Bruce's Farm and they have not changed the duvets for 15 years.' He is going to find out those issues. This is not a community where he needs to come and carry out an inspection.

415 For those reasons, Mr Speaker, having thought it through very carefully, we stand by the position set out in the letter of the then Chief Secretary of 9th November 2001. I am quite happy to give him a copy if he wishes.

**Hon. E J Phillips:** I am grateful for the answer to that question. I only have one further question and that relates to an issue that has arisen in this exchange relating to contact with civil servants. The Chief Minister is aware that, as he said in one of his answers, the candidates were allowed the opportunity to contact civil servants, have a discussion with them about certain policy areas to help the civil servants in the event of a change in Government.

I did also follow that up very shortly after the election with a letter to the Chief Secretary, to ask whether we could review the position, or the Government would review the position, in relation to contact at pre-election time. I still have not yet had a response to that letter to the Chief Secretary, but I understand that he is in regular contact with you about this issue. As the Chief Minister will be aware, in the United Kingdom the length of time for contact varies from six to twelve months before a general election. I wonder whether we can have a commitment from the Chief Minister that he will review that with a view to increasing the time period allowable to candidates in general elections so they can have contact with civil servants. I am sure he will find that will be a helpful suggestion to those standing for election so that they can have that contact with civil servants.

**Mr Speaker:** I am only allowing that supplementary because of course the Chief Minister himself raised the issue of the contact period before a general election, otherwise it would not be relevant to the original question.

**Hon. Chief Minister:** I am grateful, Mr Speaker, and I am happy to answer the question. Mr Speaker, this is something I feel very strongly about. I introduced the issue when I was Leader of the Opposition and I followed through as Chief Minister to ensure that the contact was possible.

Mr Speaker, as I understand it, the convention in the United Kingdom is 90 days, I do not think it is longer. But, Mr Speaker, there needs to be an appreciation that in Gibraltar we tend not to have candidates for election 90 days before a general election, let alone a year before. In the United Kingdom, the position is that constituencies will, for parties, elect a person who is going to be *the candidate*, sometimes up to a year before and that person will be a *candidate* notionally. You could have political parties doing the same thing here but you do not have candidates for a general election in Gibraltar until 21 days before the poll. There are not candidates in the general election until 21 days before the poll.

And so therefore, Mr Speaker, we have to be very careful how we deal with this issue because anybody could say 90 days before a general election – I am not suggesting the hon. Members would. They are a political party, we are a political party or two and we are established, but anybody could say, ‘Well, I intend to be a candidate in the next general election, I would like to sit down with this civil servant and discuss something with him’, and that person might not have any intention whatsoever of being a candidate because it is not until the ink crystallises 24 hours after you have signed on here, as you know, that you become a candidate in the general election.

I do not know if the hon. Gentleman is a veteran, he has lost one or two in the past, but he knows what the process is, and therefore we have to be very careful how we calibrate that. I believe it is right that if you have got people standing for election, the judgement in a general election is made by the public, people in the run-up to the election should be able to speak to members of the Civil Service, test their policies, discuss with them what they would do if they were elected etc; but the period, which I understand is 90 days in the United Kingdom, is not in my view one that should be changing.

The hon. Gentleman has said it fluctuates and up to a year in the UK. I have not seen any evidence of that. If he writes to me, I am quite happy to investigate whether there have been further reforms in the United Kingdom in that respect. This is a practice in the United Kingdom that dates from the late 1960s. I know that the Blair Government made some amendments to it, I believe those amendments were simply about how the contact was established, but that the period was still 90 days.

Answering his question, I understand that the Chief Secretary wants my input in respect of the answer to his letter. He has not yet formally sought it, although I know he is going to send me a memorandum asking me for a policy decision in respect of one part of his letter which requires a policy decision.

**Hon. E J Phillips:** I am grateful for the answer to that question. Just to be helpful, the background to this in the International Commission document that is attached to my letter would be helpful to the Chief Minister. The Chief Secretary has all that already, so there is no reason to write to the Chief Minister formally, but I will just refer to that letter.

I am grateful.

**Hon. Chief Minister:** Is the hon. Gentleman happy that the Chief Secretary should show me his letter? I mean usually the Chief Secretary would simply refer to me any part of a letter that requires a policy input. He would not share with me a piece of correspondence with an Opposition Member unless there was a good reason to do so.

**Hon. E J Phillips:** I am very happy for the Chief Secretary to share that letter with the Chief Minister.

But I would just like to pick up on one single point that he raised. I had a contact visit with the Social Services Department, Mr Bruzon, Mr Montegriffo, and the Chief Secretary himself, in relation to the rehabilitation of offenders and that only came two or three days before the General Election. I am very grateful to them to organise that at very short notice but in terms of testing our policies it is very, very difficult.

I am sure that the Chief Minister will agree that two or three days before the General Election was insufficient time for me to have a thorough meeting with them insofar as communicating our policy and that is why I raised the issue with the Chief Secretary, not to criticise the process because I welcomed the process that was introduced to have that month period, but I was simply asking for a longer period so that we could test those policies, as you referred to.

**Hon. Chief Minister:** Well, Mr Speaker, I detect in there the fact that the hon. Gentleman realises that this is a change we made which is a change for the better. The first time it operated was during the last General Election. It may be that it needs to be improved. I know that for the Civil Service in Gibraltar it was a new thing. I think that guidance was sought from the Cabinet Office in the United Kingdom as to how they should handle the matter and I think it is something that can only improve.

The political pendulum swings, it is not all that it should and we might be sitting on the other side at some stage in the next 100 years, and we might need access to the civil servants before a General Election.

**Mr Speaker:** The hon. Member may derive some consolation from the fact, if I inform him, that back in 1972, the Minister with responsibility for the Prison could not, according to the Superintendent of the Prison, visit the Prison unless there was permission given by the Deputy Governor and after clearance with the Head of Special Branch.

Needless to say that by 1981 the matter had been put right. *(Laughter)*

**Hon. Chief Minister:** I am surprised Special Branch agreed that you should visit, Mr Speaker!

520 Can I just make one final point to try and be helpful, Mr Speaker, as the hon. Lady has reminded me? When someone is admitted to Bruce's Farm for therapy, they are guaranteed anonymity. That is why we do not tend to visit Bruce's Farm. It is a facility that is always in use and they are guaranteed anonymity. We meet with people who have responsibility for Bruce's Farm, we are shown photographs of what needs to be repaired etc. but the hon. Lady goes when she is able to visit and not affect that guarantee of anonymity.

525 So this is not something which is, as we say in Spanish, *coser y cantar*. This is not just sew and sing; it is actually a very complex thing to organise.

**Q276/2016**  
**Drugs crime –**  
**Prevention measures**

**Clerk:** We move to Question 276, the questioner is the Hon. E J Phillips.

530 **Hon. E J Phillips:** Can the Minister for Justice confirm what measures the Government will introduce to keep Gibraltar as drug free as possible and take the toughest possible action against drug pushers?

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

535 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the fight against drugs is a serious community concern and, as such, figures prominently in the RGP's Strategy Document 2015-18 and in the Gibraltar Police Authority's Annual Police Plan every year.

540 To deal with the drug problem, the RGP operates a three pronged approach encompassing education awareness and enforcement. The school liaison officers deliver talks in school supported by Drug Squad colleagues and, importantly, by reformed addicts. There are numerous awareness campaigns throughout the calendar year with the flagship event being the Mini-Olympiad.

545 From an enforcement perspective, the targeting of drug trafficking offences is a key performance indicator. Dedicated resources in the form of Drug Squad officers are permanently allocated to this duty. The fight against drugs is a force-wide task and as such, all officers are charged with dealing with this community concern. Law enforcement in this area is intelligence led, targeting identified hot spots and individuals.

550 Additionally, the Government has now commenced the Proceeds of Crime Act, which enables the seizure and confiscation of assets arising from criminal conduct, even where no criminal proceedings are brought against an individual. This builds upon the provisions for drug-crime-related confiscation that existed before and is part of this Government's commitment to hit criminals where it hurts.

555 From a Customs perspective, enforcement controls have been increased. Her Majesty's Customs are in the process of setting up a dedicated flexible team to tackle the illicit importation of drugs. In this sense, the employment of 60 additional Customs officers will no doubt be very welcome by the community, despite some criticising the growth in the public sector; as are the new marine assets purchased by the Government for Customs which provides them with resources they did not previously have at their disposal.

560 Indeed, Mr Speaker, it is worth repeating that until we were elected into Government, the RGP and the Customs department had only vessels confiscated from drug traffickers with which to do their jobs. That changed after our election and with the important investment we made in safe and faster vessels for both of these law enforcement agencies, despite the repeated

complaints by some who do not seem to want to see us invest public money in our public servants.

565 Another important factor is the work done by the Drug Rehabilitation Services. Their work is focused on continually addressing all the different facets of drugs misuse within our community. This includes ensuring that all students from middle school onwards receive drug education. This involves joint presentations from the Care Agency and the Royal Gibraltar Police. For older pupils, recovering addicts also deliver very powerful first-hand testimonies on the dangers of  
570 drug abuse. Over the past year alone, they have delivered awareness programmes in such diverse settings from youth clubs to all new Her Majesty's Customs and Royal Gibraltar Police recruits. Only this past week the service has conducted three of these presentations. We must thank the recovering addicts for bravely doing this work for the community.

575 Additionally Drug Rehabilitation Services conduct various drug and alcohol awareness campaigns during key times of the year, such as during National Week and over the Christmas season. On the rehabilitation side since 2011, the service has witnessed the highest occupancy rates at Bruce's Farm over the past decade. Drug awareness programmes have been extended to Her Majesty's Prison where any inmate wishing to undertake a rehabilitation programme can see a counsellor who will work with them whilst in custody and beyond release.

580 The service also provides support for the families who have to contend with the consequences of addiction of a loved one. In short, they provide the network of support to ensure that anybody who needs help can readily access the service.

The Probation Service also works closely with the courts to ensure that any drug offenders given community services are dealt with in a manner that both deters them from further  
585 offending and supports them to maintain drug-free lifestyles.

To this effect, the courts have recourse to impose Drug Treatment Requirements, among a range of other community services. The Probation Service also regularly supervises convicted drug offenders released on parole. This ensures that any risk these may pose to the community is kept to a minimum.

590 I recently supported the 'stay clean' campaign together with Minister Sacramento at a public fund-raising event at the Piazza. I look forward to the work I will be doing with that fantastic and brave group of people.

But this is only the beginning of a strategy that the Government is developing in this field to further improve the work done in this area. That is why I am taking responsibility for the Drug  
595 Abuse Control Prevention and Cure aspects to No. 6 Convent Place. Mr Speaker, the fight against the illicit trade in drugs and their abuse is a multi-faceted, multi-agency one. I want to thank all those involved at every level in this pernicious battle.

I want to highlight in particular the work of our lead agencies, the Royal Gibraltar Police and Customs. Only this week they have once again thwarted the drug traffickers out of £5 million of  
600 drugs in street value terms and the work of the agencies that deal with addicts is no less important. The GHA is often the first point of contact. The Care Agency is usually the authority to which addicts are referred to its Drug Rehabilitation Services and if necessary, families. A sincere thank you from all our community to all of these agencies for their hard work. I look forward to working with them in developing even further how we can join our strategies and do more.

**Q263/2016**  
**ID cards –**  
**Printing and distribution**

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**Clerk:** We now move back to Question 263, the Hon. Ms M D Hassan Nahon.



610 **Hon. Ms. M D Hassan Nahon:** Mr Speaker, can Government confirm whether there have been any issues with the printing or distribution of ID cards within the last couple of months, and if so, why?

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

615 **Chief Minister (Hon. F R Picardo):** Mr Speaker, in the last two months there has only been an issue with one of the printers. This was resolved within a week.

620 **Hon. Ms. M D Hassan Nahon:** Mr Speaker, I wish to inform the hon. Gentleman, the Chief Minister that I have received many complaints from people living in Gibraltar, international, possibly many high net worth individuals who contribute a lot to the local economy, and they are complaining of months and months and months of back log.

So I would just like to make him aware, I would not like Gibraltar's image to be tarnished over such a basic administrative fault that, like the hon. Gentleman has said, can be fixed quite easily and is likely to give us a bad name.

625 Thank you.

**Hon. Chief Minister:** Mr Speaker, I am very grateful for the hon. Lady telling me that. If she indicates to me who it is that has been waiting for months, I will personally ensure that I look into the issue.

630 I certainly do not understand that that is the case and I will tell her why. At the time that I was elected, I had received many tens of complaints from category 2 individuals and from run-of-the-mill Gibraltarians like she and me, that the process of ID card renewal was taking very long and for category 2 individuals, it was taking very long for the cards to be issued.

635 I looked into it, I ensured that that particular section had the support it needed and the problem had gone away. If it has come back I want to know how it is that it has come back and when it has come back so that I can address it immediately.

I believed then, that this was an issue that had to be dealt with and if it is happening now, I have not changed my mind in that it has to be dealt with. If the hon. Lady is able to do so, I look forward to having a discussion with her and she can point me in the direction of those who might have had this problem so I can fix it.

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**Hon. Ms. M D Hassan Nahon:** Thank you, I am grateful for that. I will let you know on a confidential basis.

Thank you.

#### Q264-265/2016

#### Gibraltar Entertainment Network; Gibraltar Broadcasting Corporation – Board members; independence

645 **Clerk:** Question 264, the Hon. Ms. M D Hassan Nahon.

**Hon. Ms. M D Hassan Nahon:** Mr Speaker, does the Gibraltar Entertainment Network still exist and are its board members still those who were constituted in 2011?

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

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer with Question 265.

**Clerk:** Question 265, the Hon. Ms. M D Hassan Nahon.

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**Hon. Ms. M D Hassan Nahon:** Is GBC ever going to be as financially independent as was promised in 2011?

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

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**Hon. Chief Minister:** Mr Speaker, the answer remains as set out in answer to Question 185/2015.

**Q266/2016**  
**MOD workers' safety net –**  
**Kings Lines Oil Fuel Depot**

**Clerk:** Question 266, the Hon. D A Feetham.

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**Hon. D A Feetham:** Mr Speaker, can the Government please confirm that their manifesto commitment in respect of the safety net guarantees to MOD workers or workers of companies working for the MOD, extends to those employees of the Kings Lines Oil Fuel 'Depot'?

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

**Chief Minister (Hon. F R Picardo):** I think it is 'Depot'. We do not intend to deport any of them!

Mr Speaker, yes sir, as the gentlemen who work at the Kings Lines Oil Fuel Depot know.

**Q267-272/2016**  
**Public sector posts –**  
**Recruitment; retirement; substitutions; agency workers**

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**Clerk:** Question 267, the Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, how many vacancies currently exist in the public sector and since when have they been vacant?

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

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with Questions 268 to 272.

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**Clerk:** Questions 268, the Hon. D A Feetham.

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**Hon. D A Feetham:** Mr Speaker, Government advertised AA vacancies in June 2015: please disclose at what stage of recruitment they currently are, how many candidates have been interviewed and found suitable for the jobs and whether successful candidates, if any, were already working in the public sector via a recruitment agency or company, giving details of the recruitment agency or company.

**Clerk:** Question, 269, the Hon. D A Feetham.

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**Hon. D A Feetham:** Can Government please provide details of how many workers since December 2011, working within the Civil Service structure, have been re-engaged after having retired, giving details of post or job description being undertaken, terms and conditions, salary, date retired and post retired from, reasons for re-engagement or contract given, dates re-hired by way of employment or contract?

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**Clerk:** Question 270, the Hon. D A Feetham.

**Hon. D A Feetham:** Can Government provide explanations as to the long-term substitution circumstances in relation to the following Heads of Department posts: Human Resources Manager; Commissioner of Income Tax; Director of Employment; and Principal Housing Officer; and what measures, if any, are in place to ensure these posts are eventually occupied on a permanent basis?

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**Clerk:** Question 271, the Hon. D A Feetham.

**Hon. D A Feetham:** Can Government explain the long-term substitution of the following posts: Senior Executive Officer, Culture; Instructional Officer, Economic Development; Health and Safety Officer Grade 3, Employment; Personal Secretary, Environment Ministerial Office; Senior Finance Centre Executive (Financial Services), Finance Centre; Senior Executive Officer, Human Resources Department; Human Resources Officer, Human Resources Department; Personal Secretary, Justice Office; Administrative Officer, Number 6; SPTO, Technical Services?

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**Clerk:** Question 272, the Hon. D A Feetham.

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**Hon. D A Feetham:** Mr Speaker, do workers from recruitment agencies or companies working within the public sector sign the Officials Secrets Act declaration?

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

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the vacant posts within the Civil Service are those set out in the schedule with the information requested.

The vacancies for Administrative Assistant were advertised simultaneously both within the public sector and to the general public. The internal public sector recruitment process was undertaken in September 2015, whereby applications were invited throughout the Civil Service in all Government Agencies, Authorities and Government-owned companies. A total of 31 applicants were interviewed of which 24 were successful and have already taken up appointment.

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The external recruitment process is ongoing.

I now hand the hon. Member a schedule with the information requested in respect of re-engaged civil servants.

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The vacant Head of Department posts to which the hon. Member is referring to, with the exception of the post of Commissioner of Income Tax which is not vacant, have remained vacant as a result of planned or ongoing Departmental reviews.

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The post of Personal Secretary in the Environment Ministerial Office has been regraded to an Administrative Officer post and has been filled. The post of Senior Finance Centre Executive has been abolished.

The following posts – namely, Senior Executive Officer, Culture and Heritage; Senior Executive Officer and Human Resources Officer, Human Resources Department; Personal Secretary, Justice Office; Administrative Officer, No. 6 Convent Place; and Senior Professional

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and Technology Officer, Technical Services Department – are all vacant as part of a process of ongoing Departmental reviews.

In respect of an Instructional Officer, Economic Development, these posts are vacant due to officers covering for the vacant post while in the process of obtaining the required qualifications.

750 In respect of the Health and Safety Officer in the Employment Department, there is already an ongoing recruitment process.

Finally, Mr Speaker, I can confirm that all employees from our recruitment agencies or companies working within the public sector sign the Official Secrets Act declaration.

**ANSWER TO QUESTION 272/2016**

Answer to Question No 267/2016

**Civil Service**

<b><u>Number of Vacant Posts</u></b>	<b><u>With Effect From</u></b>
1	01/08/2006
1	01/11/2007
1	01/03/2009
1	03/08/2010
1	11/02/2011
2	01/04/2012
1	29/06/2012
1	02/07/2012
1	26/11/2012
1	01/09/2013
1	27/10/2013
1	07/12/2013
1	25/02/2014
1	26/02/2014
1	01/04/2014
2	30/04/2014
1	06/09/2014
1	14/11/2014
2	19/11/2014
1	11/12/2014
1	31/12/2014
2	04/01/2015
2	05/01/2015
1	13/01/2015
1	19/01/2015
1	21/01/2015
1	02/02/2015
1	18/02/2015
1	26/03/2015
1	30/03/2015
6	01/04/2015
1	17/04/2015
1	01/05/2015
1	13/05/2015

<b><u>Number of Vacant Posts</u></b>	<b><u>With Effect From</u></b>
2	27/05/2015
1	16/06/2015
1	02/08/2015
1	11/09/2015
1	15/09/2015
1	20/09/2015
2	30/09/2015
1	01/10/2015
1	02/10/2015
1	05/10/2015
1	15/10/2015
1	20/10/2015
2	21/10/2015
1	26/10/2015
1	01/11/2015
1	12/11/2015
8	18/11/2015
2	24/11/2015
2	30/11/2015
1	04/12/2015
1	07/12/2015
5	14/12/2015
1	17/12/2015
1	26/12/2015
9	04/01/2016
1	05/01/2016
1	12/01/2016
2	14/01/2016
1	17/01/2016
1	21/01/2016
1	26/01/2016
1	05/02/2016
1	08/02/2016
1	16/02/2016

**GIBRALTAR PARLIAMENT, THURSDAY, 25th FEBRUARY 2016**

**ANSWER TO QUESTION 272/2016**

**Answer to Question 269/2016**

No.	Grade	Salary	Date Retired	Details of Post	Reason for re-engagement	Contract Given	Date re-hired	Status
1	Consultant	£75,964	31/08/2012	Specialist in Public Finance	To assist the department	Contract	01/09/2012	
2	Administrative Officer	£28,042	21/08/2014	Administrative	To complete an exercise which she had originally started (Widows and Orphans Pensions)	Contract	03/09/2014	
3	Clinic Manager	£30 per day	30/06/2013	Specialist	To set up the Hepatitis 'B' Clinic	Contract	17/03/2014	
4	Part-time Handyman	£18,256	01/01/2012	Handyman	To assist the department	Contract	02/01/2012	
5	Supply Driving & Vehicle Examiner	£33,558	17/10/2006	Technical	To assist with the demands of the department	Supply Contract	23/04/2014	
6	Supply Driving & Vehicle Examiner	£33,558	30/06/2013	Technical	To assist with the demands of the department	Supply Contract	23/04/2014	
7	Supply Teacher	£33,980	06/01/2013	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	01/09/2014	
8	Supply Teacher	£33,980	02/09/2011	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	09/03/2012	Resigned
9	Supply Teacher	£33,980	01/09/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/09/2015	
10	Supply Teacher	£33,980	01/09/2007	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	22/02/2016	
11	Supply Teacher	£33,980	01/09/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	22/02/2016	
12	Supply Teacher	£33,980	06/01/2014	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/09/2013	
13	Supply Teacher	£33,980	07/01/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/09/2015	

No.	Grade	Salary	Date Retired	Details of Post	Reason for re-engagement	Contract Given	Date re-hired	Remarks
14	Supply Teacher	£33,980	01/09/2004	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/03/2015	Resigned
15	Supply Teacher	£33,980	02/09/2012	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	18/03/2015	
16	Supply Teacher	£33,980	30/09/2013	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	03/03/2015	
17	Supply Teacher	£33,980	14/01/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	23/03/2015	
18	Supply Teacher	£33,980	01/09/2005	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	10/03/2015	
19	Supply Teacher	£33,980	07/01/2013	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/03/2015	
20	Supply Teacher	£33,980	01/09/2014	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	22/02/2016	
21	Supply Teacher	£33,980	06/01/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	27/02/2015	
22	Supply Teacher	£33,980	14/10/2012	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	01/09/2014	
23	Supply Teacher	£33,980	01/09/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/09/2015	
24	Supply Teacher	£33,980	06/01/2014	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	01/09/2014	

No.	Grade	Salary	Date Retired	Details of Post	Reason for re-engagement	Contract Given	Date re-hired	Remarks
25	Supply Teacher	£33,980	02/09/2012	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	22/02/2016	
26	Supply Teacher	£33,980	01/09/2013	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	08/04/2015	
27	Supply Teacher	£33,980	09/01/2011	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	03/09/2012	
28	Supply Teacher	£33,980	07/01/2016	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	22/02/2016	
29	Supply Teacher	£33,980	06/01/2013	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	01/09/2014	
30	Supply Teacher	£33,980	01/09/2013	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	18/03/2015	
31	Supply Teacher	£33,980	31/05/2010	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	16/03/2015	
32	Supply Teacher	£33,980	01/09/2015	Teaching	Needs of the Service (i.e. sick leave and short term absences)	Supply Contract	02/09/2015	

**Mr Speaker:** The Hon. T N Hammond.

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**Hon. T N Hammond:** Mr Speaker, if I may just ask the Hon. the Chief Minister when those Departmental reviews which are currently underway are likely to be concluded?

**Hon. Chief Minister:** As soon as possible, Mr Speaker. This is a process that involves the administration, the political Government and the unions.

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**Hon. D A Feetham:** Mr Speaker, just on Question 267, to start off with – and, Mr Speaker, there is a lot of information here that the Opposition is going to have to digest and it may well be that we ask questions next time round in a month's time, because the schedules are very lengthy.

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But in relation to Question 267 and the schedule that the hon. Gentleman has provided in relation to that question, I see that there are vacancies that go back to the GSD administration 2006. Indeed, there is a vacancy in 2006; there is a vacancy as from 2007; there is a vacancy from 2009; another one from 2010; another one from 2011; there are about five from 2012; three from 2013; and about ten from 2014; and a considerable number from last year.

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Now, Mr Speaker, how can the hon. Gentleman explain those vacancies going back that length of time, in the light of page 13 of the 2011 discussion document that the hon. Gentleman circulated with the Civil Service, which read and I quote:

'We believe that all posts that become vacant should be filled as soon as possible'

**Hon. Chief Minister:** Well, Mr Speaker, I trust the hon. Gentleman is not asking me to justify what happened between 2006 and 2011, and why they did not fill the post of Health and Safety Officer Grade 3 in the Employment Ministry from that date, or any of the others that go back. For example, the Senior Professional and Technology Officer in the Technical Services Department that goes back to 2007; or the Industrial that goes back to 2009. I assume that he is asking me about vacancies that have arisen since 2011.

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But of course, Mr Speaker, the information that he has asked for is about vacant posts. He does not have the information – and in fact, Mr Speaker, he may have asked for it before, he may wish to ask for it next time, it may be in fact very, very voluminous indeed – about all the vacancies that have been *filled* since 2011. Because you see, Mr Speaker, one of the problems that I have with the question that he is asking today is that the thrust of his criticism usually is

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785 that we have employed *too many* people in the Civil Service and in the public sector. Today he seems to be asking me why we have not employed more!

I suppose today, Mr Speaker, he is told the Chamber of Commerce and the GFSB not to tune in and he has told a union to tune in. I do not understand the dichotomy in approach, but so be it.

790 Mr Speaker, where there have not been vacancies filled since 2011, it is very likely that this is part of the reviews that we are undertaking with each of the Departments in order to try and understand how certain Departments should change and how they should evolve.

And therefore, Mr Speaker, in terms of what we said in 2011 and how we delivered in respect of our relationship, not just with the Civil Service but with the public sector as a whole, Mr Speaker, I think the fact is that we have worked very hard indeed on the review of the Civil Service that we have undertaken. That has not been something that we have been able to do in the time that we thought it could be done. It is a very complex issue involving more than one union and involving difficult assessment by the administration of how things are changing in terms of e-Government etc. and for that reason, in some instances vacancies have not been filled. But very, very, *very* many vacancies have been filled, many more than have not been filled.

800 But, Mr Speaker, he was in Government between 2007 and 2011. Can he explain to me why they did not employ a Health and Safety Officer Grade 3 in the Employment Department?

805 **Mr Speaker:** The Hon. the Leader of the Opposition does not have to answer that question. *(Laughter)*

**Hon. D A Feetham:** Yes well, Mr Speaker, I was about to suggest that this is going to turn into the famous Monty Python exchange about the dead parrot, and I certainly do not want that to happen!

810 Mr Speaker, does the hon. Gentleman not recognise that he has been in Government, as he delights in reminding certainly those on this side of the House, since 2011 – that he has now had six years – **(Mr Speaker: Five.)** five years, I beg your pardon Mr Speaker, yes of course, five years – in order to examine the reasons why there are vacancies going back to 2006 that have not been filled, and it is simply not acceptable for the Hon. the Chief Minister to give me a reply saying, ‘Well, why were those vacancies vacant from the period 2006 to 2011?’

Surely the Chief Minister ought to take responsibility for his five years that he has been in office.

820 **Hon. Chief Minister:** Four years and three months, Mr Speaker. **(Mr Speaker: Correct.)** Four years and three months – not six, not five, but four years and three months.

But, Mr Speaker, I commend to the hon. Gentleman the *whole* series of the *Flying Circus* *(Laughter)* because every time he refers to Monty Python, he always refers to the same sketch, the dead parrot sketch. There is a whole wealth, Mr Speaker, of sketches that he should be watching, especially Mr Speaker, the Ministry for Funny Walks, as the Hon. Mr Linares, the Minister for the performing arts has reminded me!

825 Look, Mr Speaker, the hon. Gentleman says it is not acceptable. Well, not acceptable to who exactly, Mr Speaker? Not acceptable to him? Well, Mr Speaker, it may not be. Is it acceptable to the people who are working in the Employment Ministry and who are working with us in the review of that Ministry? Well, clearly it is, Mr Speaker, so I am going to continue working with the people who are doing the hard work of reviewing the public sector in Gibraltar with us.

830 The unions that are relevant, members of the administration that are relevant, the Members of my Government that are relevant with all our good faith in order to ensure that we have a public sector that is the size and shape it should be going forward, and not take any lessons from people who when in Government allowed the number of vacant posts to grow far beyond the amounts that they are looking at now – *far beyond* the amounts that they are looking at now –

and especially given the number of posts that we *have* filled in the past four years and three months, Mr Speaker.

840 So frankly it is not acceptable, Mr Speaker, that he should come here to quiz us on issues like this when they have such a bad record in Government themselves.

Not acceptable to who? Well, not acceptable to me, in the same way as I suppose my statements are just not acceptable to him.

845 **Hon. D A Feetham:** Yes, Mr Speaker, it *does* remind me of the dead parrot sketch because I am saying it is a dead parrot and he is saying it is a live one, when clearly it is dead, Mr Speaker!

Mr Speaker, the policy that was described by his party to the Civil Service in the 2011 discussion – and I will quote again – was:

‘We believe that all posts, *all posts* that become vacant should be filled as soon as possible.’

And there are vacancies that go back to 2006. There are vacancies that go back to 2007, vacancies that go back to 2009, 2010, 2011 and 2012.

850 Does he feel comfortable, in the light of that, that he is honouring that very clear commitment that he gave to the Civil Service in 2011?

855 **Hon. Chief Minister:** The other very good sketch, Mr Speaker, is the one about that book, *Ethel the Aardvark Goes Quantity Surveying*. Mr Speaker, I think the hon. Gentleman has embarked on the search for that book, *Ethel the Aardvark Goes Quantity Surveying* – the book that they could not find, Mr Speaker, in that particular sketch.

But I do fear, Mr Speaker, that he is caught in that other sketch about whether the office the gentleman had walked into was the Office for Arguments, and immediately to be told by the person behind the desk, it was not, to which he reposted that it was, and the argument ensued.

860 I do not want the argument to ensue, Mr Speaker. I have told him already we are working with the unions, we are working with the administration and with the good faith of the Government in order to continue the review that the same document he is looking at says we will undertake. If we have not been able to finalise it, it is not because we were not able to finalise it because of our good will, but because of other reasons, Mr Speaker.

865 Because you know this is a complex process and, Mr Speaker, is it not incredible that he is the only one raising these issues, because the unions are not raising these issues with us; the unions are *working* with us on these issues. In terms of the vacancies that there were, Mr Speaker, that we promised to fill, I put it to him, Mr Speaker, that we probably filled them all and that is why he could only spot three or four that date from their time, some of them going back five years even in their time, Mr Speaker.

870 So, Mr Speaker, obviously he is not going to agree with me. I do not think that is a good reason for us to continue to just have an argument about this, and we want to continue with the work of delivering a public sector that is as it should be for this community in this century, Mr Speaker. He spends his time criticising us for having grown the public sector. Today he seems to be criticising us for not having grown it enough. Well look, Mr Speaker, just do not stone me every time I say ‘Civil Service’.

880 **Hon. D A Feetham:** Well, Mr Speaker, can he just confirm that in fact there are 21 vacancies that remain unfilled that date back to at least 2014?

**Hon. Chief Minister:** Well, Mr Speaker, I assume that figure comes from his counting when he was in a sedentary position or one of his colleagues counting. I have given him the numbers, I am not going to accept his addition or anybody else’s. The numbers are set out in the schedule.



885 If that is the number, Mr Speaker, then I would be very proud indeed if that were all it was because when we were elected, I can guarantee him that it was very, *very* many more. So I will take it as a backhanded compliment for the excellent work that we have done.

890 **Hon. D A Feetham:** And indeed, Mr Speaker, that there are 68 vacancies that remain to be filled overall.

**Hon. Chief Minister:** Mr Speaker, I refer the hon. Gentleman to the answer I gave a few moments ago and I will also take that as a backhanded compliment; but I do not know which of the compliments he is trying to pay me.

895 Is he trying to pay me the compliment of having filled many more vacancies than they used to fill; or is he trying to pay me the compliment of not having filled them when he puts on his hat of wanting to reduce the size of the public sector?

Mr Speaker, I just do not know because with him it is always one day left, one day right, one day yes, one day no, one day GSLP, one day Labour Party, one day GSD.

900 **Hon. D A Feetham:** Mr Speaker, he seems to forget that he has his roots in the Liberal Party and went to the GSLP partially via the Labour Party, and he and I know what the private story in relation to that is.

905 But Mr Speaker, turning to Question 268, Mr Speaker, the question asked about people working within the public sector and recruited via a recruitment agency or company and I have said, 'giving details of the recruitment agency or company'.

910 Now, he has bunched a number of answers together and the answer he gave me in relation to that was that there had been 31 applications and 24 had been successful. But what he did not give me was how many of the successful ones related to a recruitment agency or company and which recruitment agency and company, which is the question that was posed.

**Hon. Chief Minister:** Well, Mr Speaker, it is not such a private story any more is it, what happened at the time. But let us just be very clear, I am switching lanes in the dual carriageway that is the relationship between the socialists and liberal parties –

915 **Hon. D A Feetham:** Ah, is that what you call it!

**Hon. Chief Minister:** Yes, and he is doing a U-turn, Mr Speaker! He is doing a U-turn from facing left to facing right. That is the difference between our positions, Mr Speaker.

920 And on the question, Mr Speaker, on the question that he has posed, the answer is there, Mr Speaker, I will just read it to him again. The internal private sector recruitment process was undertaken in September 2015 whereby applications were invited throughout the Civil Service and all Government agencies, authorities and Government-owned companies *only*, Mr Speaker – and 31 applicants from those, not from any recruitment agency etc. applied and 24 were successful.

925 **Hon. L F Llamas:** Mr Speaker, I would just like to pick up on one thing back from 2011 and that was basically that the GSLP did say that they would not allow people to fester in acting posts. Looking through the list we got last month, there seems to be a lot of people there being allowed to fester into these posts. Does the Chief Minister accept that there has been festering in posts, so much so that people are retiring from these posts and even people who may have been wait-listed to certain grades are not being given the opportunity of getting the vacant posts whilst the process and the review is being undertaken?

935 **Hon. Chief Minister:** No, Mr Speaker, I do not accept that. I do not accept that for one minute because the number of people who are waiting to take up a post is not what it used to

be. We are not having to extend those lists in the way that the hon. Members used to have to do when they were in Government. People are able to move, perhaps not on the day that they get their promotion but within a reasonable period of time.

940 People who are acting sometimes are acting for a good reason and they are acting because there are reviews ongoing and they want to act, Mr Speaker. I do not want people to act for longer than they have to act, but I have to respect the fact that we are trying to work together to produce a better Civil Service, a reviewed Civil Service and in many instances, Mr Speaker that means that people are acting. And in many instances, Mr Speaker, the hon. Gentleman needs to also understand that people are happy to act.

945 **Hon. D A Feetham:** Well, Mr Speaker, people may be happy to act but it was their policy not to have long-term substitutions, not to have long-term acting within the Civil Service, and there is a plethora of statements that they made from 2011, in fact continuing through their administration, and I can quote them but I am not going to do so.

950 But, Mr Speaker, in relation to the Commissioner of Income Tax, he said that the Commissioner of Income Tax, there was no substitution in relation to that particular post, but there is somebody that is acting as Commissioner of Income Tax whilst the Commissioner of Income Tax is at No. 6 Convent Place. Can he explain the situation there?

955 **Hon. Chief Minister:** Mr Speaker, the position is that the Commissioner of Income Tax post is not vacant. Mr Carreras, as he knows, is at No. 6 Convent Place but the position is not vacant. That is why there is somebody acting in his post but it is not a vacant post. He has moved to No. 6 Convent Place to do a particular role but he is still the Commissioner of Income Tax and somebody is assisting him and acting in his post.

960 **Hon. D A Feetham:** Mr Speaker, how long does the Government envisage that that situation is likely to prevail? Because inherent in the answer is that Mr Carreras, who is the current Commissioner of Income Tax, spends most of his time at No. 6 Convent Place on his duties at No. 6 Convent Place, not on his duties in relation to Commissioner of Income Tax that somebody is acting there and of course, it is not fair for the person who is acting, who may be long-term acting without any prospect of actually taking the job on a permanent basis. I wonder whether he can provide some information as to how long he envisages that situation to continue.

970 **Hon. Chief Minister:** Mr Speaker, I think it is very unfair that we are talking about an individual in Parliament. I think it is very unfair that we are talking about a post which has been filled. The hon. Gentleman had said the individual who is acting in that post, Mr Speaker, and I think it is very unfair to be talking about that individual or any other.

975 Mr Speaker, the Government believes that this is something that will be resolved in the next six months.

**Hon. D A Feetham:** Mr Speaker, there is a lot of information here. We have got to analyse it and then we will come back next month.

**Mr Speaker:** Next question.

**Q273/2016**  
**Public sector post/service –**  
**Recruited or contracted without advertising**

980 **Clerk:** Question 273, the Hon. D A Feetham.

985 **Hon. D A Feetham:** Mr Speaker, can the Government please provide details of any person or entity who has been recruited, promoted or contracted to provide services for over £2,000 within the public sector since December 2011, without the post or service having been advertised?

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

990 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, this question is insufficiently precise for Government to provide an answer as no range is set for the £2,000 benchmark, making it impossible for an answer to be provided.

995 **Hon. D A Feetham:** Mr Speaker, I do not agree. I think the question is sufficiently precise. But why can't he answer for example, rather than the service part of it, the post part of the question and post within the public sector that has been filled without that job or post having been advertised. I mean surely he must have the information, knowing as I do how Civil Service operates at Question Time; the Chief Minister should have that information available to him in order to be able to answer proper supplementaries, as this one is.

1000 **Hon. Chief Minister:** Well, Mr Speaker, I do not, for the simple reason that his question is one that is really at large.

Look, Mr Speaker, the answer to him could be every single person in the public sector. Because every single person in the public sector, in the period since December 2011, has very likely had pay rises between now and then in excess of £2,000 and those have not been advertised, Mr Speaker. So they will have had an increase in their remuneration, Mr Speaker, or promotions which could involve in excess of £2,000.

1010 So, Mr Speaker, the advice that I have from the civil servants who very carefully prepare answers and read them very carefully in order to prepare Ministers is that this question is incapable of being answered. And, Mr Speaker, I can understand why because if you say £2,000 but you do not say £2,000 a year – you just say £2,000 in the context of the past five years, Mr Speaker, or four years and three months as we worked out that it is, Mr Speaker – somebody who might have had very little money indeed in the past 50-odd months would come within this range, Mr Speaker.

1015 So, Mr Speaker, I am advised it is impossible to answer. I am quite happy for the hon. Gentleman to rephrase it and let us have it again next month, but he needs to understand that we are trying to answer his questions but when they are this 'at large' it is just not possible to do so.

1020 **Hon. D A Feetham:** Mr Speaker, I just simply do not accept it and I am going to re-read the question, so that those listening understand it.

1025 Can the Government please provide details of any person or entity who has been recruited (1), promoted (2), or contracted to provide a service for over £2,000. The service relates to the £2,000. We are talking about people who have been promoted, recruited or have had contracts for over £2,000 within the public sector and they have not been advertised. That is what it is about.

1030 Now, I could have understood, and I have to say I could have understood him coming and saying there are an awful lot of people and I came prepared to receive this answer. I have given him the benefit of the doubt, there are an awful lot of people that have provided contracted services for over £2,000 without being advertised, since December 2011. Why does he not increase the threshold of £2,000 and then perhaps we can reduce the numbers? But surely he can provide the answer as to how many people have been recruited or promoted within the public service – certainly recruited, there is absolutely no excuse for that – since December 2011

without the post having been advertised! And at least part of this question, there is absolutely no excuse for the hon. Gentleman not answering it.

1035

**Hon. Chief Minister:** Mr Speaker, when the hon. Gentleman gets in a hole and he makes a mistake, what he does is continue to dig. He does not simply say, 'Well look, fair enough, I understand the issue I will try and be more precise in what I am asking and then the civil servants will be able to prepare an answer for you.'

1040

Mr Speaker, recruited: look you can understand that recruited is a particular thread of this question, but he does not just ask about 'recruited'. He asks about 'recruited, promoted or contracted', Mr Speaker, in a period of 48 months.

1045

Now, Mr Speaker, 48 months means very little money per month in that period. That is in four years. It is longer. It is 53 or 51 months, Mr Speaker. It is therefore almost impossible to answer because people may have got promotions and, Mr Speaker, when there are promotions, things are not advertised. They are advertised internally but they are not advertised externally so what does 'advertised' mean?

**Several Members:** Oh, come on!

1050

**Hon. Chief Minister:** Well, Mr Speaker, come on, no. Read the question that you put, Mr Speaker. Read the question.

1055

Does a bulletin mean either internal or external? Well, Mr Speaker, this does not say internal or external. Is a bulletin of circulars inviting applications for promotions something that has been advertised? The hon. Gentleman is going to say to me, that is not an advertisement. These days, Mr Speaker, the bulletin of circulars is an e-mail and a memo that goes round. So has that been advertised, Mr Speaker?

1060

This is just an impossible question to answer. Look, he knows what my position is, so can he just come back with a more precise question and we will answer it, but he needs to be precise in what he is saying.

1065

Is he saying who has received an extra ... I don't know, £50 a month in the past 53 months, which would get us to the £2,000? Does he mean £2,000 a year? Does he mean £2,000 a month? If he tells us what he means, if he is humble enough to read and stop digging, he might actually get the answer to the question that he wants answered.

1070

**Hon. D A Feetham:** Mr Speaker, the only person who needs to stop digging is the hon. Gentleman and this is precisely, Mr Speaker, why we do not accept for a moment his assertions that things have become more democratic during his time as Chief Minister. Because there is no point in having more meetings of the House if he continues to behave in the opaque way that has become his trademark over the last four years and two months, as he reminded me, that he has been in office.

1075

But, Mr Speaker, you can see from this question, when you are talking about recruitment, it means somebody like for an example ... I will give him an example of a post that has been recruited without having been advertised, Senior Administrator. I am told a post at £90,000 was not advertised and there are more that I have listed here. That is one of the areas that I am interested in.

1080

Now, if he wants me to just simply ask him the question because this is disjunctive – in other words it is separate, each one is separate, it is disjunctive: 'recruitment', comma, 'promoted', then there is the use of the word 'or' – that is disjunctive as well – 'contracted to provide services', so three items here. If the hon. Gentleman wants me to separate it item by item in three separate questions so that he can then come back and tell me who has been recruited within the public service without that post being advertised, internal or external – 'advertised' is an ordinary English word, Mr Speaker – then I will do so.

1085 But I repeat, if he has any information there, well perhaps he can provide me with some information so that we can then get on with it, and then we can move on to something else.

1090 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman has the ability to demonstrate what in Spanish is known as his *prepotencia* every time that he gets up, Mr Speaker. His lecture on what disjunctive means is not one that is necessary on this side. Perhaps that is how he lectures his fellow members of Parliament as to how they should put questions. But, Mr Speaker, I must say they are the ones who should lecture him. They have put better questions than him and many of them have just been elected.

1095 Does he not understand, Mr Speaker, that it is because 'recruited, promoted or contracted' is disjunctive that I explained to him that that was one thread, Mr Speaker? But has he not done the maths, Mr Speaker? Because I will do it for him. It is not four years and two months; it is four years and three months, Mr Speaker. That is 51 months, Mr Speaker. If he divides £2,000 by 51 – I am not going to do it like he did the disjunctive bit, I am not going to say 'two, zero, zero, zero divided by 51', I do not think he needs to be spoken to like that, although he thinks he should speak to me like that, Mr Speaker – the answer is £39.

1100 His question in effect is whether anybody has had £39 a month without that being advertised because he has not said a range. The £2,000 could be over the whole five years as he said – sorry four years and three months, 51 months. That is what makes it impossible to answer, or does he not understand it, Mr Speaker? I do not think I have to speak to him like he tries to speak to me because he seems to think I have such a low IQ that he has to speak to me in that way.

1105 Well look, Mr Speaker, it is clear that he has a view about my IQ, I have my views about his.

**Mr Speaker:** Next question.

**Q274/2016**  
**Gibraltar Football Association –**  
**Loan provided**

1110 **Clerk:** Question 274, the Hon. D A Feetham.

**Hon. D A Feetham:** Yes, Mr Speaker.

1115 Mr Speaker, further to Question 119/2016, can Government provide details of the terms of the loan or loans provided to the GFA of £929,176 including the terms of repayment, interest, the term of the loan, the identity of the borrower if not the GFA and any other salient term?

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

1120 **Chief Minister (Hon. F R Picardo):** Mr Speaker, a temporary advance of £929,176 has been provided by Government from the Consolidated Fund to the GFA. The purpose of the loan was for the GFA to meet preliminary expenses in connection with the proposed new national football stadium.

1125 The term of the loan is for a maximum repayment period of 10 years, commencing October 2016, which is when the repayment starts. Interest is charged at the rate of 6.5%. The borrower, as I indicated, is the GFA itself.

**Q275/2016**

**Government commitments for next four years –  
Those not included in the GSLP/Liberal manifesto for 2015**

**Clerk:** Question 275, the Hon. D A Feetham.

1130 **Hon. D A Feetham:** Mr Speaker, can the Government provide details of their commitments for the next four years not included in the GSLP/Liberal manifesto for 2015 but which were promises made in public or private letters from the Hon. the Chief Minister to members of the public; for example, letters to private and Government estates and some teachers in respect of their pensions?

1135 **Clerk:** Answer, the Hon. the Chief Minister.

1140 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the Chief Minister made no promises in private or in public letters to members of the public, in private or Government estates or to any teachers – disjunctive. (*Laughter*) The letters the Leader of the Opposition refers to were from the Leader of the GSLP.

**Hon. D A Feetham:** I am sorry if he has got upset about my disjunctive comment, it was not my intention to upset him this afternoon!

1145 But, Mr Speaker, well, I know the hon. Gentleman is answerable in his capacity as Chief Minister and not leader of the political party, but the importance of the question is that of course he is now elected, he is now the Chief Minister of Gibraltar, he in his capacity as Leader of the GSLP/Liberals had a manifesto and then had these side letters that were issued to various people in Gibraltar, and therefore presumably, those side letters have become Government policy, and I want to know what of those promises and those side letters have actually become  
1150 Government policy and we can expect the fruits of within the next three years – and I think it is in his calculation – nine months?

1155 **Hon. Chief Minister:** No, Mr Speaker, because he obviously does not know the Parliament Act well enough to know that that is not how you calculate the lifetime of the Parliament, it is actually longer.

But, Mr Speaker, he does not upset me. I mean there is nothing I enjoy more than seeing him perform in Parliament, believe me. That is why, Mr Speaker, I wish him to remain Leader of the GSD for as long as possible. I am sorry to disappoint the others around him, but they shall not be receiving my backing.

1160 Mr Speaker, let us be very clear. These are not *side letters*, Mr Speaker. These are not side letters, these are not agreements with side letters. These are commitments of the political party that I represent outside of this House in respect of issues of policy that are put to me much as they are put to him.

1165 Mr Speaker, I saw some *side e-mails* from Members opposite in relation to the premises for the darts club. I mean I am not going to refer to those as side letters – those are commitments which they are acquiring in the context of a General Election campaign and those commitments are delivered in Government, Mr Speaker. And as we have demonstrated, we deliver in Government the commitments that we enter into with the general public in our General Election campaigns in a way that I think is admirable.

1170 Mr Speaker, seven out of ten people at the last General Election agreed (*Laughter*) and I have no doubt, Mr Speaker, that at least when it comes to delivering on our commitments, when it comes time for the next General Election, people will see that we deliver on all of them whether contained in a side letter, a manifesto or even a personal commitment given verbally to any

1175 particular member of this community, whether or not they are a voter, Mr Speaker, because that is not the issue.

So, Mr Speaker, he can expect the fruits as he described it, of our policies to be delivered in respect of all the commitments we entered into as a political party.

1180 **Hon. D A Feetham:** Mr Speaker, the day that this party wins a General Election with me as Leader, his entire world is going to collapse around his ears, Mr Speaker, because he seems to have quite a concern about that.

1185 But, Mr Speaker, returning to the matter at hand, can he at the very least tell us how many of these side letters the hon. Gentleman wrote to people in Gibraltar, giving commitments that were not in the manifesto? And it is a serious point and it is an important point. Mr Speaker, the hon. Gentleman has been quite willing to answer questions about manifesto commitments, despite the fact that those manifesto commitments have been provided in his capacity as the leader of a political party and he now is Chief Minister of Gibraltar, and if one bears in mind that surely those side letters must also be of equal force, because he is not going to be making promises without an intention of not fulfilling them, well then, he cannot be reticent of answering questions about those letters as well as he is not reticent of answering questions in relation to the manifesto.

1190 At the very least can he tell me how many of those side letters the hon. Gentleman issued at the last election? (*Interjection*) For the avoidance of doubt, Mr Speaker, I am not talking about letters to every single household; I am talking about how many individual letters that went out, individual promises – the promise he has made that was not in the manifesto.

**Hon. Chief Minister:** At the moment after he sees the party he presently leads win the General Election, he will wake up!

1200 Mr Speaker, look, this is very simple. I sent out approximately 13,000 letters, Mr Speaker, setting out my position in respect of certain issues to individuals in estates etc. in my capacity as the Leader of the GSLP. I have no doubt the hon. Member has copies of each of them, I assume he has got at least one supporter in each estate and therefore he knows what they say and he can ask me about them in respect of the position of the Government. But I am not going to list for him what letters I have sent because some of the people I have sent them to might not like him to know, Mr Speaker.

1205 But I will deliver in respect of each of those commitments, because they are now, as he rightly says, the policy of the Government. And as we deliver, he will know what our commitments are. But if what he is saying to me is 'recite your policies', I am going to sit here and read him my manifesto, Mr Speaker. I am not going to recite policies, he will realise that we are delivering on our commitments, whether contained in our manifesto, whether contained in letters, whether contained in verbal undertakings or whether we acquire commitments after the General Election to do things.

That is how we do Government, Mr Speaker. We deliver.

1215 **Hon. D A Feetham:** Mr Speaker, the question itself refers to promises made to some teachers in respect of their pensions. Now as I understand it, I have not got any correspondence to wave in front of the hon. Gentleman so to speak to tell the hon. Gentleman, 'Look, this is the promise that you made', but my understanding is, and I would like him to confirm that, that certain promises were made to school teachers that were recruited post-2011, who were the teachers who had been working on supply pre-2011, in relation to their pensions – that they were effectively promised that they were going to be put on the final salary pension scheme as it was prior to 2011, many civil servants are obviously still on that pension scheme, rather than the contributory pension scheme that everybody was put on post-2011.

1225 **Hon. Chief Minister:** Yes, we will be talking a lot about pensions in the coming meeting, Mr Speaker. There are no such letters, Mr Speaker. There is a letter to the Gibraltar Teachers' Association dealing with that issue. There is also a letter to the GGCA dealing with a similar issue which does not relate to teachers.

1230 **Hon. D A Feetham:** Yes, well in relation to that, that is helpful and if I can pull at that particular thread and ask the hon. Gentleman what is that particular promise in relation to those teachers and their pensions? I take from the answer that he has given me that he agrees with the supposition on which my question is based, that we are dealing with those 45 teachers, I think it was, that they promised to make permanent prior to the 2011 election, because they  
1235 had been on supply prior to 2011 and they were made permanent after 2011 and therefore the Party opposite promised that should they be elected, that those teachers would be placed on final salary pension schemes rather than the contributory pension scheme, despite the fact that they were only made permanent and pensionable after 2011.

1240 **Hon. Chief Minister:** No, Mr Speaker, that is not how the issue is played out. There is a claim from the Gibraltar Teachers' Association for some time, Mr Speaker, in respect of those who have been employed before 2012 – *before* 2012 – because they were on permanent supply.

In other words, the hon. Members opposite when they were in Government had people employed doing the contradictory 'permanent supply' in a number of areas and one of them  
1245 being the teaching profession. Those who had therefore begun work before the closure of the final salary scheme would be in the final salary scheme because it would be terribly unfair for people in fact who have started going to work each morning in 2009 and be dealt with as if they had first been employed in September 2012.

The same is true, Mr Speaker, not just of teachers but of people who were employed as civil  
1250 servants but whose probationary year was up after 31st December 2011. And I took the view, Mr Speaker, after taking representations from the unions about two years into our first administration, but we had not been able to resolve it by the end and that is why as Leader of the Party, I wanted them to know that we continue that consideration and it would be a positive one.

1255 That it would be grossly unfair for somebody to start work on, say, 2nd January 2011 to then hear the Chief Minister of Gibraltar get up in March or May 2011, I cannot quite remember the date and say that 'As from 1st January 2012, it is the end of the final salary scheme and you have been working for three months already. You signed up as a Government employee, there is a probationary year but there is an assumption that you are going to be able to continue and you are not going to get the final salary scheme.' Well, Mr Speaker, it would be grossly unfair for that  
1260 to have happened and that is why we took the view that it should not continue.

Of course, Mr Speaker, people who after 1st January 2012 enter into public service know that that is going to be the position and I would be very surprised if anybody were to ask me to continue for public servants the final salary scheme in respect of public servants who started  
1265 after 1st January 2012.

But I have come to expect everything in this life.

**Hon. D A Feetham:** Mr Speaker, no I have absolutely no qualms with the hon. Gentleman's  
1270 promise in that regard and indeed I am very grateful to the hon. Gentleman for explaining his rationale in relation to why he thought it was inappropriate to apply the contributory pension scheme retrospectively. No doubt it is something that the Government will bear in mind in the future in dealing with anybody else whose rights are going to be affected in that way.

**Hon. Chief Minister:** Yes, indeed Mr Speaker, that is why we must move quickly to ensure  
1275 that in the same way as those civil servants were being dealt with and others, that they should be able to contribute very quickly indeed to a contributory scheme and some people may even



find, Mr Speaker, that instead of having to wait, for example 90 months for a pension to vest, they will have a pension vest immediately and that they will not have to do a period of service as extended as that in order to have a small nest egg for their service between the period that they start employment and that they are going to not continue in the public service.

1280

But I have no doubt, Mr Speaker, that there will be no-one so bold as to ask me to continue a final salary scheme when it has been undone for everybody else in the public sector.

**Clerk:** That concludes questions to the Chief Minister.

## BUSINESS AND EMPLOYMENT

**Q128/2016**

**Unemployment figures –  
Numbers registered**

1285

**Clerk:** We now return to Question 128, the Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Minister for Employment confirm the number of people registered unemployed as of 18th February 2016?

1290

**Clerk:** Answer, the Hon. the Minister for Business and Employment.

**Minister for Business and Employment (Hon. N F Costa):** Mr Speaker, the hon. Gentleman may not be aware that it is the practice of successive Employment Ministers to relay unemployment figures on a quarterly average basis.

1295

In accordance therefore with this established practice, I am happy to note that the quarterly average for registered unemployed at the end of December 2015 was 255.

## SPORTS, CULTURE, HERITAGE AND YOUTH

**Q129/2016**

**Central Police Station in Irish Town –  
Development plans**

1300

**Clerk:** Question 129, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Minister for Heritage please advise what are the latest plans for development of the Central Police Station in Irish Town?

1305

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, expressions of interest were invited for the development of the Central Police Station. HM Government is in negotiations with the preferred bidder but plans have not been finalised.

**Q130/2016**  
**Northern Defences –**  
**Stoppage of works**

1310

**Clerk:** Question 130, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Minister for Heritage please confirm if works have been stopped on the Northern Defences by the chosen contractor and if so, why?

1315

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, the first phase of the Northern Defences project has been completed and therefore works have ceased until Her Majesty's Government takes a view on access and management. Further phases will focus on areas such as the King's and Queen's Lines.

1320

We would like to take this opportunity to thank the Royal Engineers who have once again assisted in cleaning out the Queen's Lines this month.

The Government would also wish to thank the Heritage Trust, for their volunteers who continue to provide excellent walking tours of the completed works despite the weather.

1325

These works are something the Government is justly proud of, having brought to life an area which had been abandoned for years. No doubt the hon. Member will want to congratulate the Government on this magnificent work.

1330

**Hon. R M Clinton:** Mr Speaker, could the hon. Member please advise if the second and third phases that he mentions would be undertaken by the same contractor?

**Hon. S E Linares:** Mr Speaker, the second and third phases have not yet been concluded and therefore I am not in a position to say whether it will be done with the same contractor or any other contractor.

1335

**Q131/2016**  
**Gibraltar Music Festival –**  
**Money from pre-paid wristbands**

**Clerk:** Question 131, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Chief Minister advise the amount of money retained on the Gibraltar Music Festival pre-paid wristbands and whether the Government has made a decision to refund, retain or donate the money to charity; and if a donation is to be made to charity, how is that charity to be chosen?

1340

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1345

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, the amounts retained on the pre-paid wristbands at the Gibraltar Music Festival is £23,250.67.

Government is considering which charity or charities should receive all or parts of this amount. An announcement will be made in due course.

1350

**Q132/2016**  
**Gibraltar Music Festival 2015–**  
**Total costs**

**Clerk:** Question 132, the Hon. R M Clinton.

1355 **Hon. R M Clinton:** Mr Speaker, further to Oral Question 1/2016, is the Minister for Public Finance now in a position to advise the income generated, expense incurred and thus a total net cost of the 2015 Gibraltar Music Festival?

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1360 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, the answer to this question remains the same as that to the answer to Question 1/2016.

1365 **Hon. R M Clinton:** Mr Speaker, does the Member opposite find it acceptable that given the time that has elapsed since the Music Festival, which I believe was in September last year, although we know the income and expenditure of the Literary Festival which was in November, we still do not know the income and expenditure of the Music Festival in September?

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the size of the Music Festival is very different to the size of the Literary Festival.

1370 Mr Speaker, the hon. Gentleman has in effect asked a question which is the same question that he asked last month and, Mr Speaker, we are not going to be able to answer the same question every month.

1375 There is a rule that you should not ask the same question every six months for more...without an interval of at least six months. Mr Speaker has allowed the question because I am sure it was not an identical question, but the purpose of the rule is so that there is –

1380 **Mr Speaker:** On the other hand, just adding the words ‘further to Oral Question number so and so’ does not change the fact that it might be an identical question. I mean the addition of those words does not alter the question in substance.

1385 **Hon. Chief Minister:** Indeed, Mr Speaker, and what I want to say to the hon. Gentleman is that we are not always going to insist that something be asked only after every six months. It is the rule in Gibraltar and in the United Kingdom because there may be an issue of general public importance and we can agree with Mr Speaker that something be put although it has not been put before.

But in this case, Mr Speaker, the hon. Gentleman knows that accounts take time to be prepared. This is a very big event, Mr Speaker, and he will be surprised to hear that there are still bills coming in. So it is not as if the Government is not able to account for things; it is that the Government knows and is in contact with people who are still sending us bills.

1390 Artists are notoriously difficult and their management companies are notoriously difficult and so, Mr Speaker, he will understand that it is one thing to account for a Literary Festival, it is quite another to account for an event that involves 13,000 to 14,000 people at the Victoria Stadium and all the logistics that that involves.

1395 Therefore, Mr Speaker, we are perfectly comfortable with the fact that it is taking time to prepare these accounts.

**Hon. R M Clinton:** Mr Speaker, first of all I am grateful for your guidance, but I would make the point that if in answer to any general question the answer is ‘not yet’, and the answer to

1400 that question in following up is still 'not yet', at what point do we get an answer? Are we to effectively be satisfied with 'not yet' as an answer? Is that even an answer, Mr Speaker?

**Mr Speaker:** For guidance, I would say that if a question is answered and the answer is 'this information is not yet available', it is legitimate to ask some time later, and not necessarily wait for six months to ask 'is the Government now in a position to provide such an answer?' I would allow that because it is the same subject matter but the 'not yet' is elastic and therefore I think we do not have to wait six months for a Member of the Opposition to try to pursue the matter.

1405 But just the addition of those words 'further to' does not change it of course. But if the answer was an interim reply that he received, I think an hon. Member of the Opposition is entitled within those six months to try and pursue the matter. That is a ruling that I would give.

1410 **Hon. Chief Minister:** I am grateful, Mr Speaker, not that you have been asked for a ruling but if you had been asked for a ruling, it would have been a ruling sought on an unfair and incorrect premise. Because the *Hansard* of the proceedings, Mr Speaker, demonstrates that the answer was not 'not yet'; the answer was actually a much fuller answer, Mr Speaker.

1415 The hon. Gentleman was told this:

Mr Speaker, full details of payments and income generated from the 2015 Music Festival have not been finalised. Government will be publishing the details once everything has been finalised.

So the hon. Gentleman (a) was not told 'not yet', he was given a full answer; (b) he was told that they would be published when the time came, Mr Speaker.

1420 The hon. Gentleman asked again 'does the Minister have any idea as to how long that will take?' and there was a further answer, Mr Speaker, which I thought was a very helpful one where it said:

Mr Speaker, it will definitely be before the estimates are prepared, which should be by April. That means by 31st March which is the end of the year, so I reckon that by then we should have final figures.

and the exchange continued.

1425 And so, Mr Speaker, it is not correct for the hon. Gentleman to characterise the answer in the way that he did or to suggest that his question was being kicked into the long grass. He knew by when we expected to have the final accounts prepared and he also knew that we expect to publish that when it was prepared.

I hope that is helpful, Mr Speaker.

1430 **Hon. R M Clinton:** Mr Speaker, thank you very much for your ruling, whether it is a ruling or not, and I will obviously in future, where I do not feel I have had an answer to a question, I will run it by you first for guidance as to whether that would fall within the six-month rule or not.

1435 But coming back to the question of the accounts, Mr Speaker, I find it somewhat incredible that the Chief Minister characterises Gibraltar Music Festival as a matter of great complexity requiring great financial engineering in order to arrive at a P&L. I trust he has better luck at running the finances of the Gibraltar Government as a whole before the financial year, where the numbers are substantially bigger. *(Laughter)*

1440 Mr Speaker, in relation to the Principal Auditor's Report from last year 2014, the Principal Auditor says the original estimates for 2014 were £300,000, the outcome was £1.4 million. That is, Mr Speaker, where I am coming from: we need to get a sense of whether they are on budget or not, but obviously Mr Speaker, they will not answer that question.

**Hon. Chief Minister:** Mr Speaker, delighted to answer that question – even with what appeared to be an attempt at humour at the beginning, Mr Speaker. I heard some 'Snickers' on

the opposite benches, I wonder whether they are being recalled like Mars Bars or not, Mr Speaker. *(Laughter)*

1445 Look, Mr Speaker, we are very proud of the Gibraltar Music Festival. We think it is an excellent event, it attracts many tourists to Gibraltar and the value of it is well beyond the balance sheet, something perhaps the hon. Gentleman might not understand. It attracts also many businesses to Gibraltar who may have head offices here who bring many of their people from around the world to have meetings in Gibraltar at the time of the Gibraltar Music Festival.

1450 And, Mr Speaker, you know what? Given the performance of the Gibraltar economy in the past four years, I think that we as a whole have done quite well with the P&L accounts of the Government of Gibraltar. We have done quite well with the promotion of Gibraltar internationally. We have done quite well with the growth in our economy and I think that a little dig from somebody who has been a banker until a few months ago is not really going to hurt.

1455

**Hon. R M Clinton:** Mr Speaker, I am glad we are not causing any offence and I trust the P&L of the Music Festival will be as impressive as he suggests.

**Hon. Chief Minister:** I have no doubt it will be, Mr Speaker, but I did not detect a question there and in this House, at this stage, we are here to hear questions from the other side.

1460

**Q133-134/2016**  
**Lift components –**  
**Adequate storage near Retrenchment Block**

**Clerk:** Question 133, the Hon. E J Reyes.

1465 **Hon. E J Reyes:** Mr Speaker, can Government give details of the circumstances which led to the storage of lifts' parts/components in the vicinity of the Retrenchment Block together with details of which project these lifts' parts/components pertain to?

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1470 **Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, I will answer this question together with Question 134.

**Clerk:** Question 134, the Hon. E J Reyes.

1475 **Hon. E J Reyes:** Can Government provide details of what measures have been taken to ensure and guarantee that lifts' parts/components recently stored in the vicinity of the Retrenchment Block are fit for purpose and not suffering from corrosion or other possible defects due to their exposure to the elements of inclement weather before installation?

1480 **Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, on a temporary basis the contractors were given authorisation to store the lift components at the facility of the Retrenchment Block. These components appertain to the Government Estates' beautification projects of Moorish Castle Estate and Laguna Estate.

1485

The measures to ensure and guarantee the lifts' parts/components are the responsibility of the contractor. On installation, the Government's technical staff, along with a specialist consultant will examine and evaluate each part and works prior to its commissioning. If defects

1490 are identified, it is the responsibility of the contractor to put these right at no cost to the Government.

**Hon. E J Reyes:** Mr Speaker, would the Hon. Minister happen to know who the contractor is, the one who was given permission to store these in the vicinity of the Retrenchment Block?

1495 **Hon. S E Linares:** Mr Speaker, I understand it was GJBS.

**Hon. E J Reyes:** Mr Speaker, one further question in my non-expert construction thing. The purpose of my question is to allay fears among the residents of the estates. Now we know it is Moorish Castle and Laguna where these lifts are going to be installed, but in my preliminary sort of pre-empting the Ministers answer, my preliminary explanation to this constituent, I said 'Yes, but surely I know that before a project is handed over, the Government will have their own people who go and check on the parts and see that it is properly done and so on.'

1500 This concerned resident has come up with further concerns and saying, 'Yes, if these are metal parts that are the ones that suffer from rust as a result of their exposure to the weather elements and so on, and are then encased within what is traditionally a brick or concrete casing, who is going to be able to see the amount of rust that is there, even before the lift has been installed?'

1505 Is the Minister aware, given the circumstances of the unfortunate exposure to the elements whether inspections are taking place even before they are completely encased in the building that will house the lift? Is there an extra measure, an extra that we can give?

At the end of the day the Minister and I should both share at heart that what we want to do is give as big an assurance as possible to the residents of these estates.

1515 **Chief Minister (Hon. F R Picardo):** Mr Speaker yes, and the residents can be *fully* reassured because, Mr Speaker, you see it would be really quite nonsensical for the check of the lift to be after the lift has been installed, for the Government's expert to go into the lift to say that it looks very nice indeed and that it is very clean. That is not how we do the checking.

1520 Mr Speaker, there is a 75-point checklist in respect of every lift installed under this administration in respect of these refurbished estates. The 75-point checklist deals with every part that is installed, as it is being installed, so long before it is encased in concrete. Mr Speaker, that checklist is provided not just to GJBS; it is also provided to the Housing Authority which is the entity that has contracted GJBS to do this work.

1525 So it is very, very thorough indeed and we would be dealing with issues that affect the structural integrity of the lift as well as every other aspect of the working of the lift. Now, Mr Speaker, in respect of these particular lifts, they are going to transform people's lives in many areas. They are very difficult to install in some areas. In some instances the issue with installation relates to the requirement for three-phase electricity and that is why a delay has been occasioned in the installation.

1530 But, Mr Speaker, the hon. Member can go back with confidence and tell the person who raised the concern with him that there is a 75-point checklist and it is all carried out long before anything is encased in concrete.

**Hon. E J Reyes:** Mr Speaker, the Chief Minister's addition to the supplementary certainly goes a long way to allay fears and so on.

1535 I may or may not have come to the wrong conclusion: I think the Chief Minister was also referring to something that could be an online list or something. Is there a place online that residents may look at to refer to these 75 points or is that something that is private between the contractor and so on?

1540 **Hon. Chief Minister:** Well no, Mr Speaker, the next thing the hon. Gentleman opposite is going to ask me, is there a camera in my office, and next in my bedroom!

1545 Mr Speaker, this is a mechanical engineering report which is provided to the Government – well, which is provided to the contractor which provides it to the Housing Department that is the contracting authority. It is a mechanical engineering report; we receive many reports in respect of each different area of expertise. It is not online and is not the sort of thing that would ever be put online by any administration.

1550 **Hon. E J Reyes:** Mr Speaker, may I just add to clarify on a point, I would like the Chief Minister in future to interpret my questions in the spirit in which they are meant. That was to allay fears on behalf of the residents of that area, not because they are particularly interested nor would I certainly not entertain putting a camera into the Chief Minister's office, nor even ask him what brand of soap, whether it is liquid or a bar of soap, he uses in his bathroom.

1555 **Hon. Chief Minister:** Well, Mr Speaker, unfortunately Head and Shoulders because I am getting old – and he can have that information, I am quite happy to provide it.

But, Mr Speaker, I fully understand the spirit in which he asks questions, despite the dulcet tones in which he asks them – put it that way.

1560 **Mr Speaker:** Next question.

**Hon. T N Hammond:** Mr Speaker, if I may?

**Mr Speaker:** Yes – the Hon. Mr Hammond.

1565 **Hon. T N Hammond:** Mr Speaker if I just may take a slightly different tack with the storage of the lift materials in the area of the Retrenchment Block. It is the case that these materials have been stored there for quite some time now – six months, probably more. I do realise there is turnover in the material, but a lot of the packaging is plastic, a lot of it has already broken up and it is in very close proximity to nature reserves in that area and indeed those plastics, being a generally very windy area as Windmill Hill is, are contaminating those areas.

1570 Is there any move on the part of Government to ensure that the contractor involved, GJBS as I understand it, will make sure that the area is properly cleaned up?

1575 **Hon. Chief Minister:** Yes indeed and something that concerns us as much as it concerns the hon. Gentleman, and I thank him for the opportunity to clarify the position.

So much so, Mr Speaker, that it is something that is being pursued by the Government even now, because we have great concerns about that area, Mr Speaker, in particular should anybody ever have the opportunity to create a power station with three huge chimneys, which would completely destroy that area and the nature reserve adjacent to it.

1580 **Hon. T N Hammond:** Sorry, I did not quite get the...out of the ... The answer is then yes, that GJBS will be taking responsibility for cleaning up the area, regardless of what its future intended use may be – power station, football pitch, obviously?

1585 **Hon. Chief Minister:** Yes, Mr Speaker, the answer is yes, GJBS will be fully taking responsibility for that. We are already asking them to do so because we really value the area and we want it to remain an area which can continue to complement the nature reserve, not detract from it, as would have been the case – and this is the bit that I was trying to emphasise to the hon. Gentleman – as would have been the case, if they had, perish the thought, won the election and erected a power station with three stacks pushing out grimy, smelly diesel into the nature reserve, killing our partridges and all the other wildlife in the area.

1590

I am surprised, Mr Speaker, and very disappointed indeed that since Mr Netto left the Opposition benches, we have not been asked about the Barbary Partridge, (*Laughter*) but he should know that it is doing remarkably well.

1595

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

**Mr Speaker:** Next question.

**Q135/2016**

**Gibraltar Sports and Leisure Authority –  
Three staff vacancies**

1600 **Clerk:** Question 135, the Hon. E J Reyes.

**Hon. E J Reyes:** Can Government provide updated details in respect of the three staff vacancies which are currently being reviewed within the Gibraltar Sports and Leisure Authority as stated in answer to Question 3/2016?

1605

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, the vacancies remain the same as per the answer provided in Question 3/2016.

**Q136/2016**

**Hosting sports and leisure events –  
Grants provided**

1610

**Clerk:** Question 136, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Sports and Leisure provide details of all grants made since the answer to Question 4/2016 in respect of hosting of special sports and leisure events?

1615

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, grants awarded for the hosting of special sports and leisure events since my answer to Question 4/2016 are: Tradewise Chess Festival, £185,000; Gibraltar International Snooker Open, £15,868.21; Gibraltar Backgammon Championship, £25,000; Gibraltar Darts Trophy, £170.

1620

The GSLA's website is currently undergoing reconstruction works. While this is being finalised, all this information will be available on a monthly basis on the GSLA home page.

1625

**Mr Speaker:** Perhaps it might help new Members if I were to give a little bit of guidance as to why this question is perfectly alright, even though the hon. Member originally asked the same question last month.

The view that I have always taken, even before I was Speaker, was that the answer is not the same. He is trying to find out updated information in respect of a particular item, so 'can the Minister provide details of how much has been given in respect of such and such?' – but the answer is not the same if there has been further progress.

1630



Therefore I take a liberal view, because I think hon. Members of the Opposition have a job to do, that that question is perfectly legitimate.

1635

**Q137/2016**

**Gibraltar Open Chess Championship and Backgammon Tournament –  
Grants provided**

1640

**Clerk:** Question 137, the Hon. E J Reyes.

**Hon. E J Reyes:** Can Government provide details of all grants made in favour of the recently held Gibraltar Open Chess Championship and Backgammon Tournament?

1645

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, in respect of grants made in favour of the recently held Gibraltar Open Chess Championship and Backgammon Tournament, I can confirm that the Gibraltar Open Chess Championship received a grant of £185,000, which I have just mentioned.

1650

The Gibraltar Backgammon Tournament has received a total grant, which is different to what I have just said because it is the update, of £51,249.80. This includes assistance provided to the Gibraltar Backgammon Association in securing full membership to the European Backgammon Federation.

1655

**Hon. E J Reyes:** Yes. Thank you Mr Speaker, just for my own satisfaction and clarity, the £51,249.80 for the Backgammon, is that inclusive of or in addition to the £21,000 that comes under the subhead of Special Sports and Leisure Events. Just for the sake of clarity due to my still ineffective hearing.

1660

**Hon. S E Linares:** Well no, as Mr Speaker stated, that is why the question is different because what you asked in the previous question was an update, which is what I gave you. That is why the figures are different. But in this question you are asking for the total, as in the cost of the whole tournament. So you can assume that something was paid before, then the addition of what you asked in the next question adds up to what I have answered just now, if that is clear.

1665

**Q138/2016**  
**Chess in Gibraltar –**  
**Mr Stuart Conquest**

**Clerk:** Question 138, the Hon. Ms M D Hassan Nahon.

1670

**Hon. Ms M D Hassan Nahon:** Can the Minister for Education reveal what is the nature of the contract between the Government and Stuart Conquest?

**Clerk:** Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

1675

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, there is no contract between Mr Stuart Conquest and the Government.

1680 **Hon. Ms M D Hassan Nahon:** Could I ask, if it was my understanding that he was a Government employee, where is he receiving his remuneration? Because from what I understand he was contracted to help with chess in Gibraltar. Could you point me in the right direction, perhaps?

Thank you.

1685 **Hon. S E Linares:** Well, Mr Speaker, what happens is usually sports have officers themselves who they send into schools – I can give you an example, cricket. The Cricket Association pays someone to go into schools and then the Department of Education, as the previous Minister for Sports knows, there are many associations that have different officers who would go and tap into, go into schools helping children or helping the teachers to teach children on particular sports.

1690 We have got a case with hockey, a case with rugby, with cricket and this is the case with chess, where Mr Stuart Conquest goes to school to help with the development of chess.

**Q139-141/2016**  
**Converted to written questions**

**Clerk:** Questions 139 to 141 have, at the request of the Hon. T N Hammond, been converted to written questions.

**TOURISM, HOUSING, EQUALITY AND SOCIAL SERVICES**

**Q142/2016**  
**Life plans for the disabled –**  
**Assessment of individuals**

1695 **Clerk:** So we now move to Question 142, by the Hon. L F Llamas.

1700 **Hon. L F Llamas:** With regard to individual life plans for the disabled, can Government provide details of those individuals who have been assessed since December 2011, giving details such as sex, age, condition/conditions and date of assessment and those waiting to be assessed, detailing sex, age, condition/conditions and expected date of assessment?

**Clerk:** Answer the Hon, the Minister for Tourism, Housing, Equality and Social Services.

1705 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, as answered in Question 372/2015, the Disability Action Plan will outline a holistic approach to life planning for people with disabilities and will contain the following features: education; employment; income; health and wellbeing; choice and control; and inclusive communities.

1710 **Hon. L F Llamas:** Therefore, does the Minister confirm that no person has yet been assessed?

1715 **Hon. Miss S J Sacramento:** Mr Speaker, the hon. Gentleman is assuming that there will be separate assessments for this purpose.

**Hon. L F Llamas:** Well, I am actually going by what was in the 2011 manifesto, that is that a programme will be made for the life planning of disabled persons. When I assume life planning, I presume that this would be for each individual person and not for a group, as each person is completely separate and a different case to any other.

1720

**Hon. Miss S J Sacramento:** Mr Speaker, the point is – and I am afraid it is lost on the hon. Gentleman, I have answered the question and of course there is a reference in the manifesto to life planning – but the point is, that the departments themselves will communicate to each other, Mr Speaker, so that when a person is assessed with a disability, then he will have the relevant departments at their disposal. It is not a question of having one central register for the purposes of the Disability Action Plan. It is to ensure that the resources, the policies and the strategies are available in the relevant departments, because not all departments will be relevant as part of the Disability Action Plan. It is just making sure that the availability is there. One person may not necessarily go to every department but every department will have the strategy as part of its policy.

1725

1730

**Hon. L F Llamas:** Is there a timeline set to commence with these assessments?

**Hon. Miss S J Sacramento:** Mr Speaker, I have not said that there will be assessments. The hon. Gentleman, I said, is assuming that there will be assessments. It is not a question of an assessment for the purposes of the Disability Action Plan; it is a question of having the policies and the resources in place, Mr Speaker.

1735

It is not about assessments. He has it in his mind that there will be assessments and I am telling him there will not be an assessment for the purposes of the Disability Action Plan. It is about having the resources available, Mr Speaker.

1740

**Q143-144/2016**  
**People with disabilities –**  
**Assessment details**

**Clerk:** Question 143, the Hon. L F Llamas.

**Hon. L F Llamas:** How many people have been assessed as being disabled, although not born disabled, since December 2011, providing details of sex, age, condition/s?

1745

**Clerk:** Answer, the Hon the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Question 144.

1750

**Clerk:** Question 144, the Hon. L F Llamas.

**Hon. L F Llamas:** What is the process to assess people as to whether or not they are disabled, providing details of people who are involved during the process?

1755

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the premise of the hon. Gentleman's question is impossible to understand and specifically in what context he is referring to.

1760

**Hon. L F Llamas:** Well, I am asking to know how many people have been assessed as being disabled, I think the question is quite clear, although not having been born disabled. Have there been any people assessed? I think the question is quite clear.

1765 And then the second question is, what is the process to assess these people and who are the people involved during the process?

**Hon. Miss S J Sacramento:** ‘These people’ as he puts it, Mr Speaker, I am assuming are people with disabilities, but he...again Mr Speaker, the premise –

1770

**Several Members:** Oh! (*Interjections*)

**Hon. Miss S J Sacramento:** No, Mr Speaker...!

1775 **A Member:** Who are they?

**Hon. Miss S J Sacramento:** Who are they? Mr Speaker, it is the respect to which I deal with people with disabilities, Mr Speaker – it is not ‘*these people*’. It is people with a need, Mr Speaker.

1780 But the point I am getting at, Mr Speaker, is that the question is so broad and so wide that I just do not understand it. If the hon. Gentleman could be a bit more specific, because people are not assessed as disabled because people may require certain facilities or assistance on account of their disability. But there is not a place where people go and say, ‘Hello, I want to be assessed as disabled.’ The GHA will assess people as disabled for certain things, other Government  
1785 Departments may assess people so that we can help for their needs.

But what I am saying, Mr Speaker, is that the way that these questions are phrased and are worded are so wide, so vague, so ambiguous that I am unable to provide an answer because I cannot understand what the hon. Gentleman is getting at.

1790 If he could elaborate ... well not elaborate, in fact if he could make his question more concise and more specific, I may be able to answer it but certainly not in the way that it has been asked because it is just simply too vague. There is not one mechanism for assessing someone as disabled. There is not a central register where people go to be assessed as disabled. There is a collection of all the registers of people who are disabled, but ‘disabled’ will have different definitions, different tests, different results, depending on the individual, and that is what I am  
1795 trying to explain to the hon. Gentleman.

**Mr Speaker:** In order to enable me to monitor the exchanges a little bit more closely, could I ask the Hon. Minister a question myself.

1800 Is the term ‘disabled’ actually being used, or in medical circles that is no longer used and disability is the term that is in fact, is used?

**Hon. Miss S J Sacramento:** Mr Speaker, you are entirely right. The actual correct reference is to ‘people with disabilities’. In fact it may go further to people with learning disabilities, to people with physical disabilities but that is the more appropriate definition.

1805 Certainly not ‘these people’, Mr Speaker.

**Hon. L F Llamas:** Mr Speaker, if I may, is it possible to bring this question back on the next session in a far more detailed manner?

1810 **Mr Speaker:** Absolutely, and if the hon. Member wishes to have any assistance from the Clerk or myself, we are always only too happy to assist in any way that we can, okay?

**Q145-147/2016**  
**Care Agency and Social Services–**  
**Training for workers**

**Clerk:** Question 145, the Hon. L F Llamas.

1815 **Hon. L F Llamas:** How many workers are currently undertaking, or have successfully undertaken since December 2011, the NVQ course in Health and Social Care, giving details of the Department the worker is from, the post held by the worker, together with the date commenced and completed?

1820 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Questions 146 and 147.

1825 **Clerk:** Question 146, the Hon. L F Llamas.

**Hon. L F Llamas:** What training is available to care staff in Social Services?

**Clerk:** Question 147, the Hon. L F Llamas.

1830

**Hon. L F Llamas:** What level of training is received by recruitment agency company workers working within the Social Services umbrella?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

1835

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, since 2011, 13 care workers from the Social Services Department of the Care Agency have completed the NVQ.

1840 There are two types of training delivered to staff in Social Services, these are mandatory training and needs led training and they are in addition to each other, they are not in substitution of. We do the mandatory training first and then the needs training.

The Care Agency is not responsible for the training of staff it does not employ, but it is satisfied that anyone who is contracted to provide a service has received mandatory training, Mr Speaker.

1845

**Hon. L F Llamas:** Are there any mechanisms in place to ensure that these workers have undertaken the appropriate training prior to working for Government in effect?

1850 **Hon. Miss S J Sacramento:** Mr Speaker, when people are sub-contracted to provide services for the Government, we of course have policy documentation and contractual requirements with the employer of these workers to ensure that people provided to undertake the service are of a satisfactory standard and of course, they need to be vetted etc. So it is the responsibility of the employer but notwithstanding, what we do is, we do undertake quality assurance and spot checks on a very regular basis, to ensure that the standard of care being provided by employees of the sub-contracted agency are of course of a safe and satisfactory standard.

1855

**Q148-149/2016**  
**Social Services workers –**  
**Details of contracts and posts**

**Clerk:** Question 148, the Hon. L F Llamas.

1860 **Hon. L F Llamas:** Can Government provide details of workers, since December 2011, working under the Social Services umbrella, giving details of date commenced and date terminated, where applicable, area/department assigned, with a break-up of, for example, Care Agency into Dr Giraldi Home, Tangier View etc?

1865 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Question 149.

1870 **Clerk:** Question 149, the Hon. L F Llamas.

1875 **Hon. L F Llamas:** Can Government provide a detailed organisational chart of people employed by Social Services as at 31st December 2010, 31st December 2011, 31st December 2012, 31st December 2013, 31st December 2014, 31st December 2015 detailing the sections and detailed post held by each employee?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

1880 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, between December 2011 and February 2016, those who worked within the Social Services departments of the Care Agency are as follows: 27 in Social Services; 62 in Disabilities; 16 in Children's Residential; and 3 in Rehabilitation.

Between this period, between December 2011 and February 2016, the following have finished: 9 in Social Services; 14 in Disabilities; 11 in Children's Residential; and 1 in Rehabilitation.

1885 In answer to Question 149, Mr Speaker, no. The complement of staff is as it appears in the Estimates Book of Revenue and Expenditure.

**Q150/2016**  
**Care Agency and Social Services–**  
**Contracts with recruitment agencies**

**Clerk:** Question 150, the Hon. L F Llamas.

1890 **Hon. L F Llamas:** Can Government provide a copy of the contract/s signed for the service of workers provided by recruitment agencies to Social Services, including the Care Agency?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

1895 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, no.

**Hon. L F Llamas:** Can I ask the reason why you cannot provide this information?

1900 **Hon. Miss S J Sacramento:** Mr Speaker, first and foremost, these are internal documents and of course they may be commercially sensitive and it is therefore inappropriate for these to be disclosed.

1905 **Hon. L F Llamas:** If they are internal documents which may be sensitive, I could understand when Government has not done this in the past, but if Government has done this in the past like the Financial Secretary's memo on the Domsday, why cannot we see this internal document?

1910 **Hon. Miss S J Sacramento:** Mr Speaker, I think the comparison is completely inappropriate because it is completely different, we are comparing apples and pears here, Mr Speaker. And in fact I am taking the same line that has been taken in relation to other questions, in relation to commercial documents, Mr Speaker. The answer is no. *(Interjection)*

1915 Yes, Mr Speaker and I remind the hon. Gentleman that of course the Domsday memo can only be sensitive to the GSD, Mr Speaker, because it embarrassed them but it is not the same kind of document, Mr Speaker. We are talking about contractual documents which are in fact confidential to begin with, but in any event, it would not be appropriate to disclose, Mr Speaker, because of commercial sensitivities.

**Q151/2016**  
**Care Agency –**  
**Permanent and pensionable posts/positions**

**Clerk:** Question 151, the Hon. L F Llamas.

1920 **Hon. L F Llamas:** Within the Care Agency, can Government confirm whether the employees are permanent and pensionable in the post or position they are undertaking; if not, provide details of the post/position each employee is permanent and pensionable in and what post/position the employee is currently undertaking, since when and for how long is this situation expected to continue?

1925 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, there is no such thing as permanent and pensionable posts in the Care Agency.

**Q152/2016**  
**Care Agency –**  
**Independent review**

1930 **Clerk:** Question 152, the Hon. L F Llamas.

**Hon. L F Llamas:** Has the independent review of the Care Agency been conducted as stated in the GSLP/Liberal Manifesto in 2011? If so, will it be published in full?

1935 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, independent reviews have been conducted on different areas of the Care Agency. These are ongoing and will not be published, Mr Speaker – not at the present time.

1940

**Hon. T N Hammond:** Sorry, Mr Speaker, then to confirm as described in the manifesto these reviews will be conducted presumably at some point in the last term of office, those reviews have not then been completed during that period of time and are still ongoing. Is that correct?

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**Hon. Miss S J Sacramento:** No, Mr Speaker, I said independent reviews, there are more than one. Some have been conducted, others are ongoing. There are different types of reviews, reviews in relation to standards, reviews in relation to working practices, reviews in relation to employment conditions. There are all sorts of reviews going on in parallel. Some are self-contained, very easy to undertake and are on very nett issues which we have done and have done very quickly.

1950

But it is a question of, Mr Speaker, certainly what I embarked on was a complete review of the service with a view to improving it. So yes it continues and no matter how many reviews we undertake, we always have to continuously have reviews in services such as these, services which are always expanding and services in which the area is always progressing and for which there will always be room for improvement as we become more and more professional, Mr Speaker.

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**Hon. T N Hammond** I absolutely agree that obviously reviews in all sorts of areas, and particular in services as sensitive as these should be ongoing, should be continuous.

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Understanding that perhaps the detail of every review cannot and indeed should not be published because there may be sensitive information contained therein, would it be possible to at least have recommendations that come from these reviews published in some form so that the public or those members of the public particularly interested in these services, can assess what improvements may be targeted, what goals are being set and indeed, if those goals are being met?

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**Hon. Miss S J Sacramento:** Mr Speaker, certainly at this stage I do not think that would be appropriate. It may be that at a later stage it would be, but certainly not in relation to the reviews that have been conducted so far.

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**Hon. T N Hammond** Mr Speaker, I cannot understand why it would not be appropriate to publish recommendations. There is no other way for the public or any Member on this side of the House or indeed anywhere in Gibraltar, there is no way for people to understand what good work is no doubt being done, what targets are being set, what we are trying to achieve through these services and it would be a very normal practice to at least publish objectives, recommendations, an agenda that we are heading towards, we are trying to achieve to improve these services.

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It strikes me as odd that the answer should simply be a straightforward 'no, it would be inappropriate.'

1980

**Hon. Miss S J Sacramento:** Mr Speaker, there are various reasons for the decision as to not to publish. In fact, Mr Speaker, I could even take the opportunity of the reviews and the recommendations to make a lot of political capital, because certainly a lot of what was done initially was in fact very, very damning of the service which we inherited from the GSD.

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But there are various reasons not to make that public and it will continue to be an internal document, not least because of criticisms that have been made of staff, of internal practices and things which probably if they were to be made public would probably have more of a



detrimental effect on the service and people who work within the service than the value that it would have for it to be made public.

1990 But the irony is, Mr Speaker, that if I wanted I could make a lot of political points as a result of it but it is not something that I want to do because my focus, Mr Speaker, is on the future as it has been from day one. It is not about looking backwards, it is about going forwards and it is about improving the service, a service which was very, very lacking in 2011, a service which was everybody, I think, referred to as the Cinderella of all the services because of the lack of investment and the lack of focus that there was.

1995 We are moving forward. We are improving, we are improving continuously and I think we have improved significantly, Mr Speaker and the position remains, Mr Speaker, that reviews that have been undertaken so far will continue to be internal documents for our own internal purposes, so that the professionals can continue to implement these and look at recommendations and review the Departments themselves.

2000 And all reviews are ongoing. It may be that it might be appropriate for some of the reviews once completed to be made public. It may be, Mr Speaker that at the end there can be a wholesale summary of all the reviews that have been undertaken. I am not categorically saying no to the future, I am saying no in relation to the answer to this supplementary and no at this stage. That is my answer, Mr Speaker.

**Hon. T N Hammond:** Mr Speaker, if I may, I think it is important to point out that no-one on these benches has tried to make any political capital out of this issue; it is very much trying to understand the developing situation and how the services are being improved. I am sure the services are being improved and that is why we would appreciate greater visibility of the reviews that are being undertaken. I understand if that is not to be made public, that is fair enough.

2010 If it is not to be made public, can the Minister say whether there are any other external audit processes which would look at these reviews and therefore hold those who are required to deliver recommendations of such reviews to account?

2015 **Hon. Miss S J Sacramento:** Mr Speaker, I think that yes, the hon. Gentleman I think makes a valid point and I would be very happy to make an announcement each and every time there is an improvement in the service, so I will bear that in mind and I am happy to make a public announcement every time that we make a change – and obviously when we make a change we think that it is for the better and that it is an improvement.

2020 Sometimes we make announcements of what we do. I think more often than not, we are actually so caught up in the day to day running of this service which is so acute, Mr Speaker, unfortunately it is one where professionals are incredibly busy that I think that too often they forget to sit back and actually reflect on the good work that they do.

2025 So I will take that on board and I will ask all my Heads of Department within Social Services to prepare for me when appropriate, and obviously not referring to individuals, announcements each time that we have a benchmark improvement.

**Hon. T N Hammond** Mr Speaker, that was not actually the supplementary question. I am well aware that the Government is impeccable in its ability of publicising all the good work it does – we see that every day in the *Chronicle*.

2030 However, my question was, due to the fact that the information that is being put out by these reviews, the recommendations put out by these reviews is not in the public domain, are there other audit mechanisms, ISO 9001 standards, whatever may be appropriate to ensure, still, that those responsible, including the Minister, for delivering what recommendations may come from these reviews are being delivered and that there is a record of that, rather than just the Minister's say-so where we do not get an answer one way or the other of either what the recommendations are or whether they have been delivered?

2040 **Hon. Miss S J Sacramento:** Mr Speaker, I am not quite sure what the hon. Gentleman is alluding to but we certainly engage with our relevant stakeholders, as it were, whether it is by way of employees or service users or their families, and they are certainly kept up to date in terms of developments and improvements.

2045 We are where we are, Mr Speaker, if the hon. Gentleman is referring to external bodies to which the organisation as an organisation is accountable to, then the answer is no, it does not exist. It has never existed in Gibraltar and in fact it was much less transparent and accountable in days gone by, Mr Speaker. But I do not want to look back and I am moving forward.

2050 In terms of this there is a statutory responsibility for a third party to oversee these organisations, no, not in Gibraltar and that is not something that has ever existed. Whether there is a need for it going forward, it may be something that we have to consider, but certainly in-house we have a Department which is dedicated to clinical standards which is somewhat separate to the clinical practitioners in the service and that person is at a very senior level and oversees the clinical standards of the Departments and ensures that quality assurance is undertaken.

2055 So in a way, while that post and that Department is internal to the agency, it is quite a big statutory body and the structure of the way that is set up is that in a way everybody, all the managers, have to report to that person and that person is independent of all the other heads of service. So in a way, within the organisation everybody has got to report to a particular person in addition to the Chief Executive Officer which of course is the person who oversees the smooth running and the quality assurance of all the services that we provide.

2060 **Hon. T N Hammond** Mr Speaker, quality assurance aside and obviously that is a very important element of the provision of services, the more human side of the services still may need or may be up for some kind of auditing. It is certainly something I would invite the Government to consider. Obviously that can be done on a completely confidential basis. There is no need for that information to be made public, but at least it would provide the Government a means by which it can have a service independently assessed, not necessarily by those providing the services. Not that those providing the services are not necessarily providing those services in the most excellent way possible, but having that done independently rather than internally, can certainly provide assurances that that is the case or otherwise.

2070 **Hon. Miss S J Sacramento:** Mr Speaker, I thank the hon. Gentleman – there was no question there, so shall we carry on?

**Q153/2016**  
**Learning Disability Services Multi-Disciplinary Team –**  
**Details**

2075 **Clerk:** Question 153, the Hon. L F Llamas.

2080 **Hon. L F Llamas:** According to Government Press Release 65/2015 dated 5th February 2015, a multi-disciplinary team had been established. Can Government provide details of who forms part of this team and how many times has the team met, detailing dates and minutes of each meeting?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2085 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, a specialist Learning Disability Services Multi-Disciplinary Team, and let's call it MDT for

short, was established and consists of the following professionals: a consultant psychiatrist, a learning disability nurse, the Head of Disability Services who is a nurse, the occupational therapist, nurse and a social worker.

It formally met 22 times in 2014 and 29 times in 2015.

2090 It would not be appropriate for me to share the specific minutes due to their sensitive and confidential nature.

**Q154/2016**  
**Care Agency –**  
**Chief Executive Officer**

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**Clerk:** Question 154, the Hon. L F Llamas.

**Hon. L F Llamas:** Who is the Chief Executive Officer of the Care Agency and when was that person appointed?

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**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

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**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the Chief Executive Officer of the Care Agency has been substituting in that post since 14th December 2015. As is the practice adopted in the past, it would not be appropriate to name the individual in Parliament.

**Hon. L F Llamas:** I was not suggesting that the actual person be named, I am just trying to create a style, learning bit by bit how the Minister would want her questions.

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I would like to know what is the actual plan in advertising this post or in actually is it under review or is this person going to continue substituting for an extensive period of time?

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**Hon. Miss S J Sacramento:** Mr Speaker, before I get to the substance of my reply to the supplementary, the question clearly asked *who* the Chief Executive Officer of the Care Agency is and I cannot see that there can be any other interpretation other than asking me for the name of the person who is currently substituting.

2120

As I informed the hon. Gentleman in an answer to a question last month, in relation to vacancies in the Care Agency, I informed him that we review posts as and when vacancies arise as to the optimum structure that we should have in place and whether the post, because of course restructures cannot take place until posts are vacant, and what we do is we take the opportunity once posts are vacant to see whether they should remain the same or whether they should be somehow approved or amended with a view to improving the structure.

2125

At the moment the substitution of the post at the Care Agency has been for a very short period, in fact it has only been just over two months and I am working very closely with the Senior Management Team to see how we can best restructure this organisation to benefit the running of it and ultimately its service users and of course its staff, going forward.

**Q155/2016**  
**Team Leader of the Disability Team–**  
**Recruitment to post**

**Clerk:** Question 155, the Hon. L F Llamas.

2130 **Hon. L F Llamas:** What has been the reason for the delay in recruitment to the post of Team Leader of the Disability Team within the Care Agency?

**Clerk:** Answer, the Hon. the Minister for Tourism, Equality, Housing and Social Services.

2135 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, there has been no delay in the recruitment of this post.

**Clerk:** Question 156, the Hon. L F Llamas.

2140 **Hon. D A Feetham:** Mr Speaker, may I come back to that please.

**Mr Speaker:** Yes.

2145 **Hon. D A Feetham:** Just for the avoidance of doubt, is the hon. lady saying that this post has already been recruited – or the person has been recruited for this post, I should say?

**Hon. Miss S J Sacramento:** No, Mr Speaker.

2150 **Hon. D A Feetham:** Does the hon. Lady have the exact date since when this post has actually been vacant?

2155 **Hon. Miss S J Sacramento:** I do not, Mr Speaker. I do not have the exact date since it has been vacant. But, Mr Speaker, someone has been acting in this post for a considerable period but that is not to say, Mr Speaker, that there has been a delay in recruitment because there was a conscious decision, because of the high turnover and particularly because of the problems that the Disability Services within the Care Agency were suffering, when we took office in 2011, and in fact they were acute, the person who was covering this post in fact retired, I think at some point in 2011 before we took office, and the post had not been covered. It was not being covered; it was being rotated with people acting up. *(Interjection)*

2160 Mr Speaker, I think I know my service and certainly I have a duty to Parliament when I say that it was not being covered substantively at the time. When the incumbent retired at some point in 2011, someone was asked to cover for a defined period of a couple of months and thereafter, people were rotating and acting up and covering for this post *ad hoc*.

2165 When I took responsibility for this service in 2011 we took the decision – I took the decision with the senior management team – that we needed some stability in this service which had suffered so much criticism for a long time and because no-one from within the service wanted to act up in this post, someone was seconded to it to help us review the post and stabilise the whole service, which in fact has been achieved and has been accomplished.

2170 I have to thank and congratulate the person who has done it because the service, the Disability Service in particular I think has been turned around in a way that is now unrecognisable to what it was four years ago. But that person was only coming in to assist, was seconded for a specific period and that period has elapsed. When the individual informed me that he no longer wanted to continue in the secondment then the post was advertised and the recruitment has been ongoing for a while.

2175 Of course, Mr Speaker, these posts are very specialist posts and it is one of those which for the time being, we have already recruited internally and we have already recruited locally and we have not really had an interest in these posts which is why we need to recruit from the UK. And because it is such a delicate post and such an important post, we are undertaking the recruitment process very, very carefully.

2180 But that is different to say that the recruitment process has been delayed. We have had someone seconded to the post for a specific period of time and we are now in the process of recruiting for it, now that that person will no longer be acting in the post.

2185 **Hon. D A Feetham:** So just so that I absolutely understand it, the hon. Gentleman has asked what have been the reasons for the delay in recruitment to the post of team leader. The answer from the hon. Lady is that there has been no delay to the recruitment. We were about to leave it, I stand up and I say, 'Well, has this particular post been filled?' and we find out that that post has been filled on a secondment, on an acting basis, for four years – correct? (*Interjection by Hon. Miss S J Sacramento*)

2190 **Chief Minister (Hon. F R Picardo):** Mr Speaker, that is not correct because this is not a court room and he is not here to cross examine. What is correct is what the hon. Lady has set out. The very careful process has been undertaken to ensure that the service has a person in post for all the reasons that she has dealt with, which indicate that it would not have been appropriate to simply fill the post overnight in a way that would have been not to fulfil the requirements of the  
2195 role.

And she has detailed exactly what the Government has done in order to ensure that there has been *no vacancy* in the post, that we have been able to work with the professionals in the field to ensure that we do the right thing about a future incumbent in the post having the necessary qualifications and that therefore this is not a question of any delay in recruitment.

2200 That is what has happened, Mr Speaker, that is what has been said.

**Hon. D A Feetham:** Mr Speaker, it is a very simple question. Can the hon. Lady confirm that this post has been filled on an acting basis for four years, or just over four years?

2205 **Hon. Miss S J Sacramento:** Mr Speaker, for all the reasons that I have explained, this post has been vacant for over four years because it was first vacant when the incumbent retired, I cannot remember precisely but I think it was in May 2011, so it was when the GSD were in office.

2210 But, Mr Speaker, because of their lack in succession planning, this person retired and everybody knew this person was going to retire, but nobody took any steps to have the appropriate training for the person who would take over for this person.

So lo and behold, this person retired in May 2011, in what is probably the most important and most delicate service of the Care Agency, with no-one to cover. Someone acted up in that post for a few weeks, I think, or maybe a few months, I do not know because that was before my time and then people were rotating in the acting post.

2215 So yes, the post has been vacant since 2011, but for some four years now, possibly under four years, I cannot remember the exact date when the current incumbent commenced ... In fact when the current incumbent was seconded to this post, the intention was that he would not be there for so long but the difference that he has made to the service and the improvements that he has made and in fact the positive feedback that we have had from absolutely everybody, not just people from inside the Care Agency but also the service users and their families, that the position has been reviewed periodically and it was decided to extend this period.

2220 The specific question, Mr Speaker, was whether there has been any delay in the recruitment of the post. The recruitment of the post commenced a couple of months ago, Mr Speaker, and it is ongoing. Mr Speaker, as you know in the public sector when someone is recruited for a post, there are various procedures which we must follow. First of all the post is advertised internally, then the post is advertised locally, and then if it is not successful then we have to recruit from elsewhere.

2225 So therefore, Mr Speaker, the minute that senior management and I decided to recruit for the vacancy in this post, the procedures have been followed and therefore there has been no

2230 delay, Mr Speaker, hence my reply to the question. A question was put to me and my reply has been on the basis of the question.

Had a different question been put to me, then the reply would have been different, Mr Speaker. But of course there are always opportunities to ask supplementaries, to which of course answers have now been provided. But it is about answers to the questions being posed.

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**Hon. D A Feetham:** Mr Speaker, I am surprised that the Hon. the Chief Minister chastises me for asking questions as if I am cross-examining the Hon. the Minister, when she answers questions with the technicality of a legal contract. Because what she really is doing is she is not looking at the spirit of the question, she is looking at the precise question, 'Let us see from a legal point of view how I can possibly get out of this.'

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This is the problem here and this is why I have actually risen when she gave the answer, to make absolutely certain, because the hon. Lady has done it before.

Now the hon. Lady said that there were people acting on a rotating basis. Does this mean that for the period of four years, is more than one person that was acting in this particular post, or have I misunderstood the hon. Lady?

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**Hon. Miss S J Sacramento:** Mr Speaker, I am not sure whether I should apologise for my technical approach to things when I answer. I do have a very good memory, Mr Speaker, and I do know and care for my Department a lot, Mr Speaker, which is why I know the information in the depth and detail to which I know it. And if I should apologise for having such an in-depth knowledge for my Department, I do not know if the hon. Gentleman expects any less of me, but I think he knows me well enough to know that I take my job very seriously.

2250

I think that he has misunderstood my reply when I explained the acting. Initially – this is as I think it was because this was before my time, Mr Speaker – the previous incumbent retired at some point I think it was in May 2011, there was no succession planning and people were just covering on an *ad hoc* basis, on a rotational basis.

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Then someone was seconded in to cover for that, for a period of I think it may have been six weeks, it may have been two months, but again this was in 2011 and it was before my time.

After that, it was being rotated on an *ad hoc* basis, just acting up I think by other Heads of Department from other services or possibly other social workers acting up.

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So when I took office, we took office in 2011, a few months in I realised that I had inherited quite an acute problem in the management of this very important service and the decision was taken, initially to second someone in for a shorter period in which they have been in.

So initially, I cannot remember the exact date when this person started, it was in 2011 – *(Interjection)* Sorry 2012 and I cannot remember whether it was March, whether it was May, I cannot remember when in 2012 it was. It was not immediately, it was not January and it was not February but it was somewhere I think towards the middle of the year and that person has been ... his secondment has continued since that date.

2265

Initially we intended it to be for six months for the Department to settle down, but because, for continuity, I think that because he was doing so well in the job and actually took the service to another level because of the way that the whole Department was professionalised and because of the positive feedback, then we decided to extend the secondment to ensure that there was continuity in management, to ensure that the Departments within the service settled down and we are left in a way where he could walk away feeling satisfied that he left a safe and a functioning Department which his successor could inherit properly.

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Because we felt we were at that stage last year, last year we commenced the recruitment for that post. Insofar as the recruitment, we have recruited as quickly as we can. But we are recruiting.

**Q156/2016**  
**Care Agency –**  
**Out-of-hours workers**

2280 **Clerk:** Question 156, the Hon. L F Llamas.

**Hon. L F Llamas:** How are out-of-hours workers in the Care Agency remunerated and what are their terms and conditions when working out of hours?

2285 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, out-of-hours workers in the Care Agency are remunerated by the payment of the hours that they work.

2290 Staff salaries are shown in the Estimates Book of revenue and expenditure, and the rate of remuneration remains as it was prior to December 2011, with of course the benefit of public sector pay increases for Government employees.

2295 **Hon. L F Llamas:** Can the Minister simply expand a little bit more on the actual terms and conditions in the sense of whether they work one week on, one week off – the actual terms and conditions on which they work out of hours?

2300 **Hon. S J Sacramento:** Mr Speaker, I have to confess that I am a bit confused with actually initially the question and certainly that supplementary. The Care Agency runs a couple of services which are 24-hour services, and therefore people are remunerated accordingly if they are working at various hours of the day beyond the nine to five.

If the hon. Gentleman has a specific question, then I would be grateful if he could be a bit more specific because it is a very big service, and I just do not understand what information it is that he is asking for.

**Q157/2016**  
**Men in need –**  
**Resources available**

2305 **Clerk:** Question 157, the Hon. L F Llamas.

**Hon. L F Llamas:** What additional resources have been made available to men in need since December 2011 and what plans does Government have to expand this area?

2310 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2315 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I was waiting for a specific question as a supplementary to the previous question, but it seems like I will not have one.

But in answer to this question, Mr Speaker, we have a manifesto commitment to provide a half-way house for men. This will happen during this term in office. And since 2011 and before then, men in need who have become homeless have been housed in the Government hostel, as well as in flats which women in need have at their disposal from Government.

2320

2325 **Hon. L F Llamas:** Can I just ask, from what I have been told by my predecessors, there was actually a facility being built for men in need in Gibraltar before the 2011 General Election and that was apparently stopped. Now you recognise that this is a sorely needed facility and can you be a bit more specific as to the timeline, apart from saying this will happen in the next four years. Is there a premises identified, you know just expand on it in general, please?

**Hon. Miss S J Sacramento:** Mr Speaker, I am so sorry to burst the hon. Gentleman's bubble if he thinks that something was being built because it was not, Mr Speaker. And if he can identify a building that he knows was being built, perhaps he can show us, but certainly – (*Interjection*)

2330 Mr Speaker, I know from when I took office that there was talk of plans being planned, but as I recall there were not even plans, let alone a thought process or a building. And I do not know how the hon. Gentleman jumps from one thing to the other and the assumption that he has made that we recognise this and we recognise that. Mr Speaker, we do recognise that Gibraltar is a community where people are vulnerable and people need help and as and when people need help, we help them, Mr Speaker.

2335 I have answered the question that has been asked to me, Mr Speaker, whether we will help men in need. Of course we will help men in need. We will help men in need, we will help women in need and we will help children in need and people who are in need generally. We have short-term plans, medium-term plans and long-term plans but of course it is a manifesto commitment and like all our manifesto commitments, these will be delivered in this term of office. And I am surprised that after the submission made by the Chief Minister in Parliament last month, that the hon. Gentleman is asking me for a timeline.

2340 So for the avoidance of doubt and in case he did not hear the Chief Minister last month, all our manifesto commitments will be delivered in this term of office. Unless they are timed, the timeline is they will be delivered in this term of office.

2345 In fact, Mr Speaker, if I could have a second so that we can check whether this was a specific manifesto commitment of theirs, if it was a manifesto, Mr Speaker –

**Mr Speaker:** A pamphlet commitment.

2350

**Hon. Miss S J Sacramento:** A pamphlet commitment, yes Mr Speaker, as I recall, I cannot remember.

**Q158/2016**  
**Women in need –**  
**Properties identified**

2355 **Clerk:** Question 158, the Hon. L F Llamas.

**Hon. L F Llamas:** Can Government disclose how many properties have been identified for women in need and what is the expected timeline in handing over these properties?

2360 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, we continue in discussions with Women in Need in identifying additional properties which are being considered as and when they become available.

2365 **Hon. L F Llamas:** I am not going to ask for a time line. I am just going to ask if any have actually been identified as of today.



**Hon. Miss S J Sacramento:** Yes, Mr Speaker, from memory I recall there has been one recently and I know that as Minister for Housing I am aware of that one, so I can certainly confirm that there has been at least one.

**Q159, 163-164, 169 & 183/2016**  
**Government debtors –**  
**Unpaid debts and rents**

2370

**Clerk:** Question 159, the Hon. L F Llamas.

**Hon. L F Llamas:** In relation to Mid-Harbours Small Boats Marina, can the Government confirm that debtors have to pay their debts in full and not just enter into repayment agreements with Government, Government-owned companies, authorities and/or agencies?

2375

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Questions 163, 164, 169 and 183.

2380

**Clerk:** Question 163, the Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Minister for Social Services confirm how many people underwent a programme of drug rehabilitation (*Interjection*) – Sorry 163, my apologies. In fact I do have a point on that other question but that can come later.

2385

Can the Minister for Housing confirm what legislation it intends to bring before the House to extend the limitation period in order to recover rental arrears that are older than six years?

2390

**Clerk:** Question 164, the Hon. E J Phillips.

**Hon. E J Phillips:** Just for the benefit of the laughter opposite, Mr Speaker, this question was put before the hon. Lady issued a press release in relation to the amendment –

2395

**Mr Speaker:** There are five related questions which she is going to answer together and therefore, unfortunately we are not dealing with just one Member of the Opposition questioning, but more than one.

So this one 164, and then there is 169 and 183 as well.

2400

**Hon. E J Phillips:** Understood.

**Mr Speaker:** So read out 164.

**Hon. E J Phillips:** Can the Minister for Housing confirm what measures are currently in place to recover rental arrears from Government tenants?

2405

**Clerk:** Question 169, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing provide full details of how much has been written off in respect of unpaid rents pertaining to Government rental homes since the answer given to Question 47/2016?

2410

**Clerk:** Question 183, the Hon. D A Feetham.

2415 **Hon. D A Feetham:** Mr Speaker, can the Government please state how many tenants of Government housing stock currently owe the Government more than three months in arrears of rent?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2420

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, before I commence to answer this question, in relation to the previous question I am very grateful for the Chief Minister who has looked through the policy leaflet brochure that the GSD had for the last General Election and there is no mention here of any commitment for helping men in need, so I just wanted to remind the hon. Gentleman of their non-commitment in this respect. *(Interjection)* So see who it is now who has discovered to help men in need but in any event, Mr Speaker, two bubbles burst this afternoon.

2425

But in relation to the answer to Question 159, no berths will be allocated to anyone who is in arrears with the Government, Government-owned companies, authorities or agencies.

2430

In relation to Questions 163 and 164, the Government has established a Central Arrears Unit to prioritise the collection of all debts owed. In addition to the standard notification by the Housing Department of debts, all those who owe arrears of rent shall receive official notification from the Central Arrears Unit which will pursue all options open to us.

2435

A Bill to amend the Limitation Act is already in the public domain and the Limitation Act was published on 18th February 2016, the contents of which is public information and this will remove the time limit as a defence to the payment of debts to the Government.

Entering into arrears agreements is essential for those who are unable to pay the full sum owed. A new arrears agreement has been prepared and debtors are now required to enter agreements and make payments. In addition, we have been working on updating all our systems with current information so as to enable recovery of rent arrears faster and more accurately.

2440

We have also changed working practices and introduced a new billing format which highlights all rent arrears. Insofar as public sector employees are concerned, we shall deduct arrears at source.

Of course we shall implement all legal mechanisms available to recover arrears in the cases of those who do not wish to pay as opposed to those who cannot pay.

2445

Finally, people who are in arrears will not be able to avail themselves of the following advantages: of course, applications for berths at the new small boats marina, but also for parking permits and sheds offered by the Government of Gibraltar, exchanges, inclusions and exclusions on housing tenancies and non-essential repair works.

2450

Other measures are also being considered and further announcements will be made in the future in this respect.

In answer to Question 169, the answer is none. In respect of Question 183, 981 tenants of the Government housing stock currently owe the Government more than three months arrears in rent.

2455

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, can I just add one matter just for clarification purposes, because the hon. Lady has referred to the Limitation Bill which was published on 18th February. Just for clarification there was a Bill published on 18th February, that contained an error and that Bill was in fact withdrawn and the Bill was re-published on 19th February, so the one on the Order Paper is the one that was published actually on 19th February.

2460

I just thought I would clarify that small point.

2465 **Hon. D A Feetham:** Mr Speaker, the hon. Lady has very kindly given us the figure of tenants who are in arrears for more than three months and I have to say it is a staggering 981 tenants.

Can the hon. Lady confirm that that is just under a quarter of all Government tenants? My understanding is that there is about 4,000 Government tenants. If the hon. Lady says 5,000 then it is a fifth. But does she not agree with me ... ?

2470 Well, first of all, what is her understanding of the amount, the number of Government tenants? Does she not agree with me that that is a staggering proportion of all people who are currently on Government tenancies?

2475 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, it is a staggering proportion and what is even more staggering, Mr Speaker, is that some people have owed rent for almost 20 years, Mr Speaker.

But, I have some very good news, Mr Speaker. Since we started our new strategy at the beginning of the year, we have already had 100 people react to, just in relation to the new billing format alone, (*Banging on desks*) and my Department, who are delighted actually to be able to now have the ability to recover these rent arrears, because they are very hard working people in my Department, Mr Speaker, who since I think 2002 were not really allowed to vigorously pursue arrears of anybody and therefore, Mr Speaker, unfortunately the systems in place just fell away, the information was not there, the information in the computers was not really up to date, so the mechanisms were not there.

2480 But we have been working on it, Mr Speaker, I certainly made it one of my priorities when I was reshuffled into this portfolio just over a year ago. (*Laughter*) Yes, reshuffled – at the great reshuffle, Mr Speaker, where I had the bonus of the two additional portfolios, two very important additional portfolios which I am very happy to hold. And I am grateful to my predecessors, both Ministers for Housing who prioritised the acute problems that Gibraltar Housing had and the Housing Department had, which was of course the shortage of housing and because they had already dealt with these problems, when I came in, I was able to prioritise the remaining issue, which was the recovery of the arrears. It has taken us about a year to have the systems in place and have the new letters and documents and computer systems and we were able to really kick off in earnest in January. Since then, and in the last month, people in my Department have been extremely busy seeing people who are coming forward wanting to pay their arrears. People have paid them in full, people who cannot have entered into arrears agreements – our new arrears agreements – and now we have been contacted by 100 people and that is only in a month, Mr Speaker.

2490 So yes of course the amount of people who owe rent is very high but in only one month of our new strategy, Mr Speaker, we have already had 100 people come forward. Just imagine, Mr Speaker, if the mechanism had not been stopped in 2002, we surely would not have had 900 people today and yes, we have 900 people today and I am sure we will not have 900 people in the next six months, and less so in the next year. We certainly will not let it fester for 16 years, like others allowed it to do, Mr Speaker. (*Banging on desks*)

2505 **Several Members:** Hear, hear.

**Hon. D A Feetham:** Mr Speaker! I mean I have to say, Mr Speaker, the hon. Lady provides value and entertainment this afternoon, Mr Speaker. (*Laughter*)

2510 Mr Speaker, we have gone from “blame the GSD” to “blame Minister Balban”, Mr Speaker! Because in her answer she said when she had been reshuffled she found that the systems that were in place were so awful that she had to change them, but of course the systems in place were there three years into – (*Interjections*) Mr Speaker –

2515 **Hon. Miss S J Sacramento:** Point of order.

**Hon. D A Feetham:** Point of order – no, no I will sit down. The hon. Lady feels she needs to make a point of order, I will sit down and allow it.

**Hon. Miss S J Sacramento:** Mr Speaker, that is certainly not what I said.

2520 We inherited these systems that did not exist. *(Banging on desks)* We inherited them, Mr Speaker. And because the Hon. Mr Balban and the Hon. Mr Bruzon before him first of all prioritised the acute needs that Gibraltar had, which were the huge housing problems that we had, the huge problems that we had in relation to maintenance of Government stock, all the pending works that we had in Government stock, all those empty flats that were all over  
2525 Gibraltar creating the housing problem that we had, it is thanks to the Government, this Government, that we have repaired all those flats that have had outstanding works for so long, made so many flats for elderly people accessible. Because how many pending works were there from bath to shower conversions? I forget now but I think there were over 200 works pending, which means that there were over 200 elderly people suffering. But we dealt with all that, Mr  
2530 Speaker, so it is thanks to the work that was prioritised by my friend, my colleagues, the Hon. Mr Balban and the Hon. Mr Bruzon, because they dealt with that, because they had to deal with that first because it was right that they deal with that first.

Of course, the first thing we had to do was set off and build the houses that we have built and completed in record time, Mr Speaker, we have just seen people receiving the keys to their  
2535 new flats at Beach View Terraces, Mr Speaker. We have built more houses in four years than the GSD ever did in 16 years, Mr Speaker. So that is why we prioritised that, and thanks to that hard work, Mr Speaker, I was then able to deal with what was left.

**Mr Speaker:** Will the Hon. Minister come back to the point, instead of delivering a – The General Election was last December, please come back to the business in hand. *(Interjections)*  
2540

**Hon. D A Feetham:** Mr Speaker, that was all extremely, extremely, *extremely* interesting I have to say. But I thought there was going to be a point of order in all that and I have not heard a point of order. I have courteously sat down, *(Interjection)* tried to listen for a point of order in  
2545 order to respond and the hon. Minister has been a Member of this House for four years and must know that a point of order, when she calls for it, must follow. *(Interjection and laughter)*

But I must attribute–

**Mr Speaker:** Order, order!

2550 **Hon. D A Feetham:** Mr Speaker, I must attribute that to her obvious nervousness at being probed about this particular issue.

Mr Speaker, if they inherited a problem, Mr Speaker, they have been in Government for four years. Is it not the case that the hon. Lady could have, if these procedures were so awful and that they inherited in 2011, could easily have dealt with them earlier than they did and therefore  
2555 the problem must be at least partly of their making, Mr Speaker, and not of the GSD's making, which is what they delight in suggesting at every single opportunity.

And when she answers that, I have got another more important supplementary really, because she is leading me to ask her this, when I really want to probe the hon. Lady on something far more important than that.  
2560

**Chief Minister (Hon. F R Picardo):** Mr Speaker, what the hon. Gentleman did and what the hon. Lady dealt with in her point of order, was entirely mischaracterised what she had said as if she had blamed the Hon. Minister Balban for the time that he had been in Housing for the arrears.  
2565

Only, Mr Speaker, a person with complete political short-sightedness could stand up and make that point, because of course to suggest that the arrears are down to the person who spent a year in post would be absolutely and utterly ridiculous.

2570 And when the hon. Gentleman says that the hon. Lady is getting excited because she is nervous and says that she is entertaining, I suppose Mr Speaker, he is just doing that which the proverb I am often reminded of by a good Jewish friend of mine says, which is that you see in others your own sins and you reflect them onto others in what you say about others. Because there is absolutely no nervousness on this side, Mr Speaker, and no desire to provide anything which is akin to entertainment. This is a very, very serious issue.

2575 The arrears of rent that have accumulated, which amounted to an increase of 600% in the 16 years that they were in Government, must be recovered, Mr Speaker. They *must* be recovered because those who pay do not deserve that those who do not pay be tolerated. (*Banging on desks*) (**Several Members:** Hear, hear.) And in all areas...And in all areas where we inherited this sort of neglect, we are working, Mr Speaker.

2580 In Housing, and these are housing arrears, Mr Speaker, the first thing we had to deal with was the very long housing waiting list and the lack of affordable housing that we had to provide. That is what the first order of business was when Charles Bruzon, may he rest in the peace that he deserves, arrived at that Ministry for Housing and started work on. And the work started, Mr Speaker, on those estates when Paul Balban was Minister for Housing and shortly before the  
2585 General Election, Samantha Sacramento took over and we were dealing with a whole list of works to be done on people's houses, on existing tenants houses and this was an important issue, Mr Speaker, which we did not get round to dealing with in our first term.

But to attribute the arrears to us, Mr Speaker, is just absolute mathematical *nonsense*! To say that we did not deal with it in the first four years, absolutely right. The retort is: because you left us such a mess of a housing list, of people without affordable homes, of homes that required work that we had to deal with it first.  
2590

But now that we are dealing with it and having said that they want to support us on it, to come to this House to try and pretend to score political points on this fundamentally important issue, which as far as the Government is concerned goes to the fundamental fairness of people paying their way when everybody else does, is absolutely incredible, Mr Speaker.  
2595

The only person who is entitled to say that they have constantly been highlighting this is the Principal Auditor, who dutifully has put it in his report every year. And we have been dealing with issues in the Principal Auditor's report and this one we have not dealt with. And there are some others that we also have not dealt with, Mr Speaker, like, for example, an issue which I have flagged up to deal with, that the loan which the Government gave and the Principal Auditor is still trying to have information on, and it is a loan given at the time when they were in office and has been marked as unpaid.  
2600

And I myself am pursuing exactly what the information is behind that loan which they gave when they were in Government and was not paid, and it is not the OEM loan because they have not just lost £4 million of Taxpayers' moneys on bad loans and they have not failed to recover £4 million in rent. There are other loans which we are still looking into that they gave when they were in Government and the party that they all represent gave when they were in Government, which have been impaired and which have not been paid. That, Mr Speaker – those secret loans, because I found out about them reading about it in the Principal Auditor's report – will all be brought to light and the arrears will be paid, Mr Speaker, because we are putting in place a strategy which in effect goes back to the strategy that they dismantled in 2002, when they dismantled the Central Arrears Unit.  
2610

Now, Mr Speaker, if in months to come – in fact, I think they have got to be a little bit more generous than that – they are going to pursue where we are with the arrears, that is very welcome, that is part of their job and if we fail to get the arrears down, then Mr Speaker, we shall have to be accountable for that. But to try and blame us for the accrual of the arrears is frankly, Mr Speaker, something that beggars political belief.  
2615

2620 And what the hon. Lady is doing is not providing entertainment; she is doing the hard work that the Members opposite, or at least the Government that they represent with the initials of their party failed to do and in so doing failed this community.

So what the hon. Lady deserves is respect and support for the work that she is doing and she has it from all of her ministerial colleagues, and I trust she will have it across the floor of the House. *(Banging on desks)*

2625 **Several Members:** Hear, hear.

**Mr Speaker:** Of course, may I draw attention of hon. Members that they are now debating. These exchanges are not questions and answers, this is a debate.

2630 **Hon. D A Feetham:** Mr Speaker.

**Mr Speaker:** I am going to allow the Leader of the Opposition to make a short exchange unless he has a supplementary on any of the other questions because we are dealing with five of them. Otherwise we are moving on.

2635 **Hon. D A Feetham:** Yes, Mr Speaker, thank you very much.

I do thank the Hon. the Chief Minister for that very long political speech and excuse as to why the arrears of rent went up from £3.6 million in 2011 when they first came into office to £6 million, £6 million today, Mr Speaker. *(Banging on desks)* Now I know that mathematics and the public finances of Gibraltar are not his forte, hence the state of public finances today, but Mr Speaker, even he ought to understand that he and his Government must be partially to blame, which is the word that I used, for the increase in arrears from £3.6 million to £6 million.

2645 Now, Mr Speaker, if I can get to the question that I was going to ask. The hon. Lady spoke about the Central Arrears Unit and indeed the Hon. the Chief Minister has also decried the dis-assembly of the Central Arrears Unit when we were in Government. Now, when was the Central Arrears Unit set up by the hon. Lady's Government and why wasn't it set up earlier, given the importance attributed to it by the Hon. the Chief Minister?

2650 **Hon. Chief Minister:** Mr Speaker, I shall repeat my political speech which is not an excuse; it is an explanation of what happened and I shall do some mathematics with him, because in the same way as he tried to explain to us the meaning of a word before, and I said that when I was doing the mathematics, I did not think I had to explain the division to him, I will unfortunately have to do it for him. Or does he not realise, Mr Speaker that they presided over an increasing rent arrears of £3.6 million, whilst the amount that we are responsible for, without considering that part of it may be interest on the amount that they accrued, is £2.4 million, Mr Speaker. *(Interjection by Hon. D A Feetham)*

2655 Mr Speaker, look and do they not understand, Mr Speaker that this amount is a cumulative amount that is increasing all the time and it is going to increase more in one year now than it did in one year before, Mr Speaker.

2660 But to say that we are making excuses and to ask us the question that he is asked again is simply to demonstrate that what they have alighted on, they think, is a point where they can make political capital and all they are interested in doing is pretending that they now have an interest in doing that which they were not doing. Well, I will tell him again what happened, that we inherited a housing ministry where the principal issue had to be dealing with –

2665 **Mr Speaker:** Now, now I must –

**Hon. Chief Minister:** He has asked a question, Mr Speaker, you should give him the answer.

2670 **Mr Speaker:** Well there was a specific supplementary. The specific supplementary was referring to the Central Arrears Unit. He made a comment that rent arrears had increased from £3.6 million to £6 million. The Chief Minister can answer that comment if he so wishes. Then he asked a supplementary regarding the Central Arrears Unit – the dates.

2675 **Hon. D A Feetham:** Yes, Mr Speaker.

**Hon. Chief Minister:** No, Mr Speaker, he did not ask for a date. What he asked was – *(Interjection by Hon. D A Feetham)* No, Mr Speaker. Mr Speaker, what he asked for was why –

2680 **Hon. D A Feetham:** Point of order!

**Hon. Chief Minister:** No, Mr Speaker, it is not a point of order, I am dealing with the question that he asked. *(Interjections)*

**Mr Speaker:** Will the hon. Members please sit down, both of you!  
2685 Now, my understanding is that a question was asked. When was the Central Arrears Unit – that is what I heard.

**Hon. D A Feetham:** Yes I did, I did.

2690 **Mr Speaker:** That is what I heard.

**Hon. Chief Minister:** Mr Speaker, as *Hansard* will show, because thankfully we have something that records what is said, what he asked was ‘why was it not set up earlier?’

2695 **Hon. D A Feetham:** Two – I asked for two things.

**Hon. Chief Minister:** Well I will answer the first one. I will answer the first one.

**Hon. D A Feetham:** Mr Speaker –

2700 **Hon. Chief Minister:** Mr Speaker, if he asks a supplementary which has two limbs, it is surely up to me to decide which limb I answer first.

**Hon. D A Feetham:** Perhaps the Chief Minister did not understand the question that I asked  
2705 and you know, I accept that and it sometimes happens. I have been in court the whole week –

**Mr Speaker:** Repeat it please.

**Hon. D A Feetham:** I am going to repeat the question.  
2710 When was the Central Arrears Unit set up and, given the importance that the Government attributes to the Central Arrears Unit, why wasn’t it set up earlier?  
That was the question.

**Hon. Chief Minister:** Exactly, Mr Speaker, exactly. Why wasn’t it set up earlier?  
2715 Because when we were elected, the Minister for Housing had a priority which was the huge housing waiting list that we inherited. The second priority therefore was the creation of affordable homes. The third priority: the repairs to Government tenancies which were in their thousands, Mr Speaker, in their *thousands* – thousands of jobs that had not been done, and Mr Speaker, because the Principal Auditor is rightly pointing it out, now the collection of arrears.

2720 When was it done, Mr Speaker? It was done in this term of office, we have been in office for less than 100 days and we have already started the process of collecting these arrears and we have set up the Central Arrears Unit. That is why it did not happen before and that is how it has happened, Mr Speaker, since we were elected this time.

2725 But I will let the hon. Gentleman know this: we were looking at this for some time before the General Election and the hon. Gentleman cannot pretend that he does not know that, for the simple reason we have been debating in this Parliament whether or not it is possible to collect rents which are older than six years. We have been debating in this Parliament the said creation of a Central Arrears Unit in the last six months before the General Election and it is there in *Hansard*.

2730 So he cannot pretend that we were not dealing with it and he cannot now simply look at the Principal Auditor's report and say 'You failed to do something about it', without at least saying, Mr Speaker, without at least saying we are responsible for it. We disbanded the Central Arrears Unit and we allowed the rental roll to become a debt to the Government of £3.6 million – although, Mr Speaker, I have to tell him that I do not accept that the differentiation is exactly that because I would have to check what the amount was on the day that we took over because  
2735 the Principal Auditor's report for 2012 will reflect the picture for that year or perhaps the year before. So even that I am going to check to make sure that we know what amount we are responsible for and what amount we are not responsible for.

2740 But in any event, the amounts that we are responsible for are within the six-year limitation period and they can be recovered, even without a change in the law. To recover the amounts they allowed to accrue, we are going to have to change the law.

**Hon. D A Feetham:** No, Mr Speaker, that was going to be my last supplementary but I cannot allow the Chief Minister to get away with that.

2745 No, Mr Speaker, how can the Chief Minister know that the debts that have been incurred during his time in office have not been statute barred during his time in Office? He cannot possibly know that because he cannot possibly have the knowledge in respect of every single one of these debts.

2750 Mr Speaker, he must know – he is a lawyer. He must know that you can have a debt outstanding, for example, for three years in our term in office and three years in his term in office and it becomes statute barred in his term of office and therefore I would ask him to correct the record.

**Hon. Chief Minister:** No, Mr Speaker, because he is a lawyer and he should know –

2755 **Mr Speaker:** Now, since both Members are debating –

**Hon. Chief Minister:** Well, Mr Speaker, am I able to answer the question?

2760 **Mr Speaker:** I am going to allow you to make the last point and then we are moving on. And if we do not move on, I will suspend the sitting. It is as simple as that because I have been here three and a half hours, for three hours everything has gone right, but now hon. Members are beginning to get under my skin.

2765 **Hon. Chief Minister:** Well, Mr Speaker, unfortunately parliamentary debate requires that one robustly defends one's position.

**Mr Speaker:** Parliamentary debate is not to be conducted during Question Time. Those are the rules.

2770



**Hon. Chief Minister:** Well, Mr Speaker, in that case answering questions is something that has to be done in a way that ensures that the truth comes out and that one does not allow that the way that questions are put somehow puts a gloss on things which are not correct, Mr Speaker.

2775 What the hon. Gentleman should know, given that he is also a lawyer, is that debts which have accrued in the time that we have been in office are debts which are within the current limitation period.

In other words, any liability that accrued after 9th December 2011 is a liability that is within six years. You do not need to be a lawyer to do that. As long as you know that the limitation  
2780 period is six years, you just have to count back to six. And therefore, Mr Speaker, every penny that has become due and owing to the Government of Gibraltar – every penny that has become due and owing to the Government of Gibraltar in respect of rent – since 9th December 2011 is within the six-year limitation period and I would have thought that given that he is a lawyer, he would have been able to work that out – unless of course it is because he cannot count back to  
2785 six.

**Mr Speaker:** Does any other hon. Member have a supplementary arising out of any of the other questions.

2790 **Hon. R M Clinton:** Mr Speaker, with your indulgence, just one.

There has been a lot of talk about the Central Arrears Unit and I have one question for the Chief Minister. The Principal Auditor, our long-suffering Principal Auditor (*Laughter*) who constantly every year makes reference to the arrears regardless of Government – and I think he is entirely correct, as we must all share some blame for this – he expressed – (*Banging on desks*)  
2795 (**A Member:** Hear, hear!) In his report of 2014 he expressed grave concern that the receivers of revenue are not priorities in the revenue, the arrears collection and monitoring function, mainly due it appears to lack of human resources.

He then went on to say on 16th July 2015, the Accountant General formally should discuss the setting up of a properly resourced Central Arrears Unit with the Financial Secretary, either as  
2800 a unit within the Treasury or a separate unit, in order to tackle the increasing arrears situation.

My question, Mr Speaker, to the Chief Minister is: is this unit going to be within the Treasury or a separate unit and how exactly has he resourced it?

**Hon. Chief Minister:** Mr Speaker, I think you will find that those remarks are made by the  
2805 Principal Auditor year on year. And, Mr Speaker, thank you for the confirmation by the hon. Gentleman, in fact the Central Arrears Unit was something already being dealt with then. It is being set up in the Treasury, Mr Speaker.

2810 **Hon. R M Clinton:** With how many staff, may I ask?

**Hon. Chief Minister:** Mr Speaker, that is not a matter which I can give him an answer on today. I can get the information from the Financial Secretary if he wishes so that he can have it, but it is not an issue where we are being involved, we are simply ensuring that they have the resources they need in order to do the job that they need. But this work will also include the  
2815 Departments chasing debts, at least initially.

**Hon. R M Clinton:** Thank you, Mr Speaker.

**Hon. E J Phillips:** Yes, Mr Speaker. In relation to the comment by the Minister for Housing on  
2820 keeping all options open, will that also include an option to evict or an application to the court to evict those tenants who are in arrears that do not – to use her words exactly – wish to pay?

2825 **Hon. Miss S J Sacramento:** Mr Speaker, of course eviction is an option open to us, but of course evicting somebody can only be something that can be done as a last resort. And I have to confess that I am very, very surprised (**A Member:** Hear, hear!) (*Banging on desks*) that a lot of what we hear from the benches opposite is an emphasis on eviction. (**Several Members:** No!) Because, Mr Speaker, yes, it is in every single press release that is issued by the Members opposite.

2830 Because, Mr Speaker, we have to remember that the person who may have accrued the arrears will be the tenancy holder. That tenancy holder may well have a family, may well have children so what do we gain by evicting a family where the tenancy holder is in arrears?

2835 So in answer to that, Mr Speaker, evictions is an option because it is an option that exists and that has always existed. It is a legal tool that is there and it is there at our disposal, but it will only be used as a last resort and in the appropriate circumstances.

**Hon. E J Phillips:** Mr Speaker, I thank the Hon. Minister for that response. Just in relation to a point of order, there has absolutely been no reference to eviction in any of the last press releases that I have issued from this side of the House at all. I will show those in the next question we put before this House, in the next session next month.

2840 We entirely agree, Mr Speaker, with the answer that eviction should be the last resort, should always be the last resort, especially when young children and families are involved.

2845 My question that I would like to pose now is in relation to the repayment agreements. I have spoken to a number of individuals who are concerned about repayment of their debts. They have spoken to me on a very confidential basis and they are being told by the Minister's Department that these will have to be paid within a strict three-year period. Can the Minister confirm that the repayment agreements that the Minister has referred to in her response to the general questions put to her, that a three-year period on the repayment will be applied?

2850 **Hon. Miss S J Sacramento:** Mr Speaker, what my office is doing – and it is not strictly the Minister's office, it is the people who work in the Housing Department and they are of course two separate offices – is that we have a specific team dedicated to the collection of arrears now and they are meeting with people individually to look at repayment options.

2855 Now, when these options are reviewed and considered, they take into account ... well, they ask for information so that they can take a view in how to calculate the repayment of arrears and it all depends on the amount of arrears that are available as well as the income that the person has at their disposal. Because what we cannot have, Mr Speaker, is an arrears agreement which is not interest based, so it is just a repayment agreement where people want to pay next to nothing on the never, never.

2860 It needs to be finite, it needs to be strict, it may be a coincidence that your clients, or people who have spoken to you, have been advised that three years is the period. There is no rule in that people need to pay within three years. People may be asked to pay within six months, people may be asked to pay within a year, people may be given four years in which to pay. It depends on the individual because some people may wish to extend the period of the arrears agreement for ten years so that they can go on a Caribbean cruise, but that would not be acceptable, Mr Speaker. So we try and keep the period of repayment as short as possible and of course we now also have a mechanism so that if people default on the payment of arrears, it is flagged up immediately.

2870 **Hon. Chief Minister:** If I can be of assistance to hon. Members, given their new-found desire to review the accounts of the Principal Auditor or the report of the Principal Auditor, I refer them to page 55 and in particular the paragraphs at 3.4 of the Arrears Report for 2011-12, which is the year for which they were responsible and which they will not find very enjoyable reading. In fact the amounts being written off in respect of the time, in the report for the following year

2875 in respect of the time that they had been in office, amounting to almost £800,000 in just one particular year.

2880 **Hon. Miss S J Sacramento:** And on that note, Mr Speaker, I also want to add that when I was preparing for a debate on GBC recently, I had the opportunity to review the Auditor's reports all the way back to 1998 and as from the year 2000, Mr Speaker, the red flags and the alarm bells were being very, very loud and noises were being brought to the attention by the Auditor but specifically in the period between 2000 and 2002 which funnily enough, or disturbingly enough, is when the Central Arrears Unit seemed to have been disbanded.

2885 But certainly, Mr Speaker, this, the Auditor's Report in the last few years contains the exact same phrases that it has, certainly since back to 1998.

2890 **Hon. D A Feetham:** Mr Speaker, will the hon. Lady undertake to go back and to check her facts in relation to this? I personally do not know them, but I am informed by my hon. Friend, Mr Llamas who worked in the Tax Office – (**Hon. L F Llamas:** Treasury.) the Treasury, he has come from the public service, that in fact the Central Arrears Unit was there until 2006. That is the question I am asking: will she undertake to go back, because she has repeated this on a number of occasions, and have a look at it?

2895 But in any event, Mr Speaker, I also want to say this. That certainly on this side of the House nobody shirks responsibility for debt during 16 years of Government. We do say that of course in four years, it has gone up from £3.6 million to £6 million, that we would congratulate the Government and congratulate the hon. Lady for any steps that she takes in order to make sure that the Taxpayer of Gibraltar is not short-changed and also to make sure that what is clear, (*Banging on desks*) Mr Speaker, a culture of entitlement to the tune of a quarter of all Government tenants ... that that ends, because at the end of the day, that is not good for Gibraltar and is not good for this community. (*Banging on desks*)

2900 **Hon. Chief Minister:** Well, Mr Speaker, I am very pleased to see that the hon. Gentleman is going to be prepared to give us credit when it is due.

2905 But, Mr Speaker, this is not about a culture of entitlement; this is about people not having been chased, Mr Speaker. This is about people having been allowed to fall into arrears, Mr Speaker. This is about the Government in particular, they have now accepted, the Government, the record of which they are defending not even having sent out letters in respect of arrears, which is what the Principal Auditor refers to. So this is not about the culture of entitlement; this is about a Government failing repeatedly to bring to the attention of people that the debts they were accruing will be chased and that it is not acceptable that some believe that they can get away with it, Mr Speaker.

2910 I have full confidence that the work that the hon. Lady is going to do in respect of housing, but not just work in respect of housing but the work that also the Financial Secretary and the Central Arrears Unit will do in respect of all other liabilities to Government – because if hon. Members look at the book it is not just rents that are in arrears – will soon be where it should be. Of course they will likely never be zero, but everybody who is able to pay will pay, Mr Speaker, and there are a number of ways in which that is going to be the case, and some of them may require us to bring legislation to the House or other mechanisms to the House to ensure that people realise what their obligations are.

2920 **Hon. Miss S J Sacramento:** Mr Speaker, I will be very quick, just on the point that the hon. Gentleman raised, it may be that the Central Arrears Unit was disbanded in 2006 and not in 2002. I go by what I am told, but I certainly recall in my former life having conversations with Mr Llamas in relation to the Central Arrears Unit, because of the nature of my profession. But nonetheless, Mr Speaker, whether it was in 2006 or two thousand and whatever, we have an

2925 acknowledgement from the other side that the Central Arrears Unit was disbanded, certainly approximately 10 years ago.

But what I am told, Mr Speaker, in my Department is that there was some kind of a policy direction not to pursue debtors and people in arrears of rent, sometime in the region of 2002/2003. So it is a different point to the disbanding of the Central Arrears Unit, and if I am  
2930 wrong and it was not disbanded in 2002 and it was disbanded in 2004 or 2006, then that may well be the case and it is not something that I want to ... it is a debate that I would rather leave here. But it is a separate thing that I referred to when I know that in the Housing Department there seemed to have been a reluctance to pursue arrears a little bit earlier than when the Central Arrears Unit was disbanded.

2935 **Hon. E J Phillips:** Mr Speaker, just one question in relation to the arrears. Of course it is right that all parties and all administrations should shoulder the blame and responsibility for those arrears but one cannot forget, and by reference to page 53 of the Principal Auditor's Report, I know the Chief Minister has referred to others pages, but he has not referred to 3.4.5 which  
2940 demonstrates – and my question will go, I am just referencing this point – that in 2009 under a GSD administration, in fact arrears went down by 1.4%. They went up 2.2% the year after, 6.5% the year after that, 7.4% when they took office, 9.6% in their second term of office, second year, and 8.2% in 2014 and in 2015, between March 2015 and December 2015, they went up 14%.

2945 Now, can the Chief Minister or the Minister for Housing explain to me why they do not shoulder the blame for that 50% increase over that period of time? It is right that the Government should shoulder some responsibility; they should be magnanimous in showing to this House that there was an increase of 50% in rental arrears. I think it is only right that Members of this House should in fact shoulder that responsibility.

2950 **Hon. Chief Minister:** Well, Mr Speaker, I will explain to him why the amounts of arrears went up and it is unrelated to a General Election in 2015, as I have heard the Hon. the Leader of the Opposition mutter under his breath.

It is very simple, the arrears went down when they started the process of handing out homes in a new Government Estate, in respect of which, Mr Speaker, they entered into arrears  
2955 agreements with a large number of people. A large number of people, Mr Speaker, who did not keep even, in some instances, to the first repayment under the arrears agreement and subsequently thereafter have continued not to make payments in respect of those arrears agreements.

2960 So look, we failed to chase them for those years but they are the ones who entered into the agreements that were with people who had failed to pay their rent before and did not give those who had been paying their rent the opportunity to move into new homes, Mr Speaker. That is what happened and that is how the rent arrears go up in that period.

2965 **Hon. E J Phillips:** Mr Speaker, if that was wrong at the time, or if that was a mistake by a previous administration, why is the current Government repeating the same process with repayment agreements? Surely there are other measures that would be just as effective.

2970 **Hon. Chief Minister:** Mr Speaker, he does not get it. The Government is not repeating the issue with the repayment agreements. We are dealing with these issues in a number of different ways.

People who have previously not had repayment agreements are entering into repayment agreements and are paying on them. Many people who have arrears agreements are paying on them, but a large number of people who entered into arrears agreements only to move to the new estate, stopped paying as they had been doing before – in other words they failed to pay,  
2975 they entered into arrears agreements to move and then stopped paying their rent and the

arrears agreement and that was not on our watch, Mr Speaker. That was on somebody else's watch.

2980 And when we have got into Government, Mr Speaker, when we have got into Government, we have given the priority that we have already referred we have given to issues in the Housing Department. But it seems to me, Mr Speaker, that despite saying that they want to share the burden of blame, that they want to work with us to collect the arrears, all they are interested in doing is using this as a rod with which to win political points.

2985 And this community is too clever for that! This community will see through this. This community will see a Government dealing with people who fail to pay, will see us correcting the situation, will understand that the priority we had to give to other housing matters was given, and will see that the product of the work that the hon. Lady is going to do, and that the people in the newly created Central Arrears Unit are going to do, is one that should never have been undone in 2006 or in 2002, and that we should never have got to the situation to which we have got, Mr Speaker. That is the position.

2990 And that I think is very clearly is what is going to happen and I will tell the hon. Gentleman for nothing, he can reply to me if he likes but people talk to the Government and people talk to the individuals that make up the Government and they do say to us that of all political complexions, what a hard face and little shame the Members of the GSD have to criticise you for this when they were the ones who disbanded the Central Arrears Unit and have seen the increases in arrears in their time.

2995 And if they are saying it to both sides, Mr Speaker, well then a pox on both our houses, but we are the ones in the driving seat now, we are the ones who are going to correct the position and we are the ones who are going to make sure that what was said by the Principal Auditor, repeatedly year after year and was not dealt with, is now dealt with. And if we have not dealt with it for four years because of the priorities that we had, we will deal with it now.

3000 And what the hon. Members are perfectly entitled to do, is to follow up on whether we are doing what we said we would. But as they will see, we always do what we say we will do.

3005 **Mr Speaker:** I realise as Speaker, I am not supposed to get involved but Members have been speaking, the Chief Minister and the Leader of the Opposition of two sides, GSLP and GSD. Now there are three sides. There was an AACR Government for 16 years and during that time rent arrears increased. The increase was probably due to the fact that in the late 1970s the grade of rent collector was phased out, because no analogue could be found in the parity agreement.

3010 So instead of having rent collectors knocking at the doors of people in Government housing every week asking for the rent, and if they did not pay it was very awkward because the neighbours would get to know, that post ... and I remember when that happened, when the grade of rent collector was phased out, the Father of the Gibraltarians, the Hon. Sir Joshua Hassan predicted that there would be an exponential increase in rent arrears. And that happened during the time when we were in office until 1988 and it has continued.

3015 Another point I want hon. Members perhaps to reflect upon, when were rents last increased? The AACR increased rents in 1982-83. Have they been increased since then? And if they had been increased, would the arrears now be £6 million or £16 million? Think about it.

3020 **Hon. Chief Minister:** Mr Speaker is absolutely right that his role is not to become involved in the debate in this way, because Mr Speaker is not representing any side and the parliamentary process is about Government and Opposition.

3025 But I am grateful for the information that Mr Speaker has provided and I would reflect, Mr Speaker, that another important aspect of this, is management of the accounts and there may be people who fell into arrears in the 1970s when the rent assessor disappeared, who have since passed away and whose debt is still on our balance sheet, Mr Speaker. And we need to understand that as well and we need to ensure that the amount that we are talking about is the real amount. There is no point having the fantasy that you have got if you are any business, that

you have got £6 million out that people owe you, if in effect £3 million worth of creditors have since passed away or are companies that have gone into liquidation, etc.

3030 So, Mr Speaker, it is essential that we get this right for the whole of our community and there are modern methods to ensure that people pay their rent, not necessarily the rent collector, with direct debits, etc. One of the things that people will find us very harsh on indeed, is that people who have fallen into arrears, in particular public servants, Mr Speaker, will be required to pay their rents through direct debit, Mr Speaker. Well, in fact they will almost be garnisheed at  
3035 source. And those who are not public servants will certainly be encouraged to pay, in fact not required to pay, by direct debit, so the rent collector knocks on the door of their bank account at the beginning of each month and takes the money by way of direct debit from their account. Because it is just *not fair*, Mr Speaker. It is not fair on those who pay.

3040 And if I can end, Mr Speaker, because it is my intention to adjourn now, on this basis I hope bringing some conciliation –

**Hon. D A Feetham:** Will he give way?

3045 **Hon. Chief Minister:** Let me say something first. Some conciliation to today's debate to an extent, it is good that we all feel so passionately about these arrears and that we want to ensure from different sides of the House, apportioning blame or not as is part of the political to and fro, but that we should feel very strongly about the collection of this arrears and that we should together ensure, with our respective roles, that this is an issue that becomes history as soon as possible. Because it is otherwise totally unfair to other Government tenants, to members of our  
3050 community who are otherwise subsidising people's houses, in the same way as happens in business, Mr Speaker, where one business pays its PAYE, pays its Social Insurance, pays all its rent and rates, and the guy next door pays none of it and in effect is subsidised by the guy who is paying.

3055 So I think the passion that we have seen injected into this debate must be something that we should be trying to harness for the purposes of delivering to this community the collection of these arrears, ensuring that the balance sheet reflects the reality of the arrears and that together we move forward so that the next Principal Auditor's report – though that one will deal with the position two years ago, not with the position from now – but the next one dealing with the position from now is one which is much more salutary in its approach to the work that will  
3060 have been done.

And before I sit down, I give way to the hon. Gentleman.

3065 **Hon. D A Feetham:** Yes, I am very grateful to the Hon. Chief Minister, and he is absolutely right. There are a lot of passions running in relation to this particular issue because it is not only the fact that Government tenants, the people who pay, the Government tenants who pay are subsidising the Government tenants that do not pay.

3070 As Mr Speaker has rightly pointed out, rents have not increased the AACR Government and what we have in Gibraltar today are an awful lot of people who have got private accommodation, who have taken out mortgages, who work very, very hard in order to pay for those mortgages, they take their children to school every single morning on the school run in order to then go to work in order to pay for those mortgages and it is simply not fair, Mr Speaker, it is not fair to then have a situation where there are hundreds of people in Government tenancies who are in arrears, bearing in mind not only the fact of those arrears but the fact that Government rents have actually not increased since the 1980s.

3075 So I think that Mr Speaker's comments have been very apposite. Certainly from this side of the House, we have since I became Leader of the GSD, been very vociferous and very vocal and we will continue to be vociferous and vocal in attempting to deal with this culture of entitlement and although there is a disagreement between us in relation to whether this is a culture of entitlement, I think it is squarely a culture of entitlement when 981 tenants, roughly about a

3080 quarter or a fifth of all Government tenants owe more than three months in arrears of rent, and that has to end.

And I will say this to the hon. Gentleman, any help, any assistance that the hon. Gentleman needs in relation to this by way of political support and cover for the decisions that he takes, in order to ensure that the Taxpayer gets the value for and that these monies are paid, he will  
3085 receive it. Because of course, short of sharing our ideas – and we have offered to sit down with them and share ideas in relation to how these arrears can be recovered – I am also offering the hon. Gentleman the political cover that there will be no criticism from this side of the House for the steps and the measures that his Government takes in order to make sure that this situation ends, which is unsustainable and unfair to Gibraltar as a whole. (*Banging on desks*)

3090

**Hon. Chief Minister:** Well, Mr Speaker, we are going to end on a much more conciliatory note than we started and can I just thank him for that offer of help, and perhaps he might agree to handle just the evictions for us! (*Laughter*)

Mr Speaker, the hon. Gentleman is right that the rents have not increased, we sometimes say  
3095 since 1988; in fact the last rent increase was in 1984, Mr Speaker and that is why, during a General Election campaign, during a General Election campaign, when I was asked whether rents would go up I said that they would, that they should go up at least by the rate of inflation so that they caught up in real money terms, Mr Speaker.

And I repeat that today and the hon. Gentleman in one of the things he said, ‘Oh, because  
3100 there was an election on’, look, even in an election you have to be honest and tell people what is going to happen and when I was asked, I made that clear.

Mr Speaker, the figure of 980 which has been given is not a figure that has moved very much indeed. The hon. Gentleman can look at the Principal Auditor’s report and see that it has always  
3105 been, unfortunately, quite that high. That is why I say this is not about the culture of entitlement but about people not having been chased and then having got used to it.

But, Mr Speaker, I think it is possible today, before I move the adjournment, for the House to adjourn on a House of accord and not of discord. And, Mr Speaker, that I sincerely, sincerely welcome. As I have often said in my Budget Speeches, my Government is here to help those who go out to work every morning, those who have obligations to meet and go out and meet them,  
3110 the hard working people in this community who are the ones who make us tick and who deliver the success that we are today, and not to perpetuate those who seek handouts or fail to pay. That is who we represent, those who put their hands out to work, not who put their hands out to receive only when they are able to pay, and that is who we will chase more than anybody else – those who can pay and do not pay, not those who cannot pay.

3115 With that, Mr Speaker, I would move that the House do now adjourn, unless somebody has any other supplementary on this subject, until tomorrow morning at 10.00 a.m.

#### Q160-161/2016

#### Procedural

**Mr Speaker:** Before we adjourn, there is another *mea culpa* on my part.

3120 Question 160: would hon. Members please have a look at Question 160? I think it would be useful I think in order for Members to have guidance.

When questions are handed in, my staff here, the Clerk in particular are under great pressure because there is only a short span of time, as hon. Members know, from time immemorial, five working days and they try to get the questions to the relevant Government Departments and Ministers as soon as possible. And I delegate to the Clerk so that he has the first look at them,  
3125 obviously I cannot be here all the time when questions are coming in he has the first look, sends them on to the Departments so that they have as much time as possible, unless he has some

doubt about some particular question. If something arises which he wants me..., he will then phone me and tell me or I will come down and have a detailed look at any particular question.

Now, Question 160:

Can the Minister for Social Services confirm how many people underwent a programme of drug rehabilitation treatment in each year from 1996 to 2011?

3130 That question in my view, should not be on the Order Paper because the present Government do not have the responsibility for anything that went on between 1996 and 2011, so they are not required to answer questions for which they have no responsibility. If they wanted to, yes it is statistical information that is being asked for perhaps, so the information can be given.

3135 It is now on the Order Paper, I am not going to remove it, but if I had seen that question, I probably would not have allowed it, on the basis that you cannot ask a Government that came into office in 2011 to answer for something that went on 15 years before or during the time of the AACR. I mean, that is common sense.

3140 **Hon. D A Feetham:** Mr Speaker, may I intervene at this stage. I agree with Mr Speaker, and I will explain why this has crept in, but on different grounds.

Mr Speaker, the Government constitutionally is a continuous entity, so despite the fact that there was a GSD Government from 2007 to 2011, there was a GSLP Government from 2011 to 2015, Government is a continuous constitution, there is never a gap in Government effectively,  
3145 between one and the other.

So, Mr Speaker, it is perfectly legitimate to ask about something that occurred pre..., and there may well be circumstances in which it is legitimate to ask for a question and seek information about something that happened pre-2011, which is when they got elected. That is my own view, Mr Speaker, but of course I defer to any ruling Mr Speaker makes in relation to  
3150 this.

This particular question has crept in, I personally would have taken it out and unfortunately, Mr Speaker, it is entirely my fault because I have been engaged in a trial the entire week and I was not able to look at every single question before they went out. I think where the question perhaps is objectionable is in actually the scope of the question in terms of the information that  
3155 is being sought. I think that it is too wide and certainly on this side of the House, we have absolutely no hesitation in accepting that we have made a mistake.

**Mr Speaker:** I think hon. Members of the Opposition, particularly those who were here during the previous three years will confirm I hardly ever, we hardly ever turn a question back. It  
3160 is a very rare occurrence for me to rule out a question.

**Chief Minister (Hon. F R Picardo):** But, Mr Speaker, can I be of assistance to hon. Members so that they can have an idea of the issues. We spotted this question because obviously it came to us and we had to try and deal with it. Also the size of the data requested is very difficult to  
3165 compile in five days, even if we had been the Government that had been in place since 1996.

In some instances it is very easy because it may be something that has been compiled before and may be data that is kept by the Civil Service, but if you have got to go back and recreate the data, then it becomes impossible to provide in the time available.

But can I just suggest to the hon. Members opposite in a way that might be helpful to them –  
3170 whether or not they had been in Government in that period, but in fact they had been in Government in that period, some of them for some of that period, I think none of them since 1996 but they have colleagues in their parties who were – that of course it is always open to them, if they want to get information which they then can trust to the period that we have been



3175 in office, to write to the Chief Secretary and ask him, 'When I was a Minister can you tell me, can you just remind me of this or that?'

That of course is something they are entitled to do and can sometimes be more helpful to them than asking the question only at Parliament time. The questions they can ask the Chief Secretary in respect of the time that they were in office, they can put at any time and they can be provided with the information and in that way, I think they might find it easier to do the job which of course they want to do and it is perfectly normal of contrasting things that happened in their time with the things that happen or are happening in our time.

**Mr Speaker:** Let me just, before the Hon. Mr Elliott Phillips stands, let me just read out to Members the Rule in question. Rule 15 – Matters to which questions must relate:

Any question addressed to the Chief Minister, or a Minister shall relate to the public affairs with which he is officially connected or to a matter of administration for which the Government is responsible.

3185 Clearly the present Government are not responsible for what went on between 1972 and 1988.

**Hon. D A Feetham:** No, Mr Speaker, when it talks about Government, this is what I am ... but again I do not want this to be contentious, but when it is talking about Government, and I am not sure that this is contentious between myself and the Chief Minister. When one is talking about Government, one is not talking about the current Government because Government is a continuous entity constitutionally and therefore it reaches back. That is why constitutionally it is a perfectly legitimate question to ask, and Mr Phillips is now going to explain the reason why he asked it.

3195 When I saw this, and I have explained I have been preparing for a very long trial that I had and I could not vet every single question and this one I did not vet. My concern with this question when I read it today was that it says 'to confirm how many people underwent a programme of drug rehabilitation from 1996 to 2011.' I thought that is an awful lot of people – that is the reason why I, in the back of my mind I thought well actually if I had seen this before, I would have certainly spoken to Mr Phillips.

3200 Unfortunately, Parliament is always the third week of every single month which would have been last week, that is why the trial was listed this week and it has actually coincided and it has been very difficult to basically read every single question and it is entirely, entirely my fault.

3205 **Mr Speaker:** And mine.

**Hon. D A Feetham:** But, Mr Speaker, Mr Phillips says that he has a reasonable explanation for this.

3210 **Hon. Chief Minister:** Can I just speak?

**Hon. D A Feetham:** Yes, of course, I give way.

**Hon. Chief Minister:** Well, I don't think you have to – you are going to sit down.

3215 But, Mr Speaker, can I just thank the hon. Gentleman for that because it is not contentious for us. In instances where only statistical information is being sought we will of course try and provide it, but going back to 1996 is well nigh impossible, Mr Speaker, we are talking about 20 years.

3220 But not just that, Mr Speaker, as hon. Members will know or should know, of course drug rehabilitation was not done by the Government until 2009, it was done by an independent trust which the Government supported and it was in 2009 that the former administration took over

the running of Bruce's Farm, which had previously been handled at arm's length through a charity.

3225 So in any event, in respect of this matter, it would have been impossible for us to provide the information for that reason as well.

**Hon. E J Phillips:** For the avoidance of any doubt and in order to explain why I asked that question and also the following question, it was as a result of the Minister Sacramento's comment, and I will refer to it in *Hansard* at 124 page 33 on the morning of Wednesday, 20th  
3230 January, in which she said, 'When I looked at the statistics' – when she entered office – 'it was clear there was no-one there, Mr Speaker.' And she went on to refer to how many people would be undergoing treatment and how many did undergo treatment before her time in office.

Therefore I think it is quite right and prudent and proper for the Opposition to ask questions that lead on from her statement, which has caused much controversy amongst a former  
3235 Member of this House, regarding who had undergone a rehabilitation programmes – not who, the amount of people that had undergone a rehabilitation programme and those who were successful.

It is only right and I am grateful for Mr Speaker to confirm (*Interjection by Hon. Miss S J Sacramento*) that the question can stand. It is only as a result of the exchange that I had with  
3240 Miss Sacramento where she described Bruce's Farm as a crack house when she entered, which was a very unfortunate use of words.

But, Mr Speaker, that is the reason and that is a reasonable explanation in my view for asking this question and the following question, that is why I am asking for a response.

**Mr Speaker:** I think therefore that I should give an explanation as to why it is on the Order Paper. Question 161 is similar, it is on the Order Paper, I am going to allow them tomorrow. It is for the Government to decide how they answer them, but I just warn hon. Members that on  
3245 another occasion, we might not allow it for the reasons that I have explained, okay?

Thank you very much.

3250

**Hon. Chief Minister:** Yes, Mr Speaker and that makes perfect sense, although I will tell the hon. Member that the words used by the Hon. Minister were words which adequately described the state of the place as we found it. And I know that the issue that his party colleague had was to say that when he left it, it was not in that state. But he might want to reflect on the fact that  
3255 there was an interim period between our arrival in office and Mr Corby's departure from responsibility in respect of this particular facility and we were not the ones in office in that period.

**Hon. E J Reyes:** May I Mr Speaker, in keeping with that, I am not disputing what the Chief Minister said but I must also declare a vested interest. I personally succeeded Hubert Corby before my life in Parliament as Chairman of Bruce's Farm, so it is not just Mr Corby who took certain, perhaps displeasure, at the words but I also on behalf of those who were on the Board of Trustees with me.  
3260

**Hon. Chief Minister:** And that, Mr Speaker, is exactly the point. Because the hon. Member then became a Member of Parliament after that and there was a period when it was being run by the Government, the GSD Government, he was not the Minister responsible and then we took over. Then the description is about what we inherited, not from him or Mr Corby as trustees, but from the GSD.  
3265

3270

**Mr Speaker:** The House will now adjourn until tomorrow at 10.00 a.m.

*The House adjourned at 7.10 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 10.05 a.m. – 1.05 p.m.**

**Gibraltar, Friday, 26th February 2016**

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GIBRALTAR PARLIAMENT, FRIDAY, 26th FEBRUARY 2016

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# The Gibraltar Parliament

*The Parliament met at 10.05 a.m.*

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

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

## Questions for Oral Answer

### TOURISM, HOUSING, EQUALITY AND SOCIAL SERVICES

**Q160/2016**

**Drug rehabilitation–**

**People undergoing treatment 1996-2011**

**Clerk:** Meeting of Parliament, Friday, 26th February 2016.

We continue with answers to Oral Questions.

We start at Question 160. The questioner is the Hon. E J Phillips.

5

**Hon. E J Phillips:** Mr Speaker, can the Minister for Social Services confirm how many people underwent a programme of drug rehabilitation in each year from 1996 to 2011?

10 What I would say, Mr Speaker, is that there was an error, that is my mistake insofar as 1996 is concerned. What I would like the answer to is from 1999 onwards rather than 1996. I apologise for that error, but if the Hon. Minister could answer the question in respect of that period, I would be obliged.

**The Speaker:** Given the distance between the hon. Member and myself, I would be grateful if he could raise his voice a bit. Thank you.

15

**Hon. E J Phillips:** Mr Speaker, would you like me to repeat the question?

Can the Minister for Social Services confirm how many people underwent a programme of drug rehabilitation treatment in each year from 1996 to 2011?

20

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

25

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the Government is not answerable for any acts prior to 8th December 2011 and the collation of material going back 20 years as requested originally in five working days is, in any event, extremely difficult.

Since January 2012, 56 people have completed treatment.

**Hon. E J Phillips:** Mr Speaker, probably two supplementary questions in relation to that point.

30 Mr Speaker, you will recall yesterday that I referred the hon. Lady to a statement that she made in answer to a question that I put to her yesterday in relation to the statistics that she claimed that she had looked at on entering office and she said, and I quote:

And then the answer when I looked at the statistics was clear: there was no-one, Mr Speaker. In the days of the GSD Mr Speaker, we were paying for a rehabilitation facility which was empty, Mr Speaker. At the time, there may have been one person undergoing treatment, at most two.

Mr Speaker, in answer to Question 574/2001 there were over 310 admissions to Bruce's Farm from years 2003 to 2010 and the Hon. the Minister has confirmed there were 56, I believe, admissions at Bruce's Farm undergoing treatment.

35 Can the Minister now confirm that the position that she stated in this House was incorrect and ask her to correct the record?

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

40 **Hon. Miss S J Sacramento:** Mr Speaker, the statement is so preposterous that I actually do not know where to start, and I have to confess how sad it is that people are trying to score political points when it comes to rehabilitation.

First and foremost, Mr Speaker, yesterday you did make quite clear that we would not be answerable for any acts before we came into Government in December 2011 and notwithstanding the direction, Mr Speaker, the hon. Gentleman continued to ask for statistics from 1999. So Mr Speaker, everything that you said yesterday fell on deaf ears.

**Hon. D A Feetham:** A Point of Order.

50 **Mr Speaker:** Yes, a Point of Order, what is it?

**Hon. D A Feetham:** Mr Speaker, on a Point of Order, and it is important, and I would ask Mr Speaker to reflect upon it and if necessary not rule now, but rule after Mr Speaker has had some thought in relation to the matter.

55 I said yesterday that constitutionally it cannot be the position that a Government is only obliged to answer questions in relation to their term in office, because there may well be certain circumstances where it is justified to ask questions on the period prior and that constitutionally Government is a continuous entity.

60 Now of course it is always going to be at the discretion of a Speaker as to whether a Speaker allows those types of questions or does not allow those types of question because I can envisage that of course Mr Speaker can say, 'Well look, they were not in office at that time and also it is oppressive to be asking something going back 20 years because statistically, it really, the mass of statistics that that produces it is not fair on the machinery of Government or it is impossible or a number of other reasons.'

65 But it is the principle and the precedent that is being set of saying, 'We cannot be responsible for any answer prior to December 2011', which I do not believe is right and I think that the Hon. the Chief Minister in fairness to him yesterday, I think accepted that that cannot be right as a 'across the board' statement.

70 Therefore I would ask Mr Speaker, even if he does not do it now and allows the hon. Lady to continue, that he thinks about it and then rules in due course.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, if I can assist in this respect.

75 Let us be very clear, it is impossible for us to be responsible for matters which relate to the period before we were in office and responsibility is the key word here. If somebody wants *data* about something that relates to the period before we were in office and it is readily available, then of course it is provided and there will be no difficulty with that.

But in this instance, as I think was acknowledged yesterday, with five working days to prepare answers, it is impossible to produce 20 years of data unless it is already data that is maintained and easily accessible.

80 And, Mr Speaker, very often it is because something has been asked for in this House that data is maintained in a particular way and then you can literally pull it off the shelf when somebody asks for it to be updated because the civil servants will diligently be keeping the data in the form that it is regularly asked for.

But I certainly do not accept, and maybe the hon. Gentleman did not mean to say this, I certainly do not accept that we have responsibility in respect of anything which relates to the period before 9th December 2011, but we will certainly always try to assist in providing information which relates to any period because the hon. Gentleman was saying yesterday that there is one Government of Gibraltar and there are different administrations and that of course is the correct position.

90 There is a different Government of Gibraltar after every new Constitution so there was one from 1969 and one from 2006. It does not really make any difference to the point that I am making and that is why yesterday, Mr Speaker, what I also told the hon. Members they could do, is write to the Chief Secretary if they wished to have information about periods when they were in office – and in some instances I know that there are only two of them here who were in office and they may have to pray in aid the assistance of some of their colleagues who were in office before, if they want a piece of data which relates to their ministerial responsibilities at the time between 1996 and 2011.

We will always try to help with data where available but we will not be responsible of course, in respect of matters that relate before our election into office.

100

**Hon. D A Feetham:** Can I come back in relation to that?

We are both singing from the same hymn sheet. I stood up yesterday and I said and acknowledged that in relation to a question where one is asking for statistical information going back 20 years, there may be all sorts of reasons why the Government may say 'Well look, we cannot answer that question', which is the point that the Hon. the Chief Minister is making.

105 My point is a different one. What I do not want is the precedent being established that a Government refuses to answer questions just simply based on the fact that that question relates to information prior to them coming into office in December 2011, in this instance.

And I do not think there is a difference between my learned and hon. Friend, the Chief Minister and myself in relation to this, but of course because the hon. Lady has answered the question in the way that she has answered it, I feel obliged to stand up so that there is no precedent established that we cannot ask any questions that may be appropriate, proportional and reasonable, as to information that arises prior to them taking office in December 2011.

115 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, can I make one additional point before Mr Speaker rules?

**Mr Speaker:** No I am not going to rule. I am going to mention what I am going to do, but there is not going to be a ruling at this stage.

120 Yes, continue.

**Hon. G H Licudi:** Mr Speaker, the hon. Member mentions the constitutional principle of continuity of Government, and that is of course true as a constitutional principle. But there is a difference between continuity of Government and continuity of information across different Governments, and there is a rule that there are some files that a Government does not have access to in relation to the previous administration.

125 So many files, once an administration comes to an end, the files are put away in boxes and it is the civil servants, and the Chief Secretary in particular, that has access to those files. Now if

130 information is sought of this Government in respect of a previous administration, we do not  
have access to those files to either contrast or compare or put data in its proper context and  
therefore coming to Parliament and being responsible for the information we give this  
Parliament, we cannot take that responsibility in respect of files that we do not have access to  
and therefore it creates a big, big practical difficulty for the Government, and certainly in terms  
of the Standing Orders which talk about giving information for which the Government is  
135 responsible, we are not responsible for that information, particularly because in many cases we  
do not have access to that information and therefore cannot put even data in its proper context.

I am happy to give way.

**Mr Speaker:** But of course the administration, as the Chief Minister has said, the Chief  
140 Secretary would have access and he is the one who provides the continuity whenever there is a  
change of Government in particular.

**Hon. D A Feetham:** Absolutely. That is...exactly. That is precisely constitutionally what the  
position is.

145 And indeed I recognise what the Hon. the Minister for Justice is saying. There are files that  
are not disclosable, say for example a summary to the incumbent Chief Minister because it  
relates to something that happened prior to his coming into office and there are particular types  
of files, I think it is the *D* files – (*Interjection*) It is the *D* files.

150 **Hon. Chief Minister:** They are alphabetically numbered by Chief Ministers.

**Hon. D A Feetham:** Yes, they are alphabetically numbered by Chief Ministers, that is  
absolutely right and therefore I accept that. I accept that entirely and that is why I have come  
here and I have said that it is quite reasonable for a Government, under certain circumstances,  
155 for a variety of reasons, to refuse to answer a particular question when it is posed.

But with respect to the hon. Gentleman, when the Standing Orders talk about for which the  
Government is responsible, you cannot just simply hermetically seal that or narrow down the  
scope to Government as at the point in time when they are in office because there may well be  
information for which they are responsible, but that information came to light and came into  
160 being – probably the latter better than the former way I have characterised it – prior to them  
coming into office.

And I think we are all singing from the same hymn sheet, it is just that I am concerned that  
we do not have a practice or a precedent that is established that basically says, 'Right, okay we  
can only answer questions if the information really arises after December 2011.' That is not the  
165 position as it transpires in these exchanges of the Government, it is not the position of the  
Opposition.

**Mr Speaker:** Very well, I get the gist of the point that has been raised and I will make a ruling  
in due course, insofar as it applies to Parliament, because one issue is constitutional  
170 responsibility of the Government within Parliament and another matter may be what happens  
outside Parliament, where the Government may have the constitutional responsibility with  
regard to the general public. So it will purely be directed to Parliament.

Now, the Hon. Mr Elliott Phillips mentioned a question in 2001, okay? The hon. Lady was not  
a Member of the House of Parliament in 2001 and therefore she has no obligation to be  
175 informed about any answer that was given in Parliament in 2001, unless, unless her Department  
in drafting answers have a file where that information may be available. If her Department has a  
file in which answers, having been answers in what was then the House of Assembly, those  
answers have been put into that file, then a Head of Department or the person drafting for the  
Minister an answer to the question may be able to bring that to the notice of the Minister.



180 But other than that, she certainly has no obligation to know what went on in 2001, so I do not think that he can refer to that.

**Hon. Miss S J Sacramento:** Having said that, Mr Speaker, and because the hon. Gentleman is suggesting in a supplementary that I am misleading Parliament in my answer, then, and he is insisting with his facial gestures that he is making, Mr Speaker, in his supplementary, what he refers to is admissions to Bruce's Farm.

In his current question, his question relates to *completion* of treatment in Bruce's Farm, Mr Speaker and they are not – (*Interjections*) Mr Speaker, the question and I will read it for the sake of good order says:

Can the Minister for Social Services confirm how many people completed a drug rehabilitation programme between the years 1996 and 2015?

190 Mr Speaker, that is the question that I have on my paper.

**Mr Speaker:** That is the question that I have.

**Hon. Miss S A Sacramento:** The question that I have says the word *completed*. (*Interjections*)

195 **Mr Speaker:** She is answering the two questions together. Question 160, can the Minister for Social Services confirm how many people *underwent* a programme of rehabilitation? And Question 161: confirm how many people *completed* a drug ...

200 **Hon. D A Feetham:** We have not called Question 161.

**Mr Speaker:** It has not been read? Then what the Minister should say is I will answer Question 160 together with Question 161, and then the Hon. Elliott Phillips can read out Question 161.

205 **Hon. Miss S J Sacramento:** Mr Speaker, I do apologise. I had it open on the wrong page after yesterday after we left.

So yes I was answering, the statistics that I provided was in relation to Question 161 because I intended to answer both together.

210 Having said that Mr Speaker, if I can pre-empt the answer to this one I have noticed that actually I do not have the statistics. I have not been provided with an answer for Question 160 so I do apologise for that. I do not have the figures for those who underwent; the only figure I have been provided with is that for people who completed treatment.

215 So the number of people who completed treatment is 56, I have not been given the figure for those who underwent a programme between –

Oh no no, Mr Speaker, sorry! Reading Question 160, Question 160 asks how many people underwent a programme between 1996 and 2011, Mr Speaker, and my answer to that is that we will not be answerable in relation to anything that happened before the period of December 2011. So that is my answer to that and that in any event, it would be impossible to collate those figures in the short period of time that we have since the question was asked.

220 So, Mr Speaker, I have not made a mistake in the answer to Question 160, but I did make a mistake when I thought I was answering Question 160 and what I was answering was Question 161.

225 It may be easier if the hon. Gentleman asks Question 161 and then we can have the answer on that.

**Hon. E J Phillips:** Mr Speaker, just one question before we get on to Question 161. The reason why – it is a very simple reason – the reason why I ask this question was because she said in answer to the question that I put to her in the last session that she looked at the statistics after coming into office and it was clear that there was only one person there. Hence the reason for asking the question.

The matter was put before the House. She made a statement in relation to the number of people that were working at Bruce's Farm, together with rather inflammatory language about the state of the service at the time and therefore I am entitled, I believe, to ask a question relating to those numbers, those statistics that my learned and hon. Lady has said that she has seen on entering office. That is precisely the point that I am making. The answer that she has clearly given shows that the impression that she gave from her answer to my question in the last session was wrong, and that is the point I am making.

I would ask – it is not a political point, I am not making party politics out of it (*Laughter*) – I am asking the hon. Lady to correct the record from information that she provided to this House that was incorrect. It is a simple point that I make and I would ask her to correct the record please.

**Hon. Miss S J Sacramento:** Mr Speaker, I do not think he understands, because he has answered –

**Hon. Chief Minister:** It is strange for an Englishman not to understand English.

**Miss S J Sacramento:** He has answered his own question, Mr Speaker. Because what I said last month, Mr Speaker, was that when I first went to Bruce's Farm early on after having taken office, it was empty. So clearly that could only have happened after 9th December 2011, so what has it got to do with the statistics before December 2011?

I am saying that when I went to Bruce's Farm, when I was the Minister with responsibility for Bruce's Farm, shortly after having been the Minister, the place was empty. On some days it was empty, on some days there was one person there or there could have been two people there. That was in the early days in which we took office. So the statistics that I am referring to, what I said – and he can check *Hansard* because I am pretty sure that that is what I said last month – was that very early on, it was empty.

And if it was empty very early on, it cannot be attributed to anything that we did, because all we did was inherit the mechanism that was there.

I have to say that I was horrified and I will say it again – I know he does not like it because he does not like being reminded of what I inherited – but I was horrified to find two things when I went to Bruce's Farm.

**Mr Speaker:** No please, please. Look, I think I have been very liberal, even in respect of having on the agenda paper as I mentioned yesterday, two questions which my inclination would have been not to allow. Now constitutional points have been raised, I am going to make a ruling in due course, but now I think hon. Members really have to come down to earth and realise that they are widening the whole ambit of the thing and advantage is being taken really. Advantage is being taken of a very generous attitude on my part.

So please, keep strictly to the subject matter. I told the hon. Questioner that you are not expected to deal with something that happened in 2001 because you were not even a Member but the situation as you found it, because you are now going back to the question of the last meeting, the situation as you found it in Bruce's Farm, you have made the point, please do not widen the ambit of the matter any further.

Therefore I ask the hon. Questioner to do the same. Let us keep a sense of proportion.

280 **Hon. D A Feetham:** Mr Speaker, may I ask a question in relation to this? (*Interjection*) Well yes, Mr Speaker because of course the hon. Lady may be absolutely right that in 2011 when she took office there was nobody there. But as my hon. and learned Friend, Mr Elliott Phillips has pointed out, from 2003 to 2010 there were 310 admissions and that we know from questions that were asked by the hon. Gentleman immediately to the left of the hon. Lady, Mr Neil Costa who asked the question.

285 And can I ask the hon. Lady that in her exhaustive search for all the statistics which led her to believe that there was nobody there and this was some form of “crack house” when she took office – it’s the words that she used – did she at the very least talk to her hon. colleague, Mr Neil Costa who quite clearly had the information when it was provided to him in answers to questions?

290 **Hon. Chief Minister:** Mr Speaker.

**Mr Speaker:** I will answer that.

295 **Hon. Chief Minister:** Thank you.

**Mr Speaker:** In my view she had no obligation to do so. When I became a Member of the House in 1972, I had no obligation as a Minister to find out from Maurice Featherstone, Aurelio Montegriffo, or what have you, what went on in the exchanges that they made when they were sitting on that side of the House.

300 No, I do not think that is a requirement in a parliamentary process where people are elected at a certain time and leave Parliament at a certain time for that kind of continuity. No need for it.

**Hon. Chief Minister:** Thank you, Mr Speaker.

305 I think that is exactly the point that you have been making and remaking, and the only further point to make is that the hon. Gentleman still does not seem to appreciate that the description that seems to get their backs up so much of a ‘crack house’ is a description on the morning of 9th December, the morning of the great New Dawn of the state of the place as we inherited it.

310 **Hon. E J Phillips:** Mr Speaker, just for clarity’s sake, I do not want to overegg the point, but the question that I asked was in relation to – and it is a very simple point, Mr Speaker, because *Hansard* demonstrates to all of us here in this Chamber – that the Minister looked at the statistics at the time. Which statistics was she looking at, Mr Speaker?

315 **Hon. S J Sacramento:** Mr Speaker, after December 2011 the statistics that told me that there was nobody there after 2011, Mr Speaker, and in fact I did not need statistics, I went there myself, Mr Speaker. And because of that, Mr Speaker, I asked the people who managed Bruce’s Farm to send me the report in the same way that you do with hotels, where you monitor bed occupancy. I asked for bed occupancy because I wanted to know. I wanted to see the pattern  
320 whether people wanted to be admitted to Bruce’s Farm on a Monday, a Tuesday, a Wednesday, a Thursday, a Friday.

Actually I still do get the bed occupancy for Bruce’s Farm every day of the week and every day of the month and every month of the year, Mr Speaker, because I want to monitor the statistics while I and this Government is responsible for Bruce’s Farm, Mr Speaker. But I want to  
325 make the point again, Mr Speaker, the statistics that I was referring to was the statistics of what was there when we took office in December 2011, after 2011 Mr Speaker.

And the reason I said what I did in relation to the GSD was because that clearly must have been the system that we inherited and the system that I wanted to put right. And I am sorry that it hurts them, Mr Speaker, but that is what it was, Mr Speaker. Yes, there may well have been

330 other admissions in the period as referred to in that question in *Hansard* in 2011 but I am talking about December 2011, January 2012, February 2012, Mr Speaker. That is what I am referring to.

The hon. Gentleman is insinuating that I am somehow misleading Parliament. I certainly am not. (*Banging on desks*)

335 **Mr Speaker:** Move on to the next question.

**Hon. E J Reyes:** I want to say something, Mr Speaker. May I say something?

**Mr Speaker:** You may.

340

**Hon. E J Reyes:** Mr Speaker, I want to –

**Mr Speaker:** Are you asking a question?

345 **Hon. E J Reyes:** Alright, I am going to ask a question, yes, Mr Speaker. (*Laughter*) I will ask a question. I am going to add like a preamble to the question.

If in order to be able to collate the information which may be useful for either side, because at the end of the day the ultimate aim I think cross-parties is to improve as far as possible, the services offered by Bruce's Farm. I formally authorise the Minister to be able to access any data that I may have left behind at Bruce's Farm in respect of my days as Chairman of the Trust, when I know statistics and so on were there. It could help the current Government or future Governments in order to improve the facilities.

350 My question is without wanting to rumble back or whatever, because of the answer given at the time when both the Hon. Neil Costa and myself were Members of this Parliament in 2011, we got information that gives us admissions right up to –

355

**Mr Speaker:** You are asking a question.

360 **Hon. E J Reyes:** I am asking a question, Mr Speaker. What I am saying, my question is I have got information up to 2010, the Minister has been able to provide us with an answer of statistics from she says 2012 onwards? Yes. We are missing a figure for 2011, would it be possible for the Minister at some stage, if not now, to undertake it just to provide us the statistical figure of 2011 as well as, she may even have it, the 56 completions since 2012? Would she happen to have a breakdown of the years, what pertains to 2012, 2013, 2014? It is just so that we can complete the picture, seeing that we have 90% of it, Mr Speaker.

365

**Hon. Miss S J Sacramento:** Mr Speaker, yes but that question was not actually asked, and the problem here is that I answered Question 161 before it was actually asked, because Question 160 is very defined in time, in that it only asks for the people who were admitted between 1999 and 2011. My answer to that was that I would not answer it because we are not answerable for anything before our period in office. So that is why we do not have the figures for admissions. The reason we do not have the figures for admissions is because it was not asked.

370

And I have pre-empted the answer to Question 161 by mistake before it has been asked and I have already answered Question 161.

375 But it may be more helpful if we carry on and I give the hon. Gentleman an opportunity to ask Question 161 and then at least if we are going to have anymore supplementaries, it will be in relation to the right question and not Question 160 because I did intend to answer them both together, it just as it happens I had my file open from yesterday and I had it open on the wrong page.

380

**Mr Speaker:** Question 161.

**Q161/2016**  
**Drug rehabilitation–**  
**People completing treatment 1996-2015**

**Clerk:** Question 161, the Hon. E J Phillips.

385 **Hon. E J Phillips:** Mr Speaker, can the Minister for Social Services confirm how many people completed a drug rehabilitation treatment programme between the years 1996 and 2015?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

390 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, my answer which is the answer to Question 160 and 161 which I am taking together, is once again, this Government is not answerable for any acts prior to the 8th December 2011 and the collation of material going back 20 years in five working days is in any event extremely difficult, but since January 2012, 56 people have completed treatment.

395

**Hon. E J Phillips:** Just for the sake of clarity, from 1st January 2012 until 2015 this month, 56 people is that right?

**Hon. Miss S J Sacramento:** Yes, Mr Speaker, but we are not in 2015, we are in 2016.

400

**Hon. E J Phillips:** Does the Minister have a breakdown for each year, 2012, 2013, 2014, 2015 and partial month for 2016?

405 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, in relation to completion of the programme: for 2012 we had 14 people; 2013, 15 people; 2014, 14; and for 2015, 13 people.

**Mr Speaker:** Next question.

**Clerk:** Question –

410

**Hon. D A Feetham:** Mr Speaker, may I?

**Mr Speaker:** Yes.

415 **Hon. D A Feetham:** Is there a practical difference in terms of the numbers between undergoing a programme and completing a programme, and can the Hon. Minister perhaps provide some information in relation to that please?

420 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, there is a considerable difference between admissions and people who complete the programme because actually completing the programme is very, very difficult, and it may be that on some occasions people are admitted and they are not ready. No-one can force someone to either undergo a drug rehabilitation programme or complete a drug rehabilitation programme. It is something that is very, very difficult and a person has to be in the right place and in the right frame of mind in order to do so.

425

And while some people may be very keen to undergo drug rehabilitation treatment, because it is so difficult, not everybody succeeds or not everybody succeeds on the first occasion. It depends on the person, it depends on the situation and it depends on their level of addiction, and it may be that for some people it takes three, four, even five admissions for them to be clean and to stay clean.

430 It may be that people are admitted, complete the programme, relapse and need to be re-  
admitted again. There are all sorts of different combinations in relation to admission and re-  
admission. Regrettably, this is something that ... there is no magic wand for drug treatment and  
rehabilitation. Everybody wants to help an addict and I think that nobody who is an addict wants  
to be an addict, but it is very, very difficult to get out of addiction.

435 **Hon. D A Feetham:** Yes, Mr Speaker, that is exactly what I thought and of course it is  
unfortunate that people fall off the wagon, so to speak. People do not complete it and have to  
undertake the programme again. Therefore I was wondering, in order to actually see how many  
people are undertaking the programme and then comparing it to how many people are  
440 completing the programme, I wonder whether the hon. Lady has the statistics of how many  
people underwent the programme during their term in office. Does she have the statistics there  
– as opposed to completing, obviously?

**Hon. Miss S J Sacramento:** No, Mr Speaker, what I could have is details of admission but we  
445 can have situations where people are admitted and leave the following day, people may be  
admitted on a Friday and leave on a Monday, so how far does that constitute undergoing a  
programme? There are some people who are admitted for a few days and they may then  
undergo the programme in the community, people do 50/50.

One of the things that I introduced in fact in December 2011 was the support in completing  
450 the 12 steps programme in the community, for people who found it difficult to be in Bruce's  
Farm for the three months for which the 12-step programme requires. So a very narrow  
interpretation of these statistics does not actually give an accurate overview of the situation, Mr  
Speaker.

It is something that is very, very difficult to monitor. We try as much as we can but it is what  
455 it is, Mr Speaker. But at least what I am much more comfortable with now and much happier, is  
that admissions are up and we have never had a situation where we have not had anybody in  
Bruce's Farm. Thankfully when I review my statistics, I have never in the last few years had  
statistics which tell me that bed occupancy is zero.

460 **Hon. D A Feetham:** But can she tell us how many people have been admitted into Bruce's  
Farm from 1st January 2012 all the way to February 2016, on a yearly basis?

**Hon. Miss S J Sacramento:** Mr Speaker, that question was not put to me but of course the  
hon. Gentleman is free to ask that in the next parliamentary session.

465 **Hon. E J Phillips:** Mr Speaker, I am grateful to the Minister for that explanation. I think that  
will go some way, it is actually pleasing to see that the work is being done in the community to  
also reinforce the 12 step programme and a number have experienced outside of the work that  
we do here in relation to that. It is useful to see people in the community undergoing that  
470 programme within the community outside the structure of Bruce's Farm. It is important work  
and I congratulate the Minister in respect of that work that she is doing.

One of the supplementary questions I would like to know is that I know the Chief Minister  
said yesterday that there had been significant increases in relation to the admissions and the  
Minister has alluded to that point again. Is there a reason, has the Government looked into the  
475 reasons for increased admissions for people with addiction problems, alcohol and drugs?

**Hon. Miss S J Sacramento:** Yes, Mr Speaker, and in fact what we did was, the starting point in  
2011 was looking at why people were not going to Bruce's Farm in the first place. There were  
several very significant stumbling blocks in relation to admission, in relation to the management  
and administration of the place once people were there, and there were all sorts of problems in  
480 relation to admissions. People had to jump through hoops and all sorts of hurdles to get there.

So we have facilitated that. We have changed the protocol to facilitate admission but more importantly, to make the stay of the service user much more comfortable.

485 We wanted to do two things. Of course I inherited a problem where there was nobody there so clearly if there was nobody there, nobody can undergo rehab. I wanted to make sure that we had an increase in admission, Mr Speaker. I know that the Leader of the Opposition does not like it when I remind him of this, but it is a fact, Mr Speaker. So when I see something and I see that there is a problem, clearly if there is a drug rehabilitation centre that does not have a high occupancy level, it means that somewhere there must be a problem, so I need to look back and see what the problem is.

490 One of the problems was that people found it difficult to be admitted because of the cumbersome procedure which we streamlined. People were not happy when they were there because of certain policies and procedures, which we looked at and we facilitated to encourage people to be there. And of course, very importantly, the makeup of the place and the structure of the place had been left to fall into disrepair. I know that there are people who were very passionate about setting up Bruce's Farm initially in 1999 when it was a charity, but unfortunately those people were not those responsible for it towards the latter part of the GSD and while I do not blame them as individuals for it falling into disrepair, the reality is that it was not a comfortable place to go to, Mr Speaker.

500 So we did look into that and people have now been, I think, happier to be admitted to Bruce's Farm. I have to reiterate one of the points that when people are admitted to Bruce's Farm, they are guaranteed complete anonymity and that is a very important factor in relation to admission, Mr Speaker.

505 **Mr Speaker:** Next question.

**Q162/2016**  
**Same-sex marriage –**  
**Religious beliefs**

**Clerk:** Question 162, the Hon. E J Phillips.

510 **Hon. E J Phillips:** Mr Speaker, the Minister for Equality has confirmed that in the context of the proposed amendments to the Marriage Act to make provision for same-sex marriage, religious denominations will not be forced to change their practices, beliefs or sacraments in any way. How does the Government intend to deal with a Registrar of Marriages refusing to marry a same-sex couple on the grounds of religious belief?

515 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the Government is presently considering the responses received to the Command Paper on Equal Marriage. It would be inappropriate to deal with issues such as that raised in the question before the Government has announced the conclusion it has reached after a full assessment of that consultation.

**Mr Speaker:** Next question.

**Q165/2016**  
**Government rental homes –**  
**No means testing for allocation**

525

**Clerk:** Question numbers 163 and 164 have already been called out. So we move to Question 165, the Hon. E J Phillips.

530

**Hon. E J Phillips:** Mr Speaker, can the Minister for Housing confirm that the Government has ruled out the introduction of means testing for the allocation of Government rental accommodation?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality, Social Services.

535

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

**Q166-167/2016**  
**Government rental homes –**  
**Vacancies**

**Clerk:** Question 166 the Hon. E J Reyes.

540

**Hon. E J Reyes:** Mr Speaker, further to the answer to Question 42/2016, has Government made any further decision in respect of the possible sale/tender of the 77 homes identified for this purpose?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

545

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Question 167.

**Clerk:** Question 167, the Hon. E J Reyes.

550

**Hon. E J Reyes:** Further to the answer given to Question 42/2016, can Government say what it intends to do with the 66 homes classified as 'beyond economical repair?'

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

555

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the tender process of a number of these homes has already been completed and these have been removed from the housing stock. The remainder continue to be considered. The tenders will be issued in the usual way.

560

These properties are being reviewed by the Government's Land Management Committee, the aim of which is to maximise the properties or the space in the area in which they are.



**Q168/2016**  
**Government rental homes –**  
**Discrepancy in information given**

**Clerk:** Question 168, the Hon. E J Reyes.

565

**Hon. E J Reyes:** Mr Speaker, further to Question 43/2016 can the Minister for Housing confirm if she has had an opportunity to check upon the discrepancy of information provided last month via Table H22 on the Government's website, when compared to her oral answer to the original question?

570

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, further to Question 43, I can confirm that I checked and the discrepancy arose as a result of an inputting mistake and human error.

575

**Q170/2016**  
**Government rental homes –**  
**Eviction of squatters**

**Clerk:** Question 169 has already been called out.  
We move to Question 170, the Hon. E J Reyes.

580

**Hon. E J Reyes:** Mr Speaker, can the Minister for Housing provide detailed information in respect of any legal costs incurred relating to the eviction of squatters from rental homes since the answer given to Question 48/2016, together with any possible information as to how these squatters may have come about to unlawfully occupy a home?

585

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, none.

590

**Mr Speaker:** Next question.

**Q171-172/2016**  
**Government rental homes –**  
**Urgent decanting of tenants**

**Clerk:** Question 171, the Hon. E J Reyes.

595

**Hon. E J Reyes:** Can the Minister for Housing provide details of how many tenants required urgent decanting from their homes since the answer given to Question 49/2016, indicating the reason why and the date when said decanting became necessary?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

600 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Question 172.

**Clerk:** Question 172, the Hon. E J Reyes.

605 **Hon. E J Reyes:** Can the Minister for Housing provide details of how many tenants who required urgent decanting have still not been able to return to their homes, as well as provide estimated dates by when they should be able to do so?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

610 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, since the answer given to Question 49/2016 three tenants have required to be decanted: one in January and two in February, due to a fire and a police investigation.  
All three tenants returned to their flats in February.

615 **Hon. E J Reyes:** Yes, Mr Speaker, I know those three tenants have returned. What I am implying as well in Question 172, have any tenants, who, either of the three who have required decanting since Question 49 or prior to that ... are there still any who have not been able to return to their homes? Therefore the latter part of my question was, would the Minister happen  
620 to have estimated dates when they should be able to return to those homes?

**Hon. Miss S J Sacramento:** Mr Speaker, my understanding from the answer provided is that they have all returned.

625 **Hon E J Reyes:** Mr Speaker, would the Minister happen to know how about is the decision taken, who takes a decision based upon what, that classifies someone, a tenant, as to saying right, urgent decanting is required from this residence?

630 **Hon. Miss S J Sacramento:** Well, Mr Speaker, obviously it depends on the circumstances. In these cases it is I think quite clear, because I have given the reason for the decanting in that it was a fire. So if someone is decanted as a result of a fire, I think it is quite urgent that they need to be decanted from their property. So obviously it depends on the circumstances.

635 **Hon. E J Reyes:** Mr Speaker, I do not want to waste the House's time, may I ask the Minister would she indulge me just a few minutes of her time later during an appropriate break, behind the Speaker's Chair? Because there seems to be a bit of misunderstanding by certain tenants who claim that they have certificates, for example issued by the Electricity Authority, whereby they have cut off the electricity supply to the homes and classified it as being urgently not suitable and so on. There could be a misunderstanding and I think it is better and we will achieve  
640 a lot more if the Minister agrees and we meet later just for a few minutes to allow her to chase up the matter. Is that possible?

**Hon. Miss S J Sacramento:** Yes, of course, Mr Speaker, and indeed it would be possible at any time before Parliament, if that means that it does not necessarily have to result in a  
645 parliamentary question. I am always at the hon. Gentleman's disposal.

**Q173/2016**

**Government rental homes –  
Expenditure to make empty homes habitable**

**Clerk:** Question 173, the Hon. E J Reyes.

650 **Hon. E J Reyes:** Mr Speaker, can the Minister for Housing provide details in respect of all expenditure incurred since the answer given to Question 50/2016, in respect of contracts awarded for making empty homes suitable for re-allocation, stating to whom payments were made, how much has been paid in respect of works for each individual home, as well as indicating the type/nature of repair work undertaken?

655

**Clerk:** Answer, the Hon. the Minister for Tourism, Equality, Social Services and Housing.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, none.

**Q174/2016**

**Government rental homes –  
Waiting lists**

660

**Clerk:** Question 174, the Hon. E J Reyes.

665 **Hon. E J Reyes:** Can the Minister for Housing provide details pertaining to the house size requirements in respect of the 413 applicants who joined any category of housing waiting lists prior to the 8th December 2011 and who are still waiting for allocation or assignment of a rental home?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

670 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, there are 231 applicants on the 1RKB waiting list. The remainder are either applicants who are adequately housed in pre-war accommodation or who have received notification of allocation.

675 **Hon. E J Reyes:** Sorry, Mr Speaker, the Minister may need to clarify something for me. Looking at the answer to Question 45 in the list that she kindly provided with a breakdown per year, up to 2011 I reach a figure of 413. From the answer I think that figure has changed substantially. Perhaps the Minister can enlighten me?

680 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, because when we were asked this question I noticed that there was an error in the previous question, in that there were some people who had already been given allocations but the information had not been extracted from that particular table. So I have double checked this answer and this is the correct answer.

685 **Hon. E J Reyes:** Okay, Mr Speaker, so then am I right in assuming that there is an error in the figures provided via Question 45? Would the Minister at some stage be able to provide me with a revised answer to Question 45, otherwise this one, Mr Speaker, remains on the record and the Minister has just said that it needs to be updated?

We can come to a mutual understanding when she can provide that information.

690 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, of course and we only noticed this a couple of days ago in preparation to this and we also noticed other mistakes. The hon. Member and I have already discussed it and I am grateful for his assistance in this.

**Q175/2016**  
**Government rental homes –**  
**Housing Pre-List**

**Clerk:** Question 175, the Hon. E J Reyes.

695

**Hon. E J Reyes:** Can the Minister for Housing provide updated details in respect of by when Government intends to do away with the Housing Pre-List as per their 2011 manifesto commitment?

700

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, our performance in respect of our magnificent 2011 New Dawn manifesto was judged by seven out of ten voters at the recent General Election to have been exemplary.

705

We have now embarked on an equally exemplary record of performance in respect of our 2015 Strongest Foundations General Election manifesto and our housing commitments are contained therein.

**Q176/2016**  
**Government rental homes –**  
**Vandalism of lifts**

**Clerk:** Question 176, the Hon. E J Reyes.

710

**Hon. E J Reyes:** Mr Speaker, further to the information provided at Table H28 on the Government's website in respect of lifts servicing Government rental homes, can the Minister for Housing provide details, if any, of the 26 faults reported have been attributed to vandalism?

715

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, four faults can be attributed to the wrongful use of the lift or vandalism.

720

**Hon. E J Reyes:** Thank you, Mr Speaker.

The Minister may recall in the past I had this habit of submitting written questions and she would give me a schedule, and there was a column that had 'breakdown fault'. Looking at the table now available on the website, it has made it superfluous now for me to have to ask that written question because most of the information required is there.

725

However, Mr Speaker, in her written answers where it said 'breakdown fault', it actually gave a bit of a description – for example, 'cabin doors forced' – and then one could deduce that had to be by logic vandalism attributed and so on. Although she has given me the answer saying it is four, I am lacking that sort of information where just to pick up on the trend, whether it is because the doors have been forced open or what it is.

730 If the Minister does not have it now, could she at least undertake it, if they hope to continue providing updated information via the website, that a column similar to how she used to do it in the written schedule be included and then it avoids my having to pose a question either in written or in oral format? There may be the odd occasion where I need clarification, but certainly it would help to expedite the proceedings of this House.

735

**Hon. Miss S J Sacramento:** Yes Mr Speaker, I will certainly consider that, but I am in a position to give the hon. Gentleman the information that he is asking now and he will be as horrified to learn as I am that the first two faults are occasioned because of a plastic bag wedged into the cabin door.

740

The other one is because the doors were manually forced open.  
And on the fourth occasion, again the cabin doors were forced open and the door mechanism was damaged.

**Q177/2016**  
**Anti-social behaviour –**  
**Curtailling in housing estates**

**Clerk:** Question 177, the Hon. E J Reyes.

745

**Hon. E J Reyes:** Can the Minister for Housing provide details of what effective actions it is implementing in order to curtail the unfortunately increasing anti-social behaviour being experienced in housing estates?

750

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the Housing Department has policies in place to deal with anti-social behaviour and where relevant and if necessary will refer matters to the Royal Gibraltar Police.

755

**Hon. E J Reyes:** And would the Minister happen to have, sort of any information that helps not only myself but helps tenants and so on, especially the law abiding citizens, to have a bit more realistic expectations of what the actual effective actions are contained in those policies they should be carrying out?

760

**Hon. Miss S J Sacramento:** Well, the action is on a case-by-case basis because anti-social behaviour, Mr Speaker, is a very wide range of incidents that could occur.

765

But on the whole, when someone complains of anti-social behaviour, once it is reported they will be met by officials in the Housing Department and the appropriate action will be taken, of course depending on the situation because anti-social behaviour can range from someone inconveniencing a neighbour by having a mop on the door step to then other kinds of potentially criminal behaviour by other people, in which case, we will of course report it to the police.

But in every situation when it is reported, the Department will meet with the tenants to try and find a solution within the range of policies available.

770

**Hon. E J Reyes:** And can the Minister then confirm from there, if after those initial steps and meeting with the tenant and so on, it is not producing much of the desired result, who ultimately then would take a decision and whose responsibility is it to refer the matter to law enforcing agencies such as the Royal Gibraltar Police and so on?

775

**Hon. Miss S J Sacramento:** Well again, it depends on the situation but it would be both or either or. It depends on the situation.

780 Of course the Government Department as the landlord will, in certain circumstances, have a duty to refer, unless of course the tenant may have very strong or compelling reasons why they do not want us to refer, but again it is very much an individual case-by-case basis where we want to, as a landlord, make sure that we exercise our responsibilities to that tenant in particular and to other tenants of course, to whom we have a responsibility.

785 **Hon. E J Reyes:** And would the accommodation be – I am being asked by some tenants who seem to be a bit stuck with what they should do. They have at times approached the RGP who take it upon themselves to perhaps look at some matters and in others, because at that particular moment in time they have been caught up with other duties, have referred the tenant to the landlord.

790 Would the Minister perhaps look at some sort of possibility of establishing some sort of rapport or agreement with the RGP? I know they have got a Community Constable's area and so on, I am looking towards making life reporting cases of unsocial behaviour as easy as possible and as anonymous as possible, because as the Minister is well aware, sometimes one has a rather unruly neighbour next door and some people actually fear for their own physical well-being.

795 I do not know if the Minister can just at least commit herself that she is willing to look into this and if need be we can even work together because she can certainly count on my wholehearted support on this matter.

800 **Hon. S J Sacramento:** Mr Speaker, as far as I am aware, these mechanisms already exist, so they should already be happening. But if there are individual cases where the hon. Gentleman is aware that this may not be happening, then I am happy to hear from him and we can discuss this between us and we can find a way where we can assist.

805 But certainly, I am aware that there is a mechanism where the Housing Department meets with the Police, in fact on a regular basis, at least monthly I think, where these matters are discussed. But I will look into it to see if there is any particular case that may have fallen through the net.

**Hon. E J Reyes:** I am most grateful, Mr Speaker.

810 **Hon. T N Hammond:** Mr Speaker, if I may, can I just ask, the small police offices that were established in the estates: are they routinely manned over a 24 hour period? How do they operate? In other words is there a continuous police presence or are they only occasionally manned?

815 **Hon. Miss S J Sacramento:** Mr Speaker, that is not a matter that is the responsibility of the Housing Department, but of the Royal Gibraltar Police and I am afraid I cannot answer that.

**Q178/2016**  
**Gibraltar Literary Festival 2015 –**  
**Net total cost**

**Clerk:** Question 178, the Hon. E J Reyes.

820 **Hon. E J Reyes:** Mr Speaker, further to the answer given to Question 37/2016, can Government provide updated details with a breakdown of all income generated, expenses incurred and thus net total cost of the 2015 Gibraltar Literary Festival?

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

825

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the breakdown of payments to date is as follows: income generated, £267,381 – that remains the same as last time; expenses incurred, £375,480; and the net cost therefore is £108,099.

**Q179-182/2016**  
**Rental housing estates –**  
**Refurbishments**

830

**Clerk:** Question 179, the Hon. E J Reyes.

**Hon. E J Reyes:** Mr Speaker, further to the answer given to Question 38/2016 can the Minister for Housing name which blocks of flats within Laguna Estate are included within the completion dates given for each phase of the ongoing refurbishments?

835

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Questions 180, 181 and 182.

840

**Clerk:** Question 180, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Housing provide updated estimated completion dates in respect of the different phases pertaining to the installation of lifts within the rental housing estates currently being refurbished, indicating which block of flats pertain to which phase for this purpose?

845

**Clerk:** Question 181, the Hon. E J Reyes.

850

**Hon. E J Reyes:** Can the Minister for Housing provide details of completion dates in respect of any new lifts already installed during the current Financial Year within any housing estates, together with details of any breakdowns these newly installed lifts may have already experienced?

855

**Clerk:** Question 182, the Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please explain what is the current position in respect of the installation of lifts at Laguna and Moorish Castle Estates?

860

**Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

**Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, in answer to Question 179, I now hand the hon. Member a schedule with the names of the blocks in each phase.

865

Mr Speaker, I am not sure whether the hon. Member heard my response, my microphone was not picking up. But in answer to Question 180, the estimated completion dates remained as were answered in Question 38/2016.

870 In the case of Laguna Estate which has three phases, the blocks in each phase can be found in the schedule in answer to Question 179, which is the one that I just handed the hon. Gentleman.

No new lifts have been installed in this financial year other than those installed under the refurbishment programme which have yet to be commissioned.

875 And in answer to Question 182, the installation of lifts go hand in hand with the unprecedented and excellent external refurbishment programme which the Government has completed and are progressing according to its magnificent project completion dates for each individual stage in Laguna and Moorish Castle Estates.

Answer to Question 182/2016

Answer to Question 179/2016

**LAGUNA NAME OF BLOCKS UNDER EACH PHASE**

Phase 1 – September 2016
Rodney House
Smith Dorrien House
Mallard House
Forbes House
Landport House
Orillion House
Bayside House
Maidstone House
Blackwatch House
Causeway House
Nelson House

Phase 2 – February 2017
Laguna House
Inundation House
Somerset House
Liddell House
Kensington House
Jamaica House
Ballymena House
Madeira House
Boyd House
Elliott House
Sortie House

Phase 3 – April 2017
Sheffield House
Faulknor House
Hood House
Ark Royal House
Resolution House
Forrester House
Renown House
Fearless House
Somerville House
Firedrake House
Devon House
King House



880 **Hon. E J Reyes:** Yes, Mr Speaker, the Minister has said in this current financial year those that may have already been installed have not been yet commissioned. Am I right then in deducting from them that the estimated commissioning dates are those pertaining to the schedule here or are there any other different dates that are not contained here, perhaps pertaining to other blocks or lifts?

885 Because these here, for example, do not include anything under Moorish Castle and I believe there are some lifts as well assigned to Moorish Castle Estate?

**Hon. Miss S J Sacramento:** Mr Speaker, he is correct in that the lifts are installed but not commissioned. They will be commissioned by the date of completion and in Laguna Estate, the completion will take place in three phases and I am outlining in the schedule the blocks that relate to each phase.

890 But in relation to Moorish Castle, Mr Speaker, I already indicated the completion date in the answer last month and as I have just answered now, that completion date will not change. That is why I do not include all the lists because there is only one phase for completion in Moorish Castle.

## TRANSPORT, TRAFFIC AND TECHNICAL SERVICES

### Q184-185/2016

#### Parking for people with disabilities – Details of permits granted

895 **Clerk:** Question 183 has already been called.  
We now move to Question 184, the questioner is the Hon. L F Llamas.

900 **Hon. L F Llamas:** How many people have been granted disabled parking permits since December 2011, providing details of sex, age and condition/conditions?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

905 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, I will answer this question together with Question 185.

**Clerk:** Question 185, the Hon. L F Llamas.

910 **Hon. L F Llamas:** What is the process to consider disability parking permit applications, detailing who is involved during the process?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

915 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, the Department has issued 605 permits since 2011. There are currently 496 active badges.

After consulting with the Data Protection Division of the Gibraltar Regulatory Authority, we are not able to release this sensitive personal information, as some individuals would be easily identifiable from the breakdown requested. Releasing this information would be contravening the Data Protection Act.

920 Mr Speaker, applications for disabled persons' badges are received at the Driver and Vehicle Licensing Department as the issuing authority for these parking permits. The prescribed

application form is comprised of two parts, the second of which is required to be completed by the applicant's doctor.

925 As applications are received by the issuing department, these are referred to the Medical Advisory Panel which comprises a doctor, the GHA's head occupational therapist and senior members of the Department.

In this regard the panel carefully assesses all applications and may advise for approval or reject applications after considering the applicant's disability in accordance with the provisions of the Traffic (Parking and Waiting) Regulations 2011.

930 **Hon. L F Llamas:** Thank you very much for that answer. Just going back to the panel that assesses these applications and makes recommendations as to whether Government accepts the application or rejects it, is there any involvement from any civil servant or Minister who may reject a recommendation from the panel?

935 **Hon. P J Balban:** Mr Speaker, no, this is done independently so if I enquire I can find out. For example, this process is actually, the question that the hon. Member has asked has, maybe for the first time, looked at exactly what the medical conditions are for example, which I was not aware of. But it is totally down to the recommendation of the Medical Advisory Panel and it is on their recommendation that the permit is either granted or denied.

#### Q186-188/2016

#### Vessels departing British Gibraltar Territorial Waters – Pilotage

940 **Clerk:** Question 186, the Hon. L F Llamas.

945 **Hon. L F Llamas:** In relation to the tanker boarded and escorted out of BGTW by the Algeciras pilot vessel last 3rd February 2016, and any other vessel which has arrived in BGTW and left to Spain shortly after arrival, can Government explain what was the initial purpose of their visit?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

950 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, I will answer this question together with Questions 187 and 188.

**Clerk:** Question 187, the Hon. L F Llamas.

955 **Hon. L F Llamas:** Have any fees been left outstanding to the Gibraltar Government or the Gibraltar Port Authority in relation to the tanker boarded and escorted out of BGTW by the Algeciras pilot vessel last 3rd February 2016 or any other vessel which has done the same since December 2011?

960 **Clerk:** Question 188, the Hon. L F Llamas.

**Hon. L F Llamas:** In relation to the tanker boarded and escorted out of BGTW by the Algeciras pilot vessel last 3rd February 2016, why did the Gibraltar Port Authority not physically attend to the situation?

965 **Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

**Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, the Gibraltar Port Authority launch did not attend to the situation as it was not available at the time. In any case, there would be no purpose for the launch to attend in these circumstances.

970 Furthermore, there is no requirement for pilotage for vessels departing British Gibraltar Territorial Waters from the Western Anchorage. The Gibraltar Port Authority cleared the vessel in question by VHF radio, to weigh anchor and proceed out of British Gibraltar Territorial Waters as is customary for these types of movements. By the time it was known that the Algeciras pilot had embarked on board the vessel, it was already underway and heading towards Spanish waters.

975 The vessel in question was in BGTW to carry out a ship-to ship-transfer operation in the Bay. It is not uncommon for vessels to anchor in BGTW for bunkers or other services – crew changes, stores, surveys etc. – before shifting into Spanish waters to conduct other business.

980 The agent for the tanker, SKS Mosel, have been invoiced for an amount of £2,275. The invoice was issued on 4th February 2016. No other arrears are outstanding since 2011 in respect of vessels which have called at Gibraltar and then continued their voyage to their port of call in the same circumstances.

**Hon. L F Llamas:** May I just ask about what the Hon. Minister has just said: the launch was unavailable, albeit perhaps it would have been non-efficient for it to attend the situation in any event. But may I ask if the Hon. Minister does know why the launch was unavailable?

**Hon. P J Balban:** Yes, Mr Speaker, the launch was out of service on that day in question because it was undergoing refit and repairs.

990 **Hon. L F Llamas:** Just a quick supplementary – is it fit for purpose now?

**Hon. P J Balban:** Mr Speaker, *General Elliot* is now ready. It is undergoing its final trials and once that is completed, then it will be operational.

995 **Hon. T N Hammond:** Mr Speaker, if I may, can I just confirm then that the vessel is under trial at the moment so the port does not have a vessel available to it, or it does have an alternate vessel available? That is just purely out of my own ignorance on this occasion.

1000 **Hon. P J Balban:** Mr Speaker, the two vessels which are currently available for use in the port, one has just undergone extensive refit after many years of it not being up to standard and the other vessel is undergoing repairs.

1005 **Hon. T N Hammond:** So my understanding is that there are two vessels available but neither was available on this occasion. In such circumstances, obviously it must be undesirable for the port not to have any launch available to it. Is there any kind of provision for another agency to provide them with a launch in these circumstances or perhaps to cover the role that would otherwise be carried out by that vessel?

1010 **Hon. P J Balban:** Mr Speaker, yes, when it is necessary we can outsource the service. At the present time, as you rightly say, it is not ideal not to have the two boats available, but that is one of those things and as I have just mentioned, should there be a need for it, then the service is and will be outsourced.

1015 **Hon. T N Hammond:** May I ask, if the service is outsourced, to whom is it normally outsourced? Which agency would normally take that responsibility?

**Hon. P J Balban:** Mr Speaker, what happens normally is the service is outsourced to whoever is available at that moment in time out of all the operators. So if there is a vessel available then they will actually outsource the crew from different agents available to us within the port.

1020 But they take port staff on board; it is not the agents.

**Hon. T N Hammond:** So the vessel that would be used would actually belong to a private entity, it would not be a police vessel or other such?

1025 **Hon. P J Balban:** Mr Speaker, that is correct. The vessel would be a private vessel which is outsourced and will carry on board port crew.

1030 **Hon. L F Llamas:** Just for my own clarification, does the Minister know, the invoice that has been raised of £2,275 in relation to what services it has been raised, why the need for the invoice?

**Hon. P J Balban:** Mr Speaker, I am not entirely sure but I am being informed it must be the anchorage fees. I mean if you want the exact reason for it obviously I can find the information for you, but they are comprised of anchorage fees ...

**Q189/2016**  
**Small Boats Marina –**  
**Applications for berths**

1035 **Clerk:** Question 189, the Hon. E J Reyes.

1040 **Hon. E J Reyes:** Mr Speaker, can Government say how many applicants have applied for berths in the Small Boats Marina and the estimated date by which they will be able to have full use of these facilities?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

1045 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, as at 19th February 2016, the number of applicants who have applied for berths in the Small Boats Marina is 1,131. The marina has not been handed over by the contractors yet. However, the Gibraltar Port Authority has already started the allocation process.

1050 **Hon. E J Reyes:** I appreciate that the contractor has not handed over yet, but does the Minister happen to have an indicative rough date by which time they will be able to have the use of the facilities?

1055 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, I will answer that because I gave a date last month on when the marina was going to be handed over. The date I gave last month was 14th February, because that was the date that was given to us by the contractor at the time, in January.

There has been a little bit of slippage and there is a few weeks' delay. There is still some extra work to be done and we expect the marina to be handed over towards the end of March.

1060 **Hon. E J Reyes:** I do not want to be pedantic, I accept that delays happen. If the developer or contractor hands over towards the end of March, how long thereafter should one assume that

those who are successful in obtaining a berth would be able to start using the facilities? Would it be imminent or would it be rather long term?

1065 **Hon. G H Licudi:** Mr Speaker, we are hopeful that very, very soon indeed, maybe not necessarily to coincide with the exact date, but as soon as possible thereafter.

As my hon. colleague has mentioned the allocation process has started but clearly there will be administrative matters to be put in place in terms of the management of the new marina and assuming that all that is in place, then those who have been allocated berths can start using the marina as soon as it is handed over to Government by the contractor.

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**Q190/2016**  
**Small Boats Marina –**  
**Advisory Board appointments**

**Clerk:** Question 190, the Hon. E J Reyes.

1075 **Hon. E J Reyes:** Mr Speaker sir, can Government say whom it has appointed as members of the Advisory Board in respect of the Small Boats Marina and for what period of time have these appointments been made?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

1080 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, the Small Vessels (Mooring Control) Rules 2016 which provide the criteria for the occasional berths as the Mid-Harbours Small Boats Marina also establishes the Small Vessels Advisory Board which will report to the Minister for the Port and advise the Captain of the Port on matters concerning mooring facilities for small vessels.

1085 The Board will also be able to hear complaints from holders of or applicants for permits. Appointments to the Board will be for a period of three years.  
No appointments have yet been made.

1090 **Hon. E J Reyes:** Mr Speaker, given that we now have a revised handover date towards the end of March, and I am wishing the Government all the best in being able to have the boat users using this as soon as possible, hopefully in the month of April, since no appointments have been made, can the Minister say by when he intends to have the appointments to the Board in place?

1095 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, can I deal with the premise of the question first and then perhaps the Minister can answer the specific matter on the appointment, because the premise of the question is in relation to the Advisory Board in respect of the Small Boats Marina. That premise is in fact incorrect.

1100 This is not an Advisory Board in respect of the Small Boats Marina. It is an Advisory Board that is established by the Rules generally, in order to advise the Minister and to advise the Captain of the Port in relation to small vessels and moorings across the board and in relation to hearing of complaints and other matters.

1105 So the establishment of the Board is totally independent, separate, unconnected in a way, with the finishing off, the completion of the Small Boats Marina and the functioning of the Small Boats Marina. It is an Advisory Board on small vessels and moorings generally across various matters and not specifically related to the Small Boats Marina. This is not a Board that will have any management or control in respect of the Small Boats Marina and therefore the composition

of the Board totally is unaffected by the completion date and the running of the Small Boats Marina, the new marina itself.

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**Hon. E J Reyes:** Well that is extremely useful, Mr Speaker, I am grateful.

Am I right then in deducing that the members of the Board would have the ambit or the scope of responsibilities in the matters of advisory which go well beyond just the area contained on that premise?

1115

If that is the case I am eternally grateful for that, it does clarify the picture for the future.

**Hon. G H Licudi:** Yes, Mr Speaker, that is indeed correct and that is why I wanted to stress that the premise of the question which was related to the Small Boats Marina might create a wrong impression, because this is an Advisory Board to advise generally in relation to small boats and they have specific functions set out in the Rules to advise on moorings in designated areas.

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One of the designated areas is the new Small Boats Marina but that is not the only designated area there is in respect of moorings and they have functions in relation to appeals etc. which go well beyond the Small Boats Marina.

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But certainly in relation to the marina itself, they have no function other than generally advising the Minister and the Captain of the Port.

**Hon. E J Reyes:** Yes, Mr Speaker and when the Hon. Minister Licudi answered, he gave me the impression that Minister Balban was going to come in later. Having now had the clearer picture and so on of the responsibilities of the Board, I still have pending, by when is there an estimated date by when this Board is going to be appointed?

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**Hon. P J Balban:** Mr Speaker, as soon as reasonably possible because consideration has actually been given as to the composition of the Board and we are still at the very early stages of calling people in. So only a relatively small number of potential berth holders have been called in, so it is still a little bit early for that.

1135

**Hon. E J Reyes:** But this has nothing at all to do with, Mr Speaker ... My understanding of Minister Licudi's explanation has nothing to do with just the berth holders here. It is a wider remit.

1140

Please enlighten me, I am not a lawyer and I am starting to be totally lost. *(Interjection and laughter)*

**Hon. G H Licudi:** I am glad the hon. Member has given way. Just to clarify and to avoid any confusion.

1145

One thing is the process of allocation of berths in relation to the Small Boats Marina and the composition or the establishment of a committee to run the marina. That committee, in the first instance, will be selected as an interim committee by the Captain of the Port who is doing this exercise, and then once the berth holders and the stakeholders of the marina are there, they will select or elect their own committee.

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That is a separate process from the establishment of and the composition of the Advisory Board which as I indicated, has a wider competence than just related to the Small Boats Marina.

And just to confirm the position as stated by my hon. Friend, the composition of the Board itself is currently under consideration in terms of who should be appointed to the Board. But clearly, as soon as possible, but it does not detract from the allocation of berths and the opening of the Small Boats Marina. Although related in some way under the Rules, one thing does not depend on the other.

1155

1160 **Hon. E J Reyes:** And one does not depend on the other, so therefore the users of the Small Boats Marina can have the committee and so on, totally independent and not being delayed or whatever.

1165 Would the Minister, it is not notice here but I know the Speaker is very generous in these matters, this sort of establishing of the committee of the Small Boats Marina, can the Minister indicate to us by when he would like to see this happening?

1170 **Hon. G H Licudi:** That is the process controlled by the Captain of the Port and that in fact depends on the allocation of the berths. Once the process is a little bit more advanced in terms of who the berth holders will be, then the Captain of the Port will appoint the interim committee.

1175 But clearly it is advisable to have that done as soon as possible so that the interim committee is in place to take over the management of the marina once it is handed over by the contractor to the Government, and by the Government in turn, to the Association that is established by the Small Vessels (Mooring Controls) Rules 2016.

1180 **Hon. D A Feetham:** Mr Speaker, may I ask another supplementary arising out of answers that have been provided?

1185 The Hon. the Minister for Justice mentioned the committee in order to deal with issues arising out of the Small Boats Marina and what he said was, the interim committee is going to be set up by the Captain of the Port and then afterwards, the boat owners who have berths there will then be selecting their own committee.

1190 Can he confirm that that is going to be done exclusively by the boat owners and that there is going to be no administrative effectively 'interference, in inverted commas – I use that word without any political connotations – from the Captain of the Port or anybody else, and it is just going to be exclusively those members selecting that committee?

1195 **Hon. G H Licudi:** That is indeed the case and that is the only way that it can be done. Those that are allocated berths in the new marina will be the stakeholders and it will be in their interest to manage the marina in the best way possible, subject to the rules and subject to the raising of revenue as set out in terms of fees, as set out in the rules. But the only people that can be and will be capable of selecting a committee to run the Small Boats Marina will be the berth holders themselves.

1200 Clearly we have to have a transitional provision in terms of establishment of the new marina, the allocation of berths, creating an interim management structure through the establishment of that committee and we have decided to set out the rules as a matter of legislation so that it is clear to everyone what the criteria is for the allocation, what the process is and it is the Captain of the Port that has the power to choose the interim committee. Once that interim committee is in place, they will have a constitution for the new marina.

1205 That constitution will then require or allow the calling of a meeting and once a meeting of all the members takes place, then the members themselves who will be the berth holders and therefore the stakeholders of the new marina, will be at liberty either to ratify the interim committee or select a new committee amongst their own, or in whichever way they consider it appropriate.

1210 But I can confirm that the people that will be running the marina will be the berth holders themselves.

1215 **Hon. R M Clinton:** Mr Speaker, may I ask the hon. Member, when he says *running* the marina, does that mean to say they will be collecting the fees charged for the berths and deciding how that should be expended?

1210 **Hon. G H Licudi:** Mr Speaker, the rules provide what the original arrangements should be. Clearly there is no committee in place initially and therefore on allocation there is provision for an initial fee to be paid and then an annual fee to be paid on a calendar basis.

1215 Therefore, whatever, if someone is given a berth, say on 1st April, then they would pay two thirds of the annual fee which is payable for the first year. Those fees will be paid initially to the Gibraltar Port Authority, but the Rules provide in terms of transitional provision – in fact Rule 18.2 provides that all the fees that are paid both in terms of the initial fee and the annual berthing fees, all those fees are held on trust by the Government or the Gibraltar Port Authority, for the benefit of the Association that is established for the running of the marina.

1220 Therefore all fees that are paid accrue for the benefit of the marina itself and in subsequent years, clearly the initial allocation and the initial payment will be done by the Port Authority, and the collection of the fees is done by the Port Authority, but clearly established in legislation, not Government revenue, held on trust for the benefit of the members through the Association. We have been very, very clear in establishing that.

1225 What happens subsequently? Well, subsequently by 1st January 2017, there will be presumably a new committee which has been elected and they will be charged with collecting fees and the fees again will accrue for the benefit of the running of the marina and the Rules actually provide that the fee structure has to contain three elements.

1230 Firstly it has to provide for the replacement in due course, because a guarantee is given of the gangways and pontoons for a period of 25 years and therefore there has to be a sinking fund, a reserve fund built up over that period so that we do not get to 25 years' time, there is a need to replace pontoons or replace gangways and there is no money available. So therefore there is a requirement for the fees to include a provision for the reserve sinking fund for the replacement of the pontoons. I believe it is in the year 2041 in 25 years' time.

1235 There is then provision to be made for an annual maintenance programme for the marina in order to make sure that it is maintained properly.

And the third limb is the normal operational costs, for example if there are security guards or cleaning, the normal operational costs, any office staff that there might be.

1240 So those are the three limbs that the Rules require that the committee take into account in establishing the fees. And because the Government has made a very significant investment and has an interest in making sure that it is kept properly, maintained properly and operated in a manner whereby sufficient funds are created to avoid, in 25 years' time not having the money, there is also a requirement in the Rules that although it is for the Association to set the fees and collect the fees, the budget needs to be approved by the Captain of the Port, just to have oversight and approval of that budget.

1245 Not for the purpose of interference with the management, but to make sure that the provisions which are set out in the Rules as to the requirement of what the fees are for, that those are properly kept to by the Association and approved by the Captain of the Port.

So I hope the hon. Member will accept that this is a well-thought-out structure, well-intentioned and it augurs well for the future of the marina and berth holders.

1250 **Hon. D A Feetham:** Mr Speaker, the hon. Gentleman must have done some calculations when he introduced the fee structure as to how much revenue is going to be raised under the various categories. I have done the calculation myself and if we are simply talking about, and of course it is very difficult, but an average boat size across the board, it is going to average out at about £1,000. All the fees, £1,000 per berth a year – that is my calculation, which is about £700,000 a year. Is that near the calculation that the hon. Gentleman has come up with?

1260 And what I have done is, I have looked at the ... There is one clause in particular in the Rules that the charging out of the berth depends on the size of the boat, so I have averaged the size of the boat, in order to basically come to this particular figure.



**Hon. G H Licudi:** No, Mr Speaker. I do not want to be controversial but maths does not appear to be the hon. Member's forte. *(Laughter)* That is not going to be, as I understand it, the average annual fee.

1265 There is an initial fee payable of £365. That is the initial fee that everybody pays regardless of the size of the boat. Multiplying £365 by 700 berths gets to around a £¼ million. The primary purpose of that initial fee is to start building that reserve fund that I mentioned.

So there is £250,000 – off the top of my head, I think it is £255,000 that is collected through that initial fee.

1270 Then there is an annual fee, which has a minimum threshold of £365 – as we set out, £1 a day for the annual fee for each berth as a minimum. But it depends on the size of the boat and there is a formula which is £27 x the length x the breadth or the beam of the boat.

I am not sure what the average will be, but if the average was something like £500 per boat then we are talking of maybe another £300,000 per year – £300,000 or £350,000 or a little bit more per year.

1275 The initial amount, the initial £250,000 or £255,000, that is a one-off. That is only available on the initial allocation in the first year. Clearly, if there are subsequent allocations, an initial fee will also be paid but these will be sporadic and one-offs. But the bulk will come in on the first year.

1280 But certainly the amount that will be available on a yearly basis will depend on the factors that I set out before, because these are the fees that are set out in the rules in respect of the initial allocation and the first year's annual fee. The formula that is set out is the first year's annual fee.

1285 As from January 2017, it will be for the Association to set the fee for 2017. Therefore the figure that will be payable which will no longer include the initial fee of £365, the fee that will be payable as from January 2017 will be calculated by the Association, having regard to the three factors that I mentioned – the sinking fund, the operational expenses and the annual maintenance programme.

1290 So they will have to do a budget of what that will cost and then set fees for that year in accordance with that budget. So all we can say is have an estimate of what will be collected in the first year. The second year will depend on the budget that it set out, having regard to those three factors set out in the Rules.

**Hon. D A Feetham:** Mr Speaker, maths may not be my forte, but I was not far off, in fact. The only mistake that I have actually made is that the initial fee is just a one-off, but in fact if one takes that out of the equation, it would not have been far off.

But thank you very much.

**Q191-192/2016**  
**Gibraltar bus company –**  
**MAN buses**

**Clerk:** Question 191, the Hon. T N Hammond.

1300 **Hon. T N Hammond:** Mr Speaker, can the Minister for Transport say if any of the blue MAN buses remaining in service remain in service with the Gibraltar Bus Company?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

1305 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, I will answer this question together with Question 192.

**Clerk:** Question 192, the Hon. T N Hammond.

1310 **Hon. T N Hammond:** Can the Minister for Transport say how each of the MAN buses owned by the Gibraltar Bus Company has been disposed of?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

1315 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, none of the MAN buses are blue and none have been disposed of.

1320 **Hon. T N Hammond:** Mr Speaker, can I confirm then that all of the buses that were previously operated on the routes, the MAN buses, are still within the service of the Gibraltar Bus Company?

**Hon. P J Balban:** Mr Speaker, none of the MAN buses have been disposed of.

**Hon. T N Hammond:** The question is, are they still in service with the Gibraltar Bus Company?

1325 **Hon. P J Balban:** Mr Speaker, the MAN buses are the buses that actually are in service. We have around 22 MAN buses which are currently operating and they are red in colour.

1330 **Hon. T N Hammond:** So can I just confirm then that none of the buses that were previously in service – I was under the impression that they were MAN buses, but apparently not, I am led to believe – are currently in service with the Gibraltar Bus Company?

**Hon. P J Balban:** That is correct, Mr Speaker.

1335 **Hon. T N Hammond:** I shall follow up next month with a question reference how those buses have been disposed of.

1340 **Hon. D A Feetham:** Well, Mr Speaker, I understand that there may have been a mistake describing them as MAN buses, but clearly the question is about the blue buses. It is the buses that we contracted for when we were in Government. I cannot off the top of my head remember whether they were MAN buses or what they were, but the blue buses.

Now in relation to the blue buses have any of those been disposed of? That is the question that is being asked and surely the Hon. the Minister must have the information there.

1345 **Hon. P J Balban:** Mr Speaker, yes the old buses which were purchased by the GSD were actually Dennis Dart buses and they were blue in colour. If that is what the hon. Member is searching for, then Mr Speaker, I can confirm that none of the blue Dennis Dart buses remain in service with the Gibraltar Bus Company today. These have been disposed of as follows. In fact, two buses which were transferred to EDEC, which is the Economic and Development Employment Company, for driver training so we actually operate a training programme where we train our bus drivers by using two of these old buses.

1350 Further buses were completely beyond economical repair and those form the basis of ... They were actually given to the airport's fire service for training purposes, the ones you have probably seen in the press recently which were set alight for training purposes. Fourteen of the remaining buses, some were in extremely poor condition and they were sold together to Calypso Transport for their use within their bus company.

**Hon. T N Hammond:** Would the Minister know if any of those buses which were transferred to Calypso Transport are in service to the public?

1360 **Hon. P J Balban:** Mr Speaker, yes. Of all the buses that were transferred, which were 14 in total, a few are – out of all the buses, they managed to put a few together, and they are actually there at the moment.

I cannot tell you how many there are, because I would not know.

1365 **Chief Minister (Hon. F R Picardo):** Mr Speaker, we have to be very careful that we are just giving the hon. Gentleman *an impression*. We do not know what Calypso is doing with the buses, neither are we answerable for them.

1370 **Hon. D A Feetham:** Is Calypso the operator who operates the service from the frontier to the city? I do not know whether the hon. Gentleman knows that, who are the operators of Calypso?

**Hon. P J Balban:** Calypso Transport operates the route number 5, which is from the frontier to Market place via Reclamation Road.

**Q193/2016  
Gibraltar bus tracker app –  
Availability**

1375 **Clerk:** Question 193, the Hon. T N Hammond.

**Hon. T N Hammond:** Can the Minister for Transport say when the GPS bus tracker and associated App will be available for use by the public?

1380 **Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

**Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, Her Majesty's Government expects to be in a position to announce the launch of the Gibraltar Bus Tracker WebApp very soon.

1385 **Hon. D A Feetham:** Mr Speaker, may I come back to the previous question in relation to the blue buses. The Hon. the Minister may not be able –

**Mr Speaker:** There is no supplementary on this one?

1390 **Hon. D A Feetham:** No, I do not think there is, that is why I have risen.

Mr Speaker, can the Hon. the Minister perhaps help me with this and provide me with the information of how much those blue buses have been disposed of to Calypso Tours. Does he have that information there?

1395 **Hon. P J Balban:** Mr Speaker, these 14 buses were sold for £15,000.

**Q194-195/2016  
Parking tickets –  
Number of fines paid**

**Clerk:** Question 194, the Hon. T N Hammond.

1400 **Hon. T N Hammond:** Mr Speaker, further to Written Question 6/2016, can the Minister for Traffic advise of the 10,620 parking tickets issued to local registered vehicles last year, how many were paid?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

1405 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, I will answer this together with Question 195.

**Clerk:** Question 195, the Hon. T N Hammond.

1410 **Hon. T N Hammond:** Further to Written Question 6/2016, can the Minister for Traffic advise, of the 534 parking tickets issued to foreign registered vehicles last year, how many were paid?

**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

1415 **Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, of the 10,620 parking tickets issued to local registered vehicles last year, 7,105 have been paid to date. That is around 66.9%.

Of the 535 parking tickets issued to foreign registered vehicles last year, 473 have been paid to date, or 88.4%.

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**Hon. D A Feetham:** Mr Speaker, I have to say it is a surprising statistic and those charged with the collection of these, particularly in relation to foreign vehicles, ought to be commended. I would have thought, I personally, when I looked at this question, I was expecting a lower figure in relation to foreign parking tickets: 88.4% recovery is actually quite impressive for foreign vehicles.

1425

But 66.9% in relation to locals is less impressive and of course, what that means is that roughly about a third of those parking tickets that are issued have not been paid. Can the hon. Gentleman perhaps provide us with a flavour of the reasons why such a high proportion of local tickets that are issued are not paid?

1430

**Chief Minister (Hon. F R Picardo):** Mr Speaker, this is an issue where we need to be clear what it is that we are talking about and the statistic that the hon. Member has asked for.

The statistic as to tickets for the past year relates to a period in respect of which, in some instances, people may not yet have had a letter reminder of a ticket, let alone a summons because they have asked for the period 'last year'.

1435

So if, for example Members were to ask for the parking tickets which have not been paid for the period in 2010 for example, that relates to parking tickets where somebody would have found a ticket on their windscreen, where they have made the decision to pay or not pay, where they will have subsequently receive a letter reminding them and offering them the opportunity to pay by letter, or the opportunity to challenge and go to court on a particular issue and challenge the ticket, or ultimately just ignore the letter and be summoned. Then there might be issues as to whether the summons is being properly followed up, whether people who do not even turn up on a summons are subsequently being hauled before the court etc.

1440

But for the period last year, in many instances, for us to give the reason why people have not paid is really just a shot in the dark. Some of the locals may want to dispute the ticket. They might say, 'I was parked properly, that is unfair and I am going to write in to the Commissioner as used to be the case or I am going to challenge the matter in court when the time comes.'

1445

So I think that we need to understand that the historic issue in respect of tickets is one and in respect of the snapshot of last year alone, I think it is probably too soon to speculate about reasoning.

1450

**Hon. D A Feetham:** I think the Hon. the Chief Minister is quite right in relation to that and perhaps I should have rephrased my question.

In addition to that, of course I recognise that the position in relation to this may be affected by various factors, not least the fact that some may go to court, may not go to court, people are  
1455 in the process perhaps of getting paid.

But let me ask this and perhaps refine it in this way. Does the Hon. Minister in the discharge of his duties detect that there is any problem with the collection of parking tickets that are due and in particular, does he detect that there might be a propensity for an increase in, for example, debt due as a consequence of these tickets; or is this not an anomalous situation when  
1460 one compares it to other years if he has information or if he has done the analysis himself?

**Hon. P J Balban:** Mr Speaker, I have not compared to other years in the past. One other reason which also needs mentioning, some of these tickets are actually cancelled so although the fines are issued, people will contest them and they may be cancelled to start off with.

So I do not think when we are talking of local tickets, I can see the reasons why obviously the question asked how many tickets were issued – that does not necessarily mean that these tickets end up going all the way and paid. Some are cancelled etc. but as the Hon. the Chief Minister has also explained.

So I do not think that it is leading to vast sums being accrued. I think we can account for all the tickets along the whole process from issuing to payment.  
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**Hon. R M Clinton:** Mr Speaker, if I may, first of all for the amusement of the House, I must confess that I was issued with a ticket only this week!

I would like to ask the Minister, the hon. Member, in terms of the fees that are charged, are these accrued to the Government or is it Gibraltar Car Parks Ltd or is it Gibraltar Car Parks Ltd acting as an agent for the Government?  
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**Hon. P J Balban:** Yes, the actual income, Car Parks actually collects the sums of money and then they pass it on to the General Account.

**Q196/2016**  
**'No idling' signs –**  
**Use**

1480

**Clerk:** Question 196, the Hon. T N Hammond.

**Hon. T N Hammond:** Can the Government say how many 'no idling' signs have been placed on our roads since 1st January 2012 and where have they been placed?

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**Clerk:** Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

**Minister for Transport, Traffic and Technical Services (Hon. P J Balban):** Mr Speaker, 'no idling' signs have never been used on our roads either before or after January 2012.

1490

**Hon. T N Hammond:** Mr Speaker, if I could point the Minister in the direction of the Environmental Action and Management Plan, one of its objectives in terms of air quality is to continue the efforts to obtain tangible air quality improvements with the goal of going beyond minimum compliance with Clean Air for Europe Emission Target Values. One of the actions, it clearly states to be completed by 2013, is the placement of 'no idling' signs at the frontier and other locations where idling is present.  
1495

Can I therefore, from the Minister's answer, draw the conclusion that that particular recommendation in the Environmental Action Plan has been rejected by Government?

1500 **Hon. P J Balban:** Mr Speaker, not yet. When the hon. Gentleman asked the question of no idling, I was a bit confused whether he meant leaving a car idling or whether it was to do with people loitering around in areas.

The 'no idling' signs are not something which, in my looking at the way Europe works, and I have actually had the question asked through different ... my officers have been asking around. 1505 'No idling' is typical of the US – it is a US sign and comes from the United States. I am not aware of any 'no idling' signs being used in any other parts of Europe.

**Hon. T N Hammond:** Mr Speaker, can I just make clear that the nomenclature is not mine; it is the Government's nomenclature as produced in their own report, their own Environmental 1510 Action Management Plan, in order to improve air quality in Gibraltar.

All I ask is, has the Government rejected that recommendation? They are perfectly entitled to but I think –

**Mr Speaker:** Let me give you some guidance. You have asked the question here and the 1515 information is purely statistical in a way. Look, there are no 'no idling' signs and there have never been any.

In your supplementaries, you are pursuing something contained in a report or in a plan. That is a related matter. In my view, there should have been a specific question about that – something to the effect, 'When does the Government propose to implement the 1520 recommendation in such and such a plan?' That should be the proper question that you should have asked in the first place, okay?

**Hon. T N Hammond:** I understand that, Mr Speaker. It is just the way in which the Minister answered the question was to give the impression that there is almost no such thing as a 'no 1525 idling' sign, whereas whether there is or not such a thing as a 'no idling' sign, the fact is that their own report indicates that such signs will have been placed and give a deadline for the placement of those signs. That deadline has passed by two years now and the original question was to determine, obviously, where the signs have been placed and certainly, if these signs have not been placed, it would be good to know whether that is because the Government has chosen not 1530 to pursue that particular action within their own report.

**Chief Minister (Hon. F R Picardo):** No, Mr Speaker, the original question was obviously designed not to disclose that there is a report which refers to these 'no idling' signs. If we really want to do business in this House in the interests of the community, then the question reflects 1535 the fact that there is something in a report which the hon. Gentleman has obviously checked has not yet happened and then we can, through the question, prompt action if necessary.

Or alternatively, they can simply try to lay a trap and get an answer and then, you know, herald a scalp. We can all play that game and we can all take many scalps, Mr Speaker.

1540 **Hon. D A Feetham:** But Mr Speaker, surely a Minister acting in the discharge of his responsibilities must know that there is a report that they have, that has been produced during their time that refers to these 'no idling' signs and refers to a recommendation for those 'no idling' signs to be introduced.

You can accuse us of laying whatever traps you like, but at the end of the day you must 1545 understand, and you must know, what is within your own ministerial responsibility. Indeed when the Hon. Mr Hammond asked the question, it was clear that not only did the Hon. Minister not know about this report, but the Hon. Minister then went further and said well, it is not even a concept that is known within Europe.

1550 Well look, it must have been known by his own Government because it is in a report that they had commissioned! It is a report to them.

1555 Now will the Minister at the very least undertake to look at that report and then perhaps write to my hon. Friend and basically tell him what the position is in relation to this particular recommendation, in relation to 'no idling' signs, whether it is that the Government is going to accept that recommendation or whether the Government is going to reject it. It is as simple as that.

1560 **Hon. P J Balban:** Mr Speaker, the hon. Gentleman can rest assured that I will get to the bottom of this 'no idling' issue and see exactly where it has come from. I do apologise if as a Member of Government I am meant to know exactly about this report. I am not aware of the 'no idling' issue. But I will make it a point to see exactly what the 'no idling' is.

## FINANCIAL SERVICES AND GAMING

Q197-198/2016

### Fuel switching – Compliance with EU Directives

**Clerk:** Question 197, the Hon. T N Hammond.

1565 **Hon. T N Hammond:** Mr Speaker, can the Government say if all the EU Directives on fuel switching are being fully enforced in the Port?

**Clerk:** Answer, the Hon. the Minister for Financial Services and Gaming.

1570 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I will answer this question together with Question 198.

**Clerk:** Question 198, the Hon. T N Hammond.

1575 **Hon. T N Hammond:** Can the Government say if any non-compliances with EU Directives on fuel switching have been detected within the Port since 1st January 2014?

**Clerk:** Answer, the Hon. the Minister for Financial Services and Gaming.

1580 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, the Gibraltar Maritime Administration is the competent authority for the monitoring and enforcement of EC Directive 2012/33/EU as regards the sulphur content on marine fuels.

I can confirm that this marine sulphur content Directive has been transposed into Gibraltar law within The Motor Fuel (Composition and Content) Act 2001.

1585 The Directive has full effect and being enforced by the Gibraltar Maritime Administration who have Inspectors from its Survey Division regularly inspecting and monitoring the sampling of vessels within BGTW.

Within the context of EC Directive 2012/33/EU, as regards the sulphur content of marine fuels, the Gibraltar Maritime Administration has recorded six non-conformities since the mandatory regime came into force up to 19th February 2016.

1590 All cases of non-conformity were raised with the ship operators concerned, and they were instructed to rectify the matters.

**Q199/2016**

**Gibraltar office in Hong Kong—  
Resulting inward investments**

**Clerk:** Question 199, the Hon. E J Phillips.

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**Hon. E J Phillips:** Mr Speaker, since the opening of the office in Hong Kong, can the Minister for Financial Services detail investments into Gibraltar which are directly or indirectly attributable to the work of the Government in the region?

1600

**Clerk:** Answer, the Hon. the Minister for Financial Services and Gaming.

**Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, the opening of an office in Hong Kong was part of a strategy to further open avenues of commercial activity between Asia and Gibraltar and we have worked hard these past years to make this happen.

1605

This investment in time and expense both in Gibraltar and Hong Kong in promoting our jurisdiction is one that has been shared by the private sector as they have supported and continue to support our trade missions there and, indeed, have been taking advantage of our presence there to make additional visits to the region independently.

1610

Senior partners of law firms, accounting firms, insurance firms, fund administrators and others, have all enjoyed the benefit of our Hong Kong Office and the serious work of our representative there, Mr Jason Cruz.

1615

In April this year we will return to Hong Kong and Singapore with representatives of our financial services sector and, for the first time in a joint visit, our maritime sector. This trade mission will piggyback on the work that we have been undertaking these past years in developing links and building bridges for our private sector.

1620

Although I am unable to give details of the commercial activity this has created as this is clearly confidential, I am pleased to inform the Member that reports I receive from the private sector indicate increasing commercial links with Asia with real business being done and I expect some news being made public in the near future on a number of these initiatives.

1625

**Hon. E J Phillips:** I am grateful for the Minister's response in relation to that. However, insofar as I understand the commercial sensitivity about arrangements between certain businesses in Gibraltar and businesses in Hong Kong and trying to bring investment into Gibraltar, but in terms of pounds, shillings and pence, money and in terms of the value of that coming into our community, does the Minister have a figure for that, apart from the obvious relationships that exist between Hong Kong businessmen and Gibraltar businessmen which I agree with in terms of creating good working relationships in the private sector?

1630

But insofar as pounds, shillings and pence, does the Minister have any idea as to what investment will be coming into Gibraltar as a result of the work in the region?

1635

**Hon. A J Isola:** Yes, Mr Speaker, anyone who is involved with marketing – we have had these discussions before in the previous Parliament – will understand that you cannot dissect the benefits of marketing into pounds, shillings and pence in the manner in which the hon. Member wishes me to.

1640

**Mr Speaker:** I hope you don't, since pounds, shillings and pence were abolished in February 1975!

**Hon. A J Isola:** Yes, Mr Speaker. So as a consequence of that, what we rely on in everything that we do when we embark on our business plan and its formulation, the first thing that helps us enormously in measuring the success or otherwise, is the element of private sector support



that we get coming with us. Because very quickly, if you suddenly find they are not coming with you to these trips, you realise that actually it is not delivering business to them.

1645 But I can tell you that the visit in April will be the largest visit we have ever done to Asia. The numbers of people coming are significant, with senior partners of firms joining us, many of whom have been there before and some new ones, which is fantastic news.

But I think you also have to look a little bit wider. If you look at, for example, what other jurisdictions have been doing in terms of representative offices, in other words, is the Gibraltar office in Hong Kong the first of its kind and the answer is absolutely not, of course it is not.

1650 I can tell the hon. Member that Jersey opened up its Hong Kong office in 2009; they have got an office in Shanghai, in Mumbai and Delhi. They have an office in Abu Dhabi since 2011 and they also have an office in Dubai.

1655 Guernsey has an office in Shanghai and their office in Hong Kong opens on 1st March of this year. The Isle of Man has got an office in Shanghai and Beijing. The BVI has BVI Asia House in Hong Kong and in fact interestingly enough with the BVI, they have actually got a representative in BVI Asia House of their Financial Services Commission to engage directly with people in the jurisdiction and the surrounding areas on financial services matters.

1660 So when you look at the thinking as to why we did the Hong Kong office, and you look at what everyone else is doing and more and more of them are doing it, and when you then track the response of the private sector, which for me is critical, you begin to come to the very solid conclusion that it is working extremely well, even though we have only had it for barely less than two years.

1665 So I believe we have a long way to go in getting the maximum out of it, but if I can give you just one number, of the 900 licensed firms in Hong Kong, investment managers – 900 licensed – the Gibraltar delegations that have come through our office have met 300 of them. It is a phenomenal number and of course you go back to the premise that if you are not there and you do not go, you would not meet any of them, zero.

1670 So that is why the private sector is going, that is why the private sector is picking up business and I believe that once we begin to establish a real, bigger presence in Hong Kong, not in terms of the office but in terms of the business flow that we get coming, I think that will multiply in the long term to a significant business from Asia.

**Hon. E J Phillips:** I am certainly grateful for the comprehensive answer in relation to the strategy that the Government is deploying in the region, particularly in Hong Kong.

1675 But when we look obviously at the expense of running an office in Exchange Square – which I know the hon. learned Gentleman is familiar with the region, as I am – the very expensive property in Exchange Square in Hong Kong and also in relation to paying for a representative to conduct the marketing strategy in Hong Kong, I think it is right to ask this question, that when you are looking at marketing and you are spending money, what are we getting out of it?

1680 I understand it takes time to build up relationships with businessmen in other regions and it also takes time for senior partners of firms, as you say, to go out there and build connections and network properly, but is there any indication from the discussions he is having with senior partners of the respective firms in Gibraltar as to what is coming back to Gibraltar? I hate to use pounds, shillings and pence, but what value is coming back into Gibraltar from those efforts that the Government is going to in the region?

1685 Thank you.

1690 **Hon. A J Isola:** Well, Mr Speaker, I think I answered that in my original question, where I said that the reports I get from the private sector is that real business is being done and indeed a public announcement will be made in the coming quarter of other work that is coming to its fruitful conclusion.

The hon. Member has referred to cost and expense, and in particular the office in Exchange Square. You clearly have not been to the office in Exchange Square, of the Gibraltar office,

1695 because if you did, you would not be asking me the question that you have, because the office is *absolutely tiny*. And the reason for that is of course because of cost.

We had the option of going for a bigger office outside Central – which as the hon. Member knows is the centre of the business community, the City of Hong Kong if I can call it that – or having a far, far smaller office in a very good address, which is close by to everybody, with meeting rooms which you pay for when you use them. So our office in Hong Kong does not even  
1700 have a meeting room. It has got an office with two desks, which is tiny and which then has the ability to use meeting rooms of whatever size you want, as and when you want them. So it is actually extremely cost effective for that precise purpose.

So we opted for a good address with a smaller office, nothing flash, very basic – literally two desks inside a door, sharing coffee facilities, sharing toilet facilities and sharing meeting rooms –  
1705 a serviced office, very common in Hong Kong, London and everywhere else. So we are very conscious of the cost, of course we are and that is why we made that choice.

But what the private sector is telling me is that there are pounds, shillings and pence coming to Gibraltar and that is why they continue to go, and that is why in April next month, almost next month, we will have the biggest trade mission ever going to Asia from Gibraltar.

1710 **Hon. D A Feetham:** Mr Speaker, I quite understand that there is a dual purpose and both of them are linked to the Hong Kong office. One level is to facilitate links between professionals of this jurisdiction and then businesses and professionals in Hong Kong. Another aim is to obviously attract inward investment into Gibraltar. That may be inward investment that takes the form of,  
1715 for example, a fund that is established with Hong Kong investors here in Gibraltar, entirely through the private sector, in relation to which the Government has very little involvement, other than having facilitated that contact through the Hong Kong office.

But of course there is a different level and that is direct investment from Hong Kong in Gibraltar via, for example, contacts with Government Ministers, and I know that the Hon. the Father of the House has been in China, busily trying to attract investment into Gibraltar, for which I commend him.  
1720

But in relation to *that aspect*, investment that has come directly into Gibraltar, for which he obviously must have knowledge, can he point to any investment into Gibraltar that has been facilitated by the Hong Kong office that he can provide information to this House?  
1725

**Hon. A J Isola:** Well, Mr Speaker, the hon. Member is right. The Hong Kong office is simply not focused on financial services. There are a whole series of introductions which have been made by Jason Cruz in the Hong Kong office to other businesses and other potential investments that are being discussed at this very moment in time.  
1730

So it is not simply working on financial services issues; it is dealing across the entire board and spectrum of investments in Gibraltar which could take many different forms. I am not going to pre-judge announcements that may be made in the near future, but I can certainly say that directly as a result of the Hong Kong office, since it was set up in Hong Kong, direct introductions have been made which will lead to investments being made in Gibraltar which are not limited to financial services.  
1735

**Hon. D A Feetham:** I understand that, but presumably the answer is that the Hon. the Minister for Financial Services cannot point to a direct investment in Gibraltar from businesses or businessmen or capital in Hong Kong that is attributable to the Hong Kong office. Is that correct?  
1740

**Hon. A J Isola:** No, Mr Speaker, it is not that I cannot; it is that I will not.

**Hon. D A Feetham:** Mr Speaker, just one further question. He is obviously not going to answer my question in that regard, but in relation to Jason Cruz, who is the gentleman that runs  
1745

this particular office and is paid £250,000 in total, including private education of his children etc. is this gentleman working exclusively for the Government of Gibraltar in discharge of his functions as a representative for Gibraltar in the Hong Kong office, or is he allowed to do other kinds of business and pursue for example, his previous trade which was as an estate agent?

1750

**Mr Speaker:** Let me make my position clear as Speaker. I am allowing that question because the Hon. Minister –

**Hon. A J Isola:** Is happy to answer it.

1755

**Mr Speaker:** – introduced this gentleman into his answer. Ok.

**Hon. A J Isola:** He runs the office, Mr Speaker.

1760

**Mr Speaker:** And he runs the office. But I am not going to allow a debate on his terms and conditions of service under the guise of this question.

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**Hon. A J Isola:** Mr Speaker, I am one of the many, many people who is extremely proud that a Gibraltarian man in a place as afar as Hong Kong has been able to succeed to the extent that Jason has in his specialised field, which is actually property and property investment. I would not call him an estate agent and I assume the term was intended to be derogatory, unfortunately.

1770

I am also not going to confirm the quantum, because I do not think that is anything for me to be involved in. But what I can say is that I am delighted with the work of Jason Cruz. The people from the private sector who accompany me on my many visits to Asia are also delighted with the work of Jason Cruz, because he is not just in Hong Kong, don't forget. When we go to Singapore, he is very much involved in assisting us in setting up and meeting people, and the events that we put up there, all in the best name of Gibraltar Plc. And for that I am eternally grateful.

As to whether he works exclusively for the Gibraltar representative office, the answer is yes.

1775

**Hon. E J Phillips:** Mr Speaker, the Hon. the Minister for Financial Services referred to work in the region from other jurisdictions such as the BVI and Jersey. I did notice somewhere, I cannot locate it now, about an intention by the Government to work in areas of India – Mumbai, Bangalore and look at different regions within there. What progress has the Government made in relation to working in that particular region? Given the reference to my question I am sure it is not an issue. *(Interjection)* Yes, the Asian region.

1780

What I said in relation to my question was, 'attributed to the work of the Government in the region'. I know that the Minister referred specifically also to work being conducted in Singapore, he referenced Singapore and also looked at other jurisdiction's work, in Mumbai for example, and Delhi.

1785

Can the Minister confirm whether it is the Government's intention to also work within that jurisdiction as well? I believe there was some reference either during the election campaign to that region as well.

1790

**Hon. A J Isola:** Well, Mr Speaker, yes we are pursuing the possibility of looking at India as a separate jurisdiction with separate representation there. We are in the process of a, if I can call it, Project India team being driven by the Chief Minister, which I am a part of, in looking at how we can best utilise the connections and the resources that we currently have to see what better way we can work in India.

1795

In terms of the Asian region obviously, Jason is responsible for the region, so China, Singapore, Hong Kong and he assists us on all of these fronts and potentially more.

**Q200-201/2016**  
**Gibraltar International Bank Ltd –**  
**Financial statements and mortgages provided**

**Clerk:** Question 200, the Hon. R M Clinton.

1800 **Hon. R M Clinton:** Mr Speaker, can the Minister for Financial Services please confirm that he will make available to all Members of Parliament, hard copies of the full audited financial statements of the Gibraltar International Bank Ltd, including the auditor's report as soon as these are completed for the years ended 31st December 2014 and 2015?

1805 **Clerk:** Answer, the Hon. the Minister for Financial Services and Gaming.

**Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I will answer this question together with Question 201.

1810 **Clerk:** Question 201, the Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please state how many mortgages the Gibraltar International Bank have granted in the new affordable housing schemes recently completed or about to be completed?

1815

**Clerk:** Answer, the Hon. the Minister for Financial Services and Gaming.

**Minister for Financial Services and Gaming (Hon. A J Isola):** Yes, Mr Speaker, the full audited financial statements of the bank will be filed at the Companies Registry and available for public inspection in accordance with the provisions of the Companies Act. It will therefore not be just for Members opposite, but for the whole community to see.

1820

The Government does not have the information requested in respect of mortgages; I will therefore not be able to provide this to the House. This information will, however, also be a matter of public record at the Land Titles Registry as every mortgage granted by a credit institution is required to pay stamp duty and subsequently be registered at the public registry.

1825

**Hon. R M Clinton:** Mr Speaker, I was hoping that the hon. Member would, out of courtesy to this House, agree to provide us with copies of those financial statements without having to go down to Companies House and pay £15 or in fact £30 for a copy of them.

1830

They will in any case I imagine by law be required to be made available publicly by the bank in due course. I do not see why he cannot make them available to this House.

**Hon. A J Isola:** Mr Speaker, if the hon. Member is suggesting that they should not have to pay the fee that the members of the public have to pay, I do not see why not.

1835

But once they are public, surely they are public.

**Hon. R M Clinton:** Well, Mr Speaker, I find that a particularly unhelpful response. I guess we shall have to walk to the bank ourselves and obtain a copy when they are going to be published. Does he have any idea when they are due to be signed?

1840

**Hon. A J Isola:** Mr Speaker, as I have already said in my answer, the accounts will be filed in accordance with the requirements of the Companies Act, in other words in accordance with the terms of legislation.

1845 **Hon. R M Clinton:** Mr Speaker, I was asking when the audited financial statements were due to be completed. Does he have any idea?

1850 **Hon. A J Isola:** Mr Speaker, when we announced in December 2013 the setting up of the Gibraltar International Bank, I was delighted to see that the Members opposite welcomed the announcement. But at the time that they welcomed the announcement, they also urged caution, extreme caution because of course they were very concerned about the bank being independent, Government being at arm's length and not being picking and choosing because from this side of the House it seems that if we are serious about independence then we should stand back, but then we get criticised for not sharing information which we do not have. And if we do get involved and interfere, then we are interfering.

1855 So we have done exactly what we said we would do and what we promised we would do, which is have an executive team which is independent of Government, an independent board of directors and the executive team and the board of directors are running the bank.

1860 So do I know when the statements were signed or when they will be signed? The answer is no. I will happily receive the documentation as and when they are required to do which I have absolutely no doubt and every confidence that they will provide that information whenever it is due.

1865 **Hon. A J Isola:** Mr Speaker, the hon. Member opposite is obviously fully aware that the Government is a 100% shareholder of the said bank and entitled to receive that information at no doubt the forthcoming AGM. I was merely asking as a matter of courtesy whether he could make them available to this House as well. If he is not willing to do so, fair enough.

1870 **Chief Minister (Hon. F R Picardo):** Mr Speaker, look, I think that we need to ... Look, we have got four years ahead of us, Mr Speaker. (**A Member:** Yes.) We have got four years ahead of us. I will, not from my office, from my own personal bank account, I will write the cheque for the £30. I will go down to Companies House and I will stop running the affairs of Gibraltar, in order to deliver to the hon. Gentleman at GSD Headquarters, at College Lane, even if it is an hour out of my time, a copy of the accounts.

1875 Because obviously he does not expect to have to do what every other member of the public will do, but I am very happy to go down there so that he has the *courtesy* of the delivery to him, because obviously the fact that he earns £39,000 to turn up in Parliament twice a month is not enough and he does not want to go down to Companies House, he does not want to obtain it, he does not want to write his own cheque. I will do it for him, Mr Speaker.

1880 But until now, the rule has been that if a document is *public*, the Government does not provide it in this House.

1885 The Government as a shareholder of this institution, Mr Speaker, is maintaining the strict attitude of independence that we have set out, which we were required to do by the *real* GSD – the GSD that used to sit in this House before the last General Election, but which the hon. Members opposite seem to have a different view from.

**Hon. R M Clinton:** Mr Speaker, I am grateful for the pay rise the Chief Minister seems to have given me because I understood I was being paid £35,000 a year, but hey, I will take the other £4,000, and maybe I will not trouble him for his £30.

1890 But, Mr Speaker, I am not going to labour the point, I will go to the bank myself and get them but thank you very much for the offer.

1895 **Hon. Chief Minister:** Mr Speaker, no problem (*Interjection*) Mr Speaker, no problem, but given that he is so keen for an almost 10% pay rise, I now understand why it is that he may have put a motion down on the Order Paper and why he was so keen to work out what it was that he was going to be paid.

When I was first elected into Parliament, I was not looking at what it is that the remuneration was going to be. I was here to serve the public.

1900 **Hon. R M Clinton:** Mr Speaker, I think that is a Point of Order. That is completely out of order compared to the line of the question.

**Hon. Chief Minister:** I do not detect that it is a Point of Order. The hon. Gentleman has said he is going to pocket a pay rise because I seem to have said one figure instead of another. So  
1905 points of order, the hon. Gentleman needs to understand, are points which have to come within the rules of what points of order are or are not.

But look, I can understand why he has embarrassed himself and why he wanted to try and deflect attention from it.

1910 **Hon. R M Clinton:** Mr Speaker, the hon. Member opposite obviously enjoys playing games with words. I do not, I stick to numbers and he obviously made a mistake, because I know he is not good at numbers.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, excuse me, can I –

1915 **Mr Speaker:** Could we bring these exchanges to a close please, because they have nothing seriously to do with the questions. It is just a case of petty exchanges in the overall ... As responsible people, let us get on with the business at hand, please. (**A Member:** Hear, hear.)

The Hon. Marlene Nahon.

1920 **Hon. Ms M D Hassan Nahon:** Mr Speaker, can I just say that all that Mr Clinton was saying that the Chief Minister has been reiterating £39,000 a few times already and we actually get paid £34,995. He was not discussing a pay rise or suggesting that we deserve or want anything else; he was merely correcting the Hon. Chief Minister on a figure that was erroneous.

1925 **Hon. Chief Minister:** Mr Speaker, I am grateful for the hon. Lady's translation of what Mr Clinton meant. I will look to her to translate what it is that the person who is not good with words is trying to say if he continues to express himself in a manner that is not as verbose as he might wish to be, but more numeric.

1930 **Mr Speaker:** Please, call the next question.

**Hon. D A Feetham:** No, Mr Speaker, I have been waiting for my supplementaries on my question. (*Laughter*)

1935 Mr Speaker, the hon. Gentleman has said that in relation to my question, I will remind him of my question and remind listeners, and that is how many mortgages the Gibraltar International Bank has granted in the new affordable housing scheme. It must be hundreds, I do not know. He has answered and he has said that the hon. Gentleman can effectively go to Land Property Services and do a search of mortgages and then he will get a figure.

1940 I just do not believe that that is a reasonable answer, bearing in mind that this is a national bank. It is an impossibility for me to go and do a search of all those documents in order to come to a figure, and I just wonder whether the hon. Gentleman can be more helpful. If he does not have the figure, then I can come back in a months time or in two months' time.

1945 But certainly it is important that we have this figure because we do want to monitor and it is in the public interest that the Opposition monitor how many mortgages have been granted by the Gibraltar International Bank in the new affordable housing schemes. There is concern about availability of mortgages in Gibraltar generally and that is why I have asked the question. It is not

intended to catch the Government out in any way, but it is genuine information that we are seeking in relation to this.

1950

**Hon. A J Isola:** Mr Speaker, I understand all of that, which is why I said in my answer, the Government does not have the information requested.

So it is not that I am telling you go and do a search of every bit of every single register at the Land Titles Registry. What I am saying to the hon. Member is that we do not have that information available.

1955

Why do we not have that information available? Because it is absolutely right and proper that we should not because we are standing at arm's length from a bank that is operating in a regulated environment. You will have sight of its full financial statements, auditors' report, directors' report, that will all be made public and consequently I do not know how many mortgages, nor should I know, I do not believe, how many mortgages the bank has given. I do not believe I should, no.

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**Hon. D A Feetham:** I am sorry, but I disagree with the hon. Gentleman.

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**Mr Speaker:** We have a question of disagreement. The view is taken by the Leader of the Opposition that because mortgages are made available for affordable housing, which all Members support that policy of affordable housing, and the Government takes the view that their dealings with the Gibraltar Bank, even though they are 100% shareholders, is at arm's length.

1970

I do not think that those two views can be reconciled and because I believe that, I am not going to allow a debate at this juncture on that issue.

The matter can be debated obviously when another opportunity arises or with a substantive motion if the hon. Member so wishes. But I am not going to allow a debate to try to reconcile the Leader of the Opposition to try to convince the Government that he is right or the Government to try to convince the Leader of the Opposition that they are right. That I will not allow.

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**Hon. D A Feetham:** Mr Speaker, I am very grateful to Mr Speaker in relation to that, but I would like to ask this. Doesn't the Hon. the Minister for Financial Services recognise that there is a distinction and a fundamental distinction between interference in the management decisions of a bank, albeit state owned, which nobody in this House wants to see at all, and a situation where the Minister for Financial Services asks the bank, not for the identity of any mortgagees or anything of the sort, but purely statistical information as to how many mortgages have been granted by the bank in relation to affordable homes?

1985

And no doubt bearing in mind that this is an issue that is very much in the mind of the community particularly home owners, because of the lack of ... what has happened in the banking sector and the contraction in the banking sector and the availability of mortgages and mortgages on affordable rates, that is something that the Minister or somebody on the Government side would have wanted to have that information available in terms of monitoring a situation.

1990

And I have to say that I would have expected, for example, the Father of the House to have been monitoring something like that because these are the kind of important, I would say, statistical information that a Government Minister would want to know in order to monitor how effective the granting of mortgages and whether there is a difference between demand and supply in relation to this.

1995

That is the distinction and I just want the hon. Gentleman to recognise that there is a distinction that we do not want you to interfere in management decisions. It is just the statistical information that we believe is relevant and important in the discharge of everybody's duties to the community.

2000 **Hon. Chief Minister:** Mr Speaker, we are not at Question Time in particular, going to be drawn into what is in effect a debate into the degree of independence that the bank should or should not have.

2005 Because we do believe, Mr Speaker, that that is the sort of level of granular detail as to the day-to-day business of the bank which if we were to become involved in, would in effect mean that we were looking at how many mortgages have you granted this week, how many have you granted the next week? And one of the issues that we were very clear on, was that this had to be an independent entity.

2010 Look, the hon. Gentleman is talking about numbers of mortgages. Numbers of mortgages is actually quite irrelevant because banks will tend to report an amounts invested in mortgages and that is how their capital ratios and the concentration limits that they are concerned with in terms of their regulation relate to the affordable housing schemes or their mortgage book generally.

2015 We are not going to be giving this information. We consider that we should not be in any event questioned on it, because there is a very simple rule, Mr Speaker, we do not have the information. The hon. Members cannot require us to go out and get information from an entity that is not a Department. This is not information which is within our control or power. As a shareholder, Mr Speaker, we could *potentially* require that information. We could potentially require that information but our attitude is to say that we have respected the bank's independence and this is very much the same attitude as we have taken to the university's independence and the bank will report like all banks report, and the bank will report publicly like all banks report.

2020 Mr Speaker, nobody asks the Prime Minister at Westminster whether he can please say how many mortgages have been granted by RBS, when the UK Government is the 80% shareholder of RBS.

2025 **Mr Speaker:** May I ask the Chief Minister myself, in order to be clear, is the position then, let us say during the Budget session: during the Budget session will the Chief Minister say for instance, he himself or the Minister for Financial Services, will they be raising the matter of the activity of the bank in respect of mortgages and other investments which make a contribution to the economy?

2030 Because the bank is a national bank, it is going to play an important role in the economy. Are these factors that will be the subject of debate during the Budget session?

2035 **Hon. Chief Minister:** Mr Speaker, the answer is that the only aspect of the operation of the bank which is relevant from the point of view of the Government is what we as shareholders perceive from the bank. So for example if the bank pays a dividend, then the shareholders are entitled to say, 'I have received a dividend of £10 million from the bank' because it comes into the Consolidated Fund.

2040 But, Mr Speaker, we are not re-inventing the wheel! The position of Gibtelecom is exactly the same. So Gibtelecom files an annual report which they make public. They put it on their website, they talk about the number of lines that they have, the number of mobiles, operators...the number of contracts that they have etc. and the Government comes here and says, 'Look, as shareholder, this year Gibtelecom has paid me so much in dividend and they have reported to the shareholder X or Y.'

2045 In the case of Gibtelecom, the Government has directors appointed to the board, Mr Speaker, who are Ministers. I am the Chairman of Gibtelecom at the moment and we have seen reports from Ministers in respect of that activity.

2050 Here, Mr Speaker, we are not on the board. We have a shareholders' representative, Mr Speaker, but we are not on the board because we wanted to preserve the independence. This was an issue of wide agreement across the floor of the House. The board appointed to be the



board of directors of the Gibraltar Independent Bank I think met also with support and was welcomed by Members opposite; it is a totally independent board.

Mr Speaker, Peter Montegriffo is on that board – he is not somebody who has an affinity with the party represented on this side of the House. It is a totally independent board.

2055

**Hon. D A Feetham:** Mr Speaker, nobody is disputing the desirability of keeping the bank independent at all. Now, it is our recollection from this side of the House that the Government has in the past – and we will look at it and if necessary come back next time round – that the Government has made statements about the percentages of mortgages in the affordable homes. Remember that it is the Government-owned bank in a Government project. That is what we are talking about and that is why the analogy that the hon. Gentleman gives is a false one. But they have given a percentage in the past of mortgages that were intended to be granted or had been granted by the Gibraltar International Bank in the affordable homes.

2060

Now, can the Hon. the Minister for Financial Services recall that, or the Chief Minister? Because if that is the position, then of course all I am doing here is asking for a translation of a percentage into actual figures.

2065

**Hon. A J Isola:** Mr Speaker, no, I do not believe the Government has given specific details. What there may have been reference to is what each of the banks, and this has certainly come up in meetings with the Gibraltar Bankers' Association, are able to give consistently with their concentration risks, but that is a totally different question to the one being asked in terms of how many has Gibraltar International Bank granted.

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Because what a bank can and cannot do in terms of lending is entirely within its own domain because even the concentration risk you can change by putting in more capital. So it is something that is moveable and flexible. It is not a red line as I am sure the hon. Member will understand better than I, the Hon. Mr Clinton.

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## EDUCATION AND JUSTICE & INTERNATIONAL EXCHANGE OF INFORMATION

### Q202/2016

#### Small boats Marina – Facilities

**Clerk:** Question 202, the Hon. E J Reyes.

2080

**Hon. E J Reyes:** Mr Speaker, can Government provide details of any servicing yard and related facilities provided at the Small Boats Marina?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

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**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, a servicing yard and related facilities will be provided in the vicinity of the Mid-Harbour Small Boats Marina adjacent to the Royal Gibraltar Yacht Club.

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**Hon. E J Reyes:** Mr Speaker, I thank the Hon. Minister. He has given me the location but can he provide any details what facilities *per se*, and perhaps examples would be provided.

**Hon. G H Licudi:** This is essentially a yard for the servicing of boats. How it is used will be for the Association which has been established under the rules and which will be running the

2095 marina, and they will be essentially running the servicing yard in conjunction with the marina. So all we are doing is making available a piece of land.

2100 **Hon. E J Reyes:** So it is just a piece of land and it will be run by the committee and so on - answerable, because they are using what technically is land pertaining to the Government. The permits for the use of land facilities and so on would be subject to approval for example by the Captain of the Port and so on?

Because the danger is, the committee could become a free-for-all and who will monitor the control and correct use of facilities which at the end of the day are publicly owned, despite the berth holder paying his berthing fees, but the yard does remain Crown property.

2105 **Hon. G H Licudi:** Yes, Mr Speaker, the land will certainly be Crown property and although arrangements have not been finalised, I would expect, either through the office of the Deputy Chief Minister who is involved in land matters and LPS, what there will be, will be a licence agreement in terms of the grant of the use of the land for specific purposes and the purposes will be for use as a hard or servicing yard for the purposes of the Small Boats Marina.

2110 **Hon. E J Reyes:** I appreciate, Mr Speaker, the Minister is trying to provide the information. With your leave, Mr Speaker, I will leave it now; I am conscious that you keep on nicely reminding us of the six month period and so on. I think it would be prudent and better, more fruitful for both sides if I wait until the actual establishment of the committee and so on, such as was referred to in previous answers and if I require certain information perhaps with your leave, I can come back within the six-month period just to extract information and the Hon. the Deputy Chief Minister might be able then to be in a position to shed some light.

2115 Because at the moment, all I am going to get is hypothetical examples and if we are all in agreement, I will leave it like that, Mr Speaker.

2120 **Hon. G H Licudi:** Mr Speaker, I am certainly happy with that approach but to the extent that the importance of the question is simply 'will there be a hard or servicing yard for the Small Boats Marina?', then there is no hypothetical issue about it. The Government has identified the piece of land and there will be that hard which will be made available for the purposes of the Small Boats Marina.

2125 **Hon. E J Reyes:** Yes, I appreciate that, Mr Speaker, but the original wording of my question was, I wanted the details and therefore the details will only be hypothetical. That is why I used that terminology.

**Q203-209/2016**  
**Illicit tobacco trade –**  
**Smuggling**

2130 **Clerk:** Question 203, the Hon. E J Phillips.

2135 **Hon. E J Phillips:** Mr Speaker, can the Minister for Justice confirm the total number of convictions for (1) unlawful transportation of tobacco in a commercial quantity; (2) knowingly concerned in the exportation of a commercial quantity from Gibraltar without authority or an export permit; (3) concealing cigarettes within a motor vehicle; (4) possession of cigarettes in a commercial quantity without a licence, since December 2011?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

2140 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, I will answer this question together with Questions 204 to 209.

**Clerk:** Question 204, the Hon. E J Phillips.

2145 **Hon. E J Phillips:** Can the Minister for Justice confirm the total number of cigarettes confiscated and the value of the same for each year as from December 2011?

**Clerk:** Question 205, the Hon. E J Phillips.

2150 **Hon. E J Phillips:** Mr Speaker, can the Minister for Justice confirm the total number of fines imposed by the courts each year since December 2011 in respect of the following offences: (a) unlawful transportation of tobacco in a commercial quantity; (b) knowingly concerned in the exportation of a commercial quantity from Gibraltar without authority of an export permit; (c) concealing cigarettes within a motor vehicle; (d) possession of cigarettes in a commercial quantity without a licence?  
2155

**Clerk:** Question 206, the Hon. E J Phillips.

2160 **Hon. E J Phillips:** Can the Minister for Justice confirm the breakdown of individuals by reference to nationality prosecuted for offences in respect of the following: (a) unlawful transportation of tobacco in a commercial quantity; (b) knowingly concerned in the exportation in a commercial quantity from Gibraltar without authority of an export permit; (c) concealing cigarettes within a motor vehicle; (d) possession of cigarettes in a commercial quantity without a licence, each year since December, 2011?  
2165

**Clerk:** Question 207, the Hon. E J Phillips.

2170 **Hon. E J Phillips:** Can the Minister for Justice confirm the numbers of arrests for tobacco offences which have not proceeded to prosecution?

**Clerk:** Question 208, the Hon. E J Phillips.

2175 **Hon. E J Phillips:** Can the Minister for Justice confirm what resources are available to the Royal Gibraltar Police and HM Customs to reduce the illicit trade in tobacco smuggling?

**Clerk:** Question 209, the Hon. E J Phillips.

2180 **Hon. E J Phillips:** Can the Minister for Justice confirm what measures the Government are considering in the fight against illicit tobacco smuggling?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

2185 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, this administration has implemented various bold and ground-breaking measures to tackle the illicit trade of tobacco and to eradicate any antisocial behaviour that surrounds this activity.

These include new legislation and other measures which serve to – I will list various measures:

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- Reduce the retail sale of cigarettes from 1,000 to 200 cigarettes to the same individual at any one time;

- Provide an additional power to the Collector of Customs, to suspend wholesale and retail licences where the holder of a wholesale or retail licence or the servant or agent of the licence holder has been charged with an offence contrary to the Tobacco Act 1997;
- Place an obligation on the Collector of Customs to withhold consent to a change of director or shareholder of a company holding a licence under the Tobacco Act if such company or any of its servants or agents has been charged with an offence under the Tobacco Act;
- Restrict the maximum amount of cigarettes that a person can have in their possession to 200 in the area immediately before the land border with Spain and Gibraltar International Airport;
- Create special zones which serve to restrict the sale, possession and transportation of cigarettes in prescribed areas around Gibraltar. In these areas RGP and/or Customs Officers are empowered to make enquiries and carry out non-systematic checks which allow any person or vehicle to be stopped and searched on a random basis and without the requirement for there to be reasonable grounds for believing that an offence has been or is being committed;
- Issued a new direction in the public interest to discourage the issue of any new retail and wholesale tobacco licences unless an existing retail tobacco licence is surrendered, terminated or otherwise rendered permanently inactive;
- Apply new conditions to licences which permit only a maximum of 300,000 cigarettes in a retail outlet at any one time and for cigarettes to be sold only between 8.00 a.m. and 8.00 p.m. except for large supermarkets and petrol stations;
- Relocate the tobacco retailers in Glacis and Laguna Estates to other areas with only vending machines being authorised in these estates. A measure which has been very well received by the residents of those estates who have seen illicit tobacco activity and its related antisocial behaviour blight their peaceful enjoyment of their homes;
- Expand Four Corners station with a creation of two additional search lanes and a purpose built covered vehicle search facility, six outgoing barriers were also installed to carry out non-systematic outgoing checks and electronic gates erected in the underpass to the commercial gate, which are closed during the silent hours;
- Install CCTV pan tilt and zoom and automatic number plate recognition cameras in the area of Four Corners;
- The employment of 60 more Customs officers which provide the Collector with more human resources to deal with smuggling of any commodity.

Mr Speaker, the Government has already implemented these very considerable measures and continues to invest heavily and significantly in resourcing our law enforcement agencies. The Royal Gibraltar Police now have 238 officers and HM Customs 166 officers who are also equipped with new and very substantial land and marine assets.

The deployment of these resources in the fight against the illicit trade of tobacco and any antisocial behaviour that surrounds this activity are operational decisions for the Commissioner of Police and the Collector of Customs to consider.

The statistical information requested by the hon. Member is set out in the schedule that I now hand over to him and, if I may say so, Mr Speaker, reflects the excellent work done by the law enforcement agencies in dealing with the illicit trade in tobacco. In particular since we have enhanced the legal tools they have at their disposal by amending and tightening Gibraltar's world leading legislation for the curtailment of illicit tobacco activity.

**SCHEDULE TO QUESTION 209/2016**

**Answer to Question 203/2016**

The number of convictions for each year since 2012 to February 2016 in each category is as follows:-

Offence	2012	2013	2014	2015	2016
Unlawful transportation of tobacco in a commercial quantity	44	52	31	48	1
Knowingly concerned in the exportation of a commercial quantity from Gibraltar without authority of an export permit	78	59	54	41	1
Concealing cigarettes within a motor vehicle	-	-	96	12	-
Possession of cigarettes in a commercial quantity without a licence	170	233	125	95	4

**Answer to Question 204/2016**

The total number and value of cigarettes confiscated for each year since 2012 to February 2016 is as follows;

2012	3,209,540	with an estimated value of	£288,859
2013	3,763,073	with an estimated value of	£338,677
2014	1,783,540	with an estimated value of	£160,519
2015	3,905,462	with an estimated value of	£351,492
2016	990,740	with an estimated value of	£89,167

The above figures are based on an average value of £18 per carton.

**Answer to Question 205/2016**

The number of fines imposed by the court in each year since 2012 in each category is as follows;

	2012	2013	2014	2015	2016
Unlawful transportation of Tobacco in a Commercial Quantity	27	31	22	27	2
Knowingly concerned in the exportation of a commercial quantity from Gibraltar without authority of an export permit	55	29	41	29	2
Concealing cigarettes within a motor vehicle	12	6	60	2	2
Possession cigarettes in a commercial quantity without a licence	120	168	70	47	4

Answer to Question 206/2016

2012

Nationality	Transportation	Exportation	Concealing	Possession
British	4	15		70
French				2
Irish				4
Romanian		1		17
Spanish	1	38		342
Moroccan		1		
Bulgarian				2
Polish				1
Columbian				1
Estonian				2
Portuguese				2

2013

Nationality	Transportation	Exportation	Concealing	Possession
Argentinian				1
Brazilian				1
British	10	14		66
French				1

Romanian	2			13
Spanish	36	27		257
Moroccan				3
Bulgarian				1
Lithuanian				1
Portuguese				1
Sierra Leon				1

2014

Nationality	Transportation	Exportation	Concealing	Possession
British	10	8	5	18
Czech				2
Indian				2
Romanian	1		3	2
Spanish	15	53	86	124
Moroccan	1			1
Bulgarian				1
Lithuanian				1
Senegalese			2	

2015

Nationality	Transportation	Exportation	Concealing	Possession
British	10	17		14
Spanish	18	53	48	83
Moroccan		1		1
Bulgarian	2	2	1	2
Lithuanian			1	

2016

Nationality	Transportation	Exportation	Concealing	Possession
British	2	10		5
Spanish		5		4

Note 2016 = 01/01/2016 to 22/02/2016

Answer to Question 207/2016

The number of arrests for tobacco offences for each year since 2012 to February 2016 which have not proceeded to prosecution is as follows;

2012 (28)  
2013 (37)  
2014 (44)  
2015 (56)  
2016 (3)

**Hon. E J Phillips:** I thank the Minister for Justice for his answer and the schedule which I may need to come back to.

2240 But insofar as my Question 209 was concerned, I am grateful that he has set out the measures that have been implemented to curb and combat this trade, but I also asked in relation to what measures the Government are considering in the fight. Outside the ones that he has set out, what is the Government currently considering in relation to the resources currently at his disposal to fight this trade?

2245

**Hon. G H Licudi:** Mr Speaker, the question, which says simply 'confirm what measures the Government are considering in the fight against the illicit tobacco smuggling', just looked at on its own, might suggest, 'Well nothing has been done and what are you actually doing or what are you going to do about it?' And that is why we felt it was necessary to premise, not just this, but every other question which relates to statistical information with all the very considerable measures that have been taken.

2250

We now consider, having taken all these decisions, issued the directions, enacted the special zones, relocated some licensed premises from estates to other areas, that a very significant headway has been made as required by this Government to tackle this activity. We have also resourced as I have explained, adequately and significantly, the Royal Gibraltar Police and HM Customs, who have land, marine assets and a significant number of personnel in order to deal with this and other criminal activity.

2255

Having done all that, Government is clearly always on the lookout and always aware that there may be additional measures that may be required and these are matters that are continually reviewed and discussed with the Royal Gibraltar Police and with Customs. To the extent that additional measures may be appropriate or may be worth considering, then that is something that we are going to do.

2260

But certainly for the moment, we have gone a very, very long way in tackling this activity and as I have indicated in my answer, the results of the statistics that I have handed over to the hon. Member reflects the success that this Government has had in dealing with this issue, in putting all these measures in place, in properly equipping our law enforcement agencies and the excellent work that the law enforcement agencies are delivering, by actually delivering the results that are evident in those statistics with the number of arrests, prosecutions and confiscation of cigarettes that is evident in those statistics.

2270

**Hon. E J Phillips:** I am grateful for the answer delivered by the Minister for Justice in relation to that.

I take it from that answer, that currently as it stands there is no thought for the Government to introduce new measures, that they believe that the current measures that they have implemented are satisfactory.

2275

**Hon. G H Licudi:** Mr Speaker, it is not a question of whether particular measures are satisfactory. This is not a process that comes to an end on a particular day and we say well, that is the end of the process.

2280 As I indicated, this is a matter that is continually being reviewed and assessed. We have taken all these measures already, we do continue with discussions with the relevant law enforcement agencies and as and when new measures are considered appropriate, they will be announced and certainly implemented. But we will certainly not hold back, should any additional measures be required and be advised of us that they should be implemented.

2285 **Hon. E J Phillips:** Mr Speaker, just one further question in relation to the volumes of tobacco on our streets, as it were. I do not like to use inflammatory language but there clearly are significant numbers of cigarettes on our streets, over three million per year in terms of the confiscation amounts that you have kindly given me.

2290 Would you not say that should give our community significant cause for concern?

2295 **Chief Minister (Hon. F R Picardo):** Mr Speaker, no sir, for this reason. Mr Speaker, the quantities of tobacco which are sold in Gibraltar are often the subject of derogatory statements made against Gibraltar by instruments of the Spanish government and by members of the Spanish press.

In fact, the amount of tobacco sold in Gibraltar, which includes that amount of tobacco, is an amount which successive Governments of Gibraltar have defended with the European Commission, in fact also with OLAF, with the British Government and also in the press with the Spanish government.

2300 So we do not believe that there is a problem because if hon. Members care to look back at what I have said and been questioned on, on a number of occasions, in particular in relation to the number of cartons of tobacco sold in Gibraltar which is 12 million this year, or the year before, was lower than at the time before we were in office, if I could just put it that way and going closer now to nine million.

2305 That is exactly the sort of amount that is assessed as being the right amount by the European Commission for sale in a place like Gibraltar, given the number of visitors that there are in Gibraltar during the course of the year, which amount sometimes to in the region of 12 million visitors.

2310 So, Mr Speaker, as we and previous administrations have said repeatedly, in the defence of the legitimate tobacco trade there is in Gibraltar, the controls that we put in place to deal with the illicit trade in tobacco are the ones that we are advised are appropriate. They are now tougher than they ever have been and the amount of tobacco being sold in Gibraltar, we continue to believe, as the former administration believed of a much higher figure, is in keeping with the legitimate trade that can be done in a community such as ours with 12 million visitors a year.

2315 I would be very surprised if Members opposite were now taking a different line.

**Q210/2016**  
**Duty solicitor scheme –**  
**Introduction**

**Clerk:** Question 210, the Hon. E J Phillips.

2320 **Hon. E J Phillips:** Mr Speaker, can the Minister for Justice confirm whether the Government intends to introduce the duty solicitor scheme?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.



2325 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, yes sir.

**Hon. E J Phillips:** Mr Speaker, any idea when this would happen?

2330 **Hon. G H Licudi:** Well, Mr Speaker, if it was solely up to us, it would have been in place already.

The hon. Member will recall that there is provision in the Criminal Procedure and Evidence Act for the provision of legal representation, particularly when somebody is arrested, which is what the duty solicitor scheme primarily deals with and that is, as I recall, the only provision that has not been implemented yet.

2335 We did create a scheme and announce a scheme and invite all lawyers to be part of the scheme. We were simply not able to implement the scheme because only two lawyers put their names on the list at the time. At the time – (*Interjection*) No, I understand Mr Phillips was not one of the lawyers that put his name on the list for that particular scheme, but it was simply a physical impossibility with two lawyers willing to carry out the work, to have a duty solicitor scheme.

2340 At the time that we were in discussions with the Bar Council in relation to the reform of legal aid, on which there is a separate question and the rates for legal aid. It was felt that we would retake those discussions in relation to the duty solicitor scheme once the new legal aid scheme was brought into place.

2345 That is now in place, the new rules have been established so this is a matter which is now on the cards in terms of discussions with the Bar Council – not necessarily because it needs their blessing, but certainly we would want the Bar Council to encourage all members, because it is a voluntary matter, to put their names, or as many as possible, to put their names on the list so that we can implement the scheme.

2350 So the question originally was: does the Government intend to do this? Yes, the Government has tried to do this. It has not been able to do so, we are hopeful that with the encouragement of the Bar Council I more barristers and solicitors will put their name on the list. We are ready to implement, we have all the administrative measures in place and were in place previously. We are ready to implement at any time, as soon as a sufficient number of lawyers agree to go on the list to make the scheme effective.

2355 Otherwise, if we do not have people on the list, there is nobody to call as duty solicitor. So we are very happy to implement this as soon as we possibly can.

2360 **Hon. E J Phillips:** Thank you for the answer. Does the Minister for Justice know whether his Department will be going out to the profession, to the Bar Council, seeking members of the Bar to join the scheme? It is just that I am not familiar with any recent requests from the Government to the profession asking whether there is an improved level of interest in relation to this scheme.

2365 **Hon. G H Licudi:** Mr Speaker, as it happens I have a meeting planned with the Chairman or the President of the Bar Council, I believe it was next week, although it may be in a couple of weeks' time, certainly imminently and this is one of the items that I propose to raise with him.

2370 **Hon. D A Feetham:** Yes, Mr Speaker, the issue really here, is the remuneration to criminal lawyers. Criminal lawyers at the end of the day and lawyers are a business. It is a profession and of course the rates that were being paid to criminal lawyers under the previous rules was not sufficiently attractive in order to allow people, or incentivise people to basically sign up to this scheme.

2375 Now the rules were changed I believe it was last year or 2014 – exactly 2014. Can the hon. Gentleman explain why it has actually taken so long from 2010 over ... my calculation I think is

roughly about a year and a half from when the Hon. the Minister for Justice changed those rules to make the remuneration more attractive to now, in order to take this up with the Bar Council and with the profession?

2380

**Hon. G H Licudi:** Mr Speaker, this is something that we have taken up with the Bar Council on a number of occasions, in particular before the attempt to introduce the scheme was made, I understand it was just before the new rules were published.

2385

There is a difference between the rules for legal aid which are the rules that are paid when somebody goes to court, when somebody is appointed to take a brief for the preparation for court work and the duty solicitor scheme. They are different rates. The rules that were published are not rates which relate to the duty solicitor scheme. The duty solicitor scheme has separate rates.

2390

The rates that we sought to implement at the time, which was even before we reformed legal aid, were the rates from recollection ... Certainly they were the rates we took from the UK duty solicitor scheme and from recollection, we chose the London rates which were higher but that is just from recollection. There is a duty solicitor scheme in the UK which has, as I recall, two sets of rates, one in London and one outside London.

2395

My recollection is that we chose the London rates, and those are the rates that would be implemented, subject to whatever adjustments have been made to those rates in the UK. So they were linked in a way to the new rules because one of the suggestions was that whatever the rates might be, if you attend somebody as duty solicitor and then that person is on legal aid, then the rates that will be paid on legal aid may determine whether you go on the list in the first place, even though those are not the rates of the duty solicitor scheme.

2400

But we now have the rates which were agreed with the Bar Council and we do have the rates set out as implemented in the UK, so we see no reason why this should not go live at any particular time, as soon as possible in fact.

**Hon. E J Phillips:** Thank you for the answer.

2405

Just one further question on this, is there a way in which the Government would consider or is the Minister for Justice and wearing his separate hat as Minister for Education, that we could encourage those students undertaking the certificate in Gibraltar Law, remind them of their duties insofar as this is concerned?

2410

As we all know, many of us who are lawyers in this Chamber have done free work, have worked on legal aid and on legal assistance matters. Is there a way that we could encourage those students? Mr Isola is shaking his head about free work, (*Laughter*) but is there any way we could encourage our students in terms of at education level, to remind them that is part of our duty as lawyers to conduct that type of work for our community?

2415

I just fly a kite in relation to that and would welcome any thoughts that the Minister may have in relation to that.

**Hon. G H Licudi:** Well, we would certainly want to welcome as many lawyers as possible to be part of the scheme, and I do very much hope that the hon. Member himself (*Laughter*) will put his name down for the list.

2420

Whether it is possible for those undertaking the Certificate in Gibraltar Law to actually do that, I do not believe it is possible at the moment because if hon. Members will recall, the new training requirements which were set out last year, included the academic course in Gibraltar Law, included a professional skills course which is undertaken at the end of the training year and a practical year of training. And it is only once those three elements are completed that the prospective lawyer is then able to apply to be enrolled and to be called to the Bar in Gibraltar.

2425

So those who are doing that course are currently solicitors or barristers in training, having done their degree, having done their professional qualification in the UK and now doing the local training requirements which are set out in the Supreme Court Act. In those circumstances, they

2430 do not have rights of audience, they can assist but I am not sure that it would be right for them to be the ones that become the duty solicitors.

**Hon. E J Phillips:** This is a point of clarity. I am not suggesting that a student should conduct, during the course of his training, the work of an advocate in court, but only that they should be reminded that as lawyers, they should be making that contribution, especially given the fact that this community helps them to achieve that through their education by becoming barristers in the first place in the United Kingdom as solicitors.

2435 I would have just thought that a message to them, as part of the criminal part of the course at the university, they could be reminded of those obligations as it were – moral obligations possibly.

2440 **Hon. G H Licudi:** Mr Speaker, we are certainly happy to remind them and encourage all those trainees to sign up to the scheme, certainly once they become enrolled in the Gibraltar Bar and are able to practice as lawyers.

2445 **Hon. D A Feetham:** Mr Speaker, I think there is also a role of heads of chambers and firms because those heads of chambers or the management committee, ought to be reminding, particularly young lawyers, because when you are breaking into ... when you are first starting out as a lawyer and you are doing work that is perhaps civil, it is also criminal, you are doing work in the magistrates' court, perhaps it is not the kind of work that Mr Phillips who is nearly 20 years called, might be doing at this present moment in time – but certainly we have all done it. We have all been there, we have all done work in the magistrates' court and at that time, when you are a young lawyer, this is precisely the kind of work that you also should be doing. It enhances your experience as a young advocate and a young lawyer, to be precisely doing this kind of work. Duty solicitor work often then leads to legal representation in the magistrates' court. Indeed it may also lead to legal representation in the Supreme Court.

2450 But we have all got to, as a legal profession, make sure that not only are our new barristers, our new solicitors and I think more new barristers, because with new solicitors we have now got these articles, these training schemes within Gibraltar, but I understand the Hon. the Minister for Justice intends to look into the creation of pupillage as well for barristers here in Gibraltar.

2460 But in the context of reforming and also ensuring that barristers are properly trained, I think that encouraging and for chambers to take a lead in encouraging our young barristers and our young lawyers to participate in these schemes is very worthwhile indeed, not only for them in terms of the experience but also for the community generally, in service to the community.

2465 **Hon. G H Licudi:** Mr Speaker, I am not sure where the hon. Member gets the impression that I intend as Minister for Justice to introduce further changes in the form of pupillage that he has mentioned. This is not something that has been discussed with the Bar Council. We discussed the new training requirements for barristers and solicitors during the course of last year and implemented those provisions by way of amendment to the Supreme Court Act.

2470 But certainly to the extent that as much encouragement can be given to younger lawyers, although there will be cases which will be apt for more senior lawyers and like him, I certainly recall being called at two or three o'clock in the morning on numerous occasions to attend to clients in the police station and therefore subsequent representation in the magistrates' and the Supreme Court.

2475 But the hon. Member mentions heads of chambers and management, we have two partners across on the other side of different firms and I would ask them also to encourage their firms to, not to cause their lawyers to be part of the scheme but certainly to encourage as many lawyers in those two firms that have between them, a very significant number of the lawyers we have in Gibraltar, for as many of them to be part of the scheme so that it is as successful as it can be.

2480

**Hon. D A Feetham:** Yes, I will discuss it with him and the Chief Minister, and Mr Phillips will discuss it with Mr Albert Isola. *(Laughter)*

2485

**Mr Speaker:** We are going to have one last question; it is the last one on Justice –

**Chief Minister (Hon. F R Picardo):** Mr Speaker, before –

**Mr Speaker:** There is one question left on Justice and then we will deal with Education in the afternoon.

#### ADJOURNMENT

2490

**Chief Minister (Hon. F R Picardo):** No, Mr Speaker, unfortunately the diary requires that I adjourn now, and I propose that we should return on Wednesday, at 10.00 a.m.

2495

**Mr Speaker:** Ah, so you are adjourning now.

**Hon. Chief Minister:** Wednesday at 10.00 a.m. to finish the questions and then deal with issues related to motions and Bills.

2500

**Mr Speaker:** Right. I now propose the question that the House do now adjourn until next Wednesday at 10.00 a.m.

I now put the question, which is that this House do now adjourn until next Wednesday at 10.00 a.m.

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

2505

The House will now adjourn until next Wednesday at 10.00 a.m.

*The House adjourned at 1.05 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 10.03 a.m. – 1.00 p.m.**

**Gibraltar, Wednesday, 2nd March 2016**

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# The Gibraltar Parliament

*The Parliament met at 10.03 a.m.*

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

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

## Questions for Oral Answer

**Q211/2016**

**Question unallocated**

**Clerk:** Meeting of Parliament, Wednesday, 2nd March 2016.

We continue with answers to Oral Questions. We commence with Question 211, which is unallocated.

### **EDUCATION AND JUSTICE & INTERNATIONAL EXCHANGE OF INFORMATION**

**Q212/2016**

**Legal aid and assistance—  
Date when reform Bill expected**

5 **Clerk:** We then move on to Question 212. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, the Government stated in its manifesto that it expects the necessary work on legal aid and assistance to be concluded with appropriate changes to legislation before the end of 2016. Given that we are fast approaching March 2016 – in fact, we  
10 are in 2016 – can the Minister for Justice provide an update as to when a Bill for the reform of legal aid and assistance will be brought before this House?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

15 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, following a process of consultation and agreement with the Bar Council, the legal aid system was reformed with new rates published and commenced on 25th September 2014.

We have embarked on a process of further consultation with the Bar Council on improvements to the legal assistance system. We expect the necessary work to be concluded  
20 with appropriate changes to legislation made, as stated in our manifesto, before the end of 2016.

The Government therefore expects that a Bill will be brought to Parliament before the end of 2016 – in fact, in time for that Bill to be passed before the end of this year.

**Q213/2016**

**Health and safety in schools –  
Reports received by Government**

25 **Clerk:** Question 213. The Hon. T N Hammond.

**Hon. T N Hammond:** Mr Speaker, can the Minister provide information about what health and safety assessments and audits have been conducted in schools during 2014 and 2015; and, if any, what reports have been received by Government regarding health and safety at schools?

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**Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, the Government's 2011 manifesto committed to conduct an extensive and in-depth health and safety audit of all schools. This was successfully completed during the course of 2012. The majority of works and recommendations arising from that audit were addressed during 2012 and 2013.

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Since then, health and safety reports continue to be prepared by schools and submitted to the Department of Education almost on a daily basis as part of the repairs and maintenance schedules. These reports cover a wide variety of issues such as dangerous flooring tiles, trip hazards, water ingress issues, electrical faults, broken or splintered furniture and fire safety issues. All reports relating to health and safety issues are prioritised and addressed as a matter of urgency.

40

In addition, planned works relating to health and safety issues were carried out to 13 schools during 2014 and 2015.

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**Hon. T N Hammond:** Mr Speaker, in cases where works have taken place not actually in the school but adjacent to schools, as we have seen on many building sites, does the school itself also conduct health and safety assessments of the potential impact of such works on the school environment, or is that left entirely to the developer to provide those health and safety assessments?

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And in the case where, if it is left entirely to the developer, do the schools and the management of the schools, and indeed the Gibraltar Teachers' Association, have site of those health and safety assessments to ensure that they are fit for purpose?

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**Hon. G H Licudi:** Mr Speaker, there will be occasions when works near or adjacent to the schools may have an impact on the schools. The Government, the Department of Education, works closely with the Technical Services Department whenever those issues arise, so that the Technical Services Department are able to advise the Department and the particular school of any health and safety issues that might arise.

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As an example, hon. Members will recall the works to Charles Bruzon House adjacent to Bishop Fitzgerald, then Governor's Meadow House, Governor's Meadow School, where some health and safety issues were raised and concerns were raised by parents. Technical Services was involved and advised the Department of Education, and although it was felt at the time that there were no health and safety risks to the schools or the children themselves, measures were actually put in place by the Department of Education and the Government to allay those fears and those concerns. One in particular, or two in particular were not just the erection of some scaffolding and protective roof over part of the school premises, but it also included no works being done to the adjacent site during school hours. That was done as a result of concerns expressed by parents, even though the advice that the Department of Education received was that there were no health and safety issues and no health and safety risks. In order to allay those concerns we took those extraordinary steps.

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75 So, yes, by all means, whenever there are works near or adjacent to a school then advice is taken, in particular through the Technical Services Department, and appropriate action is taken whenever it is necessary, as we did with Governor's Meadow and Bishop's.

80 **Hon. T N Hammond:** Indeed, Mr Speaker, in that instance action was taken, albeit in a reactionary way rather than a pre-emptive way, and of course we all know that the ideal for health and safety is to pre-empt such incidents and the need to take action after an event has taken place.

85 We had a similar event at Bayside School with noise from an adjacent site affecting the education of students at that site, which is why I raise the question: is this looked at, the possibility of a site affecting a school, looked at ahead of the time rather than reacted to when an incident takes place? I am thinking in particular of the plans to build a new Bayside School whilst the school remains in action, as it were, and the clear need in that example to ensure that the risk to students and teachers working at the school, whether it be from debris, dust or noise, is kept to an absolute minimum.

90 **Hon. G H Licudi:** Mr Speaker, there is a separate question on the Order Paper in relation to the planning of works for new schools, so I will deal with that last issue when I understand. The Hon. Ms Hassan Nahon has a question on that issue.

95 The hon. Member says that the example I gave was reactive and not preventive. Quite the contrary: the works that were actually carried out were preventive initially. I mentioned the scaffolding, I mentioned the covering to the part of the school playground at Governor's Meadow – no issues had been raised at the time. That was in conjunction with the start of the project of the building adjacent, and therefore these protective measures were taken to prevent any material from coming onto the schools.

100 What happened subsequently was not reactive to a health and safety issue. As I have already indicated, there was no health and safety issue. It was reactive to concerns which were raised by parents, which we believed needed to be allayed in this particular way – but not because we were advised there was a health and safety issue that we had to react to. There was no health and safety issue, because the professional advice – and Government has to act on professional advice – the professional advice was that no such issue arose, and therefore the measures we took were over and above those which were necessary from a preventive point of view and simply arose to allay those fears and those concerns which parents had. I went down myself when there was one incident simply arising out of the noise, and I saw the concern in the faces of the parents. I actually spoke to the parents myself, and then I and the Chief Minister went down the following week and addressed a whole group of parents in the assembly hall of Governor's Meadow to listen to their concerns and to explain to them what measures we were taking to allay those concerns. Not because they were health and safety risks, but because there were concerns which were raised and we felt it was appropriate to take those measures.

115 The hon. Member also talks about reactive measures in respect of Bayside. Again, there were no reactive measures taken in respect of Bayside. There was an incident in Bayside in relation to works – not an incident but circumstances in Bayside in relation to works – to Archbishop Amigo House, where, as a result of the noise being carried out to the works to Archbishop Amigo House, a couple of classes were disrupted and in particular a PE class and a geography class were disrupted. That incident was unfortunate and it was unfortunate for this reason: because the Government *had* already taken preventive measures to prevent those circumstances happening. The Government *had* given instructions to the contractor, to GJBS, not to carry out any works to Archbishop Amigo House during school hours. Those instructions had been given already. For some reason, as a result of possibly a misunderstanding or a lack of communication to the people on the ground, one or two people started drilling some holes as part of the works to Archbishop Amigo House, which should not have happened as a result of the measures that Government had already taken, and it was that drilling that led to those issues which arose in

125 Bayside with those classes being disrupted. Therefore, all that the Government needed to do as  
a result of that was to reaffirm the instructions which had previously been given, and since then  
no other incidents have occurred. So the Government had already pre-empted the fact that  
works were being carried out on an adjacent site by a Government contractor, steps needed to  
be taken to make sure that there was minimum or no disruption to the schools, instructions  
130 were given. For some reason, something was missed at the bottom end and works were carried  
out, and we took measures to redress by reasserting the instructions which had already been  
given.

So, to the extent that it is in our control, then we will take measures which are appropriate in  
order to prevent disruption to schools. Certainly from the Government's point of view, and my  
135 point of view as Minister for Education, safeguarding the risks to the schools and making sure  
that there are no risks, or minimum risk, and disruptions, as we will see in the later question, is  
an important aspect of the plan of any works. It is important that children do attend schools and  
teachers attend a work environment that is as risk free as humanly possible, and that is certainly  
a lot of the effort that is taken by the Department of Education and the Government to make  
140 sure that is indeed the case.

**Hon. T N Hammond:** Mr Speaker, which is why I asked originally, or certainly early in the  
supplementaries, what role the schools themselves play in such health and safety assessments. I  
am not sure the Minister answered that, but if he did I must have missed the answer.

145 Are the schools or the school management, the Teachers' Association and other stakeholders  
actively involved in reviewing those health and safety assessments and judging whether they  
may have an impact for the school; or is that entirely left for the Department and outside of the  
school's hands?

150 **Hon. G H Licudi:** No, Mr Speaker, schools are involved, and I did mention that earlier when I  
said there is contact between the schools, the Department of Education and Technical Services,  
who advise on these issues. So there is active involvement.

In fact, before the issues that arose in relation to Bayside about the disruption of the class, I  
had actually attended the school specifically on this point to see for myself the works that were  
155 going on, because one was a private entity on one side of the school, the World Trade Centre,  
and the other was the Government-contracted works on the Archbishop Amigo House, and  
there were some concerns raised by the schools on health and safety issues related here  
exclusively to noise rather than anything else; this was just a noise issue. I had attended myself  
because the schools had raised this issue, and myself and the Director of Education we engaged  
160 with the schools as to the issue and as to the measures that needed to take place in order to not  
just allay those concerns but to reduce that disruption that was going on as a result of noise. And  
we did two things as a result of the direct involvement of the schools. It was as a result of that  
trip, that visit that I did to Bayside, that the instructions that I referred to earlier about no works  
in Archbishop Amigo House during the course of the school hours ... that was taken as a result of  
165 the issues raised by the schools with me personally and with the contractor of the World Trade  
Centre. Although it is a private site, it is a private developer, we did engage through appropriate  
professionals with the contractors themselves and asked them to put in all measures that could  
possibly be put in place given that they were a working site. We could not ask them to not do  
any works during school hours, but we asked them to take appropriate measures to keep  
170 disruption to a minimum and to keep noise to a minimum. I am advised that appropriate  
measures were taking place and, although there was still some noise during school hours, that  
was in fact kept to a minimum.

So, yes, schools are engaged, schools are involved, schools do voice their issues, do engage  
with myself, with the Director of Education, and in particular also with the Technical Services  
175 Department, and we do try to take measures before they become an issue, as they did in two  
schools.

**Hon. E J Phillips:** Mr Speaker, just one question in relation to St Bernard's. Can the Minister confirm what health and safety reports have been received in relation to the new St Bernard's School?

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**Mr Speaker:** Sorry, I did not hear the last part. Did you say St Bernard's School?

**Hon. E J Phillips:** St Bernard's School, Mr Speaker.

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**Hon. G H Licudi:** I am not sure whether the question is ... In relation to any new schools, clearly the contractor will have an obligation to carry out health and safety assessments, and I am advised that everything that needed to be done by the contractor has been done.

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Once a school is handed over to the Government and starts functioning as a normal working school, then the process will be the same as for all other school. Reports do come into the Department of Education and reports have come in from St Bernard's. In particular, I know that there was some water ingress issues, so there were some issues which arose following the handover of the school to the Department of Education – things that I would describe as teething problems or things that the contractor simply has to put right. So, some of those issues arise, but as and when any issue arises they will be dealt with in the normal way through the reports that come in, the requisitions that come in constantly to the Department of Education, and which are ... As I indicated earlier, when any such requisition concerns a health and safety matter, then these are given priority and remedied straight away.

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**Hon. D A Feetham:** Mr Speaker, I rise because it is an important issue that we are discussing and that the Hon. the Minister for Education is answering questions on.

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Just returning to the incident at Governor's Meadow School, as I understand it, what had happened there was that an object actually fell on the school itself – that is the information that we have – and that then that caused the Government to effectively ... May I please ask the question? And then the Government changed the times in which the contractors were operating. I just want to ask the Hon. Minister ... It may be that I am wrong and that the Government just simply changed the hours in order to allay concerns, rather than because anything had actually dropped on the school itself. My question is therefore this: is the Government satisfied that the health and safety measures that had been taken prior to those concerns arising were reasonable and proper in the circumstances, and have any lessons been learnt if the Government takes the view that those were not reasonable or they could have been improved in the circumstances?

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**Hon. G H Licudi:** Mr Speaker, no such incident arose. No object fell on the school. An assessment was carried out when those issues were raised with us. In particular, Technical Services Department was involved and looked fully into what had actually happened and we are entirely satisfied that that did not happen. What in fact occurred was that a noise was heard. Hon. Members will recall that I mentioned earlier that a structure had been put in place in the entrance in one of the play areas of Governor's Meadow School, whereby there was a scaffolding covered with sheeting – I think it was corrugated iron sheeting. The conclusion from the investigation as a result of the noise that was heard – and the noise was assumed by some parents perhaps legitimately, or clearly legitimately assumed by some parents that it was as a result of something falling onto the roof of the school, or rather the protective roof in the school area itself and there was this large noise .... The conclusion of the investigations was that there were some boards, which were laid out on top of that roof for workmen to be able to have access to part of the site that they were working on, and one of the workmen actually dropped the board, the plank – one of these planks that people put on in order to walk – dropped it, maybe a couple of feet rather than just placing it, and that is what caused the noise. So it was

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the workmen themselves taking measures as part of the works that caused the noise and caused that element of panic.

230 So it was not that the Government reacted to a health and safety issue that arose. In fact, no such issue arose, because we are entirely, and we were at the time, entirely satisfied. And it was exclusively – and we explained this to the parents when the Chief Minister and I addressed the assembly the following week – it was exclusively to allay those legitimate concerns that existed that we took the measures that we did, not because we felt that any incident which put any children at risk had actually taken place, because we were entirely satisfied that no such incident had actually happened.

**Q214/2016**  
**Teachers -**  
**Overtime payments**

**Mr Speaker:** Next question.

**Clerk:** Question 214. The Hon. Ms M D Hassan Nahon.

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**Hon. Ms M D Hassan Nahon:** Would the Minister for Education consider the prospect of introducing overtime pay to teachers who currently spend a lot of extra hours outside of their working hours doing unpaid work?

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**Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, this is not being considered. (*Interjection*)

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**Hon. Ms M D Hassan Nahon:** Mr Speaker, I ask because, as you might be aware, in the UK there is very low morale in the teacher industry. Teachers are feeling burnt out, stressed, overworked and underpaid, and I am well aware of the directed time, as per their terms and conditions, where teachers need to be present after school, in particular for planning and preparing courses, lessons, assessing, monitoring and recording, but there is a lot of work that goes into the schools, such as the running of afternoon clubs, sports clubs, drama productions and things that teachers need to be present at, which is not acknowledged. So I would like to know if there is any acknowledgement or recognition for the teachers and the fact that they have lives outside school, yet put so many hours into it.

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**Hon. G H Licudi:** Mr Speaker, it is quite extraordinary that the Opposition ask whether we are going to introduce overtime pay for teachers in Gibraltar as a result of low morale of teachers in the UK. Where is the suggestion that we have an analogous situation in Gibraltar? In fact, I visit schools regularly and I see very, very happy teachers. Of course there are always issues that teachers raise. We constantly engage with the Gibraltar Teachers' Association, we have signed a social partnership with them, and we have a very good relationship with teachers. But by and large, although there are certainly issues, the morale is good, the conditions are good. We have increased the number of teachers by 47 when we came in in 2011.

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With regard to the extra work that teachers do, that is certainly acknowledged – of course it is acknowledged – but it is part and parcel of what a teacher is expected to do. A teacher's work is not just, as I am sure the Hon. Mr Speaker will acknowledge, is not just going into a classroom at nine o'clock and coming out of that classroom at 9.45 or at 9.50. Of course it involves

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necessary preparation for that class and of course it involves necessary work in relation to marking subsequently. Again, Mr Reyes will have very, very clear experience.

275 As far as I am aware, neither with this Government nor in fact with the previous administration – and Mr Reyes was there for a long time – or the one before, when the GSLP was in office, has this been an issue and has any ... or even with the AACR, as far as we are aware ... that it has been an issue, that it has been on the cards, or that there has ever been a claim by the Gibraltar Teachers' Association for overtime to be paid to teachers. Clearly, we have discussions with them about terms and conditions, about pay scales, about spine points and all that, and all those issues are addressed.

280 The hon. Member mentions directed time, she being aware of directed time, and she will be aware therefore that in the UK, given that she draws that as an analogy, what directed time requires is that teachers, over and above their teaching time, dedicate 1,265 hours a year. That is 1,265 hours a year over and above their teaching time in order to carry out all the necessary preparation and all the necessary work. That is part of the pay and conditions of the UK teachers. It is what is contained in what is known as a Blue Book. We have not formally adopted ever, as far as I am aware, the Blue Book in Gibraltar, but certainly we derive some guidance from what the Blue Book says, which includes things like devoting reasonable additional hours as may be needed to enable the effective discharge of their professional duties, including planning, preparation, assessing, recording and reporting. But also provided in that document is the entitlement to enjoy a reasonable work-life balance. So that is what it is all about: having a reasonable work-life balance. But whoever comes into the teaching profession is under no illusion that they get reasonable pay, good conditions of employment, but planning for lessons and work arising out of those lessons is a necessary part of their terms and conditions of employment.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, thank you for the history lesson on previous administrations.

300 But I was under the impression that with the new foundations and New Dawn things would perhaps be looked at differently, but I suppose when it suits we go back to the way things were done and use them.

With regard to UK morale, it is also not, I do not think, strange to parallel the way we do things with the UK. After all, we do it with every other situation when it suits as well.

305 I suggest that if the Minister speaks to teachers he will perhaps learn that they are burnt out and that there is low morale, and that they feel that if they do not do things like running afternoon clubs, sports clubs and drama productions, which are not part of the 1,265 hours which I am well aware of, they often get side-tracked for promotion, which is also quite something that brings down their morale.

310 So, when he talks about part and parcel, technically speaking and according to terms and conditions, the extra-curricular points that I have brought up, like the afternoon clubs, sports clubs, drama productions and school discos, which again, if they do not partake in are not technically or legally considered as part and parcel of directed time ... and this is why I was asking if there was anything that this Government would do in order to give these teachers recognition and acknowledgement in order to, so to speak, keep them happy and well appreciated.

315 Thank you.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I want to rise because I want to acknowledge and congratulate the hon. Lady for being the first person on the opposite benches to realise where there might be a rich crop of votes for the next General Election. *(Laughter)* She has absolutely rightly identified an area which she could mine, and I salute her for it. And she is right in particular to speak for the Opposition of the high regard that this community must have for those in the teaching profession.

325 Mr Speaker, apart from, I think, two or perhaps three of you in this room who might have had the benefit of the Christian Brothers education, most of us owe our education and our status in life today to the dedicated teachers, most of them Gibraltarian, who have spent time nurturing each of us and everybody else in this community. The work that teachers do is as important as the work that anybody else in this community does. Somebody was telling me the other day that, of course, all of us do important jobs and it is very likely that teachers could do any of our jobs, but it is also very likely that we might not be able to do the job that a teacher does.

335 And so, Mr Speaker, the recognition that this side of the House has for the work that is done by the members of the teaching profession is unstinting. It is best evidenced by the way in which we transformed the manner in which certain members of the now teaching profession were, in our view, being exploited by being on the irreconcilable concept of permanent supply – and the hon. Lady needs to understand what that was, because I am sure she will agree with me that it was right to end it – where you had people who were in the classroom literally every day of the term for a year, for two years, and I told her this the other day in relation to another matter, and were yet not a part of the teaching profession. The Hon. Mr Licudi, when he was the Opposition Member for Education, took a real interest in this. We understood the numbers, we quizzed the Government at the time, and we were very keen to ensure that we transformed permanent supply into permanent and that supply should really just be that: supply.

345 If she is now advocating for people who are permanently employed by the Government to have even greater terms and conditions of employment by having overtime payments made, imagine the situation that we inherited, where we had people who were working full time and were not even recognised as being full-time employees with all the consequences that that had – in particular, their ability to take mortgages, their pension provision etc. I am sure that she will agree with me that that was exploitation, it was for morale absolutely devastating, and that the New Dawn meant that 47 were immediately taken on as permanent members of staff.

350 Now, she also needs to understand who she sits with in Parliament and what their arguments are. Their arguments, unfortunately, in some areas, are that we are spending too much. I am sure she might say that we could finance the cost of the overtime for teachers with the cost of the refurbishment of Convent Place, but they are really running out of money at Convent Place. They seek to apply that cost to so many things that they would have refurbished Convent Place a hundred times over with the things that they pretend to pay with that refurbishment.

355 The cost of paying overtime is something that is at large, we would have to look at what that cost is, but this is not a claim that is being made by the Gibraltar Teachers' Association. It is not an issue in the UK that is one of parity. The hon. Lady said we sometimes look to the UK and sometimes we do not. Well, in terms of salaries and terms and conditions we do look to the UK. The hon. Gentleman has told her about the Green or the Blue Book – (Hon. G H Licudi: The Blue Book.) the Blue Book – but the issue of parity is one that is alive and well in terms of grading etc. in some of the areas that we deal with, with teachers. So I think those are important considerations that she has to bear in mind when dealing with this point. If, for the past 60 years of successful and outstanding Gibraltarian education through the hand of Gibraltarian teachers, the payment of overtime has not been an issue which has caused or not caused morale to rise or to in any way be diminished, then I will not be persuaded today that that is an issue. The fact that morale may be low in the United Kingdom may be related to a huge number of matters, not least the austerity that the United Kingdom is going through as public finances are capped and the lack of pay rises, which is not an issue which is affecting our teaching profession. The hon. Lady may know that there had been no pay rises in the public sector in the United Kingdom until last year, where I think the pay rise has been 1%, whilst here they have been in the order of 2%, and now almost 3% for the time that we have been in Government, and in fact starting at the time that they were in Government. So teachers in Gibraltar will be earning approximately 10% more than an equal teacher in the United Kingdom with whom they might be on parity.

375 And of course there is in the United Kingdom a shortage of teachers, Mr Speaker, whilst in Gibraltar there is not a shortage of teachers. We have a waiting list for people to come on to be employed, which demonstrates that there is a desire to enter the profession.

All of that, Mr Speaker, I say with the fondest regard for the way that she has quite properly identified an area which she could make a lot of in electoral terms – sometimes a talent, Mr Speaker, that I confess I have not spotted in any of the other Members sitting across with her. *(Laughter and banging on desks)*

**A Member:** Hear, hear.

385 **Hon. Ms M D Hassan Nahon:** Mr Speaker, thank you very much to the Hon. Chief Minister for the information, which I will review and in due course perhaps come back to the Minister of Education with any further queries. But let me remind the Chief Minister that education is my area, so whether it gets me votes or not is immaterial. If I get issues brought to me I am here to bring them up, and that is why I am talking about teachers – because they fall under the remit of education. *(Banging on desks)*

390 When it comes to spending we have a policy in the GSD that it is all about priority, **(A Member: Exactly. Hear, hear.)** *(Banging on desks)* and education would be paramount for the future generations and for our community, so obviously that was all I was trying to bring up.

Thank you.

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**Hon. Chief Minister:** I am grateful, Mr Speaker, for that indication, and I am very pleased to see that the hon. Members clap each other when they remind the Parliament of what their shadow responsibilities are. *(Laughter)*

400 Mr Speaker, education could not be more of a priority for any party in the history of Gibraltar than for the GSLP, which I happily lead, and I will give her an example of why it is that I am proud to say that.

In 1988 the GSLP fought a General Election saying that they would change the practice that there had been until then that there were only a few discretionary scholarships and scholarships if you reached a particular number of points, so that anybody who secured a place at a place of further education in the United Kingdom would be able to go away and study. And, Mr Speaker, many of us sitting on this side of the House, and indeed many of those sitting on that side of the House might also be the product of that change. I am happy to say I think I achieved the points anyway, but those of us who might not have achieved the points would have been able to go, and this has been transformational for Gibraltar. Our opponents in that election – and I was not active in politics at the time; I was active in the Students Association with the hon. Member the Hon. Shadow Chancellor, Mr Speaker ... but it has transformed Gibraltar, Mr Speaker, although at that time, during that General Election, it was said that that policy would bankrupt Gibraltar.

410 Mr Speaker, the transformation in Gibraltar has been because there are Gibraltarian professionals now leading in the professions. The Gibraltar we have today is built on the backs of that education. That is why the New Dawn of 2011 also provided that we would extend that practice into secondary education. And of course, Mr Speaker, when you talk about educational priorities, I also stand here as the leader of the only party that has opened, in the last 30 years, opened two new schools. The last party to do that was the GSLP in 1988 with the two new St Joseph's Schools, the next party to do that was the GSLP Liberal Government with the two new St Bernard's Schools, and the only party with a General Election manifesto commitment to open many new schools, not a mega school at Rooke, was this party.

415 Mr Speaker, the transformation in Gibraltar has been because there are Gibraltarian professionals now leading in the professions. The Gibraltar we have today is built on the backs of that education. That is why the New Dawn of 2011 also provided that we would extend that practice into secondary education. And of course, Mr Speaker, when you talk about educational priorities, I also stand here as the leader of the only party that has opened, in the last 30 years, opened two new schools. The last party to do that was the GSLP in 1988 with the two new St Joseph's Schools, the next party to do that was the GSLP Liberal Government with the two new St Bernard's Schools, and the only party with a General Election manifesto commitment to open many new schools, not a mega school at Rooke, was this party.

420 So, almost 50 more teachers; in the first instance, compulsory grants for those who secured a place at further education and in the second instance, now, the second degree also mandatory if people are able to secure their place; and two more new schools and many more new schools to come. 'Education, education, education', as I said during the lifetime of the last Parliament – the hon. Lady was not here to hear me say it, so I am quite happy to repeat it for her – are the only

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terms, the only phrase that Tony Blair used in the time of the New Labour government with which every Gibraltarian, I am sure, would be able to associate.

430 **Mr Speaker:** May I draw the attention of hon. Members to the fact that we have spent more than half an hour on just two questions, and they might care, since we are talking about education, to take out a pencil and work out how much longer we are going to be here at this rate of or at this lack of progress.

435 Very important, education – a subject that I value enormously – but that does not mean that we have to have very lengthy answers in all cases from both Ministers. I think they are very, very lengthy and I would ask hon. Members to be more brief, unless they wish to be here for another week or so.

440 **Hon. E J Reyes:** Mr Speaker, may I just seek a very quick answer from the Minister?

**Mr Speaker:** A very quick answer?

**Hon. E J Reyes:** Yes.

445 **Mr Speaker:** Absolutely.

**Hon. E J Reyes:** Yes, just confirmation as a result of ... and I fully understand the explanations he was giving. Can he please reconfirm to teaching professionals and so on, other than the pay and conditions that are set out in what is commonly known as the Blue Book and so on, and the directed time, do we still have in existence those arrangements that we ... the nomenclature that used to be called the 'separate contract', whereby some teachers may offer their services, for example, to offer adult evening education classes, and that being considered duties over and above what their daytime job may be in one of our other schools, and they used to enter into agreements called separate contracts and therefore attracted separate remuneration? Has there been no change? Just confirmation there has been no change and that still continues, as has been the practice now for many years.

455 **Hon. G H Licudi:** Mr Speaker, I am certainly not aware of any change. I have not directed any change in relation to that, and therefore I assume, although I have not checked, that the position continues to be as it was.

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**Q215/2016**  
**Schools' IT equipment –**  
**Availability of technicians**

**Clerk:** Question 215. The Hon. Ms M D Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Does Government currently have technicians in schools to man and maintain IT equipment and resources?

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**Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, yes, the Government does have technicians in schools to man and maintain IT equipment and resources.

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Full details were given by me in answer to Question 319/2014.



**Hon. Ms M D Hassan Nahon:** Mr Speaker, are these technicians permanent in school, and how does the system work?

475 **Hon. G H Licudi:** Mr Speaker, I have just explained that full details were given by me in answer to Question 319/2014. It is in fact a very lengthy answer. I am happy to read the whole answer again, if Mr Speaker wants me to.

**Mr Speaker:** I think the procedure in such a case, where the Minister is referring an hon. Member of the Opposition to a question that was answered during the previous Parliament, I think the procedure should be that that should give the Member of the Opposition an opportunity to read up on that question, and I will allow of course a further question at the next meeting of the House. I will not apply the six-month rule, because the hon. Member of the Opposition is being referred to something that they need to read up on.

485 I hope the Government understands that procedure.

**Hon. G H Licudi:** Mr Speaker, I am happy with that approach, but just to answer directly the question whether there are technicians permanently based – although full details, as I said, were given in the relatively lengthy answer I gave in 2014 – just to confirm that there is one qualified ICT technician based permanently at Bayside and another based permanently at Westside, the College has its own ICT technician and there are four other technicians who are engaged as part of the Government’s IT and LD Department, who were engaged specifically for schools and provide support for first and middle schools as and when required.

495 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I was just trying to highlight, as I had been made aware that there were, in fact, as the hon. Gentleman says, only permanent IT technicians in Bayside and Westside, leaving middle schools and primary schools without permanent support. So this was something that I was wondering whether he would consider installing.

500 **Hon. G H Licudi:** Mr Speaker, this is something that we did consider and, as I explained previously, when we came into office in 2011 there was, as I recall, only one permanent technician, who I believe was based in Bayside. Other than that, schools were at the mercy of the requirements of Government generally, and in particular of the Government’s IT Department. They were very stretched and support for IT in all schools was substantially lacking.

505 I went to great pains to explain what the system was before and how we changed the system, but now we have more permanently engaged technicians based at schools themselves and four specific technicians who were engaged for the specific purpose of supporting schools. They are based at the Government’s IT Department. Why is that? Simply for practical purposes, because there is work to be done in Government offices beyond the school hours and when the schools are on holiday, and therefore we took the practical decision that those four technicians would be engaged to support the schools but would be based at the Government’s IT Department and do other jobs when the schools were not in operation, either after 3.30 or when the schools are in recess during summer holidays and so forth.

510 But we engaged four specific IT technicians for schools, based at the Government’s IT Department, but those are very specific, to support first and middle schools, and that support simply was not there when we came in in 2011.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I understand what the hon. Gentleman is saying and I thank him for the information.

520 I understand there is a ticket system of sorts, and my question would be: what priority so schools take? It is 2016, and in five years IT would have taken a bigger priority in schools. You bring in systems, smart boards, computers, and I believe that perhaps there is more need to have permanently based technicians in schools. From what I understand, there are only

525 permanently based technicians in Bayside, Westside and the College, as he just said. So, what I  
am asking is whether they would consider having permanently based technicians in all schools in  
the advent of more IT being a priority in schools since 2011, when I accept that perhaps the IT  
support would have been substandard then but things have moved on.

**Hon. G H Licudi:** Well, Mr Speaker, they certainly have moved on, and they have moved on in  
530 leaps and bounds since December 2011. I am basically being drawn in to reading the three-page,  
or two-and-a-half-page question to address all the issues that the hon. Lady is referring to.  
Is it now GSD policy before we were being urged to pay overtime –?

**Mr Speaker:** Perhaps we can leave this question now, I think, and we revisit it at the next  
535 meeting, (*Interjection*) after the hon. Lady has had an opportunity, because I do not think the  
Minister should be constantly referring, to what was a very very long answer to a previous  
question, should be constantly referring as a result of supplementaries.

**Hon. G H Licudi:** Mr Speaker, I am happy with that, but there was a specific question, which is  
540 whether we will now be employing a technician to be based permanently in each school.

We assessed the requirements of the school system. As I was about to ask, is it now GSD  
policy that of the 17 schools there should be 17 technicians based in each school? Is that what  
they are urging us to do? It has never been GSD policy. It certainly was not GSD policy when  
schools were all but abandoned, particularly first and middle schools, from an IT point of view.  
545 And I use that word advisedly, because that is what I have been advised was actually happening.  
Schools were essentially abandoned up to December 2011 from an IT point of view.

Things have moved on very significantly and we now have permanent members of staff at  
Bayside, Westside and its own technician at the College, and four other technicians that attend  
to the needs of the first and middle schools. This is a matter that continuously needs to be  
550 assessed, and should we believe and discover that the IT needs of the schools improve or  
increase and we need to give consideration to greater support through the Government's IT  
Department, that is certainly something that will happen. But what we have put in place is  
actually a system which is a far cry from the system we found in 2011.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I am just asking whether Government would be  
555 willing to put in more permanent technicians, because from what I understand, a lot of the IT  
systems, they look great but a lot of the time they do not work and they are laid there, smart  
boards and computers, not working. I get this from teachers. I am not lying. So, if the Minister  
wants to adhere to these notes that I am giving him from what I am hearing, he can; otherwise,  
560 he can leave it the way it is. As you well know, we are not in Government; we are not setting  
policy. I am simply bringing issues to the table, and if he wants to take them on board he can.

**Hon. G H Licudi:** Mr Speaker, but it is all very well for the hon. Member to be a spokesperson  
or a mouthpiece for somebody who comes with a particular problem – that is certainly part of  
565 their job – but it is simply not true to say that systems in schools a lot of the time do not work.  
And just because the hon. Member has heard maybe one report from somebody who might  
have had one particular problem with one particular computer, that does not mean that systems  
in schools a lot of the time do not work, which is what the hon. Lady has elevated the matter to.

We have to be responsible about statements made in Parliament and not make those kind of  
570 statements which bear no resemblance, no resemblance, to the actual truth.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I would not be so facetious or waste parliamentary  
time bringing one report from one person. I often speak to many people from many schools  
before I bring an issue to Parliament. I just want that on the record.

575 Thank you.

**Q216/2016**  
**Children in full-time education –**  
**Verification of residency**

**Mr Speaker:** Next question.

**Clerk:** Question 216. The Hon. Ms M D Hassan Nahon.

580 **Hon. Ms M D Hassan Nahon:** Would the Minister for Education explain what procedures the Department of Education has in place to monitor the verity of the local residency of children in full-time education?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

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**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, a check on residency is part and parcel of the school enrolment process at the Department of Education. All applications for school enrolment in schools involve the submission of proof of residency by parents or guardians.

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The Department of Education follows a number of pathways to check on residency status, including the use of ID cards, utility bills, permits of residence where these have been issued, rental agreements or contracts, and information and assistance from other HM Government of Gibraltar Departments such as Civil Status and Registration Office.

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**Hon. D A Feetham:** Mr Speaker, may I ask, in relation to this particular issue, whether any of the systems for cross checks that the hon. Gentleman has just outlined in his reply have actually changed from when they got elected in December 2011.

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The reason why I ask is this: because I remember sitting on the Government benches and the hon. Gentleman actually asking very similar questions to the one that the hon. Lady has asked, and suggesting that there are quite a number of people across the Frontier who are coming from Spain in order to take advantage of our free education system, which then has implications for university etc. It just strikes me that if the systems are exactly the same as they were in December 2011, then those problems that the hon. Gentleman claimed existed prior to that date no doubt exist post that date, which is, I suppose, the root to the question that is being asked by the hon. Lady.

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May I also add, in the context of that question that I have asked, that I have seen articles in the press supportive of the hon. Gentleman opposite – the *Panorama Newspaper* – where this appears to be something that is a problem, and I just wonder what checks have changed since the hon. Gentleman came into office, bearing in mind the questions that he asked when he was in opposition.

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**Hon. G H Licudi:** Mr Speaker, I do not remember the specific issues that the hon. Member says that I raised. I am not saying that I did not raise them, I just have no recollection specifically of that.

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It is certainly true that a check on residency has always been required; that is not a new system that we introduced. And the ways of checking residency may not have changed, either through rental contracts or agreements or ID cards, utility bills, permits of residence and all that. The issue might simply be a matter of emphasis on how stringent those checks are or whether they may or may not have been. I do not know, and it frankly did not matter to me what they were before, but certainly I needed to make sure that the checks that are made currently, and have been made for the last four years since I have been Minister for Education, are sufficiently stringent for the Director of Education himself to be satisfied in respect of residency for all students going to Gibraltar schools.

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625 In most cases it is not an issue. In most cases, somebody who comes with an address in Varyl  
Begg, who has been through the normal process, it just is not an issue. In other cases issues are  
raised and documents need to be looked at a little bit more carefully. I know that in one case  
recently we have had the Director of Education and Senior Education Adviser going to a  
residence and knocking on the door to check whether the particular person who said he was  
630 living at that residence was actually there. I do not know whether that happened before, but it  
certainly has happened. *(Interjection)* Mr Reyes suggests that that has happened before. So it is  
that extent of checking that is carried out, but the policy is very simple: if you are resident in  
Gibraltar you are entitled to free education in Gibraltar, and if you are not then you are not. The  
system is intended to make sure that that is exactly the policy that is applied.

635 **Hon. D A Feetham:** So just to be absolutely clear, Mr Speaker, the hon. Gentleman has no  
recollection that he has given instructions to introduce any kind of different system since he  
became Minister for Education on this particular issue?

640 **Hon. G H Licudi:** That is not what I have said. I have said I had no recollection about the  
previous questions that I supposedly asked. I have not said that I have no recollection.

Of course I have a recollection of giving instructions. This is a matter that I have discussed on  
a number of occasions with professionals at the Department of Education, with the Director in  
particular. I have asked for advice on what the system is and how the system can be improved,  
and I have given instructions that stringent checks need to be carried out wherever there is a  
645 doubt, so that we make sure that those who are resident go to schools and those who are not  
resident do not take up places that should go to local residents.

So yes, I have given instructions specifically that stringent checks should be carried out on  
residence checks.

650 **Hon. D A Feetham:** Mr Speaker, I understand that but that is not the question. My question  
was: is there a different system in place, as a consequence of him becoming a Minister, to that  
which existed prior to December 2011? Because, no doubt if I asked the Minister for Education  
at the time that we were in Government he would say, 'I too met with the Director of Education,  
I too met with the pertinent authorities and I too gave instructions that there should be  
655 stringent checks.' But with these things it is not about a Minister giving instructions that there be  
stringent checks; it is about systems, those are, what is in place that ensures that people do not  
get through the net. That is why I am asking this question. I tried to give the hon. Gentleman the  
benefit of the doubt, because in four years ... It may well be that in 2012 he may have had a  
meeting and he may have said, 'Well, look, let's tweak the system in this way,' and he cannot  
660 remember. That is why I phrased the question in the way that I phrased the question.

But just to be clear, again, he has no recollection – that is why I am putting it in this way – of  
giving any instructions to change the system as from December 2011?

665 **Hon. G H Licudi:** Mr Speaker, the hon. Member insists, but I have not said that I denied in my  
earlier intervention that I had said that. Of course I have a recollection – and I say that again: of  
course I have a recollection – of discussing it. In fact, only last week I had a conversation  
specifically on this matter with the Director of Education before the – well last week or maybe a  
couple of weeks ago, certainly before the question arose.

Is the system different? I do not know whether the system is different or not. I know that  
670 there has always been a requirement to check on residency. How stringent that was applied  
previously, that is a matter for the GSD and it is not a matter for me. What I know is that I gave  
instructions and I have repeated those instructions and I have had several meetings with the  
professionals in which the Government insists that stringent checks are applied in order to check  
on residency for the purposes of enrolment to our schools.

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**Mr Speaker:** Next question.

**Hon. T N Hammond:** Sorry, Mr Speaker –

680 **Mr T N Hammond:** Yes.

**Hon. R M Clinton:** Mr Speaker, bearing in mind the Hon. the Minister has instructed the stringent application of the systems, is the Minister satisfied that there is not a single non-resident receiving an education in any of the public schools in Gibraltar?

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**Hon. G H Licudi:** Mr Speaker, I am entirely satisfied that the policy that the Government has put in place is applied by the Department of Education and that the Director of Education is himself satisfied as to residency, otherwise he would take steps to remedy that.

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Is there the remote possibility of someone having slipped through the net? Well, I suppose that possibility always exists, and I cannot give any possible guarantees. But am I satisfied that the system is working properly and the Director of Education himself is satisfied? Well, yes, I am satisfied, because I have asked him and he has indicated that the system is in place and is working.

**Q217/2016**  
**Special educational needs –**  
**Assessment process**

695 **Mr Speaker:** Next question.

**Clerk:** Question 217. The Hon. Ms M D Hassan Nahon.

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**Hon. Ms M D Hassan Nahon:** In connection with the 2011 manifesto promising the SEN system, assessing all children to see whether they require special needs regardless of whether the child requires special needs because they are above or below average, would the Minister for Education confirm whether it has been done and/or is still in place?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

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**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, I can confirm that all children are assessed upon entry and that, furthermore, this assessment process is ongoing to ensure appropriate provision and support is afforded.

**Q218/2016**  
**Construction and refurbishment of schools –**  
**Anticipated levels of disruption**

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**Clerk:** Question 218. The Hon. Ms M D Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Can Government give an indication as to the level of disruption that teachers and students can expect in the forthcoming construction and/or refurbishment of the various schools as outlined in their manifesto?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

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**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, Government is still at a planning stage in relation to works to schools and creation of entirely new schools as outlined in our manifesto. This will be the most significant investment in the fabric of our educational establishments in our history. Everyone in our community will no doubt welcome this investment in new schools. Already we have developed two new schools in one term and a University. We will go on and do even better now in this term. Teachers, parents and children will be delighted. Part of the planning process will clearly involve ensuring that any disruption is kept to a minimum.

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**Hon. Ms M D Hassan Nahon:** Mr Speaker, in terms of the Bayside refurbishment, can the Minister confirm that the –

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**Mr Speaker:** The hon. Lady has to be very careful, because only ten minutes ago that is precisely what was being debated.

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**Hon. Ms M D Hassan Nahon:** Mr Speaker, but the Hon. –

**Mr Speaker:** Bayside. The Hon. Mr Trevor Hammond raised the whole question of health and safety on the incidents that occurred at Bayside. You need to be careful that you...

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**Hon. Ms M D Hassan Nahon:** I understand that the Hon. the Minister for Education said that he would be dealing with it when the question came up to me, so –

**Hon. D A Feetham:** That is the point.

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**Mr Speaker:** He did, I am very sorry and I apologise.

**Hon. Ms M D Hassan Nahon:** – this is why I ask if in Bayside ... Are the students going to remain in Bayside during the refurbishment of Bayside? Because if they are, how can we minimise the noise? Because these children are going to be taking exams. It is a period where they do GCSEs and A-levels, and as much as I am sure the Minister would want to minimise noise, noise is inevitable and teachers are already complaining – not one teacher, many teachers in Bayside are already complaining – that they have to speak over and above their usual tone because of the World Trade Centre, for example.

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My concern is that these children are taking exams at different levels and whether it would disrupt them and the teachers trying to teach the syllabus.

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**Hon. G H Licudi:** Mr Speaker, I have said that Government is at a planning stage and part of the planning will involve logistics: how it is going to be done and how is that disruption going to be kept to a minimum in areas where we already have schools. It is one thing to build a new school, like we did with St Bernard's in a different site to St Bernard's first and St Bernard's Middle – Sacred Heart, as it was – and then bring the two schools together. Where one is working in a site where there are already children, then planning is of a different nature and logistics has to be taken into account. We already have experience of having done a number of works in existing schools – we did the extension to Notre Dame, we have done an extension to St Martin's, we have done an extension and extra classrooms in St Joseph's – so we already have some experience of the planning that needs to go into these matters.

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But this is clearly the focus of what the Government is now doing: planning as to how it is going to be done, to make sure that we keep that disruption to a minimum. And I am certainly very well aware of the issues that the hon. Lady has raised. I have discussed this with the

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Headmaster at Bayside in particular. I know what the teachers are saying and all those views will certainly be taken into account and the works will have to be very, very carefully planned and very carefully logistically mapped out to make sure that we keep that disruption to a minimum.

770 **Hon Ms M D Hassan Nahon:** Mr Speaker, from what I understand, already during the election  
campaign the GSLP party was saying that the planning stage had already been organised and  
that they already knew how they were going to minimise disruption. And having said that, as  
775 much as they would like to minimise disruption I do not see how workers can be silent during  
the building of a property while students are in school. Personally, I would think that the only  
way to ensure that students are not disrupted would be to actually move them. I cannot imagine  
... as much as they try to find logistics that will minimise disruption, as long as they are in the  
same building the disruption will be there. And from what I understand ... from what I  
remember, Minister Linares said once that he did not want to do a refurbishment at the Victoria  
780 Stadium in order not to disrupt students at Bayside. So in order to make a new Bayside, how can  
you keep the students sitting in Bayside without disruption unless you actually move them?

**Chief Minister (Hon. F R Picardo):** Mr Speaker, as I said during the General Election  
campaign, the party had been responsible for creating the manifesto commitments and the  
party which I represent has a plan which it is now sharing with the people who are responsible in  
785 Government. *(Laughter)* Apparently, Mr Speaker, the fact that parties have a plan creates mirth  
on the other side. Given the result of the election, I am not surprised, Mr Speaker, that they do  
not plan in the party! That is what is now being consulted on and is being, of course, improved  
on.

If it is of any consolation to the hon. Lady she is not more concerned than we are that  
790 students should not be disrupted. We are as concerned that they should not be disrupted. It is  
our responsibility that they should not be disrupted and we will ensure that the work is done in a  
way that minimises disruption.

Of course, on some occasions private entities have construction going on next to a school.  
The World Trade Centre is there. It was a project which was approved by the former GSD  
795 administration to be next to a school and therefore was going to have to be built next to a  
school and cause disruption. But I will give her this hint. We have demonstrated to them how it  
is possible to do works next to a school in a way that a school is not disrupted, if we are the  
party responsible both for the works and for the school, by the mechanism that the hon.  
Gentleman has outlined to her was used in the area of Governor's Meadow, where workers  
800 commenced at 3.30 in the afternoon after school was out and work which was carried on during  
the school day was carried on in a way that has not caused any disruption, has gone on – if I may  
put it this way, so that the hon. Lady understands it – inside the envelope of a building, and a lot  
of work has been accelerated during school holidays etc.

That is the way that the Hon. Minister delivered excellent refurbishments and additional  
805 facilities for St Martin's and also for Notre Dame School, things which we sometimes forget  
when we are talking about the huge investment we have made in education. We sometimes  
only talk about the two new schools we have created, but we have created new classrooms at St  
Martin's and refurbished extensively at St Joseph's and Notre Dame – all of it, Mr Speaker,  
without disruption to students.

810 So that is our priority as much as it is theirs, if not more so, Mr Speaker, because it is our  
responsibility as well.

I will just end with this, Mr Speaker. I did my Oxford entrance exam with a pneumatic drill  
outside the room. I think that is why I finished quicker and managed to pass.

815 **Hon. Ms M D Hassan:** Mr Speaker, I am very grateful for that answer. Perhaps there are  
many students who are not as intelligent as our Chief Minister and are not of Oxbridge potential  
and therefore they need to concentrate more and they need less noise around.

I am grateful for the almost-undertaking among all the marketing and PR of this Government's record on education (**Hon. D A Feetham:** Hear, hear.) (*Banging on desks*) on how they are going to ensure that noise is minimised, and I will take it that students can count on no noise-related activity during school hours. Is that what the hon. Gentleman is saying?

**Hon. Chief Minister:** Mr Speaker, that is exactly what I am saying – that what we are going to do is to minimise any disruption to the *maximum* possible degree. Will there be no disruption? Well, Mr Speaker, I do not think it is about intelligence; I think it is about exam technique. If you are doing exams, I think it is about concentration if you are in the classroom. But will there be no disruption? Well, Mr Speaker, there will be the *least possible* disruption it is possible for there to be. We would like that to be zero, Mr Speaker. Will it be possible for it to be zero? Perhaps not, but we shall endeavour to make it zero because that is our responsibility. It is our responsibility to the students, it is our responsibility to the teachers and it is what we want to achieve. Will we be able to achieve it? Well, the engineering will guide us towards how we best achieve that, but I guarantee her that the work that we will do in July and August will cause zero disruption, and the work that we will do during the Christmas and Easter holidays will cause zero disruption, and that the work that we will do after 3.30 will cause zero disruption, and that therefore there will be less weeks in the year when there might be something going on during a lesson than there would be weeks in the year when there were things going on which will not cause disruption.

I assume that she supports that we should be making this investment – the public decided it should be our proposal that should be the one that continues and not theirs – and that she believes that we should be making the investment, and that she just agrees with us that we should be doing that in a way which is the least disruptive possible, which is what I am telling her is exactly the objective of the Government. It appears that we are ... despite the attempts to create a suggestion that she cares more, which is her PR style, actually the underlying reality is that we entirely agree that it must be done in the least disruptive way possible.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, all I was trying to ascertain was to ensure that we are all on the same page in terms of the least disruption, and I accept the hon. Gentleman's explanation.

May I suggest that, from my point of view, the least disruption clearly possible would be to actually move the students from Bayside, and may I remind the hon. Gentleman that during the GSD time in Government – for example, when the Hebrew School underwent a refurbishment – the students from the Hebrew School were moved to the College. So I am just wondering if there is a possibility for the Bayside students to be moved during this refurbishment, to completely ensure that they are completely not disrupted during their school time?

**Hon. Chief Minister:** Well, Mr Speaker, the page is page 72 of the Strongest Foundations manifesto where the hon. Lady will see the magnificent plans that there are already for Bayside School. The logistics of the works – and Mr Speaker complains that we are going on for too long, but she is asking me to commit myself to the logistics of the works –

**Mr Speaker:** I did not complain. I just pointed out to hon. Members that, on the basis of this progress we may be ... I am prepared to be here next week, if necessary; that is my job and I do not complain. I just point it out so that hon. Members know where we stand.

**Hon. Chief Minister:** Thank you, Mr Speaker.

We have told her repeatedly that we are going to minimise the disruption etc. The logistics of that will be a package that will be dealt with by the professionals, by the Minister, by the Department, and will include, if necessary, a relocation. But I would have thought that is one of the things we would seek to avoid, because of course that creates its own disruption of another type. But she can rest assured, Mr Speaker, that this Government is 100% committed to the



870 least possible disruption to any student for the implementation of what is the most magnificent transformation of the fabric of educational establishments in Gibraltar ever proposed to our nation by a party in a General Election, and now this Government's commitment for the next four years.

875 **Hon. Ms M D Hassan Nahon:** Thank you, I look forward to that. And thank you for your own PR style on your spin on this.

**Hon. Chief Minister:** My pleasure.

880 Mr Speaker, she does not have to have the last word; she has to ask questions, *(Laughter)* and when she asks questions we get up to answer them.

**Q219-220/2016**  
**Supply teachers –**  
**Numbers available; HR policy**

**Mr Speaker:** Next question.

**Clerk:** Question 219. The Hon. Ms M D Hassan Nahon.

885 **Hon. Ms M D Hassan Nahon:** Can the Minister give details of the number of supply teachers currently available to cover sick and absent teachers?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

890 **Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, I will answer this question together with Question 220.

**Clerk:** Question 220. The Hon. Ms M D Hassan Nahon.

895 **Hon. Ms M D Hassan Nahon:** Can the Minister for Education explain what the Human Resources policy is in connection with sending supply teachers to cover absent or sick teachers, i.e. how soon after a school or college reports an absence does a supply teacher from outside the school or college come in to fill that absence?

900 **Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, there are 78 supply teachers currently providing cover for sick and absent teachers.

905 Supply teachers will usually cover for absent and sick teachers as soon as a suitable supply teacher is identified from the supply pool. There is no predetermined waiting period, but the deployment of a supply teacher will be prioritised in consultation with the headteacher according to the number of absences already affecting the school during the period, as well as any other significant circumstances such as the length and nature of the absence, the notice afforded to the Department, whether the absence occurs in a small or large school, whether it is  
910 the primary or secondary sector, and so on.

I would add, Mr Speaker, that prior to December 2011 the general practice was that the school had to wait for three working days before supply was sent. That practice was done away

915 with by me following representations from schools to the effect that it made no sense for them to have to wait three days if a supply teacher was available to cover for the absent teachers.

I would also point out, Mr Speaker, that the increase of 47 full-time teachers in 2011 went a long way in addressing staffing issues at schools, and in many cases this makes it easier for schools to cover for absences internally, despite the criticism from some about the increases in public sector employees.

920

**Mr Speaker:** Next question.

**Q221/2016**  
**Westside and Bayside Schools –**  
**Teaching assistants**

**Mr Speaker:** Next question.

**Clerk:** Question 221. The Hon. Ms M D Hassan Nahon.

925

**Hon. Ms M D Hassan Nahon:** How many teaching assistants are there in Westside and Bayside Schools respectively, and what are the criteria for them to be required to help in any given classroom?

930

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, there are 15 special needs learning support assistants in Bayside and 12 in Westside.

935

Pupils with special educational needs are discussed at the multi-disciplinary Special Needs Assessment Panel, as set out in the 1977 Children with Special Needs (Assessment Panel) Regulations. Recommendations on the level of support required per child, including support from learning support assistants, are then made to the Director of Education, who will then authorise the deployment and allocation of these resources. The Special Needs Co-ordinator within the schools will then assign these according to the needs of the children.

940

**Q222/2016**  
**Teaching English as a Foreign Language –**  
**Level of resourcing**

**Clerk:** Question 222. The Hon. Ms M D Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Would the Minister provide details of the level of resourcing for TEFL (Teaching English as a Foreign Language) at primary, middle and secondary level?

945

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information**

**(Hon. G H Licudi):** Mr Speaker, at secondary level there is a specialist teacher allocated to Bayside and Westside who works with pupils in small groups to support their learning and improve their English skills. Currently, 40 pupils are supported across both schools.

In the primary sector there are now established strategies developed after the Department of Education provided the Special Needs Co-ordinators with in-service training in 2012 on supporting and teaching children whose first language is not English.

Schools will use TEFL teaching using a wide range of methods, including in-class support, using special needs support assistants, teacher-led language support groups and, for children with additional needs, withdrawal from mainstream into smaller schools for more targeted teaching.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, may I ask the hon. Gentleman: with the increase in children of naturalised families and the many other international families that are residing in Gibraltar, perhaps the idea of a full immersion course at the beginning of the academic year ... would that be a consideration for Government in order to streamline the children? Also, it would cause less disruption to all the other mainstream pupils, who often get slowed down by teachers who have to explain things in a slower way to children who are not exactly up to speed.

**Hon. G H Licudi:** Mr Speaker, an increase in naturalised families, as I understand it, does not result in an increase in residents. These are people who have been in Gibraltar for many years and have at some point – after 10, 20, sometimes more years, 30 or 40 years of living in Gibraltar – have become naturalised. So these are people who have been in Gibraltar for many years. And in fact those are the least of the problems, because the children of those people who are naturalised are generally those who have come through the education system in Gibraltar and have English, if not as their first certainly as one of their main languages, and that generally does not present a problem.

We have allocated a specific resource to the secondary sector. In fact, we were the first to do so. It did not exist before December 2011 and we took the opportunity in 2012 when the 47 extra teachers, the extra complement of 47, was being engaged, and there was one applicant who was not just a qualified teacher but has specialist qualifications in teaching English as a foreign language and we specifically employed that teacher as part of the 47 to be a peripatetic teacher in the secondary sector to provide the support which, as I said, did not exist before.

At primary level I have given examples of how these children are supported and the Department of Education, in conjunction with a strategy that we started in 2012 which involves the engagement of that specialist teacher, provide an in-service training to what are generally called SENCOs – Special Educational Needs Co-ordinators – of each school as to how to support children with language difficulties.

Ultimately, these are professional decisions. These are not policy decisions for the Government; we simply make resources available. We decide a policy. We have given the professionals at the schools and the Department of Education the necessary tools in terms of teaching resources. How they are best deployed for education in Gibraltar is really a matter for them.

I am advised that the measures that they have put in place are adequate and are the ones that are needed to support children with these difficulties. We clearly recognise that sometimes children come to Gibraltar with their families and English is not their first language and that creates an initial difficulty; but children are in fact very resilient and they adapt very quickly, and the younger they are the easier it becomes for them to adapt and they generally become an integral part of the class very quickly.

But clearly there is a need for support. That support is provided and the professionals of the Department, in my view, do excellent work in providing the necessary support to these children.

1000 **Hon. Ms. M D Hassan Nahon:** Mr Speaker, I appreciate the work that the Minister for Education has been doing regarding teaching English as a Foreign Language, but I repeat my suggestion from the various sources is that a full immersion course would be a good idea in order to bring children up to speed, and I leave it at that.

Thank you.

1005 **Hon. G H Licudi:** Again, the hon. Member wants to have the last word and make a statement, rather than asking a supplementary. She has made a suggestion, I have picked it up, I will pass it on to the professionals and let the professionals decide whether her suggestion is a good one or not.

1010 **Hon. Ms M D Hassan Nahon:** It really is not about making a statement or having the last word. (*Interjection*) No. I put to you a question and you do not ... The hon. Member does not actually answer me one way or another, so I have to repeat what the question was in order for him to understand that that was the question.

1015 **Hon. G H Licudi:** Mr Speaker, not getting an answer is not the same as not getting the answer she wants.

1020 We provide answers. We are asked questions and we provide the answers that we consider as a Government are answers to those questions. Whether she accepts or believes that those answers are adequate or satisfactory is a matter for her, but that is not the same as not getting an answer.

**Hon. Ms M D Hassan Nahon:** This is precisely the point, Mr Speaker. I was not getting an answer.

**Q223/2016  
Hot school lunches –  
Update**

1025 **Clerk:** Question 223. The Hon. Ms M D Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Can the Minister provide an update with regard to their manifesto commitment on hot school lunches for all schools?

1030 **Clerk:** Answer, the Hon. the Minister for Education and Justice.

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, the Government's 2015 manifesto commitment states as follows, and I quote:

A full process of consultation with parents, headteachers, teachers and their unions will take place so that we can start the provision of hot school meals to all children whose parents agree.

1035 Government is in the process of planning such a consultation exercise with all the necessary stakeholders.

**Hon. Ms M D Hassan Nahon:** I am very sorry if this may be a last word and not exactly a question as he would like it to be, but I think it is. From what I remember, the Chief Minister, at the opening of the University, declared as a commitment a *fait accompli* of hot school lunches

1040 for the next mandate that they won. So I did not know that it was in a consultation stage. From  
what I understand, it was a done deal.

**Hon. G H Licudi:** Mr Speaker, again the hon. Member fails to ... and she acknowledges, on top  
of that, when she gets up, that she is not going to ask a question.

1045

**Chief Minister (Hon. F R Picardo):** She needs to be stopped.

**Hon. G H Licudi:** When she says she did not know that there was going to be a consultation  
process, has she just found out from me telling her now that there is going to be a consultation  
1050 process? It is black upon white in the manifesto. It is a manifesto commitment and it is that  
manifesto – how many was it? – seven out of 10 Gibraltarians voted for. **(Several Members:**  
Hear, Hear.) *(Banging on desks)* That is the manifesto that we are seeking to implement and that  
is exactly the commitment that we are going to carry through during this term of office.

1055 **Mr Speaker:** I think I do have to remind hon. Members of the Opposition that they should ask  
questions. It is not a very difficult process, after a bit of practice, to rephrase a statement as a  
question. I commend that.

1060 **Hon. R M Clinton:** Mr Speaker, if I may ask the hon. Member, in terms of school lunches  
would he confirm that it is the Government's intention that these lunches be provided free  
across all schools, and has he undertaken a preliminary costing of this?

1065 **Hon. G H Licudi:** Mr Speaker, as we have indicated, this is a matter that will be considered by  
the Government as a result, or as part and parcel, of the consultation process which is going to  
take place. That is the whole purpose of carrying out that consultation. And once we carry out  
that consultation process and take policy decisions, we will announce them.

1070 **Hon. D A Feetham:** Mr Speaker, may I commend to the hon. Gentleman, that if the  
Government is considering, as it appears from the wording of the manifesto commitment, the  
charging for hot lunches to parents who may wish their children to receive these lunches, that of  
course they bear in mind that there are many, many people in Gibraltar who, because of their  
means, cannot pay and could not pay for hot lunches for their children, and therefore the state  
has a responsibility in relation to those children.

1075 **Hon. Chief Minister:** Mr Speaker, in fact, let us be very, very clear about who stands for what.  
There is absolutely no question of this Government pretending to charge a parent who is unable  
to afford it for a school lunch. It should also be common ground, Mr Speaker, I believe, that if  
people are able to afford it there might be no good reason to simply gift something to those  
families, because we have to concentrate on those who *cannot* afford.

1080 The Government's guiding principle of this issue is that there should not be a child in school,  
watching others eat, unable to eat because his parents cannot afford it. That is not the Gibraltar  
that we will be presiding over; it is not a Gibraltar that we would tolerate, Mr Speaker. But I have  
to tell Members here that today there are some instances where children are unequal at  
lunchtime because some parents may be able to afford to send something to school and others  
1085 are unable to send something to school. We read, in particular from the World Health  
Organisation and from UNICEF, that even in Spain there are children who are now only getting  
their hot meal a day in school because of the austerity that has been there. That is not where  
Gibraltar is, Mr Speaker.

1090 What the Government will do in terms of paying for meals or not paying for meals is part of  
the consultation process. My own view, Mr Speaker, is that today parents spend money on food.  
Parents would much rather it be provided and not have to prepare and provide it themselves

and they would happily pay a reasonable amount of money for that. But if there are people who cannot pay, then of course the Government will ensure that those people do not have to pay. Gibraltar *Socialist Labour Party*: it means something to those of us who sit on this side of the House.

1095

**Hon. D A Feetham:** Mr Speaker, I am very grateful to the Chief Minister. Of course, if I had not asked the question that information would not have come out, and the reason why I asked that particular question was to allay the concerns of anybody listening to these exchanges that that is the position of the Government. It was not meant in any way, shape or form in order to criticise the Government. There are things on which both political parties – indeed, I suppose any political party that were in this House and that were elected by the people of Gibraltar, who have a *huge* amount of common sense and would never elect to this place a political party that effectively charges people who cannot afford to pay for hot meals for their children.

1100

I also welcome the statement by the Chief Minister that everything is in the mix, so to speak, and that those who can perhaps afford to pay for hot lunches for their children ... that perhaps the Government considers charging not an excessive fee but a reasonable fee in relation to those hot lunches, and I think that that is right and proper and that is the way that ... or considerations that ought to be taken in any future Gibraltar and moving away from a situation where one is entitled to everything and anything. Those who cannot ought to be sustained; those who can ought to pay their own way in situations like this.

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1110

**Hon. Chief Minister:** Mr Speaker, I do not detect a question and I thought it was Question Time, but it has never been the position of the Government that those who cannot should pay; it only appeared to be the position of Mr Clinton a moment ago.

1115

**Mr Speaker:** Next question.

**Q224/2016  
Prison Service –  
Waitlisting for positions**

**Clerk:** Question 224. The Hon. D A Feetham.

1120

**Hon. D A Feetham:** Mr Speaker, can the Minister – or can the Government, I should say – please state whether the period of time for those currently waitlisted for positions within the Prison Service will be extended beyond March of this year?

**Clerk:** Answer, the Hon. the Minister for Education and Justice.

1125

**Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi):** Mr Speaker, the decision whether to extend the waiting list will be taken nearer the date.

1130

**Hon. D A Feetham:** Mr Speaker, thank you very much for the answer. Without wishing to criticise the Hon. Minister, because it is not my intention – it is obviously not going to be very helpful to people who are concerned about this particular situation. I have had a number of them who have come to my office to express their concern at the situation that they are waitlisted at the end of March, and then they will come off the waitlist and the whole process starts again.

1135

1140 May I commend to the Minister that the Minister considers extending the waitlisting period beyond March, because I think that ... and again I do not want to be controversial, I want this to be as neutral as possible, because I really do believe that in the circumstances the waitlisting period ought to be extended. But over the last few months there is no doubt that the Government has put a freeze, so to speak, on spending, and that perhaps the position might be reviewed in the new financial year, and in the circumstances an extension of the time for people who are waitlisted would be very welcome, and indeed would be fair in the circumstances.

1145 **Hon. G H Licudi:** Mr Speaker, the Government has not put a freeze on spending. The Government has stopped *unnecessary* spending, and that is exactly what the Chief Minister has described on a number of occasions whenever this issue of spending has been raised.

With regard to the waiting list, this is a matter on which I will be advised on, on HR grounds.

1150 I am told that the usual waiting lists, whenever something like this happens, is six months. This waiting list has already been extended: it is now one year. The waiting list was created following interviews on 3rd and 4th March 2015. And circumstances do change during the year. There may be people on the waiting list who have moved on. In this particular case, with regard to the prison, the placing of people off the waiting list suggests that they are considered in some way suitable. They are vetted. Because of the time that has passed, that vetting process would have to start all over again. And there may be new people, who may not have applied last year, who may be interested in applying.

1155 That is why it is unusual for waiting lists to be extended beyond the year, and that is why I said a decision will be taken nearer the date. It is possible that it might, but it would be unusual for the waiting list to be extended after it has been in place for a year. Generally what happens is new applicants are given an opportunity of applying. I am not saying that that is what is going to happen on this occasion, but a decision will be taken nearer the time when the waiting list is about to expire.

1165 **Hon. D A Feetham:** I am very grateful. I will phrase it in terms of a question: will the hon. Member perhaps undertake that somebody from his office might either send me an e-mail or drop me a line in order to tell me what decision has been taken in relation to this, so that I do not have to ask the question again in this place and I can then go back to these people who have asked me and communicate the decision that the Government has taken? Because, as I understand it, there is no formal communication to those who are waitlisted, saying 'the waitlisting period has now expired and you are no longer on the waiting list'. That is the not the procedure, as I understand it, that happens in these types of cases. What I would like to do is, rather than come to this House and ask the question again in April, just simply get the information directly from the Minister's office. If that were possible, it would be very helpful to me.

1175 **Hon. G H Licudi:** Mr Speaker, I have no difficulty in advising the hon. Member once a decision is taken on this matter.

## ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS & THE GSB

Q225-226/2016

Supported Employment Company –  
Numbers employed; assessment process

**Clerk:** Question 225. The Hon. L F Llamas.

1180 **Hon. L F Llamas:** How many people have been employed in sheltered employment since December 2011, providing details of sex, age and condition/conditions?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

1185 **Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, I will answer this question with Question 226.

**Clerk:** Question 226. The Hon. L F Llamas.

1190 **Hon. L F Llamas:** What is the process to assess people onto the sheltered employment scheme, providing details of the people who have been involved during the process?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

1195 **Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, if by 'sheltered employment' the hon. Member is referring to persons employed with the Supported Employment Company known as SEC, the position as of December 2011 was that there was no scheme to provide either supported or indeed sheltered employment.

1200 Persons with difficulties in obtaining employment were being placed in the £300 to £400 a month so-called Vocational Training Scheme (VTS) and had been in that position for many years – I think, in fact, the one that is still there and was longest there had come in in 1988 – due to the difficulty in transferring them to existing vacancies in the labour market.

1205 Their position, the so-called vocational cadets, was not strictly speaking that of an employee, since they were not covered by the provisions applicable to employees or liable to the employed person's Social Insurance.

1210 In February 2012, in accordance with the party's manifesto commitment of 2011, all vocational cadets were offered employment in the Employment Training Company, with contracts of up to 11 months and covered by Social Insurance. They were paid the national minimum wage, according to their hours of employment.

1215 A few months later – I think it was in June or July – a number of employees were identified by the persons running the discontinued VTS scheme as persons not likely to be able to find regular employment in the labour market. Those concerned were then transferred to a company specifically created to assist them, SEC, and given indefinite contracts. At the time that this happened I informed Parliament and this development was welcomed by the Leader of the Opposition.

1220 Since February 2012, others have been employed in the company as a result of having been identified as having little or no opportunity of employment without support either with the assistance of the employment service or the training companies. Some of those employed have nonetheless found regular employment since with other employers.

1225 The demographics of the employees of SEC at the moment are that there are 48 males and 23 females with ages ranging between 18 and 62.

**Hon. L F Llamas:** When it comes to new people coming onto the Supported Employment Company, what is the process and criteria that is applied and who makes the decisions as to whether that person will be included into the scheme, or the company, or not?

**Hon. J J Bossano:** The process is a process, I think, that to some extent existed before, in the sense that the people who were a very long time in the VTS before ... was because it was not possible to find them alternatives within the normal labour market that they could take up. So therefore, in effect, the process is that an attempt is made to fit them in vacancies when they



1230 register as unemployed, through the support of both the Employment Service on the one hand  
the Training Companies on the other.

In effect, what happened in the first few months of the Government after 2011 was that  
everybody who was in VTS was put into ETCL, the training company, and what we were then  
reduced to and transferred, which I think was something like 47 or 48 ... were the ones the  
1235 people who had been dealing with them through the monitoring system that existed in Bleak  
House, as well as through the Employment Service, had identified that many previous attempts  
had been made to fit them into a regular job in the labour market and that the prospects of  
achieving this appeared to be virtually non-existent. That is why the new company was created  
and they were given the security of employment of having an indefinite contract, which is what  
1240 is happening now.

The new people who come in, in effect, go through that previous attempt, either by putting  
them as trainees or by direct employment with employers and where vacancies are open from  
the public and the private, and where the practical results identify that that is going to be very  
difficult to achieve, then in effect they are put into those companies where it does not  
1245 necessarily mean that the possibility of re-employing them in another job is lost, because in fact  
some six of the people we had previously have actually left SEC and gone into a normal job.

So, by putting them there, what we are not doing is saying, 'Well, look, we'll forget about  
trying to get them a real job, as it were, in the real economy.' We will still keep on trying after  
that, but the chances of success can be perhaps identified in the sense that we have managed  
1250 with six and we have got 71.

So the answer is the selection process is part of what takes place, in effect, not because  
people are sent to us as having a problem, but because everybody who comes and registers as  
unemployed after leaving school is assessed when they are given the interviews, when their CVs  
are prepared, as to what kind of work we could find for them, and that has to be exhausted  
1255 before they are put into the SEC company.

**Hon. L F Llamas:** Without wanting to criticise the scheme, because I think it is a very good  
scheme, what I am trying to get to is, who are the persons or person involved in controlling the  
scheme and taking decisions as to who will actually be admitted into the Supported Employment  
1260 Company in the end?

**Hon. J J Bossano:** Well, in effect, the people who are really in control are the people who  
assess the individual and who are dealing with them from the day that they register as  
unemployed. If somebody does not come looking for work, then it does not come in at all. If  
1265 somebody comes and registers as unemployed, the first stage of that process is the employment  
officers employed in the Employment Service. Those first contacts are then followed up by the  
people who interview and prepare the CVs for them to be sent to potential employers as normal  
trainees with the support of ETCL.

So, in effect, what we did initially in 2012 is what we continue to do now. The first stage is the  
1270 ETCL, which is open to everybody, irrespective of whether they have got learning difficulties or  
they have not, and it is only at a later stage that we find ... But our first objective is that they  
should find a normal job in the normal economy and be part of a normal workforce. Only if that  
proves to be extremely difficult are they put in SEC. When they are put in SEC the process does  
not then stop. We still continue to do the same thing. In effect, it is on the recommendations  
1275 and the judgement of the people with the experience that the management offers a contract to  
the individual.

**Mr Speaker:** Next question.

1280 **Hon. E J Reyes:** Mr Speaker, may I seek a little clarification? I may have misheard the  
Minister.

When he was referring to the Vocational Training Scheme that existed before, he made a reference to Social Insurance. Can he clarify what exactly he said: that there was or was not any payment?

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**Mr Speaker:** [*Inaudible*]

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**Hon. J J Bossano:** The reference that I made was, Mr Speaker, that the individuals in 2011 who were in the VTS did not pay Social Insurance and were not paying Social Insurance, were not covered by the Employment Act and were not treated as employees. They had an income which was tax free but was not a wage, and that was one of the things that we changed by creating a company that gave them a contract of employment. The trainees did not have contracts of employment with anybody in the scheme.

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**Hon. E J Reyes:** Mr Speaker, can I respectfully beg the Minister to go and check on those details, because I know that during the days when I worked at the Department of Education and had responsibility within a certain sector of Vocational Training Scheme right up to 2007 there was payment of Social Insurance, the idea being at the time that those youngsters would already start to accumulate the rights for their eventual employment.

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I cannot vouch 100% for what happened post 2007-11, but perhaps the Minister can investigate because there may be credits due to those individuals, which, if they have paid for them, by all means they should enjoy and reap those benefits.

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**Hon. J J Bossano:** There is an issue for covering that gap but the gap exists, and I think the gap exists because in fact the hon. Member is right – when it started, the scheme was that they were treated as employees, but that was subsequently changed by negotiation with the union and it was then treated as a tax-free allowance and therefore it was not pay. And, of course, if your Social Insurance contribution is a percentage of your pay and you are not paying because it is not considered to be a wage, then the allowance would have been illegal if it had been a wage because it was below the minimum wage. The way that was dealt with by the administration before 2011 – but I can find out for him the exact date when it happened – was that the amount was made tax free and therefore ceased to be a wage, and therefore ceased to trigger off the percentage of liability of employee insurance contribution. There is something there that ... In fact, we gave a commitment to take the necessary action to allow that gap in the record of those affected to be put right, and I am not very sure actually whether it has actually happened or not. But I am grateful to the hon. Member for reminding me, because if it has not happened I will make sure it does.

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**Q227/2016**  
**Apprenticeship Training Programme –**  
**Diversification**

**Mr Speaker:** Next question.

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**Clerk:** Question 227. The Hon. E J Phillips.

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**Hon. E J Phillips:** Mr Speaker, does the Minister for Economic Development agree that we need to diversify our Apprenticeship Training Programme to look beyond traditional skills training whilst also maintaining a rigorous programme of training which ensures that our people are the first choice for employment in skilled work?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):**  
1330 No, Mr Speaker, I do not agree with the hon. Member.

**Hon. E J Phillips:** I am grateful for that response, and from that response he clearly does not believe that our people should be the first choice for skilled work; in my view they should be.

1335 I would like to ask this question, because if you look at the statistics – and I know that the hon. Gentleman is fond of looking at employment statistics – and particularly the one that was given by the hon. Gentleman, Mr Costa, last week, of 255 people currently on the unemployment register, what I would say about that is that insofar as occupations concerned in the abstracted statistics, the hon. Member will ... I am asking a question and I will get to it, if you bear with me.

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**A Member:** [*Inaudible*]

**Hon. E J Phillips:** I am not too sure, Mr Speaker, whether I am ... I was directing my question –

1345 **Mr Speaker:** The hon. Member may carry on but remember that he is supposed to ask questions and they should be, strictly speaking, supplementary questions.

**Hon. E J Phillips:** – which they are, related to –

1350 **Mr Speaker:** The cardinal rule is that they should be short, sharp and to the point. I would commend that to hon. Members. I am prepared to be liberal because we are only in the second meeting of the House, but that should be the objective to which they should be aiming.

**Hon. E J Phillips:** I am grateful, Mr Speaker.

1355 In relation to the abstract of statistics, it shows that there are quite significant increases in occupations in the skill trades and process plant and machine operatives, and in fact I think it demonstrates also that in the construction industry we have seen a 41% increase and a year-on-year- on increase in terms of construction workers.

1360 Doesn't the hon. Gentleman agree that what we should be doing is identifying, quite rightly, those skills that we need in the economy and certainly find our people those jobs and train those people so that they can get those jobs, rather than looking towards other nations for resourcing the construction industry?

1365 I think it is always right, and I am sure the hon. Gentleman will agree with me, that we should be looking at training our own people to have those relevant skills so that they can fill those positions. After all, that was the purpose of the skills audit that the hon. Gentleman conducted in February 2012.

1370 **Hon. J J Bossano:** Mr Speaker, first of all, we have got a policy, and it is a policy that has been explained before. The policy is not a magic formula; it is simply a question of supply and demand – there is a demand for labour and there is a supply of labour – and the provision of training is provision of training the pool of supply so that it is competent to equip it to feed the demand that exists from employers.

1375 The question says do I agree that there is a need. Well, no, I do not agree that there is a need, because there is an ongoing exercise to establish *if* there is a need, where the need is and how much it is, and it is a constant process. As vacancies are opened that we cannot fill from local sources we identify where the need lies, but the need does not arise simply because the hon. Member chooses to put me a question and I can say, 'Yes, I agree with what you have said.' I do

not agree with what you have said, because in fact the apprenticeship training scheme is not the only thing we do.

1380 When we identified that there was a need in white collar workers for people with book-keeping skills because of the vacancies that were opening, when we sent the candidates the feedback that came back to us was that the candidates were being rejected because in their CVs or in the GCEs or in their qualifications there was not the level of numeracy in terms of skills that the employer was looking for. So if people are saying 'I want an accounts clerk' or 'I want a wages clerk' or 'I want that kind of clerk' and not just an office worker, we identify the need. 1385 When we identify the need we then provide the training to meet the need, so we introduced a course for book keeping, employer based with day release at the college, with the people paid and employed by the Employment Training Company. It was not an apprentice training scheme because it does not come under what we understand as apprenticeship. But in fact the result was that most of the people who were placed with offices in the private sector, paid for by the 1390 training company and sent on day release, at the end of the period – it was an experimental thing that we did about 18 months ago and it was quite successful at the end of the six-months period – most of the people were offered employment, even though in that case we had not made that a requirement because we were testing the market.

1395 We have got, for example, a situation where we trained a lot of bus drivers, because we were relying heavily on imported labour for bus drivers simply because the people concerned here in Gibraltar did not have the necessary skills. It was a not a skill that required a lot of investment either in time or money, but we took people who were unemployed and we paid them to be trained as bus drivers and we paid for them to take the exams and obtain from the Public 1400 Service Commission a public service vehicle licence, and most of them have finished up either working in the Bus Company or working in the tourist industry as coach drivers.

So those are areas where we identified the need and we moved away from the traditional skills. We have got a constant process of looking at things that we have not done before. For example, one of the things that did not exist before 2011 and we introduced in 2013 was motor 1405 car mechanics. We have had one intake in already and another one is there in the process of training at the moment.

So the answer is ... Do we need to diversify? We do not need to diversify, because we are already diversifying and because we diversify as a scientific process. We look at what is available in terms of the potential of the labour force, which is a constantly changing figure. Both the 1410 composition of the vacancies on the one hand and the composition of the registered unemployed changes on a daily basis. People register as unemployed, people come off the register, vacancies are opened, vacancies are closed. Monitoring that process is what gives us an opportunity to say, 'Well, look, there is a niche that we have now found where we can be doing something that we have not done before,' and that is part of the existing process.

1415 So my original answer is that I do not agree with him that there is a need that we are not already addressing.

**Hon. E J Phillips:** Mr Speaker, what I was trying to get at – and I am grateful for the response – is that I asked about diversification of skills. I think the hon. Gentleman has referred to a 1420 reactive policy of the Government, which is constantly monitoring the labour market so that they can identify skills, such as the bus example that the hon. Gentleman has given.

My question is directed as to whether the Government has a policy towards looking at the skills that we will require in the future. Looking at IT, for example, software development, gaming, filling those jobs, the future jobs in our economy that we should be looking to target 1425 and target particular individuals who will be able to fill those skills gaps in the future. I know a number of companies that have IT specialists that are crying out to employ local people in this area but they simply cannot do so. That was the purpose behind the question to the hon. Member, so that he could set out what the Government's position is in respect of building a long-term future for people to enter those particular industries.

1430 **Mr Speaker:** I hope the answer to that question will be briefer than the previous one; again otherwise, we are not making any progress. It is up to hon. Members to be here as long as they wish.

1435 **Hon. J J Bossano:** But, Mr Speaker, the shortest answer is to just agree with everything that the Opposition says we should agree with. That is not the answer they are going to get. But if I tell them that I do not agree, I think they deserve to be given an explanation why I do not agree. *(Interjection)* It is not that I do not agree because he is suggesting it; it is because he is suggesting that I agree to something on what I consider to be a false premise of what is actually happening.

1440 It is not a question of being reactive. If the hon. Member says there are people crying out for trainees to be doing something in some area, then that is reactive if what I am doing is reactive, because it is the same thing. What I cannot do is say, 'Well, look, I am now going to ...' For example, part of the reason why the training is under the Ministry for Economic Development and not elsewhere is precisely to do with what he has just said. It is precisely, and has been the case since we took office ... part of the strategy is that when new investors come to Gibraltar who require skills that do not exist in the economy, when we negotiate with those investors to open up business we introduce, as part of that negotiation, a provision that if they need to bring people from outside, and particularly if they need to bring them with work permits, there should be an opportunity for introducing trainees paid by us alongside the people so that there can be a transfer of skills from those who are coming in to those we have got here.

1445 The reality of it is that the limits that we have got in doing this is also what determines the necessity of doing it. The limits are the limits of the size of our workforce. The size of our workforce is less than 50% of the total jobs in the economy. So it is not that the people who are unemployed are unemployed because there are not sufficient jobs in Gibraltar; they are unemployed because the jobs are asking for skills that they do not have, or asking for experience that they do not have, and this is why if you want those jobs to be filled by local residents – which is some of the issues covered in the next questions, where I will deal with what the hon. Members says about the unsatisfied demand – that you can only do by talking to the people who claim to be interested and willing to take on trainees. When that happens, then we will supply what is needed – but I am dealing with that in the other questions, Mr Speaker.

1460

#### Q228-230/2016

#### Apprenticeships and qualifications – Securing employment for trainees

**Clerk:** Question 228, the Hon. E J Phillips.

1465 **Hon. E J Phillips:** Can the Minister for Economic Development confirm that of the 233 craft apprenticeships who obtained qualifications in wet trades, carpentry, painting and plumbing, have all completed placements and are now in full-time employment?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

1470

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** I will answer with Question 229 and 230, Mr Speaker.

**Clerk:** Question 229, the Hon. E J Phillips.

1475

**Hon. E J Phillips:** Can the Minister for Economic Development confirm what measures the Government is taking to secure greater employability in the construction industry by the resident skilled labour force?

1480 **Clerk:** Question 230, the Hon. E J Phillips.

**Hon. E J Phillips:** Can the Minister for Economic Development confirm whether there is an intention to diversify apprenticeship training from solely providing trainees the opportunity of obtaining City & Guilds qualifications?

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**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** No, Mr Speaker, I cannot confirm the points made in each of the three questions.

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The qualifications are at different levels, as the hon. Member knows, so it is not the case that all apprentices have completed their training with placements provided, although the majority have.

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The position to which that question refers is that of the 209 trainees who between them obtained 233 awards at Levels 1, 2 and 3. Those who have completed Levels 2 and 3 are in employment, unless some of the apprentices at Level 2 already entitled to craft pay have expressed a wish to continue to Level 3, which is therefore optional.

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At present we have apprentices in the Centre but employer based, continuing their studies at Levels 2 and 3, since at this level there is a requirement for a portfolio of evidence of work done on building sites.

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One hundred and forty-five are now in full time employment. The balance of 64 consists of those who left with some Level 1 units or a full Level 1. Of those, 49 are in placements to continue with their training to Level 2, and 15 are unemployed having decided not to continue or because of termination due to unsatisfactory attendance.

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The Government has taken measures to increase employability in the construction industry of resident workers by implementing the requirement in the Government construction contracts announced by the GSD administration in 2010 which had been put in practice previously but in a limited version.

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We have gone in fact further than was the case by ensuring that all construction contracts are reflected in a way that they have to give priority to people from the unemployed workforce that are resident in Gibraltar, which is what the condition is in order to be considered an approved Government contractor.

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Existing apprentice training is not limited to City & Guilds qualifications. There are the EAL qualifications and the CITB qualifications and therefore it is not a question of considering whether we should move away from City & Guilds because we are doing things that are not City & Guilds.

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The City & Guilds was originally introduced in 2012 because a number of employers in the construction industry said they preferred that qualification and therefore if it increased the possibility of people getting jobs if we gave them the qualification that the employer preferred we moved in that direction.

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As I was reminded I think by the Hon. Mr Reyes at the time, the content of the qualifications was the same. The difference is in the awarding body and we are prepared to consider any awarding body that is available (a) if that makes it more likely that people will be successful or (b) if that makes it more attractive to employers.

1535

**Mr Speaker:** Next question.

**Q231-241/2016**

**Public debt; reserves; Gibraltar Savings Bank –  
Figures for 2016**

**Clerk:** Question 231, the Hon. R M Clinton:

1530 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please provide the total Gross Debt, Cash Reserves and Net Debt figures for public debts for each of the following dates: 1st January 2016 and 1st February 2016?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

1535

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, I will answer this question with Questions 232 to 241.

**Clerk:** Question 232, the Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise the total liquid reserves figure as at 1st February 2016 and its constituents, namely Consolidated Fund, Improvement & Development Fund, Government-owned companies, deposits, contingencies and other funds?

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**Clerk:** Question 233, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise how total liquid reserves at 1st February 2016 are invested or held, giving details of all bank/savings bank accounts and cash held?

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**Clerk:** Question 234, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise the amounts of total deposits of the Gibraltar Savings Bank and further broken down by Debentures, On Call Investments Accounts, Ordinary Deposits and Bonds for each of the following dates: 1st January 2016 and 1st February 2016?

1555

**Clerk:** Question 235, the Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise the balance on the General Sinking Fund on 1st February 2016 and provide details of individual movements in the fund since inception, being 22nd November 2012, to date?

**Clerk:** Question 236, the Hon. R M Clinton.

1565

**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please confirm that he gave instructions to the Financial Secretary to incorporate GSBA Ltd and cause the Savings Bank Special Fund to purchase £11 million of GSBA ordinary shares, with the sole intention of purchasing the property being 206-209 Main Street and 2-4 Bomb House Lane from Credit Finance Company Limited?

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**Clerk:** Question 237, the Hon. R M Clinton.

1575 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise who agreed the purchase price of 206-209 Main Street and 2-4 Bomb House Lane by GSBA Ltd from Credit Finance Company Ltd and was an independent valuation report obtained prior to the purchase?

**Clerk:** Question 238, the Hon. R M Clinton.

1580 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise who the auditors of GSBA Ltd are and have any audits been completed?

**Clerk:** Question 239, the Hon. R M Clinton.

1585 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please list the assets owned by GSBA Ltd, specifically identifying by address any leasehold or freehold property?

**Clerk:** Question 240, the Hon. R M Clinton.

1590 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please list any leases granted by GSBA Ltd, identifying to whom and on what financial terms?

**Clerk:** Question 241, the Hon. R M Clinton.

1595 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please explain why Credit Finance Company Ltd purchased 206-209 Main Street and 2-4 Bomb House Lane from a Government company, namely GCP Investments Ltd, for £4.5 million, being £1.5 million more than the original cost of £3 million, and who made the decision and who decided the valuation of the property?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

1605 **Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, as the hon. Questioner has already been informed in the last meeting of Parliament, the information is provided a month in arrears, as is the established practice in respect of statistical information.

I am therefore giving him this statistical information where the questions request the data as at 1st January but not where the information requested in the question is in respect of 1st February.

The information requested for 1st January is: Gross Debt, £447.7 million; Cash, £31.97 million; Net Debt, £415.73 million.

1615 The total deposits in the GSB on 1st January 2016 stood at £928,587,625. This broke down as follows: Debentures, £743,324,499; On Call Deposits, £42,482,117; Ordinary Deposits, £84,245,824; Bonds, £58,535,185.

No, Mr Speaker, I cannot confirm what instructions may have been given to the Financial Secretary or indeed whether any such instructions were given to him or any other civil servant. That is not Government policy.

1620 The official authorised to agree the purchase price for the investments in real assets by the GSB is the person who agreed it.

The auditors of the company have not yet been appointed and as yet no audit has been completed.

I am not prepared, Mr Speaker, to provide any further detail of how GSBA goes about its business in investing in real assets or in any other aspect of the running of the business.



1625 The properties in question were purchased because the company thought they were worth purchasing and the increase in value was a result of the investment made in refurbishing the property.

The decisions were made by the people authorised to make them, following an independent valuation by M J (Gibraltar) Ltd.

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**Hon. R M Clinton:** Well, Mr Speaker, bear with me because obviously there were a lot of questions asked and I just need to make sure that all the questions have been answered.

1635 Mr Speaker, if I may ask the hon. Gentleman to explain, if I understood him correctly, he said the Gross Debt effectively at the 1st January 2016 is £447.7 million. Could he explain ... I do not think, Mr Speaker, he has given any answers in respect of my Question 235 on the Sinking Fund. Could he explain how it is that in answer to Written Question 17 of the last parliamentary session, there was a movement of £15 million on the Sinking Fund at 1st December and yet I do not see a reduction in Gross Debt.

If I could start with that question.

1640

**Hon. J J Bossano:** Well, Mr Speaker, I do not know why he expects to see a reduction in Gross Debt because there is money in the Sinking Fund.

1645 **Hon. R M Clinton:** Mr Speaker, if I can, by way of explanation, the answer I was given as the balance in the Sinking Fund was £22,000. My understanding, and I am happy to be corrected by the hon. Member, is that the money in the Sinking Fund can only be applied in reduction of debt.

1650 **Hon. J J Bossano:** The money that was applied in the reduction of the debt in the Sinking Fund was money that was applied before this figure was arrived at, not after it. That is to say when he got the answer, the money that had been applied in the reduction of debt had been applied prior to the date on which he got the answer.

1655 **Hon. R M Clinton:** Mr Speaker, can the hon. Member then perhaps enlighten me as to what the balance on the Sinking Fund is as at 1st January?

1660 **Hon. J J Bossano:** Mr Speaker, he did not ask for the figure of the Sinking Fund for 1st January. He asked for the figure in Question 235 on 1st February, and I have told him that I will give him the figures in arrears and I told him that the last time. So I have told him this time that I am not giving him the answers for 1st February because it is not a month in arrears and I am not giving him the answers for the 1st January, because he did not ask the question.

1665 **Hon. R M Clinton:** Well, Mr Speaker, perhaps the hon. Member could give me the movements on the Sinking Fund to the date he is prepared to give me?

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**Hon. J J Bossano:** Well, that answer is quite simple: I really should not have to give it to him because it does not arise as far as I am concerned from the question that he asked about 1st February, but since there has been no movement, I do not mind telling him.

1670 **Mr Speaker:** Any other questions?

**Hon. R M Clinton:** Yes, Mr Speaker, you will have to bear with me because as you will appreciate, there is quite a lot of information to absorb here.

1675 Mr Speaker, would the hon. Member agree with me, or perhaps clarify for me, that any money on the Sinking Fund can only be applied in the reduction of debt?

**Hon. J J Bossano:** Well, strictly speaking, no. It can be applied in *servicing* the debt, which can be a reduction of debt or the paying of interest.

1680 **Hon. R M Clinton:** Mr Speaker, I note the hon. Gentleman has indicated that ... well, let us go back to the Savings Bank. Mr Speaker, would the hon. Gentleman like to comment on the reduction on the balance on On Call and Investment Accounts since April of £122 million down to £42 million as at December?

1685 **Hon. J J Bossano:** Well no, I do not see why I should comment on whether people put money in or take money out, or the Government puts money in or takes money out. To the extent that the money in the Savings Bank is money that is the liquid reserves of the Government, then he does not need me to tell him that if the liquid reserves are lower, there is less money in the investment account; if they are higher, there is more money in the investment account.

1690 But I am not going to accept the principle that I should comment or be asked to comment in Parliament on why movements happen in and out of any of the elements of the accounts of the Savings Bank.

1695 **Hon. R M Clinton:** Mr Speaker, I am grateful to the hon. Member. He has in fact just reminded me that one of my questions was in fact in relation to the composition of liquid reserves, which I do not believe I have had an answer for.

**A Member:** Question?

1700 **Hon. D A Feetham:** He has not answered the question ...

**Hon. R M Clinton:** Mr Speaker, the hon. Member has reminded me that I did ask a question about total liquid reserves as constituents and how that money is held. I do not believe I have had an answer.

1705 **Hon. D A Feetham:** Mr Speaker, whilst he is at it, Question 232 has not been answered as well, as far as I can see. I have been listening to these answers and it has not been answered.

**Hon. J J Bossano:** Mr Speaker, can I repeat my original answer.  
1710 As the hon. Questioner has been informed at the last meeting of Parliament, the information will be provided a month in arrears, as is the established practice.

I am therefore giving him the statistical information where the question requests the data on 1st January and not where the information requested in the question is in respect of February.

1715 Having told him that, he then stands up and he says I have not been given the answer to 1st February. I *know* you have not been given the answer to 1st February; (*Laughter*) I told you I was not going to give it to you!

**Hon. R M Clinton:** Mr Speaker, so be it.

1720 May I then move on to another question? That is: the hon. Member will be aware that the investment in GSBA Ltd was £11 million and he may refuse point blank to answer this question. The property where the Treasury building is, where the Savings Bank is located, cost £4.6 million. I note that GSBA Ltd had another injection of capital, £6 million. Is he willing to explain where that £6 million has gone, if not on the purchase of the Treasury building?

1725 **Hon. J J Bossano:** Well, I can explain to him that it has not gone anywhere. I know that the election is over and I know that during the election, he made a big issue of the fact that there was all this money put in the Savings Bank for safe keeping and I had put on a balaclava and taken it all away and run down Main Street with it to reinvest it. I know that. But he does not

1730 have to carry on with that fiction anymore, because he has already achieved being elected and sitting over there, Mr Speaker.

The answer is I am not willing to go beyond the information that I have provided on the basis of answering his questions, in the sense that I am not prepared to give the hon. Member details of how the investments in the companies are made by the people who are employed to make them.

1735 So it may be that it has been invested in some other real assets or it may be that it is in cash.

**Hon. R M Clinton:** Mr Speaker, perhaps the hon. Member would enlighten me as to his thinking as to when he considers it appropriate to disclose what the company has invested in and when it is not.

1740 Because in the last meeting of Parliament he volunteered that he had bought the Treasury building. I have gone to Land Registry and done a search, rolled my sleeves up and found that certainly the property only cost £4.6 million. So if on the one hand, he is willing to tell me that much information, why will he not provide me with the information as to the balance?

1745 **Hon. J J Bossano:** Well, first of all, Mr Speaker, the only information I am required to provide in respect of my responsibility for the Savings Bank is that the law requires me to produce the accounts of the Savings Bank once a year, and not once a month. I do not know of many financial institutions who every month produces a breakdown of all the money that goes in, all the money that goes out and all the money that is invested and how it is invested.

1750 What I am not prepared to do is to have a situation where the institution for which we are responsible is subjected to a level of scrutiny by the Member opposite that nobody else is required to be subjected to anywhere else that is in this business.

1755 This is a very safe investment. They tried to make it sound unsafe during our election campaign. They have failed and I informed them previously that in fact I did not want them to stop doing it, because the more they attack the savings in the bank, the more money that came in because they gave it publicity and I do not waste money on advertising. I think they were doing a very good job for me and I am grateful for that.

1760 The reality of it is, Mr Speaker, is that the public has got complete confidence in the Savings Bank and if there are things that are in the public domain and then a Member spends pounds on searches and finds it, well fine, he is entitled to what is in the public domain. But if he finds that a property has been bought, that does not mean that now because he has found a property has been bought, I have to tell him why it has been bought at that price, who bought it at that price, who took the decision to buy it, who gave the instructions to buy it, what time of day it was given.

1765 Well look, this is not on. I am not going to have a situation, Mr Speaker, where the hon. Member's view is that every time he gets a question answered, it is for him then to dissect that question into a number of elements which can be done *ad infinitum*. That is to say that if you think this can keep us here for an extra day, I can tell him with the process of dissection and then subsequent questions, we will be here for a month, not for a day.

1770 And the answer is, the information that is available is information that I am willing to make available to him, and if tomorrow he finds that we have invested in another property, well fine, he is entitled to find it. That does not mean that I therefore have to tell him who was the one that took the decision, how was it valued, when was it valued, who gave the instructions and who implemented it.

1775

**Hon. R M Clinton:** Mr Speaker, I go back to my original question, which is: how does the hon. Member opposite reconcile in his mind giving me the information in the last session and now not willing to provide me with any further information?

1780 And just for the record, I am not in the business of attacking the Savings Bank. What I am doing is my job – my part-time job, as the Chief Minister is fond of reminding me – of holding the Government to account, nothing more and nothing less.

1785 **Hon. J J Bossano:** Mr Speaker, the hon. Member's concept of holding a Member to account is not the concept that was shared by the party to which the hon. Member belongs in the last 15 years. Therefore he is entitled to get treated as I used to be treated, but he is lucky that he is not going to be treated like I used to be treated, because I am a nicer guy than the guy who treated me the way I am describing.

1790 **Hon. R M Clinton:** Mr Speaker, it would appear evident that I am not going to get an answer today, tomorrow or any time soon. As regards the property transactions, I believe the public are entitled to an answer but again, I am not going to get a response, so I think we can move on to the next question.

1795 **Hon. D A Feetham:** May I? Mr Speaker, thank you very much.  
Mr Speaker, before I start, may I welcome the hon. Member back to the House. I understand that on Friday he was not feeling very well and I am glad that he is feeling as fit as a fiddle and back to his old tricks yet again in the way that he answers questions! Which I do enjoy, even though I am afraid that they are the epitome of the lack of openness and the lack of transparency that we have been severely critical of the Government over the last three to four years.

1800 Can I just ask him to go back to Question 241? It may be that I have got it the wrong way, but it is my understanding that the value of the Main Street / Bomb House Lane property forms part of the so-called reserve that the hon. Gentleman keeps on quoting, and kept on quoting before and during the General Election, that the Savings Bank had. Part of their political case was that there was this reserve in the Gibraltar Savings Bank amounting to £20 million but part of that was the value of this particular building. Is that correct or not?

1805 **Hon. J J Bossano:** The way he has put it is not correct. Of course he may know it or he may not.

1810 The fact that you choose to employ some of your reserves in purchasing the building rather than renting the building, because you can actually make more money by purchasing and saving the rent that you can get by investing in something else, does not mean that it can be described in the way that the hon. Member has described it. The way that I have described it is the accurate way.

1815 **Hon. D A Feetham:** Yes, Mr Speaker, let us not play musical chairs here. He knows the question perfectly well that I am asking, and I think I know what the answer is but I want him to confirm it.

1820 Essentially, what the hon. Gentleman is saying is, there is £20 million of reserves in the Gibraltar Savings Bank. These are the much-vaunted reserves they were talking about during the General Election. It is not all in cash because part of that cash, for the reasons that he has just described, has been invested in this particular property. So part of it may be cash but part of it is in bricks and mortar, because he has chosen for economical reasons – in other words not to pay rent but to invest in property – to invest in that property. Is that correct?

1825 **Hon. J J Bossano:** Well, Mr Speaker, it could be correct if in fact only the money that is the reserves of the bank was there. But as the hon. Member knows, the assets of the Savings Bank, of which he normally gets a breakdown when he asks the right question with the right date, does not match the deposits other than in total. So there is nothing that says the money in the property is not from the debentures or is not from the bonds, it is from the reserves.

1830

From the perspective of the bank, given that in theory the Savings Bank would be required to repay everybody at a certain point in time, if no new money came in, if that theoretical position was reached and if all the money that is deposited with the bank had to be repaid, the accumulated profits of the Savings Bank, which would previously have been withdrawn and spent, would include the building.

1835 That is to say we would not be selling the building in order to pay a depositor but there would be nothing to stop us doing it if we chose to, let us be clear. That is to say, we could if there was a situation where we did not want to have part of the accumulated profits of the bank in that building, we could undo the transaction, and I can assure the hon. Member there would be no difficulty in getting somebody to invest in a property which houses the Gibraltar Savings Bank where the tenant is very secure, and a very long lease and the rental can be negotiated.

1840 So if what he is trying to say is that the money is impossible to convert into liquid funds, the answer is no.

1845 **Hon. D A Feetham:** No, the hon. Gentleman is unfortunately trying to pre-empt the political point that I want to make in relation to this. Let me tell you what the political point is – it is not that.

The political point is that if you have £20 million of reserves, which is the position that the hon. Gentleman has consistently on a number of occasions outlined in relation to the Gibraltar Savings Bank, and part of it is this particular building and this particular building has been bought for a consideration, which as the hon. Gentleman says is £4.5 million and it has been now valued at more, then surely it is a matter of public interest. It is a matter that the Opposition are entitled to know. How on earth does a building that is bought for a particular price, £4.5 million, is now valued at a higher amount – bearing in mind that part of what the Government is telling the people of Gibraltar is that the Gibraltar Savings Bank has £20 million in reserves, which actually includes this particular building?

1850 And therefore, does he not recognise that it is a matter of public interest and that it is a matter that the Government ought to be more transparent about, bearing in mind the great store that the Government has placed in relation to these reserves of £20 million, which includes this particular building?

**Hon. J J Bossano:** No, Mr Speaker, he is wrong.

First of all, it is not valued at more than £4.5 million, okay?

Secondly, I have already answered that question by telling him that the investment in the building is not identified as the investment of part of the £20 million, that there is no correlation between the position of the building and the position of the reserves.

The only correlation there could be is that if we have got in the Savings Bank £928 million – okay, if we have got at the moment £928 million – and tomorrow the maturity date was the maturity date of the £908 million, but not the £20 million which is the bank's money, then in that hypothetical but impossible situation, because all the money that is on deposit is not on 24-hour notice – it is on call going into the future – but if that were the situation, that the £928 million included £20 million belonging to the bank and £908 belonging to depositors and all the depositors had their money back in 24 hours, we would be left with £20 million.

1870 In that £20 million there would be included the £4.5 million building, logically. Because we are not going to say to a depositor who says, 'I want my £4 million back', 'Take the building with you'.

1875 Even if that were a possible conjecture, which it is not, for the reasons that I have explained, it does not mean that the Government's reserves – or the Savings Bank's reserves, rather, which belong to the Government – cannot be converted into liquid assets.

1880 **Hon. D A Feetham:** I understand that.

**Hon. J J Bossano:** You understand that. Well, I do not understand then what the issue is with the hon. Member saying is it part of the £20 million.

1885 Well no, it is not part of the £20 million. It is part of the £928 million, because we have not said the money that we have invested in the property is the money from the £20 million reserve. We have not said that. But it would be that situation if we repaid the £908 million tomorrow, which is not going to happen because people are putting money in, not taking it out.

**Hon. D A Feetham:** Mr Speaker, I am afraid that as usual, in relation to the way that the Government manages and chooses to manage its public finances, in particular the way that it runs the Gibraltar Savings Bank, the position is as clear as mud. That is the reality of the situation.

1890 May I just simply refer the hon. Gentleman to the title deeds. Well, this is a search that we have conducted in relation to this particular property, and the consideration paid for this particular property appears to have been £4.6 million – just under £4.7 million – so I did not get the figure wrong when I outlined it to the hon. Gentleman.

**Hon. J J Bossano:** Mr Speaker, I am sorry, he said it had been increased above the £4.6 million.

1900 **Hon. D A Feetham:** Yes, yes.

But can I go back now to Questions 232 and 233 and again, I am afraid my criticisms of the Government are phrased in the question.

1905 Does he not agree that it is highly susceptible to criticism, an answer that he provides to this House, which is ‘Ah, you have only asked the question for the beginning of February 2016,’ in relation to for example the total liquid reserves and the question at 232, ‘and we do not have the figure for the 1st February 2016 because the system we are working under, we would have the figure in a month’s time but we are not going to have it today’?

1910 But what is the problem providing the answer to the question in terms of, which is usual, what the position was at 1st January 2016? Surely the hon. Gentleman does not expect us to come back in April, ask the question for 1st January 2016, when it has always been usual, Mr Speaker, for the Hon. Ministers of whatever party and political persuasion to say, ‘Well look, we do not have the figures for 1st February 2016 because we work in arrears or whatever, but I am going to give you the latest figures that we have, which is 1st January 2016.’

1915 And I ask the hon. Gentleman to explain the quite extraordinary response that he has provided, which is ‘You have only asked for 1st February, I do not have it, I am not going to provide it and I am not going to provide 1st January because you have not asked that.’

**Hon. J J Bossano:** Well, Mr Speaker, the explanation is quite simple. I made the mistake of assuming they are rational, thinking beings on the other side of the House, and I apologise for that mistake.

1920 I assume that if somebody says to me in Question 234, ‘can I have the information for 1st January and 1st February?’ and then he asks me in the next question, ‘can I have the information for February only?’, it is because he is not interested in the 1st January and he is not asking for it, because the hon. Member *chose* to put in one question January and February, and in the others February only.

1930 The hon. Member may think from the opposite side of the benches that it is legitimate criticism that I do not answer the questions that are not asked. Well look, that is a vast improvement on the situation that I have for 15 years, when I did not get answers to the questions that I *did* ask. So he cannot complain that he does not get an answer because he did not ask it. If they wanted 1st January, all they had to do was to do with the other questions what they did with 234 – simple as that.

1935 **Hon. D A Feetham:** Mr Speaker, first of all I do not accept the characterisation of the way that we used to answer questions; but secondly, it is not an answer, Mr Speaker, having spent 16 years criticising the GSD that now we are not going to provide you the answers because you did not provide me with the answers when they were critical of the then ... presumably they were critical of the then Chief Minister for failing to provide those answers. It just does not stack up, quite frankly.

1940 But does he not recognise that there is a distinction in the way that my learned Friend – my hon. Friend; not learned Friend – my hon. Friend, Mr Clinton has asked the questions in relation to 231 and also ... well, certainly 231? The distinction is this: for Gross Debt, Cash Reserves and Net Debt we ask the question every single month. The idea is to obtain the position every single month – that is why he has asked the question like this.

1945 In relation to Question 232 and 233 which are *new* questions, he wants an up-to-date position. Now the only up-to-date position that the Government has at the moment is 1st January and I would just ask him to be helpful – I know that goes against his nature! As much affection as I have for him, it has to be said he likes to call a spade a spade and I too like to call a spade a spade, and he is not particularly helpful.

1950 But rather than get us to come back next time round and ask the question for 1st January, if he could at the very least be helpful, if he has the information and provide it, which I would expect him to have the information.

1955 **Hon. J J Bossano:** I think the hon. Member knows the answer to that, but I will tell him if he does not.

No, I am not prepared to do it, and given that he has said that the reason why the question was different was because they wanted the most recent date, I would not expect that they would ask for January the next time round because then it would not be the most recent date.

1960 Secondly, it is not the case that I criticised the Government when they failed to give me the answers. I accepted that they were the Government and they were entitled to give the answers in the way they thought fit, which has always been the case. I have been longer on the Opposition than I have been in Government, so I have been longer at the receiving end than the delivery end of this.

1965 But the hon. Member must understand that it is not that I am saying to him, 'Because you answered in this way, I am going to do the same to you.' What I am saying to him is, 'If you answered in this way when you were the Government, you must have thought it was right for you to do so.' And what you cannot do is say, 'It is right for me to do it when I am in Government but it is wrong for somebody else to do it when they replace me as Government.'

1970 So it is not a question of wanting to pay them back for the way they behaved, misbehaved when they were in Government. It is a question simply that I am doing it the way they did it because I assume that is the way they are comfortable and happy with, because I cannot imagine they were doing it to spite me at the time, just like as I am not doing it to spite them now, Mr Speaker.

1975 And as an afterthought, I must say that maybe the omission of the date was after all because the hon. Member is not learned.

1980 **Hon. D A Feetham:** Mr Speaker, just one final question. I have to say I do enjoy the exchanges with the hon. Gentleman. As I have said before, he is value for money, even though he is the epitome of the lack of transparency and the lack of openness on the Government benches! But then again!

1985 Now, Mr Speaker, in some of these questions, the question seeks to understand who it is that has given instructions, who it is that has agreed the purchase in relation to the Bomb House Lane property and the hon. Gentleman said, 'officials'. That was the answer. Can I assume from that, that he means the directors of Credit Finance Company Ltd; and if he does not, what other officials were involved in the decision making process?

**Hon. J J Bossano:** Well, Mr Speaker, if he wants to assume that the officials are directors or not that is a matter for him. I do not want to tell him what he should assume or not.

1990 But if I had wanted to use the word 'directors', I would have said 'directors'. So the fact that I have not used it, he can assume it is because it is not the directors – if that is what he wants to assume.

1995 But at the end of the day, I am not here to try and assist him with his assumptions. The point is that the people who are employed in the Civil Service do jobs which are required of them to do, in order to give effect to Government policies. It is not the established practice, as I think the Chief Minister has already alluded to in his answer to a previous question – it is not the established practice of *any* Government, never mind the last 15 years, in the last 44 years – to be asked who gave an instruction to a civil servant or who was the civil servant who carried it out.

2000 We are responsible politically for the policies and we employ people to carry out the acts which give effect to those policies.

**Hon. R M Clinton:** Mr Speaker, the hon. Member has spiked my curiosity.

2005 In terms of Credit Finance Ltd, in the last House I asked the question if there were any open employment contracts with ETB and the answer was no. From that, am I correct in assuming that Credit Finance has no employees of its own and that the only mind and management body available to Credit Finance are in fact its directors?

2010 **Hon. J J Bossano:** Mr Speaker, Credit Finance has no employees of its own and all the work that needs to be done is done by people within the service. Therefore, the answer to the hon. Member's question is that he will be happy to know that I am keeping a very tight control of the purse strings, so that we are getting very good value for money by not employing specific people to do specific tasks. Everybody in the outfit multi-tasks.

2015 **Hon. R M Clinton:** Could the hon. Member explain or perhaps elaborate on what he means by 'in the outfit'?

**Hon. J J Bossano:** We are the outfit, Mr Speaker, and we employ four and a half thousand people – and we were elected to be the outfit very recently with a majority of three to one.

2020 **Hon. R M Clinton:** Mr Speaker, if I understand the hon. Member correctly, first of all Credit Finance has no employees of its own, the directors of Credit Finance do not necessarily make the decisions, and the decisions are made by the Government or officials appointed by the Government.

2025 **Hon. J J Bossano:** Mr Speaker, the hon. Member can rehearse his reinterpretation of the answers that I give, so that he can then have plenty of material for his Facebook and he is entitled to do that.

But the answer that I have given him is the answer that I have given him and not the interpretation that he puts.

2030 **Mr Speaker:** Next question.



**Q242/2016**

**Improvement and Development Fund –  
Income from sale of Government property**

**Clerk:** Question 242, the Hon. R M Clinton.

2035 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please provide a breakdown by property item of the anticipated income in 2015-16 in the Improvement and Development Fund as per the 2015-16 estimates on the sale of Government properties and other premia?

2040 **Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, the estimates are provided to Parliament at budget time in respect of the revenue from property sales by the Treasury and the finance department by making a judgement of the likely level of property sales in the year ahead.

2045 This is done taking into account the state of the property market, the stock of available properties and land, any tender awards or negotiations with prospective investors, etc. The estimates therefore are not predictions as to what property is going to be sold at what point in time and at what price.

2050 The exception is where a property is already being put out to tender. The successful tenderer is already known and the transaction has not yet happened but is imminent.

**Hon. L F Llamas:** Can I just ask have there been any negotiations or actual sale of the Gibraltar Air Terminal?

2055 **Hon. J J Bossano:** Is that arising out of the original question?

**Mr Speaker:** I am not sure, will you explain how it is that it arises from the original question.

2060 **Hon. L F Llamas:** Well basically, we have certain information and we believe that perhaps the sale or predicted sale of the air terminal is included in this –

**Mr Speaker:** Was there anything in the estimates for 2015-16?

2065 **Hon. L F Llamas:** No, it is –

**Mr Speaker:** Then I do not see how it can arise.

**Hon. L F Llamas:** It is a catch-all item in the estimates.

2070 **Hon. R M Clinton:** Mr Speaker, you asked is there anything in the estimates for 2015: this is precisely the question I was asking, for which the hon. Member basically has not given a breakdown, so we do not know if the airport was in the estimates.

2075 **Hon. J J Bossano:** Mr Speaker, if what the hon. Member is saying: is the sale and the profit of the terminal included in the estimate of the I&D, then the answer that I have given him shows that it is not.

**Q243/2016**

**Consolidated Fund; Improvement and Development Fund –  
Income and expenditure**

**Clerk:** Question 243, the Hon. R M Clinton.

2080 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please provide the cumulative – I think I can guess the answer – position to 1st February 2016 (*Laughter*) for income and expenditure for the financial year 2015-16 for each of the Consolidated Fund and the Improvement and Development Fund?

2085 **Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunication.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Well, Mr Speaker, the hon. Member knows already that I would not answer this question because it is for 1st February.

2090 But I do not want to mislead him and I have to tell him that I would not have answered it even if he had put 1st January. (*Laughter*)

**Hon. R M Clinton:** Mr Speaker, I am grateful for the hon. Member's frankness. Perhaps he could enlighten me and say well are there any off-limit questions in terms of finances that he is not willing to provide an answer to, or perhaps he could enlighten me as to which ones he is.

**Hon. J J Bossano:** Well, Mr Speaker, I do not need to enlighten him because if there are answers that I think can be answered he gets the answer and the ones that I think cannot be answered, he does not get it.

2100 But let me give him an explanation why the question would not have been possible to answer, even if it had been 1st January – and frankly, I am surprised that he should not have arrived at that conclusion himself.

2105 Mr Speaker, the hon. Member wants to be given the cumulative changes in the income and the expenditure of the Consolidated Fund and the Improvement and Development Fund for the whole of the financial year to date. These cumulative total changes involve the whole of the public sector and the whole of the capital works of the Government.

2110 Cumulative means providing the receipts of every single entity in Government. The cumulative totals for the financial year start to change from midnight on 31st January as payments are received and invoices are paid, which produces either a negative charge or a revenue flow into the Consolidated Fund and into the Improvement and Development Fund.

2115 These cumulative changes are done retrospectively in each case for the plus and the minus items when they are inputted into the Treasury accounting system. In effect, what the hon. Member wants is to be given the detail of each item that the whole of the Treasury department is engaged in, as are all the controlling officers and all the receivers of revenue.

2120 Quite apart from the fact that the volume would have to be collected manually and presented for answer in oral delivery, the compilation of the answer would take months. If we stopped everybody working in the relevant departments, just preparing the answer to this question, in effect from the moment we started producing the answer would mean the Government would not be in a position to receive revenue or pay invoices because everybody would be engaged in this exercise.

It may be that he did not realise the implications of what 'cumulative' means, but to me cumulative up to a point means identifying each change, each plus and each minus.

2125 The GSD in 15 years in Government was only willing to provide tentative figures at the mid-point of the financial year – that is for the 30th September – limited to the summary of heads of expenditure, not every item, and provided three months in arrears. That is, by January, if there

happened to be a meeting then and with a caveat that the results were not to be taken as indicative of the likely result of the financial year as a whole.

2130 The system in place that only enabled that to be produced is the system that still exists. It is a system, Mr Speaker, that I do not think has changed in the 44 years that I have been here. That is to say, it is a system that was there when I arrived in 1972 and it is a system that in order to be able to produce up-to-date information quickly for the Government, let alone for the Parliament, needs a major, major change and I think a move from a lot of manual handling of paperwork to more of an electronic system.

2135 It is something we have not been able to do in the last four years. It is something that I hope within this term we will do something about, but it does mean that the getting together of any answer ... and certainly, I imagine it is not an easy thing to do, because the previous administration had the same system and they did not do anything to make it a faster and more accurate system in 15 years and certainly we, in the eight years we were in Government previously, we did not do anything either because there were too many other things to do.

2140 So the answer is it is not possible to produce this.

**Hon. R M Clinton:** Mr Speaker, I am grateful for the hon. Member's explanation and the information given, to which I sympathise with.

2145 Just one question, possibly for my own curiosity: to what extent is the information the Government itself receives from Treasury up to date? Are they one month behind, two months behind? What are the latest numbers that the Government could get itself on a cumulative basis?

2150 **Hon. J J Bossano:** In some instances, more than one or two months behind. I mean the money that comes in gets recorded faster than the money that has to go out, because sometimes you get invoices that have arrived late and then there is the time it takes to check the accuracy of those invoices, that they have been certified as correct by the right person.

2155 If the wrong box has been ticked, there is a long line of paperwork which then has to be gone back down to get back to the point where the tick was put in the wrong box. Therefore, even the one month figure that I am prepared to give will not be accurate, there will be further revisions.

**Hon. R M Clinton:** Mr Speaker, I would like to thank the hon. Member for that again and perhaps if for future reference, would he be prepared to give a mid-term statement, as he mentioned, the 30th September in future if we request it?

2160

**Hon. J J Bossano:** Yes, Mr Speaker, I am prepared to give what was being produced before.

**Mr Speaker:** Next question.

**Q244/2016**  
**Low-cost housing projects –**  
**Profit from sales**

**Clerk:** Question 244, the Hon. R M Clinton.

2165

**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance advise how much money are Government companies due to receive on the completion of sale of the low-cost housing projects and what profit is the Government anticipating to make in total?

2170 **Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, there is no profit anticipated as the affordable homes are sold at cost. The amount of money will not be known until the sales are completed.

2175 **Hon. D A Feetham:** Mr Speaker, the hon. Gentleman says that the affordable homes will be sold at cost, that was also my understanding. But can he answer this: when he says 'cost', of course these are sold at 50%. So is it 50% of cost and therefore is the position that the Government is effectively subsidising ... ? We do not know how much because some of these flats may be 50%, others may be 60%, even though the majority are 50%, as the Hon. the Chief  
2180 Minister has said on a number of occasions.

But am I right in saying that effectively the Government is subsidising, by a percentage, the construction of these flats?

2185 **Hon. J J Bossano:** Well, there is a subsidy in two aspects, or there is a subsidy in the sense that the land is free, obviously. And there is a subsidy in the sense that the Government invests in 50% of the house and does not charge rent for that 50%. That is the whole concept of the 50/50 home ownership which transformed home ownership in Gibraltar in the 1980s, or in 1989 whenever it was we did this. But calling it a subsidy, well fine, it is a subsidy less than the subsidy involved in renting.

2190 **Hon. D A Feetham:** Yes. Perhaps... Mr Speaker, I am grateful for the answer. Perhaps I have not actually made my question sufficiently clear, and I apologise to the hon. Member. Of course, there is going to be a subsidy.

2195 What I am getting at is whether there is effectively a cost to the Government, beyond the cost of the land – forget about the land for the time being – in terms of the construction cost and the proceeds that the Government gets back from the purchase of the 50% or the 60% or the 70%, what it gets back from the tenant, whether there is a cost in monetary terms to the Government beyond what it is recovering in respect of the sale of the properties, forgetting about the cost of the land.

2200 I know if you have taken into account the cost of the land, then the mathematics work out that, yes ... but I am talking about actual costs, money in the pocket, that it is costing the Government beyond what it is receiving in terms of receipts.

2205 **Hon. J J Bossano:** Well I am not certain, Mr Speaker, whether he is referring to the fact that if 50% of the house ... for example, if the house has cost £120,000 and somebody buys 50%, then the money of £120,000 is paid by the Government to the contractor and the Government is only going to get £60,000 back.

2210 So if that is the cost that the hon. Member is referring to, then the answer is to the extent that people do not buy that other 50%, that is something that will be there for as long as the house is there. It is not something that is written off. There is in fact an asset there which is Government-owned.

2215 **Hon. D A Feetham:** No, no. Mr Speaker, I understand that. I am just in my own mind trying to work out something that I have been considering in the past and we have been discussing here as well, which is in monetary terms, does it cost the Government ... ? Does the Government recover its monetary investment?

Because the hon. Gentleman says the cost of the flat may be £120,000. That assumes of course that it is costing the developer £120,000.

2220 The developer in this particular case is GJBS, the Government-owned company. Now if it is costing the developer £120,000 to actually build the flat, that does not necessarily follow. The flat may have cost less to build, but it is being sold at £120,000.

What I am getting at is, whether the Government is actually recovering 100% of what it is costing, the Government at the end of it is paying, to build these flats?

2225 **Hon. J J Bossano:** My understanding is that the price has been fixed on the basis of the tenders that were submitted for the building of the estates.

What I cannot be 100% sure of, for example, is if there are public areas or areas ... whether they are fully incorporated in the price per unit. I am not 100% certain of that. I can find that out and let the hon. Member know.

2230 But as far as I am concerned, the political decision and the policy decision of selling at cost is that if it costs to build £x, we do not sell it for £x plus a percentage.

2235 **Hon. R M Clinton:** Mr Speaker, if I may ask the hon. Member whether he has the number with him, what that £x is for all the low-cost housing projects – what the total cost of all the housing projects is to the Government?

**Hon. J J Bossano:** I do not have that information with me, but I will find it and let him have it, Mr Speaker.

2240 **Hon. R M Clinton:** I am grateful, Mr Speaker.

**Mr Speaker:** The House will now recess to 3.00 p.m. this afternoon.

*The House recessed at 1.05 p.m. and resumed its sitting at 3.00 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.00 p.m. – 10.20 p.m.

Gibraltar, Wednesday, 2nd March 2016

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# The Gibraltar Parliament

*The Parliament met at 3.00 p.m.*

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

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

## Questions for Oral Answer

### ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS & THE GSB

**Q245/2016**

**Gibraltar Home Loans Company Ltd –  
Loans or mortgages granted to date**

**Clerk:** We continue with answers to Oral Questions.  
Question 245. The Hon. R M Clinton.

5 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance advise if Gibraltar Home Loans Company Ltd has granted any loans or mortgages to date?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):**  
Not yet, Mr Speaker.

10

**Hon. R M Clinton:** May I ask if the company has applied for a credit licence?

15

**Hon. J J Bossano:** I cannot confirm whether they have or they have not. I will go back and check, but no loans have been... the home loans company has not engaged in any activity to date.

**Q246/2016**

**Credit Finance Company Ltd –  
Loan applications; investment decisions**

**Clerk:** Question 246. The Hon. R M Clinton.

20 **Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance please advise how loan applications are made to Credit Finance Company Ltd and how investment decisions are made and by whom and with reference to what criteria?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** In writing, Mr Speaker. Whether to proceed with the granting of the loan application is a decision that is made by the people authorised to make it by reference to the return on the investment, the security granted and the effect on the social and economic development of the community.

25 **Hon. R M Clinton:** Mr Speaker, may I ask where are applications to be addressed and who are the people authorised to make those investment decisions?

**Hon. J J Bossano:** Yes, Mr Speaker, and I have answered that the applications are made in writing and that the people who process the applications are the people authorised to do it. I do  
30 not know whether he expects me to give him their date of birth and their name and address, but he is not going to get it if that is what he is expecting.

**Hon. R M Clinton:** No, Mr Speaker, my supplementary was to ask where, in terms of the physical address rather than the people, these applications should be addressed, and ... I will sit  
35 down.

**Hon. J J Bossano:** Credit Finance has an address, and if you write to somebody you write to the address where the company is registered. That is what you normally do, at least to my  
40 knowledge.

**Hon. R M Clinton:** Mr Speaker, in answer to previous questions the hon. Member has advised us that Credit Finance has no employees, so am I correct in coming to the conclusion that the people making these decisions are neither employees nor directors?

45 **Hon. J J Bossano:** I think it follows that you do not have to be a Sherlock Holmes to deduce that if there are no employees there cannot be employees making decisions, because they do not exist.

I said the people authorised to make it, and whoever is authorised to make it, whether it is a director or one of the public officials who run the Civil Service system in the Treasury... This is all  
50 managed by the Treasury. We do not employ people outside to do these things. So, whoever has got the authority to assess this and apply the criteria that has been laid down as a policy by the Government, which is consistent with the criteria that is contained in the legislation in the Savings Bank, are the people who take the decision.

55 **Hon. R M Clinton:** Mr Speaker, may I ask: have the directors of Credit Finance Ltd given any general or specific powers of attorney to anyone?

**Hon. J J Bossano:** The hon. Member can ask anything he wants, but whether they have or they have not is something that I have not enquired. I do not know whether he is saying that  
60 they should have or that they should not have, but I have not asked any director whether he has a power of attorney, nor would I expect to be asked that supplementary from the original drafting of the question.

**Hon. D A Feetham:** Mr Speaker, perhaps we can cease going round in circles and he could just simply answer this question: does the outfit make the decisions that my hon. Friend  
65 Mr Clinton is talking about?

**Hon. J J Bossano:** The outfit is the collective reflection of the people of Gibraltar. They make their decision and it is a collective representation of the people who vote there. Every decision

70 the outfit makes is consistent with the election manifesto for which the people voted. We are carrying out the will of the people, not the will of the Members opposite.

**Hon. D A Feetham:** I understand, Mr Speaker. It may well be that the decisions of the outfit are a reflection of the will of the people of Gibraltar by virtue of the fact that they got elected  
75 into Government. But that was not the question. The question is whether the decisions that are being explored and asked about by my friend Mr Clinton are being taken by the outfit: yes or no?

**Hon. J J Bossano:** The answer is he should have paid attention to me when I gave the first  
80 answer, because the answer to the original question is that the decisions are taken by the people authorised to take them, and that the policy that they apply in making the decision is made by the people elected to make policy decisions – and that policy has also been spelled out.

**Hon. D A Feetham:** Yes, Mr Speaker, but this is an important point. We are talking about a  
85 company, Credit Finance, that has had transferred to it £400 million of savers' money. I will repeat that so that listeners and viewers understand what we are talking about: £400 million of savers' money has gone from the Gibraltar Savings Bank into Credit Finance.

Credit Finance has no employees, according to the hon. Gentleman; all it has is directors. In  
90 fact, we know that the directors are corporate directors; they are not even human beings. The human beings are in the corporate directors.

When we asked earlier this morning about decisions that were taken in relation to some  
other aspects of Credit Finance, you said that it is the outfit that made the decisions – that is the Government. Now, we are entitled to know who is making these decisions. Of course the policy is going to be made and is going to emanate from the Government of the day. That I understand,  
95 and indeed that was precisely my criticism when I criticised the lack of openness and transparency and also sought to establish that link with the Government, because I was saying, 'Well, hang on a minute, this is the Government,' and he was at pains in the early stages of the debate to place an arm's length between the Government and Credit Finance. But if the directors do not take decisions because there are no employees that are employed by Credit  
100 Finance, then surely it must be the outfit that is taking the decisions – and that is the Government, by his definition.

**Hon. J J Bossano:** Mr Speaker, all the decisions that are taken in the public sector are the  
responsibility, politically, of the Members on this bench, whoever implements the policies.

105 I know that the hon. Member repeats what he says so that everybody hears, so the first thing is that he is wrong to say any money was transferred. The Savings Bank invests in the shares of Credit Finance – it owns Credit Finance.

And he does not seem to be able to even understand the difference between purchasing an  
110 asset and transferring money. The asset has been purchased. The entity has got a moneylender's licence and it lends money. The criteria for lending the money are laid by the Government. The policy is laid by the Government. The Government has defended that in an election, and the hon. Member has attacked it, and the majority have accepted the view of the Government and not his view – just like they did in the opposite direction in the last four years, and we have reminders of that every other day from them. So nothing has changed. The only difference is  
115 that the hon. Member thinks that he can govern from that side of the House, and the answer is that he cannot.

If and when he ever gets elected, he can run down the Savings Bank again, he can stop  
issuing debentures, he can stop Credit Finance and he can slow the economic growth of Gibraltar. But as long as we are here, the people employed in the public service, who are public  
120 servants, will be carrying out our policies, helping the private sector to expand and helping the

economy to grow. That is what is happening there, and if that is not sufficiently transparent for him, it is sufficiently transparent for the electorate.

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

125

**Hon. D A Feetham:** No, Mr Speaker, it is not sufficiently transparent for me –

130

**Mr Speaker:** May I tell the hon. Members, the Minister and the Leader of the Opposition, that they are now beginning to debate, and there is a limit about the extent to which I am going to allow that.

**Hon. D A Feetham:** Of course, Mr Speaker. I defer to Mr Speaker's judgement on these matters, as I must.

135

But of course it is not sufficient for Members on this side of the House, because it is not sufficient when a Government of the day acts in the opaque, non-transparent manner that this Government acts.

140

But it is very simple. The question is very simple and it requires a very simple answer, because it is a factual question. It is about who takes the decisions, who makes the decisions on behalf of Credit Finance – and it must be the directors of Credit Finance. That is the simple answer: it is the directors of Credit Finance. Even though the Government sets the policy, it must be the directors of Credit Finance. But he finds it difficult to even tell me that – that it is the directors. He talks about officials. It cannot be these phantasms of officials, because Credit Finance, which is a Government-owned company – but nonetheless is a company, it is a limited company – must act through its directors, and it has no employees, it has no officials. You cannot have phantoms of officials acting on behalf of a company when the hon. Gentleman has said there are no officials. That is the point.

145

150

We only want to know who is taking these decisions. This morning he was very helpful. We may disagree with the outfit taking the decisions, but this morning he told us that it was the outfit that took the decisions. In other words – the outfit, according to him, was Members on the opposite side, the Government – the outfit was making the decisions. Now he is telling me that it is the officials, but this company has no officials. I just want to know who is taking the decisions in relation to a company that has – whether by way of transfer, investment or whatever it is – it has £400 million, £400 million of savers' money, and the Government has a responsibility to shed light on how those decisions are being taken and by whom.

155

160

**Hon. J J Bossano:** Mr Speaker, the Members opposite, who have been doing their best, unsuccessfully, to undermine the policies in this area since 2011 (**A Member:** Yes.) – a policy that the previous GSLP initiated in 1988 when the bank grew, as it did, from £3 million to £300 million in eight years – have been making an issue of the fact that if you give savers' money to Barclays Bank, as they were doing, you do not ask, 'Who has decided to make a loan in the Savings Bank: the directors or the guy employed in Barclays Bank to do it?'

165

The answer is that Credit Finance does not have people on the payroll of Credit Finance. Credit Finance, as a company, is managed on a day-to-day basis by the Treasury. The people in the Treasury are the officials that I have said are the people authorised, and I have used the word 'authorised' as opposed to being employed, because they are not employed. Whether anybody authorised needs to go back to ask a director for any clarification on anything, it would be if there was any doubt whether the criteria laid down by the policymakers, which is us, was being met or not.

170

As far as I am concerned, that is the same explanation that I have given him several times. It is not an explanation that he wants, because he wants something to be able to criticise – and if he accepts the explanation, he cannot criticise it. Well, he can carry on criticising it, because it will do him as little good this time as it did the last one.

Q247/201

**GSBA, Gibtelecom and Credit Finance Company –  
Market value of ordinary and preference shares**

**Mr Speaker:** Next question.

175 **Clerk:** Question 247. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Minister for Public Finance advise how the market value for ordinary and preference shares held by the Savings Bank Special Fund in GSBA Ltd, Gibtelecom Ltd and Credit Finance Company Ltd, have been determined?

180

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, the shares in question do not have a market value, since they are not quoted on any stock exchange.

**Hon. R M Clinton:** Mr Speaker, I am grateful for that answer.

185

I wonder if he could reconcile that statement with the schedule of investments we get regularly, and in fact are in the Principal Auditor's Report, whereby, for example, Credit Finance is being shown as having a market value; or is that perhaps a mistake and perhaps should be reclassified to being held at cost?

190

**Hon. J J Bossano:** Mr Speaker, the shares have the value in the balance sheet of the Savings Bank, which is the value at which they were issued to the Savings Bank. That does not mean that it is a market value, nor indeed that it is their real value, because there may be profits in the company, which means that the profit per share would enhance the cost price of the share. So all the shares are shown at the original cost of the acquisition.

195

**Hon. R M Clinton:** I thank the hon. Member for his answer, but would he agree with me that it is perhaps a misnomer in the way the investments are currently disclosed in the schedule of assets of the Special Fund?

200

**Hon. J J Bossano:** Well, it may be a misnomer because the title that has been put in the column is 'market value'; but, for example, the debentures of the Government have no market value and the Savings Bank has got debentures of the Government – and the hon. Member has not asked me what is the market value of those debentures. It is the same thing, but okay, if it makes him happier I will get the title at the top amended, and it will say 'market or acquisition value'.

205

**Hon. R M Clinton:** Yes, I appreciate that remark, Mr Speaker, but I would suggest that, rather than change the title at the top, perhaps the schedule should be split in two so that we know which ones are really at market value and which ones are at cost.

**Q248/2016**  
**Civil Service –**  
**Agency workers**

210 **Clerk:** Question 248. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government provide details of workers who have been working within the Civil Service structure in the last 12 months from recruitment agencies or companies, giving details of the start date, end date or expected end date, the reason why the services is/was required, recruitment agency or company from which the worker was provided, Departments in which the worker has been placed, and, if any, have been employed by Government since?

220 **Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, as the hon. Member knows from the Estimates of Expenditure, the Government decided some time ago, as a matter of policy, to make provision for relief cover in the Civil Service structure of all Departments, which, prior to 2011, existed in some and not in others.

The relief cover head has been used to pay for the following number of staff supplied for two companies: Rock Admin with one supply worker; and S&K with 27. Eleven supply staff provided by S&K are no longer in the Civil Service structure. One of them obtained employed as Audit Clerk.

225 The current dates of termination of the supply cover are all in 2016. However, the hon. Member presumably understands that, for example, when someone comes back from maternity cover, sick leave or annual leave, or any other reason for the staff shortage, supply workers terminating in one Department often get redeployed onto others where a new requirement arises. This sometimes happens seamlessly and sometimes the supply agency takes its employee elsewhere and may bring the person back at a later stage. The bulk of those placed started in 230 2015 or late 2014 but have not necessarily been posted in the same area.

The deployment by Department currently stands as follows, but could change tomorrow.

Technical Services	1
Fire and Rescue Service	1
Income Tax Office	3
Statistics	2
Housing	1
Department of the Environment	1
Human Resources Department	1
Gibraltar Audit Office	1
IT Department	1
Post Office	1
Treasury (Salaries)	1
Treasury (Wages)	1
Treasury (Accounts)	2
Treasury (Payments)	1
Education	3
GHA	5
CSRO	1
ETB	1

235 **Hon. D A Feetham:** Mr Speaker, and none of these commenced their service within the Civil Service structure, so to speak, earlier than late 2014?

**Hon. J J Bossano:** That is correct, yes.

**Q249/2016**  
**Approved contractors scheme –**  
**Details of scheme members**

**Mr Speaker:** Next question.

240

**Clerk:** Question 249. The Hon. D A Feetham.

245 **Hon. D A Feetham:** Mr Speaker, can the Government please provide details of all companies, businesses, self-employed individuals and other entities who are or were on the approved contractors scheme as at the end of December 2011, 2012, 2013, 2014 and 2015, together with details of their specialist trades, works given and value of such, together with the work currently being undertaken and value of the same?

**Clerk:** Answer, the Hon. the Minister for Economic Development and Telecommunications.

250

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** No, Mr Speaker.

**Hon. D A Feetham:** Does that mean that the outfit does not want to provide us with an answer to this particular question?

255 **Hon. J J Bossano:** No, Mr Speaker, it does not mean that. It means that this is not information that is readily available and can be produced at the push of a button. The hon. Member, having been in Government, knows this full well. It would take a considerable amount of time and an army of people going through five years of paper records to try to compile the volume of information; and, as he wants it in an oral answer and I always try to please him in that respect, if I had to read the question it would take me a week.

260

What I have readily available is the most recent list of approved contractors and their specialities, and I am happy to pass that over to the hon. Member. I can also tell him that my impression is that the list sees very little movement in or out.

265

Of course, if it is information that he wants collected to bring the public administration to a grinding halt, then he can count on me not to help him.

**Hon. D A Feetham:** Yes, Mr Speaker, in relation to the last lesson, I chose not to learn that particular lesson from him – because he was the master of asking statistical questions in order to grind the administration to a halt when he was on these benches.

270

Yes, I will take any information that he can provide, of course. But if this question is left over – or I can repeat this question, if it is a question of time – for next time round, and for example ... Look, he may not have all the information for all these years, but certainly he must have it for 2014 or 2015. I would just appreciate some guidance from the hon. Member as to what parts of this he could answer, for example next month, and I will just simply repeat the question next month.

275



**Hon. J J Bossano:** Well, I can get people working on different parts of the question, if the hon. Member is happy with that. He does not need to ask me every month. I will send him ... As it is ready he can get what is available.

**Q250/2016**  
**Brussels office –**  
**Payments to staff**

280 **Clerk:** Question 250. The Hon. T N Hammond.

**Hon. T N Hammond:** Mr Speaker, can the Government provide figures for the amount paid during 2015 to each member of the Brussels office in salaries, allowances, bonuses, retainers, fees or any other benefit in kind?

285 **Clerk:** Answer, the Hon. the Deputy Chief Minister.

**Deputy Chief Minister (Hon. Dr J J Garcia):** Yes, Mr Speaker, the information requested by the hon. Member is as follows:

	£
EU Political Director	207,437.50
EU Legal Representative	96,173.65
Finance and Admin Director	53,893.41
Interns	20,376.15

290 It should be noted, Mr Speaker, that the relevant tax rate in Brussels is from 48% to 52%.

**Q251/2016**  
**Brussels office –**  
**Lobbying activity**

**Clerk:** Question 251. The Hon. T N Hammond.

**Hon. T N Hammond:** Can the Government provide a list of all lobbying activity conducted by the members of the Brussels office since its establishment?

295 **Clerk:** Answer, the Hon. the Deputy Chief Minister.

**Deputy Chief Minister (Hon. Dr J J Garcia):** Yes, Mr Speaker, it is not in the public interest to publicise a detailed list or description of all lobbying activity conducted by the representation in Brussels since its establishment.

300 The Government can, however, confirm that in 2015 the Brussels office organised and participated in individual bilateral meetings on many occasions, more than once with the same person, with at least 79 Members of the European Parliament, 29 officials of the European Commission, nine officers of the Permanent Representations of the Member States, and two members of the Economic and Social Committee.

305 At these meetings, the individuals concerned were briefed on issues that are of political importance to Gibraltar. These include issues such as the dispute with Spain over the application

310 of the EU aviation legislation to Gibraltar, the unjustified labelling of Gibraltar as a tax haven, the restriction imposed on the right to free movement of people at the border between Gibraltar and Spain, or issues relating to general misconceptions held in EU circles over Gibraltar's status in the EU.

**Clerk:** That completes answers to Oral Questions.

## Questions for Written Answer

315 **Clerk:** Answers to Written Questions, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to table the answers to Written Questions numbered W25/2016 to W35/2016.

**Mr Speaker:** Ordered to lie.

## Order of the Day

### GOVERNMENT MOTIONS

#### Select Committee on Constitutional Reform – Committee established

320 **Clerk:** Order of the Day. Government Motions.  
The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move the motion standing in my name, which reads as follows.

*This House:*

*Notes and recalls that the Gibraltar Constitution of 2006 was adopted 10 years ago;*

*That the said Constitution of 2006 furthermore had its origins in a process which commenced in 1999;*

*Considers that there should be a review of the 2006 Constitution by a Select Committee of this Parliament in order to assess what changes to it are necessary or desirable;*

*And therefore hereby resolves to establish a Select Committee which shall be known as the Select Committee on Constitutional Reform which shall consist of three Members nominated by the Chief Minister and two Members nominated by the Leader of the Opposition.*

325 Mr Speaker, the position of the Government in respect of this motion is well known. In fact, it is one of the matters set out in our manifesto at the recent General Election, where we set the agenda for what would be the progress in respect of constitutional advancement, setting out the need to review, on page 18 of the manifesto, the possibility for a select committee and a constitutional review conference.

330 Mr Speaker, the Constitution that we have in place at the moment – and I note that you and other Members of this House were part of the Select Committee, or in fact part of the negotiating team that went to London to obtain that Constitution – has been a Constitution that for 10 years has, of course, changed the way that Gibraltar has been run. We saw wholesale amendments to our legislation after its introduction – in the Interpretation and General Clauses Act, for example, where the word ‘Governor’ was changed for the word ‘Minister’. The repatriation of powers was quite substantial and the House and the Government have been working under the auspices of the new Constitution now for almost 10 years.

Mr Speaker, in broad terms it is likely that there will be four types of amendments that we will be identifying, or proposed changes that we should be identifying.

340 Initially, of course, the Select Committee made recommendations which were not able to flourish in the negotiations with the United Kingdom in the period 2004-05 when the negotiations were ongoing. Some of those the select committee to be created might consider should now be put again and might prosper.

345 Secondly, Mr Speaker, the nuts and bolts detail of the working of the Constitution. With the best will in the world, in creating a document of this sort there will sometimes be nuts and bolts issues which will need to be changed. Those sometimes arise also in the context of judicial proceedings which may have thrown up minor issues with the Constitution: issues relating to trials etc., non-political issues which the Constitution also deals with and have to be updated as a result of decisions of our court making it desirable to do so, indications from judges that it might be desirable to do so, or indeed judicial developments outside of Gibraltar in other courts that Gibraltar may also have to take cognisance of – at the Court of Human Rights, the Court of Justice and the Privy Council in the United Kingdom.

350 Mr Speaker, there are other proposed changes that the select committee may wish to make when the time comes. We have made many changes to the way Gibraltar is run since 2011 – for example, the monthly meetings of Parliament and other aspects of what we have done, which the select committee might decide are better dealt with in the context of the Constitution.

355 In parallel, Mr Speaker – and I will move in a moment another motion – we have the Select Committee of the House that I hope will soon finish its work. We spent some time looking at the work that had been done by the Independent Review Commission during the lifetime of the last Parliament – we need to round off that work. Some of that work may result in proposed changes which this Parliament may adopt, which may also need to see some read-through into a new Constitution in the manner of ensuring tying into the Constitution some of the things that the Select Committee on Parliamentary Reform may recommend – for example, issues relating to codes of conduct in public life etc. Those are things which we may decide should be in the Constitution.

365 Mr Speaker, those are the character of changes that it may be that you can define as being the different heads that the select committee may come up with. I think this is necessary work. I think this is a review that needs to happen.

370 All options are open for the select committee. The select committee could come back to the House and say that on reflection the time is not ripe for a position to be put to the British Government, or it could be that there are issues to be put and that we should then consider those in this Parliament and determine together how best to take that forward. That, I think, is work that we need to do.

375 I am conscious, of course, of the fact that it was highly unsatisfactory for Gibraltar not to have had constitutional change for 30 years between 1969 and 1999 when the former Select

Committee was created. It then took some considerable time for the Select Committee to do its work and to then prosper with the 2006 Constitution.

380 There are, of course, political issues that we need to look at together in the select committee and decide how we want to put them for our people, not for any of our individual parties or partisan interests. All of those things, Mr Speaker, I think are the mature way to ensure that you keep under review, but in a way that is accountable to the people, how the Constitution is working.

385 I have in mind also some detailed work. We have discussed, for example – and I think I have said publicly before – that we have wanted to ensure that the rights of disabled people are secured for them not to be discriminated against. We think it is important that there should not be two different categories of fundamental rights – fundamental rights contained in a constitution and fundamental rights contained simply in a statute, important though that is – and that there may be a requirement to ensure that all the categories of non-discrimination that this Parliament believes are appropriate should be contained in the same standard of document.  
390 Those things I am sure will be things that will carry the support of the whole House.

Mr Speaker, in my research in respect of how important it is to keep constitutions under review, I note that the Bermuda constitution, which has always been seen as the one which is just slightly more advanced than the current Gibraltar Constitution, is a constitution that was granted before, I believe, the 1969 Constitution for Gibraltar, but has been amended, I think,  
395 eight or 10 times already by order in Council.

And so, Mr Speaker, I think it is important that we do this exercise. I trust it is an exercise we will be able to do together. It is an exercise in which we have to be totally accountable to our people, because this is, in effect, our Magna Carta, and I sincerely hope that this is a motion that will enjoy the full support of the whole House and that the select committee will be able to do  
400 its work in an atmosphere of co-operation and conviviality.

**Mr Speaker:** I now propose the question in the terms of the motion moved by the Hon. the Chief Minister.

405 The Hon. the Leader of the Opposition.

**Hon. D A Feetham:** Mr Speaker, thank you very much.

The Opposition cannot support the motion in its current form.

I am very grateful to the Hon. the Chief Minister for recognising that the new Constitution in 2006 was effectively a game changer constitutionally for Gibraltar. As he says, it was a new  
410 Constitution that was negotiated, agreed, and then, following a referendum, enacted here, provided and extended to Gibraltar, which effectively changed the way that the Government was run in terms of the relationship with the Governor, the relationship with the United Kingdom, and the repatriation of many of the powers that we now enjoy back to, or, extremely to the Gibraltar Government from what was then the Governor.

415 I am *extremely*, extremely proud about the way that certainly the party on this side of the House not only supported the process of the Select Committee through the negotiating process with the United Kingdom, but also the way that it recommended to the people of Gibraltar in very clear terms that the people of Gibraltar ought to vote a yes to the Constitution, which was something that was heeded by the people of Gibraltar in the results of the referendum.

420 But, Mr Speaker, our position has been, and it is one of the fundamental policies of the GSD since the 2006 Constitution, that the 2006 Constitution provided the people of Gibraltar with the maximum level of self-government compatible with British sovereignty short of independence. That has been a fundamental tenet, a fundamental policy of the GSD party, and one that we are not prepared to compromise on and one that continues to be a policy of the party.

425 I recognise that of course it is a policy of Members opposite, but what this is about is Members opposite asking the Opposition to adopt a policy that is not ours, a policy that is theirs.

I have gone on record in the past asking the hon. Gentleman to explain what it is that he envisages and what it is that he means – in the words of this particular motion, but certainly it is something that I have raised before this motion was drafted: what are the changes that he believes are necessary and desirable?

430 Today he has talked about the nuts and bolts, the need to be changed as a consequence of traditional review. I am not aware of changes as a consequence of decisions. He then speaks about ... well, there might be areas that arise as a consequence of parliamentary reform and the other Select Committee that we have convened and the work in relation ... I am none the wiser  
435 in relation to what the Government means by changes that are necessary or desirable.

Of course, in any exercise such as this, a Government needs to come in, or the parties need to go in, with a very clear idea of what they want to achieve. In 1999, when we started the process of constitutional reform, of course we had a very clear idea, because the genesis of the constitutional process in 1999 was that there had been a White Paper by the United Kingdom  
440 Government. So, in 1999 a White Paper, 'Partnership for Progress and Prosperity in Britain and the Overseas Territories', which was sent to every single Overseas Territory by the United Kingdom Government inviting proposals for constitutional reform. That is what then led to this House setting up a Select Committee on Constitutional Reform, which then produced a draft Constitution which formed the basis for the negotiations that took place and started, I think it  
445 was in 2004. I had the privilege and the honour of forming part of that negotiating team, along with the Hon. Mr Speaker, the Father of the House, and also the Deputy Chief Minister, and that then produced the result, our 2006 Constitution, which was adopted in a referendum. But it appears to us that this is quite a different situation altogether. Then, there were proposals being invited by the United Kingdom Government; this is their own initiative, and I think that it is  
450 incumbent upon them to provide us with a very clear understanding of what it is that they want to go with this.

Thirdly, there is, I think, an additional difficulty, and that is that although I cannot foresee fundamental ... I do not see the appetite in Gibraltar for fundamental constitutional reform, and of course I have already said our position is that the Constitution provides the maximum level of  
455 self-government short of independence compatible with British sovereignty, but the one area where I envisage circumstances where there might be a need for fundamental constitutional reform might be after the Referendum on 23rd June; because if, God forbid, there were a decision by the people of the United Kingdom and Gibraltar collectively to leave the European Union, then I think that in those circumstances we have to really get our serious thinking caps on  
460 and do some serious thinking about our relationship with the United Kingdom and how it is that we want to progress that relationship. It may well be that we want to go towards a situation ... I put it no higher than that, but we might want to go to a situation where we want some form of devolved integration with the United Kingdom in order to provide us with the protection that we might need in case our neighbours to the north decide to play silly buggers, so to speak, with the  
465 Frontier and use their full powers, in the circumstances where the United Kingdom leaves the EU, to try and place restrictions on the Frontier.

Those are the three areas that cause me concern. Having said that, I have said as well that the Opposition wants to try and see whether it is possible at all to work with the Government. And what we have done is come up with proposed amendments that I would like the Hon. the  
470 Chief Minister and Members opposite to consider in order to see whether we can progress and amend this motion in a manner that allows the Opposition to participate on the terms of this amended motion. If I may just distribute some to my colleagues.

Mr Speaker, I have to move the amendment before I sit down and that is why –

475 **Mr Speaker:** For guidance, you see... would you have...what the Leader of the Opposition has circulated is what the amended motion would look like if the proposed amendments are incorporated into the Chief Minister's motion.

**Hon. D A Feetham:** Yes.

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**Mr Speaker:** More correctly, what you should have done should have been to actually circulate the proposed amendments. That is what you should have done more correctly.

But, having looked at what the amended motion would look like, I am not going to ask the Hon. the Leader of the Opposition to do that now, because it is not a straightforward exercise, but ideally that is what should have happened.

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So, what I would say is that what the amendment being moved by the Leader of the Opposition amounts to is this: the addition of –

**Hon. D A Feetham:** Can I go through it myself?

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**Mr Speaker:** I am going to ask you to read it out in a moment, yes; but what it would amount to, really, is the –

**Hon. D A Feetham:** Well, let me explain, Mr Speaker, what it amounts to and then I can read it out. But I just –

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**Hon. Chief Minister:** Read the amendment.

**Mr Speaker:** Sorry?

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**Hon. D A Feetham:** I will read the amendment.

**Mr Speaker:** I have to though.

**Hon. D A Feetham:** Yes, Mr Speaker will have to read the amendment. I just want to explain very briefly, Mr Speaker, so that it is understood how opposition arises.

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**Mr Speaker:** You see...In order to arrive at this –

**Hon. D A Feetham:** I am totally in Mr Speaker's hands.

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**Mr Speaker:** In order to arrive at this, you really have to –

**Minister for Economic Development, Telecommunications & the GSB (Hon J J Bossano):**  
Move the amendment.

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**Mr Speaker:** In order to arrive at this you would have to delete all the words after 'Furthermore' in the Chief Minister's motion and replace –

**Hon. D A Feetham:** No, Mr Speaker, the parts in red –

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**Mr Speaker:** 'Recalls that the Gibraltar ... was adopted'

**Hon. D A Feetham:** Nothing has been deleted. There have been additions; nothing has been deleted. That is why I just want to –

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**Mr Speaker:** But then those amendments should be moved individually. They should be moved separately. The correct way of doing it would be for those amendments in heavy type on the sheet circulated by the Leader of the Opposition ... All those amendments in heavy type should, strictly speaking, be moved separately. In order to avoid that ... That is the correct

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position. I am prepared, not to complicate matters, to allow the Leader of the Opposition to read out what the motion would look like as amended and allow debate, but I think I ought to give notice for the future that this is not the way to do it. That is not the way to do it. (*Interjection*) That is not the way to do it, okay?

535 The Leader of the Opposition.

**Hon. D A Feetham:** Mr Speaker, I am very grateful.

The proposed amendments are in bold and in red.

The first amendment reads, 'After '1999' – in other words the paragraph that says:

'That the said Constitution of 2006 furthermore had its origins in a process which commenced in 1999;'

I am adding ... and I know the Hon. the Father of the House says that is wrong ... And in fact, if it is wrong and he persuades me that it is wrong, we can delete this. That is not a die-in-the-ditch issue for us, but it reads:

namely the invitation in the 1999 White Paper, 'Partnership for Progress and Prosperity, Britain and the Overseas Territories', to Overseas Territories Governments to submit proposals for constitutional reform.

540 That was, I believe, the genesis of the constitutional process that commenced in 1999. It was a response to an invitation by the United Kingdom – I have always understood it as such – to make proposals for constitutional reform.

545 The second paragraph is an important one to the Opposition, because, Mr Speaker, the motion as read out, as it stands drafted by the Hon. the Chief Minister, provides that the *House* considers that there should be a review of the 2006 Constitution by a select committee. Well, that is not our position, and what I want and seek agreement of this House is that the position of the Opposition ought to be acknowledged. Therefore, the paragraph that I have inserted states:

acknowledges that it is the position of Her Majesty's Opposition that the 2006 Constitution provides for a modern relationship between Gibraltar and the United Kingdom and that gives Gibraltar a maximum degree of self-government compatible with British sovereignty of Gibraltar.

Indeed, hon. Members will note that that is almost precisely the wording that is provided in the ... I think it is the preamble to the new Constitution of 2006.

And then I have added the words:

acknowledges that Her Majesty's Government considers

because it is *their* position that there should be a review.

And then I propose:

acknowledges that Her Majesty's Opposition is not aware what provisions of the 2006 Constitution Her Majesty's Government considers should be assessed for changes

– because we do not –

acknowledges that in the interests of unity Her Majesty's Opposition agrees to the establishment of a select committee for the purposes of reviewing the 2006 Constitution, but that no substantive work will be undertaken until after the EU Referendum on 23rd June 2016.

550 In other words, Mr Speaker, we are agreeing to participate in a select committee, acknowledging what is our long-held position constitutionally and what this Constitution did for Gibraltar, acknowledging that there is a very difficult decision that has got to be taken by the United Kingdom by the people of Gibraltar about in/out of the EU on 23rd June, which might have an impact on the process. It does not mean that we cannot have meetings, for example,

555 prior to 23rd June, but that there will be no substantive decisions that will be taken until after  
23rd June 2016.

I would hope, Mr Speaker, that the hon. Gentlemen opposite can accommodate what are, in  
our respectful view, reasonable but necessary amendments in order to also reflect what our  
560 position is, that will allow us to participate in this process, which is *their* policy, in a spirit of unity  
and also co-operation and constructiveness.

That is why I am proposing these amendments, Mr Speaker.

**Mr Speaker:** All Members of the Government, including the Chief Minister, can speak on the  
amendment.

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**Hon. Chief Minister:** Mr Speaker, I am very disappointed to see that the hon. Gentleman is  
not going to be able to support the policy of the Government which has been elected 98 days  
ago with an overwhelming majority of public voting in the General Election, which has a policy to  
undertake this review in this way. A select committee is a committee of both sides of the House,  
570 where both sides of the House are able to put their own views.

Mr Speaker, if the hon. Gentleman believes that we have reached that maximum possible  
level of self-government, that we should not do anything before Brexit etc., it is up to him – he  
can say that in the select committee, that he has a different policy.

575 He may have a different policy as to whether we should, as a result of the review, make any  
changes to the Constitution or propose them, but surely he is not saying that he is not even  
prepared to review the Constitution. That is his position, Mr Speaker, as explained today, given  
that he says that it is *our* policy to review, but that he is not aware of any provisions that should  
be changed.

580 Well, look, he might become even more convinced that there are aspects of the Constitution  
that have to be changed than we might by the end of the process. This is not a commitment to a  
change; this is a commitment to a review. Therefore, Mr Speaker, we do not accept that this is a  
question of setting out the different policies of the Government and of the Opposition in respect  
of the motion, which deals with the paragraphs that he has included.

585 He is trying to set out what his position is. He is trying to put into a particular box the position  
of the Government, as it being just the Government's view. He is then trying to set out that the  
Opposition itself is not aware of anything that should be assessed for change, and then setting  
out that only in the interest of unity the Opposition is going to support the creation of the select  
committee.

590 Mr Speaker, I must say this is the most ill-tempered proposed amendment I have ever seen  
to a motion seeking to establish a select committee, especially given that I have said at the  
beginning that we are not going into the select committee with any preconceived notions – I  
have given just an indication of the types of issues that we would be wanting to look at.

595 Mr Speaker, he told us about the campaign for the 2006 Constitution, at the referendum, and  
how proud he was that the party that he now sits with – I forget whether he was with them then  
or not; he must have been, because he was included by Mr Caruana in the negotiating team in  
order to try and raise his profile a little bit ... how proud he was of the work that they had done  
in presenting the Constitution at the referendum and how the Constitution was one of the  
defining benefits that they had left us.

600 I do not think it is the position of all of them, Mr Speaker, because I am reminded that  
nobody on this side of the House led the no campaign. The no campaign was led by Mr Robert  
Vasquez, who described the 2006 Constitution at the time as a wasted opportunity. Well,  
Mr Speaker, maybe Mr Vasquez can give him a hint of the things that he might like to see  
reviewed in the 2006 document that we are dealing with.

605 But that aside, what we are talking about establishing is not a committee with a  
predetermined destination; it is a committee to undertake a review. And that committee, as it  
did last time, can take evidence from people. Mr Vasquez, who was not elected at the last



General Election, could come to give us evidence again, as he did to the last Select Committee, and tell us what he thought were the wasted opportunities of 2006, others could come and tell us what their views are, and by the end of that process we may all unanimously be convinced that there is nothing to propose or that there is a lot to propose.

But, Mr Speaker, I do not want to deal with all the other issues that the hon. Gentleman has raised, and I have a lot of other issues to go through; I want to deal only with the amendment that he has proposed. For those reasons, those paragraphs of the proposal that he is making which seek to carve out the position of the Opposition and the position of the Government and put them in separate boxes is not one that I think is positive. I do not think it is conducive to unity. I think it sets to etch in stone the differences of opinion between the Members opposite and us, and therefore I do not think that it is appropriate that they should prosper.

I know that the Hon. Mr Bossano has something to say about the paragraph that deals with the 1999 White Paper, which is the only paragraph in respect of which our position has not yet been set out.

**Mr Speaker:** The Hon. Mr Bossano.

**Hon. J J Bossano:** Mr Speaker, as well as putting it in the amendment, he actually mentioned the White Paper as the initiator of the process of the constitutional proposals that came from Gibraltar. This is totally incorrect. In fact, 1999 was the date that the Select Committee was set up and we were invited by the then GSD Government to join with them in order to put proposals to the United Kingdom when they had already tried to achieve it on their own and got nowhere. It was not in response to the 1999 White Paper, and in the motion before the House then at no stage did the Government say we were being invited to respond to anything from the United Kingdom. This was a Gibraltar initiative, independent of the White Paper.

What happened at a later stage, towards the end of the negotiating process, is that the United Kingdom Foreign Office hijacked what we were doing and put us together with all the other Overseas Territories who had had constitutional amendments, and then of course came up with this collective mantra that we were not being decolonised but we were now non-colonised because we were now modernised.

There has been a very clear debate for many years in this House between the GSD and the GSLP that modernity is not the equivalent of decolonisation and that the farce of this nonsense that a modern non-colonial constitution is something different was put beyond the shadow of doubt by something that I happened to have been closely involved with, which was the position of the Turks and Caicos Islands, where Lord Triesman – in the Labour Government, to their shame – the man who had been the General Secretary of the Labour Party, actually went to the Turks and Caicos Islands and encouraged them to accept a new constitution, which had been negotiated by the local political parties with the United Kingdom, and told them that the result of that was that the United Kingdom was no longer the colonial power and that it meant that they were now effectively, practically self-governing, consistent with a continuing British sovereignty, but that it was a modern and a non-colonial relationship. And having said all that, he said that they were not going to the United Nations for delisting because they did not believe in the delisting and because they had abstained in the motion of 1964 when the delisting was introduced. Having said all that, two years later they suspended the constitution, removed the government, removed the opposition, removed the parliament and removed the speaker. Jolly good job it was not a colony: if it had been a colony they would probably have executed the lot!

So either you are a colony or you are not a colony; it is a matter of international law. We happen to have, without a doubt, a level of self-government that is higher than almost any other of the British Overseas Territories except one, which is Bermuda. But Bermuda has a higher level of self-government than we have since 1968, so they have not got a modernised or modern or recent constitution. And the only reason in the talks in London ... I do not know whether the Leader of the Opposition remembers or not, when I raised this point the only reason that the

660 legal adviser of the Foreign Office gave for the position of Bermuda having been attained in 1968, was that they gave it only because they were misled by the Bermudans into thinking that the Bermudans were on the point of going independent, and therefore they were persuaded to grant them almost total independence. And then the Bermudans did not ask for independence and they were stuck with it, but they were not prepared to repeat that with any other Overseas Territory.

665 So, first of all, it would be wrong to include in a motion in this House something which is factually incorrect and untrue. Indeed, when I spoke from the Opposition benches to set up the Select Committee, what we did was we said we would join it for one purpose and one purpose only, and that was to get the right of self-determination enshrined into the Constitution, which regrettably we did not to the extent that we wanted, and that the purpose of the Constitution  
670 was to come up with a Constitution that was capable of being accepted by the international community as a decolonising Constitution. And when we started the process I asked the then Chief Minister, as Chairman of the Committee, to inform the Secretary General of the United Nations that we were starting work on a Constitution with the objective of arriving at a decolonised Gibraltar. He said the Government would consider that. I said, 'Because that is the  
675 reason why we are joining: you have your agenda, this is ours.'

We then said about the agenda of the Government. The agenda of the Government was to go line by line – that is why it took so many years – line by line through everything in the existing Constitution and everything in the Constitution they had already put to the UK and the UK had already turned down on the basis that that might produce something which would be accepted  
680 if it was a unanimous position from both sides.

We accepted everything that the GSD said was important to them: everything. We said, 'We are not here to decide whether we meet once a month or we meet every day in Parliament, or whether we do things more for us; the issue is the decolonisation of Gibraltar. That is the issue for the Socialist Party, and therefore, as part of the exercise of having a joint approach we will  
685 support all the things the GSD want.'

After that, when the process finished – in the room that used to be here before, which looked much better than this one (*Laughter*) –

690 **Hon. D A Feetham:** I agree with that.

**Hon. J J Bossano:** Good – at least we agree on something!

**Hon. Chief Minister:** [*Inaudible*]

695 **Hon. J J Bossano:** We agreed in this meeting what the final paper was going to be, and I then asked the then Chief Minister, 'What is going to happen with the letter you promised me three years ago?'

He said, 'Well, the Government still has not made up its mind.'

I said, 'Well, look, I have been very patient with you. You know that this is important to us.  
700 Now at the very least what you can do is say, "We have now finished the Constitution, which we are going to put to the United Kingdom in order to decolonise Gibraltar." If you did not want to say it at the beginning you have got to say it at the end.'

'Well, no, no, no, if you push me,' he said in his usual fashion, 'if you push me, then the answer is no and I will stop considering it'

705 I will not go into all the graphic details of what transpired after that event. I think it was actually recorded on tape, but I do not know whether the hon. Member remembers what came out publicly afterwards. No? Well, I do not think I should repeat it. Okay, I will paraphrase it. Is that okay?

710 **Hon. D A Feetham:** You have lost me.

**Hon. J J Bossano:** I have lost you. Well, maybe I can jog his memory, or maybe he was not that interested in politics in those days. I do not know.

715 When the meeting finished ... It was very heated, you know, and we parted on not very friendly terms. I cooled down and the then Chief Minister departed. When he got downstairs and GBC was waiting at the door and they asked him how did the meeting go, Mr Caruana said, 'Well, very badly. We are not going to meet anymore, because Mr Bossano of the Opposition has called me ...' something – I will not say the 'something' – and, being a much more moderate person than he was, when I came down after him GBC was very anxiously waiting for me to come out and they said, 'How did it go?' 'Well,' I said, 'it could have been better. We have got strong differences, we have expressed our views but ...' and he said, 'But is it true that you called Mr Canepa' –

**Mr Speaker:** Mr Caruana.

725 **Hon. J J Bossano:** Mr Caruana, sorry. I beg your pardon, Mr Speaker. *(Laughter and banging on desks)* I have never called you anything all the time that we have been here together, ever.

I said, 'Yes, it's true, I did.' And then ... I think it was Stephen Neish who said to me, 'Well, why is it that you have not mentioned it when I asked you?' I said, 'Well, because you provide news and what I have called him is what the whole of Gibraltar knows he is, so it's not news.' *(Laughter)* I would have thought he would remember that, because this came out live on television. I will tell him what the word was afterwards, when we are out, so he does not miss the juicy bit.

735 So the answer is that it is not the case we set an agenda. That agenda, in fact, achieved most of what the GSD wanted, practically all of it, so I am not surprised that they say that they were happy with the result. In fact, what the GSD could not do on its own, we did. Of course, in 1999 the Hon. the Leader of the Opposition was neither here nor indeed in the GSD, because in the year 2000 he was not here at all, then that is why he missed the juicy bits then.

In 2000 he actually campaigned against them on the basis that I was being too soft. Notwithstanding what I called him, I was being too soft with the then Chief Minister and –

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**Hon. Chief Minister:** 2003.

**Hon. J J Bossano:** Oh, 2003, even later then. No, in 2000, of course, he was still with us, campaigning against him. *(Interjections)* Yes, he was with us in 2000.

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**Hon. Chief Minister:** In 1999 he was not here; in 2000 he was here – 2003.

**Hon. J J Bossano:** In the year 2000 he was still campaigning against the GSD.

750 **Hon. D A Feetham:** I wasn't campaigning with anybody in 2000.

**Hon. J J Bossano:** Yes.

**Hon. Chief Minister:** *Después de las elecciones.*

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**Hon. J J Bossano:** No, he was campaigning in 2000 against him because he supported the policies of the GSLP, he defended them publicly and he disagreed with the GSD. So he disagreed with everything we were doing in 1999 and in 2000. He then went, in an election in 2003, against them on the basis that I was too comfy in the Leader of the Opposition seat, that I wanted to stay there and I was not being aggressive enough, and therefore he tried to demonstrate how aggressive he was by going with a guy to New York and then joining his party when he came back. There you are. *(Laughter)*

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So, for all those reasons I feel I cannot support his amendment, Mr Speaker.

765 **Hon. D A Feetham:** Mr Speaker, my turn on the amendment.

**Mr Speaker:** Does any other hon. Member wish to speak on the amendment? No.

**Hon. D A Feetham:** My turn on the amendment.

770 Mr Speaker, I know that the hon. Gentleman thinks that I have been playing a central role in Gibraltar politics since 2000. He delights in reminding me that I was somehow campaigning on behalf of the GSLP.

775 I came back in 2000 and I think it took me about six to eight months to fall out with the hon. Gentleman – it did not take me very long for me to fall out with the hon. Gentleman! So there was not a lot of campaigning that I did as an ordinary member of his party since I was a little boy in short pants, as he has always delighted in reminding me, when I used to follow him and my father around – one cannot get around that.

780 But, Mr Speaker, just responding to some of the points that he has made, he has sought to correct what he says was a factual inaccuracy on my part that the constitutional process that was started in July 1999 with the establishment of the Select Committee in the House of Assembly for Constitutional Reform – that that did not have its genesis in the 1999 White Paper, but that it had its genesis elsewhere.

I refer the hon. Gentleman to the despatch, which is the despatch that accompanied the Constitution. It is signed by Margaret Beckett on 14th December 2006 and it reads as follows:

the starting point for the work to modernise Gibraltar's constitution was the invitation in the 1999 White Paper (Partnership for Progress and Prosperity: Britain and the Overseas Territories) to the Overseas Territories governments to submit proposals for constitutional reform. In July 1999, the Gibraltar House of Assembly constituted a Select Committee to report on Constitutional reform. The Committee published its proposals in January 2002. We formally received them in December 2003. These proposals were subsequently discussed between delegations from the UK and Gibraltar in November/December 2004, September 2005 and March 2006.

So, actually, the position is set out in the despatch enclosing the new Constitution to Gibraltar.

785 I do not know ... I have asked my colleague, Mr Llamas, to see whether he can ferret out the actual motion for the establishment of the Select Committee in 1999 to see whether there is any mention of that or whether it was mentioned in any of the speeches. Quite frankly, nothing turns in relation to this and it is not a die-in-the-ditch issue for us, that particular first paragraph.

790 Mr Speaker, the hon. Gentleman has also said that, for them, what was important was the delisting of Gibraltar, and that has always been clear – and that is important to me too, the delisting of Gibraltar. But the reality, as we have always said, whether you are or you are not a colony does not depend on whether the United Nations insist that you are listed in a list of non-self-governing territories. It is a matter of fact. It is about an internal relationship between Gibraltar and the United Kingdom and whether *de facto*, whether *de facto* you are a colony or you are not a colony, whether *de facto* you are self-governing or you are not self-governing. And *de facto* – as a matter of fact – as a matter of constitutional law, as a matter of constitutional fact as a matter of constitutional fact, Gibraltar is not a colony; it has a modern non-colonial relationship with the United Kingdom.

800 That the United Nations refuses, for its own political internal reasons, refuses to recognise that constitutional reality to me does not alter the legal constitutional position. Indeed, it is somewhat like being pregnant, I suppose: you are either pregnant or you are not pregnant, and Gibraltar has been nine months pregnant for the last I don't know how many years and has gone to the United Nations nine months pregnant and the Committee of 24 has refused to recognise, quite clearly, that pregnancy and quite clearly the fact that Gibraltar is not a colony. That has  
805 been the position and I refuse, and this party refuses, to acknowledge the position of the United

Nations by arguing that we are a colony simply because, for their own political reasons, they refuse to delist us. Because that, I think, weakens us; it does not strengthen us as a nation.

Mr Speaker, turning to some of the points that the Hon. the Chief Minister has made, I tried to keep my contribution, speaking on the amendment and the motion, as serious as possible, trying not to make party political or partisan points. The hon. Gentleman has quite clearly diverged from that approach by drawing attention to the fact that Robert Vasquez was one of the people who campaigned for 'No'. That may be so, but the hon. Gentleman opposite went from a no to a yes ... Sorry, I should say from a yes, because I remember quite clearly that the hon. Gentleman, the Father of the House, shook the hands of the leader of the UK delegation, saying that he was going to support it – that is my recollection; I was there – and publicly Mr Licudi, in a debate ... well, it was not a debate, it was a programme with a number of people giving contributions, and he said, 'We are going to be campaigning for a yes vote at the referendum,' only to go to a no three days later, and I think by the end of it they were saying publicly, 'You have got to vote with your conscience,' when all these polling booths were manned by GSLP activists actually telling people secretly, not openly, to vote against the new Constitution in the referendum just simply to give the Government of the day a bloody nose, because the Government of the day had invested quite a lot of political effort – in the interest of Gibraltar as a whole, it has to be said – in the adoption of this Constitution.

So I need no lectures from anybody, Mr Speaker, on this particular issue as to who is acting reasonably, who is acting unreasonably and who is acting in the public interest. I am disappointed, I have to say, because I have really attempted, together with my colleagues, to find a formula of words that allows us to participate in a select committee whilst at the same time recording what our position is and also recording what, in our view, is a reality, which is that there is this Referendum on 23rd June that may or may not be seminal and that may or may not necessitate some very fundamental changes to the Constitution. I was really hoping that I could come to this House today, that I could move these very reasonable amendments that do not seek to tie the Government down to any particular position, still less to tie the Government to *our* position, but certainly records what our position is very clearly, because our acceptance of this motion is implicit and explicit recognition that there is a need to review and reform the Constitution, and that is certainly not our position.

I remind the hon. Gentleman how the motion reads in its second paragraph, substantive paragraph, which says:

Considers that there should be a review of the 2006 Constitution by the Select Committee of this Parliament

We certainly do not accept that that is necessary. We accept it is the hon. Gentleman's position that there ought to be a review, and had he agreed to these very reasonable amendments we would have participated, but obviously we would have had the cover at the very least that our own position was protected, and that is all that we have sought to do with these amendments.

Mr Speaker, for all those reasons we will be voting against the motion.

**Mr Speaker:** Before I put the amendment to hon. Members, may I reiterate and explain in slightly more detail what I said earlier about how an attempt should be made to amend a motion.

I would urge, in future, hon. Members, when they wish to amend a motion, of which previous notice will have been given some time before in the Agenda, that they should consult the Clerk – and therefore, through the Clerk, me – to ensure that they get it right.

I say that supported by ... and I am sure the Hon. the Father of the House will testify to what I am saying, that between 1972 and 1992 there were 20, 30, 40, 50 ... a huge number of motions of a similar nature which very often were amended, and therefore over the years of my membership here in the House, and I am sure it has happened with Mr Bossano, we learned

855 from others, like Sir Joshua Hassan, Bob Peliza and the then Speaker, we learned about the process in which such amendments should be made.

I have looked through the amendment that should have been properly proposed by the Leader of the Opposition and it would not have been very, very difficult at all to actually set out what the amendment should be –

860

**Hon. D A Feetham:** But I think it is more helpful this way, but next time I will do it this way.

**Mr Speaker:** Yes. But having said that, this is what it would have resulted in.

865 Therefore, what I am going to put to the House is that the Chief Minister's motion should be amended by the addition of the words which are set out in bold type in what would eventually have become the amended motion if it were to be accepted. All right? So it is the words in bold type that I am actually ... That is what constitutes the amendment and that is what I am going to put to the House. Those in favour? (**A Member:** Aye.) Those against? (**Several Members:** No.)

870 I take it that the amendment is defeated by Government majority, and therefore we are now back to the Chief Minister's original motion. The Leader of the Opposition has spoken on that motion. The Hon. Mr Bossano has spoken on the amendment, so he is therefore free to speak on the original motion and so are all other Members, after which the Chief Minister will have his right to reply.

875 Does any other hon. Member wish to contribute to the debate on the Chief Minister's motion? If there is no Member I will call upon the Chief Minister to exercise his right to reply.

880 **Hon. Chief Minister:** Mr Speaker, I think it is quite historic that the Opposition have set out, from the moment that the Hon. the Leader of the Opposition got up in this Chamber to speak on this motion a moment ago, that they will not be supporting a motion to review the current Constitution.

885 The hon. Gentleman tried to take us to a part of this motion where we said that we would, in fact, put forward reforms from that select committee – just as he was about to sit down – and he realised, I think, halfway through his point that he had got it completely wrong, that the motion as it stands does not actually commit anyone to do anything other than review the Constitution. And when he started going on about that paragraph he said, 'and of course it goes on about reform and review'. This only talks about review, whatever your position may be, and he set out his position, with which of course we do not agree, that the select committee that we have sought to establish today and that we will establish today does not bind him in to do anything – although it does do one thing, which is the Government's position: it binds us into review.

890 If they come to the conclusion in the select committee that there is nothing after that review that should be reformed and we agree with them, we come back together to this Parliament and we say there is nothing to be done.

895 If we believe that there is something to reform and they do not, it is not that they are stuck and come to this House with a report from the select committee and I am able to use their presence in the select committee to champion reform: they issue a minority opinion of the select committee, full stop. Full stop.

900 So, have they taken that option? No. They have taken the decision – which will have resulted, no doubt, in much rubbing of hands with glee outside of Gibraltar – not to support the legitimately elected Government of Gibraltar in a review of the Constitution, let alone a potential for reform.

He said, Mr Speaker, that the 2006 Constitution was a game changer. Well, I suppose it was to an extent.

905 **Hon. J J Bossano:** So was the 1969 one.

**Hon. Chief Minister:** So was the 1969 one, Mr Speaker, absolutely, and the one before that in 1964.

910 But I will tell him what was the biggest game changer, given that we are now going to get on to a debate of things that are *de facto* and *de jure* – and if they care to pay attention for a minute and stop tweeting or squeaking or Facebooking for a minute they might understand this point better, Mr Speaker. The game changer was the election in 1988 of a Government that delivered the constitutional advancement of Gibraltar *de facto* and which then, as a party in opposition, joined with the then party in government to deliver that *de jure* in 2006. Did the  
915 2006 cause the usual repatriated powers *de jure*? Of course it did, many of those, as the Hon. the former Chief Minister, sometimes referred to as the greatest Gibraltarian of all time, has said on more than one occasion because he recognised the work done by Joe Bossano after 1988 in that respect.

920 What else are they doing by their negative approach today? Well, Mr Speaker, they are thwarting the will of seven tenths of the people of Gibraltar, who have supported this position in a manifesto that they have selected.

925 Have we achieved or have we not achieved the maximum possible level of self-government compatible with British sovereignty? Mr Speaker, I do not understand how he believes that that is the case when he left Gibraltar with a negotiating team with a list with a hundred things on it and he came back with less than a hundred things. I am not even going to characterise it as 50 or 75 or 99: he came back not with everything that he went to ask for. Unless he was prepared to form part of a negotiating team that went to ask for things which were incompatible with British sovereignty – and I would assume that he would never have lent himself to that, Mr Speaker – then there must be things that are compatible with British sovereignty that were still in the list  
930 of things that could be achieved. We may together decide that there are some of those that we should achieve and seek to achieve; we may together decide that they are not issues that we need to be pursuing.

935 Mr Speaker, for the reasons the honourable, the former leader of the GSLP, and former Chief Minister and Leader of the Opposition Joe Bossano said, we supported them in 1999 when they set up the constitutional review Select Committee, but this is their approach today, not to support us, even though they might not entirely agree with the need for a review and even though we are not trying to tie them in to what the consequences and conclusions of that review should be.

940 He asked what the changes should be. Well, Mr Speaker, I have said what the types of changes that we might end up reviewing or proposing might be. I have said previously, when the hon. Gentleman has said on television that he would like a meeting with me to discuss in detail what it is that we are going to propose, that I think these are things that we need to do in a way that is accountable and objective. So I am surprised that somebody who accuses us of being opaque wants to be quite so opaque. I think we should do this review together here, that it  
945 should be recorded, that we should put our positions – and that if we come to a joint conclusion, great, and if we do not, so be it.

950 The United Kingdom has already indicated it is prepared to speak. The most recent documentation with the United Kingdom in relation to Overseas Territories talks about review of constitutions – or is it that he does not know that? But we are in an unprecedented situation, Mr Speaker. Seven tenths of the people of Gibraltar want there to be a review. The United Kingdom is prepared to engage with us in respect of that, and the Leader of the Opposition is not. He is the one who is not ready to talk. He is not ready to sit down and do an analysis of the Constitution.

955 He says in any event it should not be something that we pursue until after Brexit. Well, look, Mr Speaker, he has a much greater regard for the alacrity with which this House's Select Committee have ever been able to move than any of us have, because no Select Committee of this House has ever reached a conclusion, tabled a report and gone to the United Kingdom, if that were relevant to it, within four months. Nobody is proposing that we should do this before

960 the Brexit Referendum is over. This is a process we should start, and it will go through the Brexit  
 Referendum and beyond the Brexit Referendum. It is work for the lifetime of this Parliament. I  
 do not know where he gets it from that we are proposing to do this before the conclusion of the  
 Brexit Referendum is held. ‘Oh, people will say that I have been wise to put the Referendum first  
 and then the review second,’ he might think. Well, Mr Speaker, it is not about the Brexit  
 Referendum. The Brexit Referendum is knocking on our door; this is work to be done in the  
 965 lifetime of this Parliament.

The amendments which were proposed were clearly not an attempt at unity, but I will  
 nonetheless seek to move an amendment to give him an opportunity to continue to work with  
 us on this subject, and perhaps when he ponders what the political consequences ... let us just  
 say what the political consequences to him personally might be of not engaging in this process  
 970 with us, he might reconsider.

But I have never heard an analysis as flawed as the one that he has just done about whether  
 or not Gibraltar is or is not a colony being not a matter to which the United Nations position is  
 relevant. To hear a lawyer say that the international legal order is not relevant to the  
 international legal status of a territory is absolutely incredible. They might get uncomfortable  
 975 listening to it, they might not like what they are hearing, but the reality of international law –  
 not Spain’s position, the UK’s position or Gibraltar’s position, the reality of international law  
 today, whether we like it or whether we do not, whether we move to change it or whether we  
 do not, the reality of international law today is that Gibraltar is on the list of non-self-governing  
 territories, Mr Speaker –

980 **Hon. J J Bossano:** For as long as it is there.

**Hon. Chief Minister:** – *de facto* and *de jure*. So, as long as the list of non-self-governing  
 territories is the criteria by which the United Nations determines whether or not a territory is  
 985 self-governing or not, that is relevant. You can give it more credibility or less credibility, you  
 might argue, but what you cannot argue with any shred of authority in international law – or  
 even in national law, which has regard to international law in respect of these matters – is that  
 the only thing that matters in determining the nature of the relationship is the internal rules and  
 situation within the state, in this case the United Kingdom, that reports to the United Nations. It  
 990 would be absolutely untenable for anybody to make that argument in any reasonable way in any  
 tribunal, national or international.

In pregnancy terms, Mr Speaker, (*Laughter*) although I think it is quite the wrong illusion, if  
 we turned up 50 years ago pregnant, we would most certainly not still be pregnant now.  
 Something would have gone very wrong indeed. (*Laughter*) A gestation period of 50 years would  
 995 produce something as anomalous perhaps as the fact that there are still some colonies in the  
 world today.

As the Secretary General of the United Nations said only last week, Mr Speaker, the  
 committee which is reconstituted again for this year needs to ensure it continues its work to  
 eradicate colonialism, and that means get rid of colonialism and ensure that there are no nations  
 1000 left on the list of non-self-governing territories.

You can take another attitude, which is what the hon. Gentleman has told us he would do  
 and he has set it out perfectly today: ‘Whatever the United Nations says, I am not going to deal  
 with it.’ Well, Mr Speaker, that has got a description *de facto*. It is called the ostrich syndrome,  
 and the hon. Gentleman has demonstrated that in the most serious aspect of the political  
 1005 international future of our nation – the decolonisation debate and the defence of our nation  
 before the United Nations – his is the ostrich approach. Well, Mr Speaker, he will be judged for it  
 politically by people.

But why is it a diversion, as he said, to look at the position at the United Nations? It is, in fact,  
 the international legal position with which we have to deal. Why is it a diversion from the  
 1010 seriousness and conviviality that the hon. Gentleman likes to pretend that he wanted to bring to



1015 this debate to refer to the fact that one of the people he stood for election with less than a  
hundred days ago had a position which is diametrically opposed to the one that he has set out  
here today, when he has said it is the GSD's position and this person stood for election not just  
with him but with the GSD? Well, it is a de facto reality, isn't it? That is what Robert Vasquez said  
1020 at the time. So I am not trying to sow diversion or division or do anything other than relate the  
facts as they are. And he said, 'Well, the fact is that some of you also said one thing – you shook  
a hand and you said something on a television programme.' Doesn't he remember that one of  
the important issues here, in terms of the exercise of the right of self-determination in a  
plebiscite of the people of a non-self-governing territory, was whether or not the referendum  
1025 was binding? And the words of the Attorney General, then a Member of this House, that he  
considered the referendum a non-binding facultative taking of opinion which was of no legal  
consequence? These things might be boring to some, but this is about the core of what matters  
in terms of the future, the constitutional and political future of our people. That was one of the  
issues which made us determine what our position was going to be in the Referendum.

1030 Mr Speaker, this has been today, as far as we have got, a cop-out of historic proportions. I do  
not think that this House will ever again see an Opposition fail to support the Government in  
doing a review of the Constitution – not in committing itself to anything, in simply accepting the  
result of the last General Election, something it is important that the hon. Gentlemen do. I heard  
the hon. Mr Bossano have to tell him he has to realise that he is not going to be ruling Gibraltar  
1035 from the Opposition benches. He has to accept what we were committed to in the election and  
the fact that that was chosen by the people, as we do, and we are totally bound by that and we  
will continue in the endeavour that the people of Gibraltar have chosen.

I hope that this ill-tempered debate will not be what prevails and that we will be able to  
move together to *review*, review – and maybe once I have said that enough times the hon.  
1040 Gentleman can have the comfort that I am not for one moment suggesting that he be bound  
into reform anything: *review* – the Constitution together. That is why I propose the following  
amendment to my own motion, notice of which I am happy for the hon. Clerk to provide in  
writing to you in the form which I think is the one usually required and the one that has always  
been used before. It will be to add at the end of the motion the following words: 'and in the  
1045 event that the Leader of the Opposition were to fail to nominate any Member to membership of  
the Select Committee within 21 days from the date of the passing of this motion, then to  
proceed with the work of the Committee with the Members nominated by the Chief Minister.'

Speaking on that proposed amendment, Mr Speaker, we are not going to fail to do the things  
that we have set out in our manifesto to do, whether in relation to the Constitution or  
1050 otherwise. But I want him to reflect on what has been said, and if we take away all of what it is  
that we have been arguing over he has said he does not want to be bound in to reform the  
Constitution, because it is not his policy to do so, and I have said, 'Don't worry, this is just a  
review.' He has tried to pretend that the motion as it stands says the opposite. It does not, and  
when he was doing the analysis he fell in trying to suggest the opposite.

1055 Well, now he has the chance with this proposed amendment to sleep on it and to  
nonetheless nominate two Members to this committee within 21 days from today's date, and if  
he does not do so the Government is then free to continue. And we want to continue by way of  
select committee because we want to do it in this House. We want them to form part of the  
select committee so that they are able to do so. We accept that their membership of the select  
committee would be with all the caveats that he has set out during the course of his speech  
1060 about not wanting to be tied into a reform. I have not indicated that we would be prepared to  
reform anything at this stage, only that we would want to consider reviewing, and that for the  
purposes exclusively of reviewing and with the ability to provide a minority opinion from the  
select committee in the event that they were not to agree with us on what the proposed  
reforms that might emerge from that committee, if any, were to be, that he should nominate  
someone for that purpose.

For that reason, Mr Speaker, I move the amendment in what I think is the traditional, proper and appropriate way:

*Add at the end of the motion the following words:*

*'and in the event that the Leader of the Opposition were to fail to nominate any Member to membership of the Select Committee within 21 days from the date of the passing of this motion, then to proceed with the work of the Committee with the Members nominated by the Chief Minister.'*

1065 **Mr Speaker:** I now propose a question, which is that the Chief Minister's motion be amended by the addition of the following words, namely:

and in the event that the Leader of the Opposition were to fail to nominate any Member to membership of the Select Committee within 21 days from the date of the passing of this motion, then to proceed with the work of the Committee with the Members nominated by the Chief Minister.

The amendment is now before the House.

1070 **Hon. D A Feetham:** Mr Speaker, the position of the Opposition continues to be exactly the same. This paragraph adds absolutely nothing to the substantive motion. It is in the nature of a gimmick that has long been, unfortunately, the hon. Gentleman's trademark, and it does not alter any of our very real concerns about this process and this particular motion.

1075 You do not undertake a review unless you yourself take the view that something needs to be changed. That is the point, Mr Speaker. Of course I accept that it is the hon. Gentleman's policy that the Constitution needs to be changed.

I have never said to the hon. Gentleman, 'Come to me and tell me exactly every single area that you feel needs to be changed,' but I said, 'Give me an idea.' The hon. Gentleman has not even been willing to do that.

1080 I have asked him to bilaterally meet with me, not because I want to deal with these matters off camera, away from public glare in a non-transparent way, but because I believe in dialogue and because I believe in sitting down and attempting to iron out problems. That is why I came to this House with amendments that were designed for us to be able to participate safely in this process, Mr Speaker. Safely in this process.

1085 Mr Speaker, of course the United Nations is undertaking currently a process to eradicate colonialism, but indeed the United Nations has described this decade as the second decade, or the third decade, I think it is, for the eradication of colonialism. In other words, there was a first decade, there was a second decade and there was a third decade.

1090 In relation to Gibraltar, the problem is not that Gibraltar has a modern Constitution. The problem is not that Gibraltar has a relationship with the United Kingdom that cannot by any stretch of the imagination be described as being colonial. The problem is not us. The problem is not our relationship with the United Kingdom. The problem is the United Nations and the problem is the pressure that Spain places on the United Nations and the loss of bottle by the Committee of 24, which does not want to anger and antagonise Spain. That is the reality. We  
1095 could go to the United Nations with a gold-plated, a gold-plated Constitution that ticked every single conceivable box and the United Nations would still keep us listed in the list of non-self-governing territories, because that is where Spain wants us to be.

1100 That is why my position is, and the position of this party is that we will not play into the hands of Spain by adopting a position that says that we are a colony simply because we are listed. *No, we are not.* No we are not. Indeed the position historically of Gibraltar has been that there may well be resolutions of the United Nations in relation to Gibraltar. Spain has argued in the international fora and politically that those resolutions somehow give her legal rights, and indeed the hon. Gentleman, Mr Bossano, the Father of the House, quite rightly pointed out in

1105 the late 1970s and early 1980s, I think it was the Strasbourg process had its genesis in those very same resolutions. That is why he took the view, rightly, that we ought not to be participating in that process, I think it was, because his position was, 'Well, look, the roots are those resolutions from the United Nations.'

1110 We refuse to accept the position of the Committee of 24 that constitutionally Gibraltar remains a colony. That is a matter of fact and law that involves looking at the reality of a situation in Gibraltar, just like it is common ground that Gibraltar enjoys the right to self-determination, and of course the United Nations, who could refer it to the International Court of Justice, and Spain, who could agree to refer it to the International Court of Justice, do not do so because they know that we are absolutely right.

1115 Mr Speaker, the fact that the United Nations keeps us listed in a list of non-self-governing territories does not affect that constitutional relationship that we enjoy with the United Kingdom, that cannot by any stretch of the imagination be described as non-colonial, because being a colony is a matter of fact and law and it involves analysing the Constitution and analysing whether the territory is a self-governing territory – and Gibraltar *is* a self-governing territory and we should not be listed, and we should not be listed by the United Nations in their list of non-  
1120 self-governing territories.

1125 Mr Speaker, I really came to this House hoping – hoping beyond hope, because I know that sometimes anything that I propose ... and I had toyed with the idea, I really had, of not taking the lead in relation to this particular motion and allowing one of my parliamentary colleagues to do so, but it is my duty as Leader of the Opposition, but I have toyed with the idea because I knew that the hon. Gentleman ... It is almost like a bull to a red rag every single time that I rise and I propose something that is reasonable. We wanted, we wanted, we wanted – and I want the position to be reiterated and for the position to be clear: we wanted to participate but safeguarding what is fundamental policy for the GSD and our position, and that is what this attempts to do.

1130 And Indeed Mr Speaker, and indeed, in order to give it one final opportunity, one final opportunity for the Opposition to participate, safeguarding our position, I am quite prepared for this motion, and I invite the Hon. the Chief Minister to adjourn this motion and for us to discuss it on Monday – we are meeting on Monday at three o'clock – to see whether a form of wording can be agreed between him and I in order to allow the Opposition to participate in  
1135 circumstances that our position is protected. I invite him to do so and I invite him to set aside whatever view he has of me and whatever is his desire to attempt to turn things around and distort in order to cause me, personally, political damage, which has been his modus operandi over many, many months and the last three years, in order to see whether this can prosper. And I invite him to do so, because if what he wants is for the Opposition to participate in a select  
1140 committee that furthers his policy, not ours, then I think that he ought to invest that time and political energy in sitting down with me in order to see whether a form of wording can be agreed to see that this prospers.

1145 **Mr Speaker:** Does any other hon. Member wish to speak on the amendment?

The Hon. Mr Bossano.

1150 **Hon. J J Bossano:** With your permission, Mr Speaker, I feel that, since the arguments that have been put by the Leader of the Opposition have been the arguments in support for not participating in relation to what he considers to be the legal international position of Gibraltar – which is *totally*, totally and completely wrong, I can tell him, because it is not possible to argue that the de facto nature of the level of self-government determines the legal status of the territory, or indeed the relationship that exists between us and the United Kingdom.

We are on that list because the United Kingdom put us on that list. Jersey, Guernsey –

1155 **Hon. D A Feetham:** Pre-Constitution.

1160 **Hon. J J Bossano:** When the United Kingdom put us on that list we were under the  
Constitution of 1954, which was then changed in 1964, which was then changed in 1969. The  
constitutional changes we probably owe to Spain, because it all happened after Spain joined the  
United Nations and started claiming us. Indeed, in the United Nations on more than one  
1165 occasion it was being argued by Spain that the changes that were taking place were precisely to  
create a quasi-independent Gibraltar and frustrate the obligation the United Kingdom had under  
the Treaty of Utrecht. But the reality of it is that the Charter of the United Nations is the only  
instrument of international law. That Charter has a signatory and that signatory is the United  
Kingdom, and the United Kingdom has chosen to go to the United Nations and say, 'I am the  
administering power of the non-self-governing territory of Gibraltar.'

**Hon. D A Feetham:** We had another Constitution then.

1170 **Hon. J J Bossano:** Yes, we had another Constitution then, but the fact is that in 1968 Bermuda  
got a Constitution which gives them more power than we have today, and that continues to be  
reported on by the United Kingdom as a non-self-governing territory for whom it is the  
administering power.

1175 So what do we have? We have a situation where the United Kingdom *every year, every year*  
repeats it. They did not just say it in 1954: every year the United Kingdom sends a report to the  
United Nations about its 11 colonies, or 10 colonies, and says, 'I, the administering power of  
Gibraltar, report what is happening in my Overseas Territory for which I am internationally  
responsible –

1180 **Hon. D A Feetham:** Will you give way a minute?

**Hon. J J Bossano:** Of course.

1185 **Hon. D A Feetham:** I am very grateful to the hon. Gentleman because I think this is an  
important debate and the hon. Gentleman makes some very, very important observations and  
very important comments.

1190 But is it the hon. Gentleman's position that really the arbiter of whether we are self-  
governing or not self-governing is the United Nations? The arbiter of whether we have a  
Constitution ... and look, it is a question of degree and I think that at the heart of this there is a  
distinction, there is a difference between the hon. Members and us – which is why I want this  
reflected – which is that we believe that we have the maximum level of self-government short of  
independence beyond which there is only independence. That was the position that the former  
backbencher, the former Chief Minister, outlined on many, many occasions, and continues be  
our position, and I think that their position really is, no actually, we could go further than that.  
*(Interjection)* Well, that is what I am asking, because what I fundamentally disagree with is the  
1195 notion that we are hostages to fortune of the United Nations in terms of characterising our own  
relationship. That is what really ... Even though I accept that the decision as to whether we are  
listed or not listed ... sorry, not whether we are listed or not listed, whether we are removed  
from the list is a decision for the United Nations.

1200 But if I am right, they are making decisions based on politics, they are not making a decision  
based on constitutional reality, so I would ask the hon. Member to perhaps clarify what his views  
are in relation to that, as I am genuinely interested in his views.

**Hon. J J Bossano:** Mr Speaker, the position –

1205 **Mr Speaker:** May I remind hon. Members that the actual amendment before the House has  
nothing to do with delisting by the United Nations; it is about the appointment of two Members  
within 21 days by the Leader of the Opposition.

**Hon. J J Bossano:** In speaking to the amendment to the motion I am not really trying to delist Gibraltar; I am trying to enlist the Leader of the Opposition into joining us. Therefore, I welcome the opportunity to give him an explanation. It is an explanation of what we have already publicly recorded in the UN and what I have said year after year in the seminars that I have attended in the Pacific and in the Caribbean.

He needs to understand that this is not a question of the Committee of 24 – there are now 28 of them in the Committee of 24 – as a matter of who are being free to remove us from the list or keep us on the list. The criteria of the United Nations, as the Chairman of the Committee of 24 said to the then Chief Minister on one particular occasion when he started criticising the Committee of 24 ... He said, 'Well, look, if you don't agree, or if the United Kingdom doesn't agree with the criteria that the United Nations has, then let the United Kingdom, as a Member State, come to the United Nations and propose a change in the criteria. We in the Committee of 24 don't make the rules; we apply them.' That is the position.

Although we have got people who are in the pocket of Spain, primarily the South American countries, we have still got strong supporters and friends in that Committee, and that has been no accident. That has been the years of hard work, persuading them that the presentation of Spain, which started in 1964 as puppets of the United Kingdom, was not a reflection of what the people of Gibraltar are. When the people of Gibraltar or the people of the Falklands go there and they say 'we are British and we are not a colony' to the people who are there to decolonise people they do not do themselves any favours. So the position that we have maintained is we have negotiated with the United Kingdom a Constitution that takes us as far on the road to decolonisation as the United Kingdom was willing to agree to, which is exactly the same position that they adopted with every single one of the other territories as a result of that 1999 White Paper.

But when he quotes, as he does, from the letter that was sent by the United Kingdom, it is what I told him: that they hijacked our process and stuck it with what they had initiated in the others. All the other territories were asked by the United Kingdom to bring in constitutional proposals. In the Turks and Caicos, which I mentioned earlier, Mr Speaker, to demonstrate to the hon. Member that it is not what it seems to be, having first described it as a non-colonial modern relationship, which was as far as it could go, having then suspended everybody, they then imposed a new constitution on the territory which gave them less powers than the one they had removed. I was asked by them to go over there and actually participate as an independent observer in the electoral process that brought the new constitution in, and then I was invited to go back a second time to explain to them how the parliamentary system works, because of my 40 years in the business.

So what I am telling the hon. Member ... It is very simple. This is not a question of the people who are in the pocket of the Spaniards doing the dirty on us; the question is that there is a Charter, there is a chapter 11, and that chapter 11 says there are territories that are not fully self-governing. Those territories that are not fully self-governing ... underwent a fundamental change in international status in the Charter of the United Nations because they stopped using the label of being a colony and they adopted the label of being a non-self-governing territory, and they stopped using the label of colonial power and they started using the concept of administering power on the premise – which is what the law says, what the international law says – that in those territories that were not fully self-governing the administering power was *in locus parentis* helping the people of the territory to progress. And we have progressed, and they have progressed in other territories.

The point at which the progress has reached the maximum that it can, consistent with the resources of the territory, with the relationship with the administering power or with any other criteria, is something that the Committee of 24 is required by the Charter of the United Nations to assess. The problem that we have got is not that they say we must stay as a colony; the problem that we have got is that they refuse to be engaged. When we have gone to the United Nations, we have not gone and said, 'We have decided that this decolonises us.' We have said,

1260 'Look, it's your responsibility: look at our Constitution, do the review' – the review that we are  
 saying we should be doing. We have said to the UN, 'You review this Constitution, and if you tell  
 us it is not the fullest attainable measure of self-government for a territory in the conditions of  
 Gibraltar, tell us where we are short,' and they do not answer. And the reason why they do not  
 1265 answer is because it would lock them into a situation where they would be accepting that the  
 constitutional changes of Gibraltar are legitimate steps in the progress to self-government.  
*(Interjection)* And the reason why they do not do it is because the United Kingdom agreed with  
 the Kingdom of Spain in the Strasbourg process, in the Lisbon process and in the 1984 Brussels  
 Declaration, all of which were condemned in Gibraltar at every inch of the way and at every step  
 1270 of the way originally and exclusively by the socialists and not by anybody else who was  
 defending them. Those are the things that have stopped us.

The reason why the United Nations does not move is because every year two things happen.  
 One, the UK says to us, 'You are not a colony anymore, you have now got the fullest possible  
 measure.' Then they go to the United Nations and say, 'Here is a report on my colony, which I  
 am required to submit under chapter 11 of the United Nations Charter.' And then they go to the  
 1275 Fourth Committee and they do a consensus with Spain which says, 'We must continue talking to  
 achieve the decolonisation of Gibraltar.'

Well, look, what is it that you are doing? Are you changing our Constitution to decolonise us,  
 or are you negotiating with Spain to decolonise us? That conflict, that incompatibility is where  
 the problem has been created, and regrettably it has been created because we did not stop it  
 1280 when we should have stopped it in 1964 with the Strasbourg process and the Lisbon talks in  
 1981. *(interjection)* Not in 1964, sorry, in 1976 when the Strasbourg process started. And  
 therefore we have now got, fortunately, a position of unanimity in this Parliament and  
 unanimity in Gibraltar that none of us will play that game ever again, that none of us will ever go  
 to sit down at a table where Spain and the United Kingdom are deciding what is our future and  
 1285 we are simply then, at the end of the process, informed of what is good for us. That, fortunately,  
 is history and I am convinced that no future generation of Gibraltar will permit that and no  
 political party, either the GSD under the leadership of the Member opposite or us under  
 whoever it may be – Fabian, or anybody who comes in future – or the Liberal Party will go along  
 with that line. So we have got a stronger position in Gibraltar constitutionally, fortunately, than  
 1290 we have ever had before, because there is at least on one fundamental point, which has been  
 the Achilles' heel, where we are completely united. The problem is that the United Kingdom is  
 stuck there and does not know how to extricate itself from that situation, so it says one thing in  
 the UN and then it says, 'But this is with the caveat that I will never actually do what the  
 consensus says, unless the Gibraltarians give me permission.' Given that that situation is there,  
 1295 we have been trying to get the United Nations to accept that they should review our situation in  
 terms of our Constitution and tell us, 'We don't accept it because what is missing is (a), (b) and  
 (c),' and I believe that we must continue to do that, even if they look the other way or put plugs  
 in their ears, because the moment they actually accept to do that we have hooked them.  
*(Interjection)*

1300 But what we are saying today, Mr Speaker, in my view honestly does not mean that we are  
 saying we are coming with an agenda to which we want to persuade the Opposition that we  
 want to declare UDI or we want to do anything else.

When I was sitting there, I actually gave a blank cheque to the GSD. If the Member looks back  
 at the motion that set up the Select Committee that led to the new Constitution, which was  
 1305 before the question of the 1999 invitation, the 1999 invitation was never mentioned to me at all  
 either before, during or after. It was mentioned for the first time by the United Kingdom side  
 after the process had started. But look, the reality of it is that the GSD had tried to get the  
 Constitution changed on its own without inviting the Opposition, and they got nowhere. And  
 because they got nowhere they then came to the House, and when they came to the House I  
 1310 said, 'Okay, well, we know what you want. You have got a range of things you want to change,  
 we have got *one* thing we want to change. We want to see self-determination and

decolonisation clearly reflected in that Constitution.’ The reality of it is that everything that we got was what the GSD had put down and the one thing we did not get was what we had put down.

1315

**Hon. D A Feetham:** Mr Speaker, I am very grateful to the hon. Gentleman for giving way again. I appreciate it and I do not want to overextend the debate.

1320

**Mr Speaker:** I am being very, very liberal – I hope hon. Members will realise that – in an attempt to try and reach a consensus, but please try to be brief in the points that you are making. At the very least try to be brief because we have a very limited amendment before the House.

1325

**Hon. D A Feetham:** I am very grateful, Mr Speaker.

1330

I quite understand the points that the hon. Gentleman makes. It strikes me, of course, taking the analysis to its proper and logical conclusion, that if he is right it does not really matter what we do here in Gibraltar in relation to our Constitution, because the decision as to whether to delist Gibraltar or not is a decision that is being taken by the United Nations, bearing in mind the position of the United Kingdom – which is the point that I have been making, with different emphasis, that it really does not matter whether we have a gold-plated Constitution in Gibraltar; it is not going to be accepted by the United Nations for political reasons. Because that is what it amounts to: it is a political decision by the United Kingdom, as he characterises it, bearing in mind what has been its long traditional position, going back to Strasbourg in I think it was the 1970s. (*Interjection*) Yes, 1976, and then Paris. (**A Member:** Lisbon.) Lisbon, I beg your pardon, and then of course the Brussels Declaration in 1984.

1335

But, Mr Speaker, I prevail to the Hon. the Father of the House, wearing his trade union hat, knowing how difficult issues are normally resolved by sitting down, by attempting to look at them and through compromise to perhaps prevail upon the Leader of the House to sit down with me and to attempt to find a way in which a formula of words can be agreed that properly protects our position and that therefore allows us to participate in a reasonable way.

1340

We are trying to be reasonable, but what we are not going to accept is a railroading of the position of the Opposition into participating under a form of wording that we do not feel comfortable with. I am absolutely certain, absolutely certain – and I say this with all the sincerity in the world; it may sound like a political point, but it is not, it is a factual point that I am making about something that I really do believe – that if the hon. Member was making these decisions, or indeed if the Deputy Chief Minister was making these decisions, I think that it would have been possible for us to sit down and to find a compromise, and that is what I urge upon the Leader of the House to do in order for us to move forward.

1345

**Mr Speaker:** Does any other hon. Member wish to contribute to the debate on the amendment before I call upon the mover, the Chief Minister, to reply?

The Hon. the Chief Minister.

1350

1355

**Hon. J J Bossano:** Mr Speaker, I was giving way. Let me say that in fact everything that I have said was to try and convince him that the dangers that he sees in joining do not exist.

1360

**Hon. Chief Minister:** So Mr Speaker, dealing with the points that the hon. Member has raised in his various interventions on this short amendment, it is clear that he is the one who sees a red rag when dealing with a particular politician – namely me – because he said that if he were dealing with Joe Bossano, whose falling out with whom led him to leave the party of his political heritage, form a new political party and then go to what he used to call ‘the dark side’, or with Joseph Garcia, it would all have been easier, but dealing with me is impossible. I am very sorry if I am a red rag to him; I really seek not to be.

1365 I am not asking him for a blank cheque, although Joe Bossano gave Peter Caruana a blank  
cheque 20 years ago. I am not asking him for that; I am just asking him to help me. Let me put it  
in terms that he might feel more flattered by: I am asking him to help me review it. I am not  
saying let's reform it; I am saying sit down with me and review it and then we can make a  
decision together on what it is that we go on to do.

1370 And I am not trying to railroad anything, Mr Speaker. There is no railroading to be done. He  
can issue a minority opinion if he is not happy with the conclusion of the select committee. It is  
very likely we will be, together, able to reach a consensus view in the select committee if he  
forms part of it. I am not going to railroad him into anything.

1375 This is not a gimmick, Mr Speaker. We can call each other everything that we like and people  
will judge us for that, and it is not good politics but people sometimes fall into the trap in the  
heat of a debate to go further than perhaps they might. That is, unfortunately, human. In my  
view it is not good politics but it is, unfortunately, human that when debates get heated the  
natural instinct is to defend, and therefore things might get out of hand. But this is not a  
gimmick, as he has described it; this is too important. This is the Constitution of Gibraltar. This is  
not necessarily about him and me, although for reasons I will get to he seems to think it is all  
1380 about him. This is about the Gibraltar Constitution that we potentially leave our children and our  
children's children – unless they have the good sense to review it every 10 years, as I am  
suggesting that we should, Mr Speaker.

If I may say so, the position that he has taken today is one that puts him on the wrong side of  
history, and history will judge him very harshly indeed for being the first Leader of the  
1385 Opposition, indeed the first politician in Gibraltar's history, who has said that he will not even  
*review* something with the Government. This is an invitation. It is not a compulsive requirement  
that he reach any conclusion. I do not know how I can say it in any other way. This is an  
invitation to do that which he says he is prepared to do, which is sit down and dialogue and  
review. He says, 'I believe in dialogue.' Well, we all believe in dialogue, but I believe in honest  
1390 dialogue, and the dialogue I am asking him for, the assistance that I am asking him for is to sit  
down with me and one of his colleagues and to review a document that is our Magna Carta –  
and he is turning his back on that, pretending that I am asking him for more. I am not asking him  
for that blank cheque or sticking him to any reform, Mr Speaker.

1395 Of course I have my own personal views of what might potentially need to be addressed in  
the Constitution, but they are not fixed views and I would like to have other people's opinions  
on them: people in the select committee, people from the rest of this community who I think  
need to form a part of this process. The select committee should take evidence from the public,  
as I have said, and I want the benefit of that consultation and that dialogue, and I want him to  
form part of that process with me, Mr Speaker.

1400 So if he says I see a red rag to a bull when I see him he needs to ask himself why I am trying to  
involve him in this. Again, he set out his position. How can I pretend that his membership of the  
select committee is anything other than based on the position that he has set out already during  
the course of today and had already been the case that he had set out before?

1405 Mr Speaker, frankly, I was going to deal with the issues about whether we are or are not a  
colony if we turned up with a gold-plated Constitution, but I think the Hon. Joe Bossano has  
dealt with it better than anybody else can – certainly better than I could, given his almost 50  
years' experience in this subject. But he did say something during the course of his intervention.  
When he was talking about the committee he said, 'Well, if we turned up with a gold-plated  
Constitution in New York, even then we would be turned down.' There is almost implicit in that  
1410 the suggestion that we have not turned up with a gold-plated Constitution in New York, and if  
that is the case why does he not sit with me, with the Deputy Chief Minister and with the Hon.  
Joe Bossano, who are going to be the people I am going to nominate to form part of this  
committee to have this discussion and to work out together how we better review the  
Constitution for that purpose amongst so many others?



1415 Mr Speaker, we want to move on from what has been this ill-tempered debate and get to the stage where we are able to work together. This is very important. I do not want to cause him political damage. I think he does that to himself all the time, all on his own. It is not about him. I want him to form part of the committee and I want him to do so with all the caveats that he has set out in the context of his speeches today, just to do this review with us.

1420 Mr Speaker, last night he was re-elected as leader of his party for another four years. I am delighted to congratulate him in that respect. I am very happy he is going to be the leader of his party for the next four years and at the next General Election. He knows that I think that is good for me and good for this party, but it is not about that. This is about the Constitution of Gibraltar. This is about whether together we undertake – and I am going to be very specific in the wording again – undertake a review exercise or whether we do so without them, not about sticking to any reforms. And so, Mr Speaker, the amendment that I move allows him 21 days to nominate someone to this committee. I sincerely hope that with honest and genuine dialogue, in good faith and in good will, we will be able to meet – we are going to meet on 7th March; I think that may be Monday – we are able to meet in a way that persuades him to nominate someone in that period to review without being stuck with any requirement to reform. And I would ask that in the context of what happens between now and then we are temperate in our approach, so that we leave open the possibility that when we meet we can come to a conclusion which is a happier one for our community than to have them exclude themselves from a review. And so, Mr Speaker, I commend the amendment to the House.

1435 **Mr Speaker:** I now put the Chief Minister's amendment to the House. Those in favour? (**Several Members:** Aye.) Those against? (**Several Members:** No.) Carried by Government majority.

1440 I will now put the motion as amended to the House. Those in favour? (**Several Members:** Aye.) Those against? (**Several Members:** No.) The motion as amended is carried by Government majority.

#### **Select Committee on Parliamentary Reform – Committee established**

**Mr Speaker:** The Chief Minister now has another motion on the agenda.

**Clerk:** The Hon. the Chief Minister.

1445 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move the motion standing in my name which reads as follows:

This House:

Recalls that a Select Committee on the Implementation of the Recommendations of the Independent Commission on Democratic and Parliamentary Reform (known as the Select Committee on Parliamentary Reform) was established by Motion of this Parliament on 4th June 2013;

Notes that the said Select Committee was composed of three Members nominated by the Chief Minister and two Members nominated by the Leader of the Opposition;

Resolves that a new Select Committee with the same terms of reference should be established and that it should continue its work seamlessly from the point where the Select Committee established on 4th June 2013 left off;

Hereby approves the appointment of the Hon. Fabian Picardo MP QC (Chairman), the Hon. Dr Joseph Garcia MP, the Hon. Neil Costa MP, the Hon. Daniel Feetham MP and the Hon. Elliott Philips MP to the said Select Committee.

1450 Mr Speaker, I intend to say very little in respect of this motion. It is a motion which is self-explanatory and it is about the work that needs to be undertaken by the Select Committee, which is described in the terms of the motion.

**Mr Speaker:** I now propose the motion in the terms moved by the Chief Minister. Does any other hon. Member wish to contribute?

1455 **Hon. D A Feetham:** Mr Speaker, yes.

I have discussed this particular motion with the Hon. the Deputy Chief Minister, and the Opposition will be participating and the Opposition will be voting in favour of this motion. But I do have a few words that I wish to say on this and I wish to say about the work of the Select Committee.

1460 I remind Members of the House that the original motion that formed the Select Committee, the final paragraph read as follows:

We will refer the said report –

– the report by the Independent Commission, that is –

to a select committee on the implementation of the recommendations of the Independent Commission on Democratic and Parliamentary Reform, to be known as the Select Committee on Parliamentary Reform, which is hereby established to include three Members appointed by the Chief Minister and two appointed by the Leader of the Opposition

– and this is what I want hon. Members to emphasise to the House and for hon. Members to understand –

to consider the implementation of appropriate

– of *appropriate* –

recommendations of the report.

1465 It was something that was emphasised during the course of the debate that of course the work of the Select Committee in considering the report by the Independent Commission does not bind the Select Committee into accepting any part of those recommendations, and that indeed it is for the Select Committee to consider what appropriate recommendations are in the report for implementation.

Indeed, I refer the Hon. the Chief Minister to his own contribution to the course of the debate, where he said as follows after it was raised by the then hon. backbencher, Sir Peter Caruana, where he said:

1470 We do not want to use language which assumes that they are all acceptable and we are just going to discuss the implementation of them.

1475 Mr Speaker, the reason why I also make this particular point is this: the hon. Members have decided to bring, and we will debate that particular Bill in due course ... have decided to publish and will bring during the course of the next session of Parliament a Bill that proposes to amend the pension entitlements of Members of Parliament.

1480 **Mr Speaker:** I –

**Hon. D A Feetham:** Mr Speaker, it is a perfectly –

**Mr Speaker:** No. I will tell you why I am not allowing you to speak on that. I will tell you why.

1485 **Hon. D A Feetham:** I am not speaking on that. I am actually giving my view on what the work of the select committee is, and I am going to refer back to part of the debate. I am placing it in context, Mr Speaker.

1490 There is a Bill that is going to be brought to this House which proposes a change to the pension entitlements of Members of Parliament. It does not affect Members of the House, Members of the Government, it does not affect me, it does not affect Mr Reyes. It affects five Members of the Opposition. During the course of the motion setting up the Select Committee the Hon. the Chief Minister said:

Well, Mr Speaker, we think that taken together we agree with both these recommendations.

That was the recommendation ... I will read the recommendation:

We recommend that any new pension scheme should come into effect for new Members of Parliament elected after the next election, thereby safeguarding the acquired rights of current Members.

1495 That was the recommendation of the Independent Commission. And then, commenting on that, the Hon. the Chief Minister said:

Well, Mr Speaker, we think that taken together we agree with both these recommendations. Given that this Parliament having in effect made changes, for example, to the Civil Service Final Salary Pension Scheme, it would be rather unfair not to look at what new scheme might be introduced for Members who might be elected after the next General Election. This is certainly something, in our view, that we should refer to the Select Committee for it to determine who best to advise us on the matter.

In other words, his view was it should go to the Select Committee.  
And then he said:

Our own initial view is that new Members of Parliament after the next General Election should be on the scheme – I think it is the Provident scheme – as new entrants to the Civil Service, for example. That seems fair and equitable to us but we agree that this should be considered objectively with independent persons, as was previously the case when allowances were reviewed in the 1970s.

1500 Mr Speaker, we have been debating about the motion on constitutional reform and that we are not being led by the nose in relation to any particular matter, it is just a review; but I want to remind Members of the House that the initial terms of reference was that any of those recommendations that were going to be adopted should be considered by the Select Committee. That does not mean that the Opposition has a right of veto over anything that the  
1505 Select Committee recommends or does not recommend we adopt, because they have got a majority and we have got a minority, but certainly it ought to be considered within the context of the Select Committee. And of course in that context the Bill that we are going to be debating in a month and a half's time is a ... Are we going to be taking it now? Oh. Are we going to be taking it now? Well, I am very grateful for that. I thought it was going to be the next –

1510

**Mr Speaker:** [*Inaudible*]

1515 **Hon. D A Feetham:** Yes, I know, but, Mr Speaker, it is proper that I raise it in this context, because there is a Select Committee, it was quite clearly set up to consider appropriate recommendations, there has been no decision by the Select Committee and no recommendation by the Select Committee that we adopt this particular recommendation. The Government has decided to unilaterally go it alone and to bring a Bill to Parliament in order to

unilaterally change the pension entitlements of Members of Parliament that affects five Members of the Opposition only. It does not affect anybody else currently within this Chamber. That is why I take great care, great care, great care in what the Opposition agrees to in these motions. We have had the debate on constitutional reform a few moments ago, but certainly I want to reiterate that our participation is on the basis that it is for the Select Committee to consider what recommendations of the Independent Commission are appropriate or are not appropriate. We are not going to be led by the nose by the Government into a situation where we are just there for show, as furniture, without participating in the decision-making process. I do not think that is fair and I do not think that is the way that these Select Committees ought to be conducted. And by the looks of it – and there are amendments to pension rights for Members of Parliament – bearing in mind the comments that he made during the course of the debate, that is precisely what is happening.

1530

**Mr Speaker:** Does any other hon. Member wish to contribute to the debate?  
I call upon the mover to reply.

**Hon. Chief Minister:** Mr Speaker, I see that the ill temper is going to affect everything we deal with this afternoon. I do not know quite what it is that is wrong with him.

1535

Mr Speaker, he is not furniture, because we decide to progress our own views of what should be happening and when it should be happening. There are many aspects of the report of the Independent Committee on Reform which we have already implemented. We are on television because we implemented that recommendation, which was also our policy. We meet once a month because we believe it is right that we should meet once a month, except for one month for Easter and one month for summer. And we are not bound to only implement those aspects of the Independent Report which hon. Members agree with. We could implement some of them today and some of them not today. We have already moved on some aspects which deal with the Register of Members' Interests etc. We have tabled the Code of Conduct.

1540

Mr Speaker, that is the way that we are going to continue to handle this matter. We are going to continue in the Select Committee with them considering those issues which are appropriate to be considered there, and if the Government believes that it needs to do something which is recommended by the Independent Committee on Parliamentary Reform before the Select Committee decides, then we will do it and we will bring it to this House and we will defend it in this House. And they may support it or they may not support it, Mr Speaker.

1550

It is up to him whether he supports this motion in the ill-tempered manner that he has, or not. I have certified the Bill on Members' pension provisions as urgent, for reasons that will become apparent when I speak on that motion, and I think on reflection they will welcome what I am doing. I will explain the position and they will understand that I believe I am putting them in a better position than they are today, and once they understand that they may take a different view even of this and the position they have taken on the Select Committee on the Constitution.

1555

Mr Speaker, I do not want to pre-empt something else that is on the Order Paper, so I commend the motion to the House.

**Mr Speaker:** I now put the question in the terms of the motion moved by the Chief Minister. Those in favour? (**Members:** Aye.) Those against? The motion is carried unanimously.

1560

I think this is a useful juncture, since we are now supposed to go on to Bills, that since I have heard talk about the House meeting on Monday, I wish to have from the Leader of the House some clarification as –

1565

**Hon. Chief Minister:** *[Inaudible]*

**Mr Speaker:** No?

1570 **Hon. Chief Minister:** We are meeting on Monday.

**Mr Speaker:** Ah, it is not the House?

**Hon. Chief Minister:** No.

1575

**Mr Speaker:** And therefore is it the Chief Minister's intention that we conclude the business today on the agenda, the Bills? In that case, given that in the House of Commons the Speaker is not required to sit for more than two hours because they have Deputy Speakers – you might put that in the notebook about constitutional reform (**Several Members:** Hear, hear.) – and given that I have now been sitting for two and a half hours, and I am sure we all require a comfort zone, the House will recess for 20 minutes.

1580

*The House recessed at 5.30 p.m. and resumed its sitting at 5.55 p.m.*

## BILLS

### FIRST AND SECOND READING

#### Supplementary Appropriation (2014/2015) Bill 2015 – First Reading approved

**Clerk:** Bills – First and Second Reading.

1585

A Bill for an Act to appropriate further sums of money to the service of the year ended 31st day of March 2015.

The Hon. the Chief Minister.

1590

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to appropriate further sums of money for the service of the year ended the 31st day of March 2015 be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to appropriate further sums of money to the service of the year ended the 31st day of March 2015 be read a first time.

1595

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

**Clerk:** The Supplementary Appropriation 2014-15 Act 2015.

#### Supplementary Appropriation (2014/2015) Bill 2015 – Second Reading approved

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

1600

I thank the hon. Clerk for pointing out that this Bill, when it is passed, will pass in 2016 and that therefore in committee we will need to amend the long title for that reason. This is a Bill that comes from a publication last year.

Mr Speaker, the purpose of this Bill is to appropriate further sums of money to meet Government expenditure incurred during the year ended 31st March 2015.

1605 Hon. Members will note that in past years requests for approval of supplementary  
appropriations have been brought to this House as part of the main Appropriation Bill for the  
year. For example, the supplementary funding requirements for the financial year 2013-14 were  
included as part of the main Appropriation Bill for the year 2014-15 and the supplementary  
1610 funding requirements for the financial year 2012-13 were included as part of the main  
Appropriation Bill for the year 2013-14.

Because the main Appropriation Bills for the year are normally now debated in this House at  
around June or July of each year as part of the Budget session, this has meant that the annual  
audited accounts for the previous year have necessarily been delayed until the approval of these  
supplementary appropriations and the Principal Auditor has not been able to complete his audit  
1615 of the annual public accounts until then.

In order to enable the Principal Auditor to complete his audit of the annual audited accounts  
earlier and for these annual accounts to be laid in the House on a more timely basis – something  
I am sure will be welcomed by some, Mr Speaker – the Government has decided to revert to the  
earlier practice of presenting the Supplementary Appropriation Bills separately. These will  
1620 therefore no longer be included with the main Appropriation Bill for the year. The practice in  
future will be that the Supplementary Appropriation Bills will be published earlier and within the  
statutory nine months after the close of each financial year prescribed for the submission of the  
annual accounts to the Principal Auditor under section 52 of the Public Finance Control and  
Audit Act.

1625 Mr Speaker, this Bill is therefore the annual Supplementary Appropriation Bill required to  
provide appropriation cover retrospectively for the outturn figures for the year *ended*  
31st March 2015 – that is the financial year 2014-15.

The outturn figures for 2014-15 have, of course, already been published in the Estimates  
Book for 2015-16 and the estimated breakdown of these additional expenditure requirements is  
1630 therefore already available to hon. Members. The forecast outturn figures in the Estimates Book  
were based on the latest estimates available at the time, and, although these were quite  
accurate, in view that they were prepared towards the end of the financial year, the figures now  
included in the Supplementary Appropriation Bill are based on the final and confirmed  
expenditure that has been incurred and which is now available following the closure of the  
1635 Government's accounts for the year.

Hon. Members should note that in the case of the £16.2 million required to cover the  
additional expenditure incurred under the Consolidated Fund, this represents the amount  
required in addition to the supplementary provision of £9 million that is already included in the  
approved Estimates Book under head 43, which is the supplementary provision head. And let's  
1640 be clear, Mr Speaker, it is not an *extra* £16.2 million; it is £16.2 million moving not from one  
head to another, because that can be done by simple virement, but it is £16 million between  
Departments, and in particular in the year of the reshuffle when bits of Departments also moved  
with Ministers.

A full breakdown of the £25 million, which is the £16.2 million and the £9 million of  
1645 reallocations to be made from head 43, will be tabled in the House at the next session of the  
Parliament, as is the usual practice. This will provide hon. Members with a full and detailed  
breakdown of the heads and subheads for which this supplementary provision has been applied.

Mr Speaker, I commend the Bill to the House.

1650 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general  
principles and merits of this Bill?

**Hon. R M Clinton:** Mr Speaker, I welcome the hon. Member's initiative in bringing the  
Supplementary Appropriation Bill in a more timely manner such that the Principal Auditor is  
1655 then in a position to sign off on the annual accounts in a more speedy manner.

1660 I have, in fact, of course, looked at the estimates and the outturn. I just have a slight difficulty with the reallocations being presented in the next meeting of the House, because without that statement, which in the past ... certainly in the meeting of 25th July 2015 they were presented all together. So we find ourselves today in the position where we are being asked effectively to approve a £16.2 million 'overspend', is another way of putting it, comparing it to the estimates without having sight of which heads of expenditure that relates to. Again, I refer back to the meeting of 22nd July 2015, where these were presented together.

Mr Speaker, this should come as no surprise to the Chief Minister, because I did in fact write to him in February before the meeting of this House – 17th February, in fact – saying:

As regards the Supplementary Appropriation Act, I would be grateful if you could supply Parliament with a breakdown by departmental head of the £16.2 million required to meet additional departmental Consolidated Fund expenditure, as I cannot identify this from the 2015 estimates and 2014 outturn.

1665 So I find myself in the unenviable position of having to look at or effectively de facto being asked to approve for the Government a supplemental requirement of £16.2 million with no information whatsoever as to what this relates to. That, as you will appreciate, puts us in a rather invidious position.

1670 The other elements on the Supplementary Appropriation Bill which I *have* been able to identify from the Estimates Book, and they are quite obvious in that you have the £29.9 million going to community care and the £3.6 million exceptional expenditure, which was in relation to the Giraldi Homes inquiry, and the other supplementary appropriation of expenditure in relation to the Health Authority for £7 million, and the other elements are probably not material, really, for us to worry too much about.

1675 But I really must emphasise that I am somewhat surprised that we do not have the Consolidated Fund reallocations from head 43, as we have had in previous years, especially since I did specifically request clarification on this point from the Chief Minister prior to the meeting of this House.

1680 Therefore, Mr Speaker, whereas we know, or have an idea, what the other supplemental appropriations are in relation to, we really are completely blind on this £16.2 million, which, if you take it with the £9 million, is effectively £25.2 million of expenditure. Now Mr Speaker this is effectively and although it is after the event, in that this money has already been spent, we are effectively talking about an overspend on an estimate in the Budget. I would expect that we would have somewhat more information as to which heads this expenditure relates to. And we are not talking small amounts. We are not talking £1, £10, £100,000, £10,000 – we are talking something in the order of £25 million. I would have hoped that, given my letter in advance and given the previous practice in this Parliament, that the Consolidated Fund reallocations would be provided with this Appropriation Bill – which, sadly, today we have not.

1685  
1690 So it is going to be very hard for me to recommend to my parliamentary colleagues on this side of the House to vote in favour of appropriation amounts which we have no sight of or have any idea of what the amount is. I think it would only be fair to this Parliament, for everybody, including his own Members on his side, to know what it is that this additional expenditure on the Consolidated Fund is in relation to. I can see that the Financial Secretary is in the House today and I would hope that he would provide the information to the Chief Minister. Without that  
1695 information, Mr Speaker, I am afraid that I will have to advise my colleagues to vote against.

**Mr Speaker:** Any other hon. Member wish to contribute to the debate on the Second Reading of this Bill?

I call upon the mover to reply.

1700

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I am surprised that the hon. Gentleman is surprised, because I wrote to him in reply to his letter and set out what the position was in respect of the provision of this additional amount. I sent my letter to the hon. Gentleman, to his

1705 address at College Lane, and I copied my letter to Mr Speaker – I believe it went out on Monday; it was certainly signed out by me on Monday – and I set out there ... I will give way in a moment. I set out there that the practice, as I had understood it, was that this was tabled at the next meeting of the House after the passing of this Supplementary Appropriation Bill.

I will give way on the issue of the letter now, Mr Speaker.

1710 **Hon. R M Clinton:** I thank the hon. Gentleman for giving way.

Mr Speaker, I have received no such letter to date. I do not know if it was sent by messenger or by post, but certainly I have not received that letter.

I suppose I cannot really talk about what he just said about the tabling, because certainly in previous parliamentary sessions they have been tabled together – but I will let you continue.

1715

**Hon. Chief Minister:** So Mr Speaker, my understanding of the position is that they are tabled after the debate. That is the position that has been put to me and that is what will happen. The hon. Members will have a full and detailed breakdown of this amount.

1720 The hon. Gentleman has said something that I think it is important I should deal with, which is that this is an overspend. I do not want anybody to go away with the idea that this is additional money. This is money that is moving from one part of the book to another part of the book. So that hon. Members understand, if there is a movement within a Department, then that is done by a document called a virement. That is a document that does not require that we come and legislate in this House; it is a document that we table in this House, and hon. Members  
1725 have been able to see it. If there is a saving in one part of a Department and there is an over-expenditure in another part of a Department, that requires a supplementary appropriation of this sort, and that is what we are doing. This is not £16.2 million of extra money; this is £16.2 million moving from one place to another in the book. That is why I made the point that we were dealing with a reshuffle in that year, and the reshuffle actually also moved some parts  
1730 of Departments that followed Ministers and there was therefore some overspending in some Departments as Ministers took some responsibilities with them from one Department to another. Hon. Members will be able to see that in detail when we table the exact genesis of this £16.2 million at the beginning of the next meeting of the House, Mr Speaker.

1735 My letter dealt with one other matter, which is the Bill that is later in the Order Paper. I will try and see whether it is possible to obtain a copy and let the hon. Gentleman have it as soon as possible. I am very surprised that he has not got it, because I think most of my letters go by hand – and it went to his College Lane address – but I will follow up exactly where it is. The House has not got it either? Well, I am very surprised, because I did sign it and my letters tend not to go astray, but I will make sure that we get a copy of it to him straight away.

1740

**Hon. R M Clinton:** Thank you, Mr Speaker.

**Hon. Chief Minister:** Mr Speaker, I think I do need to say formally that I will be moving the amendment at the Committee Stage to the long title.

1745

**Mr Speaker:** I now put the question, which is that a Bill for an Act to appropriate further sums of money to the service of the year ended the 31st day of March 2015 be read a second time.

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

1750

**Clerk:** The Supplementary Appropriation 2014-2015 Act 2015.



**Supplementary Appropriation (2014/2015) Bill 2015 –  
Committee Stage and Third Reading to be taken at this sitting**

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

1755 Mr Speaker, before you put that question, can I just advise Members that, given the number of Bills that we have and one other motion, they should make arrangements to be here until we get through the order of business today. I do not know whether it will take long or not long, but I know some of them have other responsibilities outside the House and they may want to make those arrangements.

1760 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**Gibraltar Savings Bank (Amendment) Bill 2016 –  
First Reading approved**

1765 **Clerk:** A Bill for an Act to amend the Gibraltar Savings Bank Act.  
The Hon. the Chief Minister.

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

1770 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Gibraltar Savings Bank Act be read a first time.  
Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Gibraltar Savings Bank (Amendment) Act 2016.

**Gibraltar Savings Bank (Amendment) Bill 2016 –  
Second Reading approved**

1775 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg that the Bill now be read a second time.  
This Bill is a very simple Bill as published, which simply changes the definition of 'Minister' who, with responsibility for the Gibraltar Savings Bank ... as the Minister for Public Finance too, the Minister being the Minister for the Gibraltar Savings Bank, so that a particular Minister can be designated with specific responsibility for the Savings Bank and be read as being the Minister with that responsibility in terms of the workings of the Act.

1780 It is self-explanatory. Hon. Members have seen this Bill published for some time now and I think it is very clear. As the explanatory memorandum says, the Bill amends the definition of Minister in the Gibraltar Savings Bank Act, as I have just set out.

1785 We are going to move some amendments at the Committee Stage in respect of other matters that will be dealt with, and I think the hon. Member who I have designated with responsibility under the particular directions under the Constitution to have responsibility for the Savings Bank will be tabling those amendments, Mr Speaker.

1790 **Mr Speaker:** Does any hon. Member wish to speak on the general principles and merits of the Bill?  
The Hon. Mr Roy Clinton.

**Hon. R M Clinton:** Thank you, Mr Speaker.

1795 The Bill is, as the hon. Member has just said, quite a simple amendment. My understanding of the Savings Bank Act is that the Minister, who previously would have been the Minister for Public Finance, has the ability to amend the rules of the Savings Bank, which of course is entirely right and proper if you have a Minister who is the Minister for the Savings Bank.

1800 Perhaps tongue in cheek I should say that there would have been no need to amend this legislation if in fact the Hon. the Chief Minister had made the Minister who is in charge of the Savings Bank the Minister for Public Finance, and then there would be no need for this Bill at all. But that is as it is, and perhaps in future he will consider that.

We have no problem with the Bill as it stands.

**Mr Speaker:** Does any other hon. Member wish to speak?

I call upon the mover to reply.

1805 The Hon. Mr Bossano.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):**

1810 Clearly, Mr Speaker, the hon. Member who has spoken for the Opposition is so happy to see me in charge of the Savings Bank that he is willing to support the Savings Bank Act being changed to make it possible for me to be the Minister responsible, or alternatively for me to be made responsible for Public Finance, although I am responsible for the Savings Bank.

I must say that it has come as a pleasant surprise that he is such a fan of mine in the Savings Bank, given the apparent criticisms that he has of the Savings Bank to date. Maybe I am gradually persuading him and I am doing a better job than was previously thought.

1815 I am taking the opportunity – since I have now got formal responsibility, whereas before really it was delegated by the Minister of Finance to me – to insert a number of amendments at the Committee Stage, and I will explain the purpose of each of those amendments but I can tell the hon. Member that they are, in effect, dealing with some of the things that he has raised in the past.

1820

**Mr Speaker:** Does the Chief Minister wish to reply?

**Hon. Chief Minister:** Yes, Mr Speaker.

1825 The Hon. Mr Bossano is too long in the tooth for me to have to tell him to beware of Greeks bearing gifts! (*Laughter*) But given that there has been a tongue-in-cheek part to the intervention by the hon. Member, let me respond to him.

1830 The Minister for Public Finance has responsibility in relation to a number of pieces of legislation, and in some instances as Minister for Public Finance I will be retaining those responsibilities, but in some instances I believe it is appropriate to have the ability to designate a different Minister to do certain things, who may or may not also at any particular time be the Minister for Public Finance, the Chief Minister or otherwise. I could designate the Minister for the Environment to also be the Minister for the Gibraltar Savings Bank once this amendment is done, and that gives you the business efficacy in Government – (*Interjection and laughter*) You would not need to persuade me, Mr Speaker, by telling me that he is anything other than one of my most responsible Ministers, as they all are, and that he and Mr Clinton would go off and erect a huge monument to the 200th anniversary of the Alameda, if they were allowed to. (*Laughter*) But this gives business efficacy also not just to the business of the Savings Bank but to the business of Government in being able to designate a particular individual with responsibility for that particular area, without being stuck with a ministry that has all of those additional responsibilities already provided for.

1840

It is an exercise that was also done by the previous administration in some areas, and I think it is one which is useful to do when we are dealing with issues – because, for example, I have designated and I have said Mr Bossano under the Constitution to have that responsibility. He has

1845 it, but when it comes to making changes I would be the one who needs to sign documentation to  
change the rules. We cannot change the legislation in that way, it requires the sanction of this  
Parliament and that is why we have brought the Bill.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Gibraltar  
Savings Bank Act be read a second time.  
1850 Those in favour? (**Members:** Aye.) Those against? Carried.

**Hon. D A Feetham:** Mr Speaker, can I ask for somebody to look into what I am about to say? I  
have noticed during the course of proceedings this afternoon that every time Mr Clinton rises  
and makes an intervention the camera on that television is on Mr Speaker, so Mr Clinton is ... I  
1855 do not know whether there is a problem just with that particular monitor or whether people at  
home are also seeing Mr Speaker when Mr Clinton ... I am just saying it because we are about to  
move to the Bill on the public debt, which Mr –

**Mr Speaker:** Well, let's try it and see what happens.  
1860

**Clerk:** The Gibraltar Savings Bank Amendment Act 2016.

**Gibraltar Savings Bank (Amendment) Bill 2016 –  
Committee Stage and Third Reading to be taken at this sitting**

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

1865 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the  
Bill be taken today? (**Members:** Aye.)

**Public Finance (Borrowing Powers) Bill 2016 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Public Finance (Borrowing Powers) Act 2008.  
The Hon. the Chief Minister.

1870 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an  
Act to amend the Public Finance (Borrowing Powers) Act 2008 be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Public  
Finance (Borrowing Powers) Act 2008 be read a first time.  
1875 Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Public Finance (Borrowing Powers) Act 2016.

**Public Finance (Borrowing Powers) Bill 2016 –  
Second Reading –  
Debate commenced**

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

1880 There is absolutely no attempt to keep Mr Clinton off anybody's television screen. I assume the hon. Member does not think I was conspiring to achieve that. He knows, apparently, according to him, that if I was conspiring to achieve it I would have ensured that it was *his* image that did not appear on television screens, so it must have been a gremlin.

1885 Mr Speaker, under section 3(1) of the Public Finance (Borrowing Powers) Act 2008 as it currently stands, the Government is not permitted to draw down or incur any additional public debts nor without the leave of the House by resolution draw on the cash reserves in a manner that will cause the net public debt after such borrowing or drawdown to exceed either £200 million or the lower of two formulas based on GDP and Consolidated Fund recurrent revenue. Those formulae are those set out in the Act as follows: namely, firstly, 40% of the gross  
1890 domestic product; or secondly, 80% of the Consolidated Fund recurrent annual revenue.

Mr Speaker, in terms of the economy of Gibraltar today, the effect of those formulas means, in number terms, the following: in terms of 40% of the GDP and calculating the GDP as £1.8 billion, the 40% figure would be a maximum net debt of £720 million – we are nowhere near that figure and hon. Members know that in fact our target is even less than half of that  
1895 figure, namely £300 million by the next Election and is predicted in the current estimates to reach £314 million by the end of this financial year, which will be by the 31st day of this month; and 80% of the Consolidated Fund revenue in the past financial year, which was £571 million, would have amounted to £457 million.

Mr Speaker, at £314 million of net debt, where we expect to be at the end of this month and  
1900 what we are predicted to be at the end of this financial year, we are *very, very* well within the current legal limit of debt, so we are nowhere near hitting the legal limit of debt set out in the law as it stands, either based on the Consolidated Fund revenue position for the past financial year, which is relevant this year, or under the anticipated Consolidated Fund revenue position expected to be reported this year in the estimates that are presently being prepared. So this is  
1905 *not* by any measure a law that is designed to allow a Government to borrow more because we might be close today or we might be close tomorrow to hitting the current legal ceiling of debt.

Mr Speaker, hon. Members will in fact know that the most recent occasion where Gibraltar has been close to hitting the ceiling of debt was at the time of the 2011 General Election. At that time, the then Financial Secretary, the distinguished and learned Dilip Dayaram Tirathdas had  
1910 cause to write to me, as the newly elected Chief Minister, to advise that we would soon be hitting the borrowing limit ceiling unless we took measures to increase the ceiling. A resolution of the House would have been required to avoid the limit being hit and to allow further borrowing.

Mr Speaker, given that there are a large number of new Members on the benches opposite, I  
1915 think I should set out clearly what the position was exactly at the time that we took over and how precarious it actually was. To do that, I need to explain to them that it is traditional for the Financial Secretary to prepare a note of the public debt position for any arriving Chief Minister after an election. That is not, of course, the most pleasant thing that happens upon winning an election for the first time but it is one of them, Mr Speaker. The Financial Secretary's memorandum giving me a snapshot of the public finances of Gibraltar as at 8th December 2011  
1920 read as follows.

It was headed 'Position of the Public Finances of Gibraltar on 8th December 2011' and then went on to say this:

Under section 3(1) of the Public Finance (Borrowing Powers) Act 2008 the Government is not permitted to incur any additional public debt nor draw down on its cash reserves unless it is approved by a resolution of Parliament if this will cause: (1) net public debt after such borrowing to exceed either (a) 40% of Gibraltar's gross domestic product or (b) 80% of Consolidated Fund recurrent annual revenue; or (2) the annual debt service ratio, the ratio of annual debt interest payments to Consolidated Fund recurrent annual revenue, to exceed 8%.

Net public debt refers to aggregate public debt, i.e. the total amount of public debt owing to the Government, less Government's cash reserves, i.e. the Government's cash holdings in the Consolidated Fund and the Improvement and Development Fund. Aggregate public debt currently stands at around £519 million with cash reserves standing at around £234 million. Net public debt therefore stands at £285.8 million.

The latest figure of gross domestic product published by the Statistics Office is £954.1 million. This is in respect of the year ended 31st March 2010.

Consolidated Fund recurrent annual revenue for the last financial year ended 31st March 2011 is £382.7 million.

Annual debt interest payments, which are applicable to the current level of aggregate public debt, are at around

– this is an important figure –

Annual debt interest payments, which are applicable to the current level of aggregate public debt, are at around £21.3 million. The weighted average interest rate payable on the public debt is 4.1% per annum.

Applying these figures to the provisions of the Public Finance (Borrowing Powers) Act 2008, no new borrowing is permitted that would cause: (1) net public debt to exceed either £381.6 million, which is the 40% of Gibraltar's gross domestic product, or £306.2 million, 80% of Consolidated Fund recurrent annual revenue; or (2) annual interest on aggregate public debt to exceed £30.6 million.

Assuming interest on new borrowing at say 5% per annum, a further increase in aggregate public debt of £186 million would be possible. However, useable cash reserves stand currently at just £20 million.

1925 Mr Speaker, that was the position put to me by the Financial Secretary on the day that we were elected – at the close of business of 8th December 2011.

On 9th December, the election result was announced, we entered Convent Place and I took papers home to read for the weekend.

1930 By the following Monday, 13th December, the position had already worsened. By then, all my colleagues and I had done in Government was have a cup of tea, and this is what the Financial Secretary told me in a memo of that date, 13th December:

Public debt – proposed resolution to drawdown on the cash reserves.

Under section 3(1) of the Public Finance (Borrowing Powers) Act 2008, the Government is not permitted to draw down or incur any additional public debt nor without the leave of the House by resolution draw on the cash reserves in a manner that will cause: (1) the net public debt after such borrowing or drawdown to exceed the lower of (a) 40% of the gross domestic product or (b) 80% of Consolidated Fund recurrent annual revenue; or (2) the annual debt service ratio, the ratio of annual debt service payments to the Consolidated Fund recurrent annual revenue, to exceed 8%.

The aggregate of gross public debt currently stands at around £520 million and current cash reserves stand at around £230 million. The net public debt, i.e. the gross debt less the cash reserves, is therefore £290 million.

The Consolidated Fund recurrent annual revenue for the financial year ended 31st March 2011 amounted to £382.7 million. This leaves the cash reserves which are available for drawing down at around £16 million

– four days later, £16 million –

382.7 x 80%, which equals £306.6 million less £290 million.

In order to fund the Government's ongoing capital expenditure ...

I need to pause there in reading the Hon. Financial Secretary's memo. That was, hon. Members will want to recall, GSD capital expenditure. We had just been elected. There were capital projects that were still ongoing under the former administration.

and in order to give the Government the necessary flexibility in the implementation of its economic plan, I recommend that a resolution be passed in order to enable the Government to draw on its existing cash reserves.

1935 Mr Speaker, the diligent Mr Tirathdas had even gone to the length, I am happy to inform the House, of attaching the necessary draft resolution, which would have provided as follows:

This House approves the resolution pursuant to section 3(1) of the Public Finance (Borrowing Powers) Act 2008, giving leave to the Government to draw on its existing cash reserves.

1940 That was the resolution that he prepared, Mr Speaker. My Government decided not to bring that resolution, but before Members opposite pretend that it was not necessary because what I am saying is not correct, they need to remember the statement from their former leader at the time of the ceremonial opening of Parliament in 2011, when the man sometimes known to them as the greatest Gibraltarian of all time said that he would support us in bringing such a resolution, thereby demonstrating that it was necessary. Mr Caruana actually specifically said that the GSD would support the new Government in any parliamentary approval that might be required for additional borrowing.

1945 But that was not the only time that the GSD had taken Gibraltar to the brink of hitting the debt ceiling. The previous occasion when the ceiling was almost hit was in 2009 when the last amendment was made to this legislation, also by the GSD.

1950 Dealing with that law as presently in place since the last GSD amendment, Mr Speaker, a further restriction on the level of permitted public debt prescribed under the Act is that the annual debt service ratio must not exceed 8%. This means that the annual debt interest payment divided by the Consolidated Fund recurrent annual revenue must not exceed 8%.

Mr Speaker, this Bill seeks to amend the Act in order to provide the Government with additional flexibility in the management of the public debt.

1955 Let me be clear about that purpose: *we are not here looking to amend the law because we need to increase borrowing*. We are proposing these changes in order to provide additional flexibility so that we can get a better deal for Gibraltar when it comes to the borrowing already in place and to allow Governments of whatever political complexion to take future borrowing based on the size of the economy's growth and taking the sum of £300 million as the benchmark, given that that is the sum set out in our manifesto as the target to which we will get our net debt by the next General Election.

1960 As hon. Members are aware, the public debt is currently made up of £200 million of commercial bank loans which mature within the next five years and around £250 million of very short-term Government debentures. There is therefore a clear need to increase the maturity profile of the public debt.

1965 There is also a great opportunity, with the current low level of market interest rates and the availability of low-cost finance, for the Government to secure medium to long-term financing at *historically low levels of interest rates*. Indeed, an article in *The Times* of London two weeks ago set the position in context, stating that the British Government has never been able to borrow at rates as low as those available today. I think they are the lowest in three or four hundred years, Mr Speaker. Two Saturdays ago, the *Financial Times* set out an even clearer statement of the position by reference to the possibility that emerged beyond the negative interest rates already on offer in some places, referring to the potential for helicopter cash to be provided by financial institutions to their clients.

1975 Indeed, Mr Speaker, the House will want to note that gilt rates have only been lower than they are now on 28 days out of the last 10 years. That illustrates that this is a historic low in interest rate terms and that we are at a juncture at which we must have the flexibility to reorganise the nation's borrowing in a manner that is designed to take full advantage of these opportunities for the taxpayer. Our common shareholders would expect nothing less.

1980 The Government therefore considers that the time is now right to embark on the restructure of the public debt with the aim of having longer-term financing in place and at a considerably lower cost than is the case today. Indeed, Mr Speaker, it would be highly irregular for us not to make the most of the opportunity that presents itself to us. In fact, it would not be prudent for us not to take advantage of these historically low rates and it would be *very* imprudent to continue to borrow at higher interest rates than those that might now be available for us for longer and fixed terms. Indeed, it would only be bankers, Mr Speaker, that would stand to gain

1985 from us continuing to pay on old rates without seeking to improve the performance of our  
borrowing. The public debt needs to be more stable and with a wider base of funding sources. It  
needs to be made up of both medium and long-term borrowing and it needs to be at a much  
lower cost per pound borrowed.

1990 Mr Speaker, this Bill seeks to amend the Public Finance (Borrowing Powers) Act 2008 to  
provide the Government with the flexibility that we require in order to do this. The amendment  
ensures that a prudent level of maximum public debt is maintained at all times, whilst ensuring  
that the maximum level of permitted public debt remains responsive to the growth in our  
economy.

1995 We may not need to rely on this amendment in any way, Mr Speaker, and we expect that we  
will not need to, but we do have to create the flexibility in case the ability to take advantage of  
the historic low rates does mean that we need to take the public debt option of increasing the  
net debt, even if for a short period. We obviously have to consider all the opportunities that are  
now becoming available and we are reviewing all the options in the market in order to take  
maximum benefit for the taxpayer.

2000 Having said that, in fact it would be wrong for any Member opposite to argue that this  
amendment in any way or in some way delinks the debt from the annual recurrent revenue. In  
fact, the link is maintained. The Act will continue to provide, in section 3, that the annual debt  
service ratio must not exceed 8%, thus maintaining the link with Government revenues and  
ensuring that servicing costs of gross debt remain affordable at all times. We consider that this is  
2005 an important link to the ability to service our debt at all times and we believe that it is a link that  
should be maintained. And the link is maintained at a very prudent level indeed. We are not  
raising the 8% provision at all; we are maintaining it at the level at which it is today and at which  
it was set by the GSD when they were in office.

2010 Indeed, Mr Speaker, the naysayers out there who like to try and pretend that our borrowing  
is at a level which is anything other than entirely prudent have the huge difficulty to contend  
with that very few nations or households can boast a debt servicing ratio as low as 8% to  
national recurrent revenue or household income. And, as any householder will tell you, that is  
undoubtedly the most prudent way to calculate whether or not you have borrowed too much.

2015 As in every other analysis done in good faith, we can show that in fact our borrowing is at  
very prudent levels, and by this measure in particular people will be able to see for themselves  
that we can more than service a debt which amounts in interest terms to no more than 8% of  
our annual recurrent income. In number terms, that means that our interest payments per  
annum cannot exceed £44.7 million, and they do not, Mr Speaker. In fact, the annual debt  
servicing cost is currently approximately £20 million. Hon. Members will recall that I gave them  
2020 the figure for what it was in 2011 when we took over: it was £21.3 million then, Mr Speaker.

2025 The other important link to the size of the economy, which we of course intend to maintain  
and is maintained by this amendment, is the link to the GDP. The maximum level of net public  
debt will therefore also continue to be restricted to 40% of the Gibraltar gross domestic product,  
thus ensuring that the net public debt remains at a prudent level but in a way that is also  
responsive to the needs of our economy.

Mr Speaker, just to set that aspect of the formula in context, I remind the House that the GDP  
has increased from £1.1 billion to £1.8 billion in the past four years alone. It is expected – it is  
projected, in fact – that the GDP will rise further to approximately £2.4 billion in the next four  
years. As a result, we expect that our economy will, in effect, have grown by 118% from the time  
2030 that we took over. Our net debt, however, will have increased only by 4.8%, from the amount  
that we inherited of £286 million to our target of £300 million, by the date of the next election.  
Those are ratios to be very proud of indeed.

2035 Mr Speaker, the amendment also provides for the minimum level of permitted net public  
debt calculated as a fixed sum and not with regard to the formula to be increased from  
£200 million to £300 million. Although this may have no practical effect at present, in view that  
our public debt already exceeds this amount and that the other two measures outlined currently

provide for a higher level of maximum public debt, the Government has considered it prudent to retain this minimum threshold, especially in view of our declared target of net public debt for the end of the next four years.

2040 Mr Speaker, it is worth reminding ourselves that the net public debt of Gibraltar was £100 million until 2008. Then the GSD changed the limit, or the legal ceiling, by 100% to double, namely £200 million. It is important that the House notes that point. I therefore want to emphasise that we saw a 100% increase in the maximum ceiling of debt in 2008 by the  
2045 introduction of the borrowing powers legislation which is before the House today for amendment – and I hesitate to remind hon. Members that we supported that motion, Mr Speaker. We supported the 100% increase in the net public debt which hon. Members brought in – the debt, rather, because it was then in gross terms. And let's be clear that that was the GSD Government's position.

Just one year later, Mr Speaker, in 2009 – one year later – the GSD came back to this  
2050 Parliament and told us that they had once again to change the debt ceiling. In just one year they came back to change the criteria again, and so therefore in 2009 the proposal from them was to move away from a formula based on gross debt to a formula based on net debt – I believe on both occasions with our support, Mr Speaker. So the debt went from £100 million in 2008 to £200 million under the GSD, and that was not enough, and within a year, in 2009, the GSD  
2055 needed more and came back to Parliament to increase the debt again and change the formula from a gross debt formula to a net debt formula.

By the time that we took over the administration of our nation's affairs, on 9th December 2011, the net debt had increased to £286 million. That amounts to a net debt increase of £186  
2060 million, from £100 million at the time of the 2007 General Election to £286 million by the time of the 2011 General Election. That amounts to an increase of 186% in net debt terms under the GSD between 2008 and 2011. To be clear, that means that net debt was then, under the GSD, 26% of the GDP of our nation of £1.1 billion, and I am giving them the benefit of that figure, being the figure for that year.

Since then, we have seen our net debt increase under our administration with a target of  
2065 £314 million by the end of this financial year in 29 days, Mr Speaker – £314 million in the next 29 days. The ratio of net debt to GDP will then be 17% net debt to GDP ratio, down from 26% when the GSD left office – 17% of £1.8 billion, 26% of £1.1 billion.

As a result, Mr Speaker, the position by the end of this financial year will be that the net debt will have increased from £286 million under the GSD to £314 million, an increase of only 9.8%, in  
2070 the time since we took over: 9.8% in four and a half years – not bad, compared to 186% in four years. A less-than-10% increase in four years and three months, Mr Speaker, and by the end of the lifetime of the Parliament the result will be even healthier with a GDP to net debt ratio of 12.5% as we project.

I therefore come to the House safe in the knowledge that we have therefore been able to  
2075 show that the management of our nation's public finances is more than safe in our hands. That is what our nations shareholders decided in our General Election late last year, less than 100 days ago.

By bringing this Bill to the House we are giving effect to the will of the people that we should continue our prudent management of our public finances in the manner which they so  
2080 overwhelmingly approved at that said General Election and setting the target of £300 million set out in our manifesto and chosen by the people as the maximum possible net debt if the other formulations produce the results, as well as allowing through this Bill also the flexibility necessary for the prudent management of our nation's affairs to continue and to be better structured.

2085 Mr Speaker, I commend the Bill to the House and I have no doubt everyone will want to support Gibraltar paying even less interest. (*Banging on desks*)



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

2090 The Hon. Mr Roy Clinton.

**Hon. R M Clinton:** Thank you, Mr Speaker.

First of all, I would like to place on record that I have the utmost esteem for the Financial Secretary, given that the Chief Minister stated in answer to oral questions:

I want to make it clearly understood that the Financial Secretary has not felt any need to give any views to suggest a proposed change should not be made. In fact, it would be surprising if he had, given that he proposed the change in question should be made.

2095 Mr Speaker, I do have a problem with the change proposed.

I am grateful to the Chief Minister for having through the memos from the Financial Secretary of 8th and 13th December.

2100 The first point I would like to make is, as he himself has said, that the net debt when he took office was £285.8 million – or £290 million; we will take either number. What he omits to say, and in answers to questions this afternoon, is that the net debt as at 1st January 2016 is now £415 million. Mr Speaker, he has got to find £100 million in the next three months to bring it down to £314 million.

**A Member:** Three weeks.

2105

**Hon. R M Clinton:** Well, three weeks – I do not know what the position is now, unless he is telling me that is the position today. (*Interjection*)

Thank you, Mr Speaker.

So far, I have not actually heard a cogent reason for increasing the borrowing limits.

2110 If the Chief Minister is relying purely on the advice of the Financial Secretary, I refer him back to the memo of 13th December and the section at the end which he did not read out. It was an explanatory note which the then Financial Secretary suggested should accompany the motion, and in it he said:

The Government intends to bring a Bill to the House early in the New Year in order to amend the Public Finance (Borrowing Powers) Act 2008 to provide for the Government's borrowing levels to be measured and controlled in future on the basis of a maximum level of gross debt, rather than net debt. It is the maximum gross debt that the Government considers to be a clearer measure of our national debt as well as a better measure for comparison purposes with other countries. The gross level of debt of Gibraltar –

– as he writes then –

is currently £520 million and the Government is committed to bring this gross debt level down significantly during its first term of office.

Now, Mr Speaker, we all know the Government failed in that attempt.

2115 What I am trying to say is that the Government obviously did not bring this resolution to the House, so it does not follow automatically that whatever the Financial Secretary suggests is followed by the Chief Minister.

2120 Furthermore, from his contribution I seem to deduce that the reason he is giving for this increase in the limit is in order to refinance the Government debt. It is important to note that of the Government debt he says £200 million is bank financing, which I believe Mr Mena only just refinanced the NatWest facility of £50 million only recently at a favourable rate. I remember the Chief Minister congratulating him profusely, and I too congratulated him. What the Chief Minister fails to point out is that £250 million, or thereabouts, of that Government debt is in fact Government debentures which are held by none other than by the Savings Bank. And in answer to questions in the last Parliament – I refer to the Written Answer W11:

2125

As at 1st December ... the aggregate public debt which comprises Government debentures had no maturity date and at 6% p.a. interest.

2130 Six per cent. So the Government is paying 6% to the Savings Bank, which is obviously how he is generating reserves in the Savings Bank and paying the 5% interest. I fail to see how an increase in borrowing limits is going to allow him to refinance at least that element of the public debt. And the other element of the public debt, which is NatWest, was only recently renewed, with the success of the Financial Secretary, but that remains the under £150 million with Barclays Bank. I still do not see why you would need to increase the borrowing limits if all you are doing is renegotiating interest rates at what are historically low levels.

2135 So, Mr Speaker, in terms of the arguments which the Chief Minister has put so far, I find nothing of substance. All I have heard so far are lots of statistics, which are great but they do not address the issue.

Mr Speaker, the Bill we are debating today is of critical importance to the financial stability of Gibraltar and is yet fundamentally flawed in its conception for the reasons I propose to explain.

2140 *Non plus ultra* was a warning that all ancient mariners would be familiar with as they approached the Pillars of Hercules. Put quite simply, it meant there was nothing further beyond and to venture through the Straits of Gibraltar was both foolhardy and reckless.

2145 And so it is with the formula adopted in the past to control Gibraltar's net debt limit, which is meant to mark the boundary between the safe and unsafe, prudence or perdition. That limit, as it stands today, is derived by the application of formulae, namely, as the Chief Minister has already said, net debt not to exceed the high of £200 million or the lower of (a) 40% of Gibraltar's gross domestic product – i.e. I took £1.6 billion, he has £1.8 billion, I would arrive at £657 million, he arrives at £720 million, both numbers are still higher than at present; or 80% of Consolidated Fund recurrent annual revenue – 80% of £571 million giving us £457 million, that number we both agree on; and (b) the annual debt service ratio not to exceed 8%. Assuming 8% of £571 million, that would give you £45 million notional interest cost, and if you grossed it up it would give you a gross debt of about £750 million, assuming interests costs of 6%. Obviously, the interest cost is much lower if you can get it at negative rates – I guess you can have an infinite amount of debt.

2150 Any additional borrowing that would cause the above limits to be exceeded would require a resolution of the House. The current net debt limit, as we have said and agreed, is £457 million.

2155 Mr Speaker, it would serve us well to remember the origins of the formula. The Hon. Joe Bossano, in his 2015 Budget speech, gave us a very good history of the setting of the debt limits in 2008 after the new Constitution in 2006. He said, and I quote:

The Public Debt of Gibraltar was first limited at a finite figure of £100 million, and this was changed by a formula which happened to be what the Foreign Office requires the other colonies to adhere to and which we have chosen to apply voluntarily.

2160 Thus, Mr Speaker, the debts formula is effectively considered to be the best practice, if not the legal requirement, in other Overseas Territories of the United Kingdom. In the FCO White Paper dated June 2012 entitled 'The Overseas Territories: security, success and sustainability' the following two key statements were made in respect of maintaining sound public finances. Firstly:

The UK Government expects Territory Governments to manage public finances sustainably and takes a close interest in this because it is an important part of good governance.

And secondly:

The UK Government and some Territory Governments have agreed Borrowing Guidelines, which provide a disciplined framework for managing public finances and a valuable commitment to sustainability.

2165 Going into more detail in respect of the borrowing of financial reserves of the 14 Overseas Territories, including Gibraltar, the FCO went on to say, on borrowing:

It is important for Territory Governments to keep borrowing under control. The need to exercise discipline on borrowing is particularly important to ensure the economic resilience of the Territories because of the structure of their economies and the limited macroeconomic tools available to Territory Governments.

And further, on financial reserves:

Building financial reserves during good economic times is a particularly important contributor to economic resilience. A healthy level of reserves helps Territories maintain public services and capital expenditure throughout the economic cycle and creates room for counter-cycle cyclical fiscal policies.

2170 Mr Speaker, all this may sound like common sense, and indeed in it we can recognise a reference to the Hon. Joe Bossano's prudent and sensible rainy day fund. But the Government is neither being prudent in increasing our borrowing levels nor is it building up cash reserves for maybe difficult times ahead. What the Government is currently doing makes no sense.

2175 The amendment proposed in the Bill to the formula seeks to remove any reference to recurrent revenue and instead rely on the levels of GDP to determine borrowings in a measure that is evidently running contrary to the guidelines given to other Overseas Territories as good practice. Indeed, we can learn a lot from the experiences of our distant cousins in other territories such as the Cayman Islands and Bermuda.

2180 In the Cayman Islands the finances became so dire that in November 2013 the Cayman Islands had to agree a so-called 'framework for fiscal responsibility' with the UK Government. This required the Cayman Government to pass into law the Public Management and Finance (Amendment) Law 2012. This law makes for sober reading in that changes to the framework require the permission of the UK Secretary of State. Among many conditions and targets for public spending and borrowing are the following items of interest in annexe A of the legislation. Firstly, borrowing is deemed to include the following:

conventional borrowing from commercial and concessional institutions;  
the capitalised value of all alternative financing transactions (including PFI/PPP arrangements) that will place future financial obligations (in terms of increased expenditure or reduced revenue) on the Cayman Islands Government;  
the risk weighted debts and PPP/PFI arrangements of statutory authorities, government corporations and companies;  
borrowing that is contracted by the Cayman Islands Government, but then on-lent; and finally any other debt guaranteed by the Cayman Islands Government.

2185 Mr Speaker, I would challenge the Government to adopt the above definition and then perhaps we would have a true picture of Gibraltar's indebtedness, including the £400 million in Credit Finance. (*Banging on desks*) (**Several Members:** Hear, hear.)

2190 Mr Speaker, if the above definition was not enough to put a strait jacket around the Cayman Islands Government, then secondly the borrowing limits were defined as the following: net debt not to exceed 80% of operating revenue; the debt service ratio to be 10% maximum operating revenue; and a new requirement, which we have not even mentioned up until now, is a liquid assets requirement of at least 25% of operating expenses – meaning they would have to keep 90 days' cash in reserve.

2195 Mr Speaker, note that in the limits agreed by force of circumstance between the Caymans and the UK in 2011 there is no longer any reference to a percentage of GDP for net debt, and in fact a new requirement in respect of liquid assets has been introduced. The Caymans will require to be within the limits by 2015-16, this financial year. If Gibraltar introduced a liquid assets test we would be required to hold at least £130 million, being 90 days' expenditure in the cash reserves as opposed to the £16.6 million at 1st December and the new number £30-odd million as at today.

2200 The Members opposite may well argue that the Caymans is an extreme example of what can go wrong when public finances are badly managed. (Hon. D A Feetham: Hear, hear.) However, let me now turn to the case of Bermuda.

2205 Bermuda has not had any conditions imposed upon it by the UK, but the Bermudan Government is painfully aware of the weak fiscal position they are in. They have a direct debt of around \$2 billion and a recurrent budget deficit. The Government of Bermuda has set itself a target of reducing debt and debt service to less than 80% and 10% of revenues. In the past the Government have committed to setting aside a fixed percentage of a standing debt into a sinking fund, but even this has not been enough. In their 2016 budget statement, the Finance Minister, the Hon. E T Richards, was quoted as saying:

We must get to grips with the deficit and debt problem because they stand between us and a secure future.

2210 Mr Speaker, he could not have put it more clearly, and that is the warning for any other similar-sized territory, like us.

2215 The Government of Bermuda are taking responsibility for their predicament, and in fact they have gone so far as to commission an independent panel on fiscal responsibility to report to their Parliament on an annual basis as to progress towards their set targets. The panel's first report was published in December 2015 and I consider it to be worthy of Members' attention, and to that end I have placed a hard copy of this report in the Parliament's ante-Chamber for their convenience, to read when they get a chance. If not, you can get it from their website. (*Interjection*) It is there. I can hand deliver it to you – silver service!

2220 This report is important in a number of areas: firstly, it helpfully provides a debt limit comparison table with other jurisdictions, including Gibraltar; and secondly, it gives an opinion on the suitability of net debt to GDP as a target limit.

I will quote briefly from their executive summary and the body of the report. This is what the panel of experts had to say. I quote:

The debt and debt service to revenue targets are the important ones for Bermuda. We therefore

– I pause here –

suggest dropping the debt to GDP target, but if it is to be retained it should be considered at a consistent level – of around 15%.

Mr Speaker, Bermuda's current debt to GDP ratio is around 38%.

In discussing debt to GDP ratios, the panel of experts noted, and I quote:

Debt/GDP is a conventional measure used for larger economies, with GDP giving a measure of the taxable capacity of an economy and hence of a government's ability to service its debts. Debt and debt service to revenues are however in some ways more appropriate measures of fiscal sustainability for jurisdictions like Bermuda with low levels of taxation, with significant sections of the economy that are difficult or impossible to tax at a much higher rate, and which cannot afford the pressure that high expenditure on debt service puts on finance for government services.

2225 And so, Mr Speaker, if this was my A-level pure maths homework, I would now be confidently writing 'QED' in having proved that linking debt limit to GDP is neither current nor good practice for jurisdictions and economies the size of Gibraltar.

2230 The Government's proposed amendment to the Public Finance (Borrowing Powers) Act 2018 can now be seen to be contrary to good government and financial management in that rather than abolish the limit link to GDP and keep the limit link to recurrent revenue they are proposing the exact opposite. Abandoning the link to recurrent revenue will mean that automatically the net debt limit will increase from £457 million to £657 million on my calculations. Although there will be a higher number on his calculations, I reckon there will be an increase of at least £200 million.

2235 Mr Speaker, in examining the reasons as to why the Government are seeking to introduce this amendment, let us first of all dispense with one urban myth the Government are trying to promote, namely that it is a manifesto commitment; and nor is it, as per *The New People* headline on 7th January 2016, a 'tidying of debt'. This is pure spin to cover up a dangerous financial situation.

2240 The GSLP Liberal manifesto makes no mention of amending the borrowing limits – in fact, quite the opposite. I quote:

Nett debt will be targeted at £300m for the end of the next 4 years, well below the maximum limits of the ratios provided in the law of 80% of revenue and 40% of GDP.

They also stated, and the Chief Minister has confirmed today, that a target for 31st March 2016 is that net debt should be £314 million, in line with the 2015-16 estimates. If this is the case, then the Government will have £143 million headroom before reaching the 80% recurrent revenue limit of £457 million.

2245 In the Government's Press Release No. 6/2016 of 6th January they state, and I quote:

The ratio of 80% of revenue for limiting the size of the debt is removed because it has the effect of restricting the debt level, even when it is comfortably below the other two criteria, and exposes the Government to unexpected fluctuations in income.

Mr Speaker, as I have already discussed, is it the ratio of debt to revenue that is the proper measure as to affordability, (**Hon. D A Feetham:** Exactly.) and if revenue is dropping, so should our borrowing capacity. It is tantamount to applying for a credit card limit increase when you know your income is set to fall.

2250 Given that the Chief Minister has avowed he does not intend to increase net debt by £200 million or borrow any other amount, then what can be the real reason for this move now? Again, I am grateful for *The New People* – which I read avidly, as the Members opposite will know (*Interjections*) – who wrote on 7th January 2016:

The current law requires that debt be no more than 80% of recurrent revenue. This means if recurrent revenue falls, the debt, which is manageable and the interest on which is easily payable, could suddenly be rendered illegal. A fall in recurrent revenue could come at any time from a reduction, for example

– and I quote them –

A reduction in import duties.

2255 Mr Speaker, this raises two interesting points. Firstly – and I hope the Chief Minister is taking notes – has the revenue actually fallen that much, such that for the year starting 1st April 2016, i.e. financial year 2016-17, the net debt limit will be so much lower? On the projected net debt of £314 million on 31st March 2016, for this to be a breach of the 80% limit to recurrent revenue, then revenue would have to drop from £571 million in 2015 to £392.5 million in 2016.

2260 That would be a decrease of £178.5 million, or 31.3% year on year, which would by all accounts be catastrophic. If this is indeed the case, I would expect the Government to issue an emergency statement to this House. On the other hand, if net debt is not decreased to £314 million on 31st March, then one can only speculate as to what the Government's intended level of debt would be that would cause a breach of the limit.

2265 The second point on the commentary in *The New People* which is of interest is that net debt going above the 80% of revenue threshold does not, from a reading of the current Act, as I have been advised, automatically make the debt illegal. Existing debt accumulated at a high-water mark of revenue, so to speak, is not rendered of itself illegal. What it does mean is that if the Government sought to raise additional borrowing it would need to seek the resolution of

2270 Parliament to do so.

Mr Speaker, I have sought to demonstrate, as I said at the opening, that the proposed Bill is flawed. It is flawed because the set borrowing limit is based primarily on GDP only, which is not prudent or best practice; and also, because if its aim is to protect against fluctuations in income, it is unnecessary as the high water mark debt level would not of itself be rendered illegal.

2275 Mr Speaker, if I may now perhaps turn to a more positive contribution, I would urge the Government to follow the recently issued advice on how to deal with debt issued by their own Citizens' Advice Bureau. Their top two tips are as follows: (1) don't bury your head in the sand – dealing with debt problems is easier the smaller they are to take action before they start to spiral out of control (**Hon. D A Feetham**: Yes!); (2) think very carefully before you take out more credit or a loan to cover your debts. This is sensible advice.

2280 The Government should start planning now to reduce its debt burden rather than make it the next generation's problem. To this end, I would suggest the Government continue with its sinking fund but do so in a disciplined manner with a set percentage set aside, as the Government of Bermuda have done.

2285 To this end, I wrote to the Chief Minister on 17th February proposing an amendment to the definition of net debt in the Public Finance (Borrowing Powers) Act 2008 to include the balance of any special sinking fund created specifically for the repayment of public debt. Unfortunately, I have not had sight of his response letter but no doubt he will enlighten us in his reply. This would avoid, in my view, the perverse inequity of cash balances in any debt repayment special fund not being taken into account when calculating Gibraltar's net public debt.

2290 Mr Speaker, this Government needs to realise that it has a fiduciary duty to the people of Gibraltar in the management of its public finances. History will not be kind to any Government that fails in that duty and leaves Gibraltar on the road to perdition. It is a dangerous road that this Government embarks Gibraltar on by its proposed amendment. It is a fiduciary duty owed by the Government itself and not any public servant.

2295 The Hon. Chief Minister indicated, in answer to a question, that the suggestion comes from the Financial Secretary, but his answer has not explained why the Financial Secretary may have made this suggestion. Is it because of the desperate need for money to pay outstanding debts or pay Gibraltar's way and this is the manner in which he suggests the issue can be resolved immediately? If that is so then, first, the responsibility still lies with the Government for that political decision, and secondly, it still lies with the Government, having placed Gibraltar in the invidious situation that requires more debt. The issue should be revisited to avoid a Bermuda or Cayman situation developing in Gibraltar with all the adverse consequences that would have, including our unique issue with Spain.

2300 So, Mr Speaker, in conclusion, if the Government insists on increasing the net debt threshold in the manner it proposes, then for the reasons I have given and outlined, it will be, regrettably, without the support of Members on this side of the House.

Thank you, Mr Speaker.

2310 **Hon. D A Feetham**: Hear, hear. (*Banging on desks*)

**Mr Speaker**: Does any other hon. Member wish to contribute to the debate?

**Hon. D A Feetham**: Does anybody on that side want to before I ...?

2315

**Mr Speaker**: Apparently not ... except the Hon. Mr Bossano.

**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano)**: I will not deprive the Leader of the Opposition of hearing me, since he is so anxious to do so.

2320 Mr Speaker, the history of the introduction of this is that it was brought to Parliament in 2008 by the GSD, who, like most of the things that they did, presented it as the best thing since sliced bread and said that they were being more prudential than anybody else anywhere else and that

2325 this was a wonderful way to proceed. Indeed, when we were debating this I had misread the provision and I thought that the ceiling that was being put prevented the debt from reaching £200 million, and I said so in my contribution. The then Chief Minister said, as if he had caught me out, 'Ah! Then what the hon. Member is saying is that he would support us to have more,' and I said, 'Yes, I would support you to have more. I think it is wrong to put constraints on the ability that you have got to borrow if you have got an opportunity to borrow money and invest and do something that is productive and creates growth and jobs and activity.' At the end of the day it is not so much what you borrow but what you do with it when you have borrowed it that matters, and that has always been the analysis that I have made as an economist.

2330 Having said how wonderful it was to control the gross debt, within 11 months they found themselves in breach of the law that they had brought. So all the arguments they had put in 2008 were all rubbished in 2009, and now the correct thing to do was to bring the control on to net debt. But having brought it to net debt, in 2010 they found themselves in breach of the net debt and they invented a number of things in the changes that they made to the estimates. Many of them were by creating expenditures which were revenues. That is to say they suddenly discovered, for the first time since 1704, in 2010 that the Government should be paying rates to itself on all Government buildings. So, suddenly, the expenditure of the Government goes up by say £10 million, the revenue now goes up by £10 million, and now you can borrow £8 million because you have got £10 million more revenue. They then discovered that having taken out of the Government Consolidated Fund a number of agencies, authorities and entities, this was not transparent, so they legislated retrospectively – not in order to increase the debt but in order to be transparent – for all the things to be included, so that now, instead of, for example, the £50 million of Social Insurance money going to the Health Authority as it used to do, it first goes into the Consolidated Fund and out of the Consolidated Fund – and now you can borrow £36 million.

2345 That is just simply to illustrate to my opposite number, the Hon. Mr Clinton, who is a recent arrival in the GSD, what the GSD standards of prudence and manipulation of numbers was, because the reality of the situation was that they had created a rod for their own back.

2350 The hon. Member has quoted what the Foreign Office has told the Cayman Islands they must do. Of course, this is the modernised, non-colonial relationship of the Cayman Islands with London. (*Interjection*) Well, according to the United Kingdom when they speak in the UN they say all their territories are modern non-colonial relationships.

2355 I can tell the hon. Member the relationship with Gibraltar was changed way before the Constitution was changed. It was changed in 1988, because the first time that I was told the Financial Secretary has to go to the Foreign Office to get permission to increase the public debt I said, 'The policy of the Government is very simple: if we need the permission of the United Kingdom, then I want a letter in writing saying that they guarantee and underwrite my debt, in which case I can now borrow at UK rates and not at Gibraltar rates. I get charged more, as Gibraltar, than the UK does precisely because they will never say in public what they are implying in private, that there is a contingent liability. They want to use the contingent liability to control what we borrow, but they do not want to admit to it because then, in effect, it would give us an advantage.'

2365 Obviously, none of the other colonies did what this colony did, and they decided that the question of what we could borrow or what we could not borrow did not really apply to us, and this was under the 1969 Constitution in 1988, never mind under the 2006.

2370 So I think what the United Kingdom says to its colonial territories has to be taken with a pinch of salt because they do not apply it to themselves and they do not apply it to Jersey, Guernsey or the Isle of Man. They do not tell anybody in Scotland or Northern Ireland there has to be this ratio to revenue. Indeed, their ratio to GDP is now 84%. The requirement by the European Union for joining the single currency, the euro, the Economic and Monetary Union criteria set out for the first time was that it should not exceed 60% of GDP. Nobody in Europe meets that criteria now, except Gibraltar. In the third economy in the world, Japan, the GDP to debt ratio is now 225% and will soon hit 240%. If these economies had links to revenue they would be, in effect,

2375 bringing about a deflationary policy on the economy, and in our case the one thing that  
 changed, which makes the ratios even more of a straitjacket than they were by definition, is  
 what was done by introducing the 10% tax rate, because now we have a situation where, if we  
 say – as indeed the GSD did when they brought somebody from the UK, from the London School  
 of Economics, to say that a debt to GDP ratio of 40% was very low ... Well, look, if it was very low  
 2380 then it must still be very low now. We can always pay the same guy who said it for them to say it  
 for us. I hope the price has not gone up because inflation is only 0% at the moment.

The point is, of course, that if you have got an economy that is growing predominantly by  
 private sector growth ... If the hon. Member looks at the figures that the Leader of the  
 Opposition asked me for recently, about the different elements, he will see that the biggest  
 2385 element in the growth in the last few years has been the growth in company profits. When the  
 company profits go up by £100 million the GDP goes up by £100 million but the revenue of the  
 Government goes up by £10 million. If that is the relativity between Government revenue and  
 private sector generated economic growth, in effect what you can guarantee is that if you keep  
 the 80% of ratio revenue what you are saying is forget the 40% because you will never be able to  
 2390 reach the 40%, which is not considered to be a dangerous level, has never been considered by  
 anybody else in Europe. The level in Europe is 60%. Everybody is above 60%. We are below 40%  
 and we are never going to get above 40%. But in any event, de facto the 80% ratio, if the  
 economy is growing, will create a situation where that 80% may start being the equivalent of  
 35% of GDP and then it will be 30% of GDP and then it will be 25% of GDP, because one of the  
 2395 components of the formula is growing at 10% and the other one is growing at 1%, because the  
 tax ratio is one tenth of the company profits and the company profits are the biggest element in  
 the GDP growth.

Therefore, he is right in saying, ‘We don’t need it: why are we doing it?’ Well, we are not  
 doing it because we need it; we are doing it because it is a stupid thing to have there, which  
 2400 creates an unnecessary constraint and it serves no useful purpose other than to say if you have  
 got a ratio of 80% of your revenue you might as well scrap the other two. All he has to do is look  
 back and he will find that the ratio that has limited the debt always has been that 80%, and it  
 has limited it because it is ill-conceived, because it only exists in the colonial territories that had  
 it imposed on them by the Foreign Office, which does not impose it on itself.

If the Bank of England or the Foreign Office or the Treasury in England thinks it is such a good  
 idea and so prudent, why don’t they try doing it to themselves? Why do they do it to the people  
 who have no choice? Because it is typical of them that what they are doing is not saying ‘this is  
 what you need to do in your economy’; it is ‘this is what you need to do so that I am safeguarded  
 from a possible cataclysm in which I might have to spend my money to rescue you – so I don’t  
 2410 give two sods whether you guys in the Cayman Islands have got unemployment as a result of  
 this ridiculous rule or you are unable to do things unless you raise taxation and drive away  
 customers, all I am concerned with is protecting my own back.’ That is what that rule is for. And  
 of course, since they have tried it even when they had the theoretical power to do it in 1998  
 with me and I am still around, I do not suppose they want to have another go at me, so they  
 2415 have never suggested that we should do it. And, of course, nowadays, in any event, they have  
 finally come around to accepting that we know how to run our house, that we do not need  
 anything from them, that we do not want anything from them and that we do better in the  
 running of our economy than they do with theirs, (**A Member:** Hear, hear.) and anybody else is  
 doing in Europe.

I think, Mr Speaker, therefore, that in the position that I have explained, the fact that we are  
 doing away with this measure is not driven because we want to borrow more and we cannot; it  
 is because it is a measure that makes a nonsense of the criteria that everybody else uses in  
 Europe, other than in the Caribbean territories that are British colonies – in the other Caribbean  
 territories it does not apply – and by the measures and the standards of the rest of Europe the  
 2425 40% is considered very conservative, and by the measures of the GSD in government they  
 proclaimed that the 40% was very conservative and they spent money bringing somebody from



the London School of Economics as evidence that they were right, that 40% was a very conservative ratio. They did not make any reference then to the 80% of revenue.

2430 The 8% of revenue is remaining because there is logic to that. The hon. Member opposite has mentioned that other people are setting the standard at 10%. Well, look, if you are spending one twelfth of your income in having to pay the interest of the debt, that is high enough as far as I am concerned and it should go no higher than that. And, of course, that in itself is vulnerable if you go into debt at floating rates, because you can be borrowing ... Everybody is now talking about negative rates, never mind low rates. I think we are in an economic situation globally for  
2435 which there are no precedents, and it is very difficult to predict the future because this is a cycle that is supposed to have ended some time ago and we seem to be entering now the beginning of another cycle without having come out of the last one. In those circumstances everybody seems to be convinced that the lack of demand and the failure of all sorts of different fiscal and monetary stimuli to get the economies of other countries moving is not working, and that as  
2440 long as it is not working money will continue to be cheap.

One of the arguments that was used for the increase in borrowing in the GSD years was the advantage of locking in to low rates. Of course, what were low rates then look like high rates now, but nobody can predict the future. I was persuaded to lock myself in, in 1989, at 11%, and I kept on paying 11% long after it had fallen – but you get the advice when you get it, and either  
2445 you take it or you do not. People were predicting that rates would go up and they came down, and I am sure that what happened with the GSD was the same thing: people were predicting that if they went in at 5% or 6% in the future it would be more, and it has worked the other way round. The £200 million of bank debt that we have got – as the hon. Member says, one was rescheduled when it finished, the £50 million; the £150 million from Barclays Bank I think  
2450 matures in 2017 or 2018 and we may decide, if we have got flexibility to borrow more before that matures, if we think that the interest is going to be higher, if we have to wait until that is repaid and borrow again, for example.

But I am convinced that this is the right thing to do. I am convinced that it does nothing to put Gibraltar's economy in danger and that in fact it is a rule that nobody else, other than the colonies of the remaining parts of the British Empire, of which we are no longer a part ... We are  
2455 British, but not in the colonial empire anymore, so we do not have to apply these absurd rules to keep people happy in Whitehall, and therefore ... It has done enough damage already and we do not want to have to go through the kind of gymnastics that the previous Chief Minister went through by pretending that things were being done for reasons other than the one that was  
2460 blatantly visible, because he was putting money in one pocket to take it out from the other pocket and say 'now the revenue has gone up by £10 million, so I am going to borrow £8 million'. And I can tell him that if he has any doubt all he needs to do is to look at the figures in those years that I have given him and he will see the movement.

2465 So, for all those reasons I think they are wrong not to vote for it, but it is their prerogative, Mr Speaker.

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

**Hon. Chief Minister:** Mr Speaker, before any other Member on the other side rises, as I am  
2470 the mover of the Bill and I need to absent myself from the Chamber for five minutes given the amount of water I have consumed, and I always like to be the red rag in order to get the best out of the hon. Gentlemen opposite, can I offer the House a recess of five minutes?

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

2475 **Hon. Chief Minister:** Mr Speaker, I am saying that the House should recess for five minutes so I can be here when he speaks. (*Interjection by Hon. D A Feetham*) No, Mr Speaker, I move that

the House recess. I have 10 votes. The temptation is not going to get you anywhere! (*Laughter*)  
Work it out!

*The House recessed at 7.25 p.m. and resumed its sitting at 7.30 p.m.*

**Public Finance (Borrowing Powers) Bill 2016 –  
Debate concluded –  
Second Reading approved**

2480 **Mr Speaker:** Is the Hon. the Leader of the Opposition going to participate?

**Hon. D A Feetham:** Yes, of course, Mr Speaker. I beg your pardon.

2485 Before I start, I would like to congratulate my hon. Friend, Mr Clinton, on an erudite,  
powerful and understandable contribution to this House on what is an extremely complicated  
subject matter. It just reinforces my belief that placing my trust in him in succeeding me to what  
is this important portfolio of the public finances of Gibraltar was not misplaced. (**A Member:**  
Hear, hear.) (*Banging on desks.*)

Mr Speaker, my contribution will be short.

2490 It is with a sense of déjà vu that I rise in order to make my contribution, because this Bill  
shows that, just as in 2011 the Government succeeded – and I have to say I congratulate him for  
it, because he won the election – succeeded in pulling the wool over the eyes of people as to  
how they would finance their ‘Time for Change’ manifesto, so too does this Bill show that they  
have successfully pulled the wool over the eyes of people in how they were going (*Interjection*)  
to fund their manifesto in 2015. Because, in 2011, let’s not forget – and I do have to go back to  
2495 2011 because a lot of the problems and a lot of the seeds for Gibraltar’s future problems were  
sown in 2011 – and in 2011 they fought an election promising £750 million of capital projects.  
Easier said than in fact it is easier to spend, and yet they managed to spend £750 million during  
the course of four years. They also promised to freeze rents, rates and electricity. They promised  
to bring the effective rate of Income Tax down to 15%. I am not sure whether they brought it  
2500 down to 15%, but they certainly brought down the effective rate of Income Tax and I cannot  
remember exactly to what level. And of course they also promised to donate every single last  
penny of Government surpluses to Community Care – which they have done, in fairness to the  
hon. Gentlemen.

2505 Mr Speaker, you do not have to be an economic guru, you do not have to be a rocket  
scientist, to look at those promises that I have just outlined and to see that it just did not quite  
stack up to spend £750 million in capital projects, to freeze – indeed, cut – income available to  
the Government and to also gift away all the spare cash that the Government had to a charity  
like Community Care. And at the time, we said – rightly, Mr Speaker – that it could not be done.  
Of course, what we had not reckoned on was the fact that the hon. Gentlemen opposite, in their  
2510 secret economic plan, were not going to be playing by the rules; because, low and behold, what  
they did barely three months after the 2011 election is come to this House and amend the  
Gibraltar Savings Bank Act in order to change the requirement for investments in the Gibraltar  
Savings Bank to be made in cash or cash equivalent from the capital preservation point of view –  
in other words a very safe form of investment which required a matching of investments. If I give  
2515 the Government, the Gibraltar Savings Bank, £200, the Gibraltar Savings Bank is required to  
match that in liquid investments, £200, which of course is a low return, I accept, but a very safe  
form of investment. And without telling the electorate that that they were going to do this, in  
2011 when they made all those promises to the electorate, what they did was they changed that  
in order to allow the Gibraltar Savings Bank to invest in whatever the Gibraltar Savings Bank and  
2520 the Government effectively wanted. And that is what allowed them to then invest, as he calls it –

and there is very little difference between his and my nomenclature, but I will use his nomenclature, 'invest' – £400 million in Credit Finance, which then allowed them to use that money in order to fund that 'Time for Change' manifesto. When we look at the books of the Government and we look at public debt, which in March of 2012, Mr Speaker, the first Budget  
2525 that they had when they were in office ... net debt was £330 million, I think it was, and indeed the legal borrowing limit was only about £370 million. They did not have the borrowing capacity in order to fund that 'Time for Change' manifesto, so what they did was they then changed the law in order to allow them to use the money in the Gibraltar Savings Bank. And that is why we have consistently been saying over the last four years that it is unrealistic to just simply look at  
2530 the debt position of the Government directly – and in other words the net debt position, what the Government owes directly – without considering that you have got this £400 million which the Government is also basically using for its own manifesto commitments, which ought to be considered as part of the debt position of the Government. Indeed, as Mr Clinton has rightly observed during the course of his erudite contribution to this House, in England the debts of government-owned companies do form part of the public debt, as indeed do PFI arrangements and other forms of indirect – yes, they do – other forms of indirect borrowing.

Mr Speaker, you then fast forward the position to 2015, and we fought a General Election telling the people of Gibraltar that the Government had spent too much money, that the Government had borrowed too much money, that indeed when you took into account the fact that you had this direct borrowing and indirect borrowing that the public debt of this community was over in excess of £700 million – indeed close to £800 million – and that when you looked at the direct debt position of the Government, which in June of last year was £400 million for net debt with a legal borrowing limit of £547 million, they only had £47 million ... it was possible for them to borrow £47 million. Bearing in mind that we did not know how much cash was available  
2540 in that investment that had been made in Credit Finance, but that we suspected that it had either already been committed or spent, our position was, 'Well, actually, the Government is running out of money. The Government does not have the money available, either in cash reserves' – which were very low; I think it was about ... Well, I can do the calculation – it was about £40-something million, I think it was – I will be corrected by the Hon. the Father of the House – in June of 2015 ... 'The Government does not have either the cash reserves ...' And remember that if you spend cash reserves net debt goes up the closer you are to the legal borrowing limits. The Government did not have the cash reserves, nor did the Government have the borrowing capability to pay for all those promises that the Government was making directly in their manifesto and that the Chief Minister was sneakily making in all those letters that he was sending to private individuals, school teachers, estates, this, that and the other, which I  
2545 asked him a question about at the last session of Parliament and he refused to give me details of all those extra manifesto commitments.

Mr Speaker, that is precisely the reason why the Government has to come to this House in order to ... not increase the legal borrowing limit – that is not what the Government is doing  
2550 here; it is redefining the legal borrowing limit in order to allow the Government to borrow £200 million more on the size of the economy as it stands now, but if the economy grows then it will be able to borrow even more than £200 million.

I believe, Mr Speaker, that the Government ought to have been honest with the people of Gibraltar, just as they should have been honest with the people of Gibraltar in 2011 when they were promising all those capital projects and all those goodies which were going to cost so much – and indeed they delivered on most of them; some of them they are still delivering, like the cladding and refurbishment in the three estates. But they ought to have said honestly to the people of Gibraltar, 'Yes, the legal borrowing limit is £447 million, our net debt in June was £400 million; we do not have enough money to do what we are promising, and therefore we are  
2565 going to be funding it by borrowing an extra £200 million this financial year and more next financial year. They did not do it, and not only did they not come clean with the people of Gibraltar – because, as I said when I started off, this is not a question of the hon. Gentlemen

2575 simply keeping quiet. If you read the manifesto carefully, as I did, those parts certainly that were drafted by the Hon. the Father of the House, what they were basically saying in that manifesto ... and creating the impression that they were going to be working within the constraints of the legal borrowing limits as existed then, which was 40% of GDP or 80% of revenue, whichever was the lowest, and that net debt was going to go down to I think it is £314 million.

2580 Mr Speaker, I am afraid, yes, they did win, and yes, they did win with 6.8 people out of 10 – not seven, 6.8. (*Interjection by the Chief Minister*) But I voted. But they won and the election victory was a handsome electoral victory, and it would be churlish of me not to say so. I was generous to the hon. Gentleman when the election result was announced, even though he was less generous to me in his response. But, Mr Speaker, that apart, this is a fundamental aspect of Government business. It is a fundamental aspect for our community, how manifestos are going to be funded, what levels of debt Government expects to saddle the community with in the future – and they never said anything to the people of Gibraltar that they were going to be redefining the debt limits in order to allow them to borrow an extra £200 million.

2590 And yes, I do believe, Mr Speaker, that they are taking a huge gamble. I have described it and I have been the lonely voice in the desert, yes, but if I had the choice I would do it again, even knowing that I was going to lose the election with 6.8 people out of 10. I would still do it again (*Banging on desks*) because I believe, as a matter of deconviction (*Laughter*) that the hon. Gentlemen opposite are taking a huge blind gamble with the future of Gibraltar and that they are mortgaging the future of our children and our children's children, and no one on this side of the House is going to remain silent or sit idly by and not say something when we believe that the hon. Gentlemen opposite are taking such a blind gamble with the future of the people of Gibraltar.

2600 They say that history is a great educator of men, and I certainly believe that. I certainly, as a historian, believe that we should be learning lessons that have been taught by the way that other jurisdictions have conducted themselves and the mistakes made by other jurisdictions. In Bermuda – that was but 10 years ago held out to be a model of financial prosperity – their debt is 38% of GDP and they are effectively bankrupt. They are effectively bankrupt, and the reason for that is because they adopted a policy of pegging debt to GDP when now they are trying to rail back and they are trying to peg debt to income, because at the end of the day a debt is only prudent and is only safe if you are able to service that debt, and hence why that 80% of revenue is included in the formula.

2605 Therefore, Mr Speaker, for all the reasons that Mr Clinton has given in his speech, which he explained better than I can, the Opposition is going to be voting against this particular Bill. (*Banging on desks*)

2610 **Mr Speaker:** I call on the mover to reply.

2615 **Hon. Chief Minister:** Mr Speaker, here we are debating our public finances again, and I would say that the hon. Gentleman supports the move back to pure sound and the return of the music industry to vinyl, because he really does sound like a broken record. All we have heard from him today is exactly the same things that he has been saying, not as a lonely voice in the wilderness, he has been saying it with the support of all of his entourage during the course of the past three years, and he will not be silenced. I do not want him to be silenced, Mr Speaker. I want him to say it more and more and more. But he is saying exactly the same thing that he has been saying for the past three years, completely ignoring everything I had said in my speech presenting this Bill and everything that the Hon. Mr Bossano had said in the presentation of his own views in respect of this Bill.

2620 I must say, Mr Speaker, when it comes to Joe Bossano, there is not an English phrase that can come up to the clarity of the Spanish description of *más claro que el agua*, because the only thing clearer is water – for the purposes of the Hansard translator – because you could not have got a clearer exposition of his views in respect of the position of the British Government in

2625 respect of setting this criteria that applies to other Overseas Territories than you have heard from Joe Bossano, and I think that Mr Clinton enjoyed it as much as we enjoyed it in its clarity and in the depth of its analysis. Mr Speaker, for that reason I know that every right-thinking Member of this House would take Mr Bossano's lessons on every subject – except diplomacy, a subject which he does not declare a forte for one moment. *(Laughter)*

2630 Mr Speaker, let me start by dealing with the intervention from Mr Clinton. I am not going to describe it as erudite or not erudite, I am just not going to describe it – I do not think we are here to describe each other's interventions – but he has noticed that somebody to the right of him wants him to feel flattered and I am sure that there are good political reasons for that, but I am just going to deal with the facts as he put them out there.

2635 He said that net debt was £286 million when we took over, given the numbers I had provided, but that I had failed to deal with the fact that it is £415 million, not today but some months ago when he had the figure. Well, Mr Speaker, he fails to deal with the fact that £286 million of net debt was 26% in terms of the ratio to GDP and that £415 million would be 23% of GDP, calculated as the GDP is today, which would be 3% down. But in any event we are talking about the financial year, and we are clearly still aiming for the £314 million figure, which would put us at 17% of GDP, and our target will be 12.5% of GDP – something which would come within the criteria that he went on to tell us Bermuda was now adopting.

2640 I noted that he was able to download, print and provide to all Members something which is available publicly on the internet, and I encourage him to have that ability also in respect of local documents as he appears to have in respect of international documents. But that is about Question Time.

2650 I did not read the explanatory note on the sixth paragraph of the Financial Secretary's second memo, that of 13th December 2011, because it raised an issue which we were not prepared to countenance, Mr Speaker. I therefore did not read that part of the memorandum. I dealt with the issue of the resolution, which was the issue that I was bringing.

They themselves had dealt with the issue of gross debt in 2009. It was gross debt that was the standard set out in 2008 and they came to this House to change that standard and move it to net debt in 2009. That was the change that they made to the formulation at that time.

2655 Mr Speaker, he said that I had failed to point out that we had £250 million of debentures. I think if he has an opportunity of going through my speech in *Hansard* he will see that I actually did go to the £250 million of debentures. He knows that that is one of the elements of producing income for those who have taken debentures and it is something that was introduced by the GSD – it is the reason why it is there, although there is a move now to the Savings Bank. *(Interjection)* They introduced the concept of the Government debenture, Mr Speaker, and that is why the Government still holds some of those debentures. And the reason that we pay very high interest on those debentures, above market rates, is because they wanted to provide an income to pensioners. This was all set out in the speech of the man they formerly described as the greatest Gibraltarian of all time, when that concept was introduced.

2660 Mr Speaker, why would we need to change the existing rules if all we are going to do is reschedule debt and we were going to change one debt for another? Well, I am surprised that, as a banker, he does not understand that aspect of this. Let me just put it to him in very simple terms. Mr Bossano set it out, but let me set it out again. If we want to take new debt which is lower in terms of the interest paid and for a longer period, because we want to change the maturity profiles of our debt and the interest that we pay, we may not be able to do that on the day that another debt is going to mature. We may have to do it slightly earlier, because we have to repay the other debt with the new debt. And at one point, even if it were momentarily or for a week or a month, we might be holding both debts, the good new debt and the old debt, because we do not want to incur, for example, any break charges on some debt etc. So there may be a need to be holding the more advantageous new long-term lower-interest debt at the same time, and therefore for that period we may need to be at a higher debt ratio. But that is still about flexibility and rescheduling debt; it is not about anything else.

2675

2680 Mr Speaker, he talked about the *non plus ultra*, and that is exactly what the Straits of Gibraltar used to be for the Romans, but we have long worked out that there was an ocean beyond the Mediterranean and that for Calpe today to apply those principles would be not even to go to the United Kingdom to the Joint Ministerial Conference of all Overseas Territories, let alone to negotiate a new Constitution.

2685 But the FCO issues that hon. Members have raised, and both of them have raised it, really ignore the point that is so salient about the reports. He quoted one of the reports, which I have seen. There is a particular memorandum that the Foreign and Commonwealth Office provided to the Foreign Affairs Committee of the Westminster Parliament in 2008 where they set out even more succinctly the position, and I will read it to him, Mr Speaker. It deals with all the points that we have been addressing today, so it is worth having regard to. It is paragraph 20 of the Foreign and Commonwealth Office memorandum to the Foreign Affairs Committee of 2008, and it says this:

To mitigate the risk of excessive Overseas Territory borrowing creating liabilities for the UK

– and thereby demonstrating that Mr Bossano is exactly right when he analyses why the criteria was established –

we [the Foreign and Commonwealth Office] have introduced Borrowing Guidelines for those Overseas Territories that wish to undertake borrowing. The guidelines define three ratios, which together specify a prudential framework for Overseas Territory Governments and Government-guaranteed borrowing. The ratios impose maximum limits for the total volume of outstanding debt and the annual cost of debt-servicing, and a minimum level for Government reserves. If all three ratios are not met, further Overseas Territories borrowing will not ordinarily be approved by the UK Government. Separate (pre-existing) arrangements apply for Bermuda and Gibraltar.

2690 So, pointing to that criteria avails him of no consideration, other than to say that Gibraltar is in a different position.

2695 Mr Speaker, perhaps the Foreign and Commonwealth Office is not the organisation with the best reputation in this House, and therefore let us look for another source of comfort for that provision. The Foreign and Commonwealth Office's 'Managing Risk in the Overseas Territory' document, which is a National Audit Office publication and published on 12th November 2007, says this about the issue of borrowing. Under the heading 'The FCO partially mitigates fiscal risk, by limiting Territories' borrowing and aiding economic diversification', paragraph 1.5 at page 13 starts as follows:

Territories (except Gibraltar) are required to obtain approval by the Secretary of State when seeking to borrow.

2700 So, Mr Speaker, the position of Gibraltar is very different to that of any other Overseas Territory when it comes to dealing with these issues, and we are perfectly comfortable that it should be, because we believe that there is a very good reason for Gibraltar not to be dealt with as other Overseas Territories are in this respect, not least the fact that Gibraltar has enjoyed prosperity for many years now, surpluses for many years now, and is therefore a very stable economy and in particular in terms of the management of its public finances.

2705 He said that these Foreign and Commonwealth Office criteria are important because it is important to keep borrowing under control. We entirely agree. That is not his position and not ours; that is our common position. We believe it is under control and he, I believe for political reasons, is trying to make the case that it is not under control. I would welcome, if that were not the case, that he should clarify it, because the Government certainly believes that borrowing is very much under control and for all the reasons I have given in my speech – if he goes back and looks at it he will see that the ratios to GDP are much better now than they were, and our aim, I hope should be a common aim, to get down even further when we get to £300 million in the context of a GDP of £2.4 billion.

2710

2715 What a difference, Mr Speaker, to when they brought this Bill in 2008, the Public Finance  
(Borrowing Powers) Bill 2008 to this House, which enjoyed our support – and when they came  
back in 2009 they also enjoyed our support. In fact, I am sure the hon. Member has read the  
speeches. Mr Bossano at one stage was thinking of abstaining, or not supporting, but only  
because he thought that the Government was further restraining its ability to borrow – not  
because of the amounts that it might borrow, but because of the ability to borrow being  
2720 restrained – and he was persuaded, by Mr Caruana in fact, that the provisions that were being  
brought were to provide that greater flexibility, and therefore we gave our support to the hon.  
Member's party when they were making this proposal. Because, you see, the mantra has to be,  
as Mr Bossano set out, not how much you can borrow; it must be what you borrow for.

2725 Mr Speaker, hon. Members can use a better analogy, and perhaps the Hon. Mr Feetham  
might be attracted to this ability that I am going to deploy now to clarify this very complex issue  
in the following way. Instead of thinking of borrowing and finances, which some people find  
daunting, let's just think of speed. A car can have a maximum speed, the speed limit may be  
much lower than the maximum speed and the driver may choose to go at an even lower speed.  
Just because your car can reach 260 km an hour does not mean you are going to drive it at  
2730 260 km an hour; and just because the speed limit is 120 km an hour, you are not going to drive  
necessarily at 120 km an hour – you may drive at 80 because you may not be such a confident  
driver or you may think that it is imprudent to drive at that particular speed.

In relation to borrowing the same is true. You can set a limit at a particular amount, but you  
do not have to borrow that full amount; and if you do, what do you borrow for? If you borrow to  
2735 pay recurrent expenditure, it has always been a rule of the GSLP that you are, in effect, hanging  
yourself, and you do not do that; but if you borrow for capital projects which are going to  
produce income, then you are borrowing for the right reasons. Sometimes you have to borrow  
for capital projects that produce less income but have a social value, and in that way I think that  
the issue of borrowing being under control is one that is very much on our agenda, that is  
2740 rigorously tested by the Cabinet and by Ministers, and therefore he needs not concern himself  
with the idea that we might be, in some way, out of control. But when he is talking about the  
Cayman Islands and he is talking about Bermuda, two cases I will deal with now – and he failed  
to talk about Jersey; I would have thought that he would have also talked about Jersey, given the  
difficulties that Jersey is going through – he must allow me to say that it almost felt as if he was  
2745 wishing that upon us, because that might in some way prove that they were right at the last  
General Election and we were wrong. I would hope, Mr Speaker, that Members on both sides of  
the House, whatever position they might have taken, on their own in the wilderness or  
otherwise, will only want to see Gibraltar grow and prosper, and if they have been saying that  
borrowing is out of control and it is not, they should be very happy indeed and not disheartened.

2750 Mr Speaker, that brings me to a remark made by Mr Caruana at the ceremonial opening of  
the Parliament last time. The hon. Gentleman thinks he is a red rag to me, and I think I am a red  
rag to him, but my principal political opponent, as far as I am concerned, was Peter Caruana and  
I beat him in a General Election on 9th December 2011, but when he got up in this Parliament to  
speak at the ceremonial opening, he said this:

Mr Speaker, whilst we will hold the Government to account, especially against their electoral promises, the  
Opposition will support, not undermine the Government, where the interests of Gibraltar must come first

– oh, yes, but listen to this bit –

in areas such as economic development, in creating confidence amongst lenders and investors in our economy  
and in Government's financial strength, or in the defence of our self-Government and political rights and  
aspirations as a people.

2755 Mr Speaker, how are they encouraging the confidence of investors by suggesting that we  
might be in the same situation as Bermuda or the Cayman Islands? It is absolutely impossible to

run with the hares and hunt with the hounds on this issue. But I will deal with why we are not Cayman and Bermuda in a moment.

2760 He also said that one of the issues to also bear in mind, and which the new Cayman Islands strictures provided for, was that PFI arrangements should be on the books. Well, Mr Speaker, the only party who has entered into any PFI arrangements was the party that they represent. The party that they represent entered into a PFI arrangement in respect of the purchase of St Bernard's Hospital. To his credit, the Hon. the now Leader of the Opposition, the then leader of the Labour Party, having recently left the GSLP, said at the time – although I do not know  
2765 what his position was after he joined the GSD – that he was against it. (*Interjection by Hon. D A Feetham*) But, Mr Speaker, that is the position. The PFI arrangement that is on the books of the Government is not one that we put there, and when it was put there it was what they like to say is off balance sheet, not because we decided it should be off balance sheet but because they, when they were in Government, decided it should be off balance sheet. So let's be very clear,  
2770 that is the position that they entered into: a PFI arrangement which was a sale and leaseback. We are not talking about borrowing for the purposes of developing capital projects through company entities. That is also something that they did, Mr Speaker, but in terms of PFI arrangements, that is not a sin that can be attributed to us; it is only a sin which can be attributed to them, and the fact that that it is off balance sheet is something which was their  
2775 responsibility also.

But in any event the Cayman Islands, he told us, in these strictures will have a ratio of debt servicing to recurrent income of 10%. He might have used that as something to avail himself of an argument against this Bill if it was not that we were not changing, that it should be 8% in Gibraltar. In other words, in Gibraltar it is lower. As Mr Bossano said, we are not going for one  
2780 tenth of our income being available to service our debt interest, we are going for one twelfth. What the hon. Gentleman has to remember – and he may not be aware of it – is that Cayman was going through a very, very difficult period indeed in 2010, 2011 and in 2012. The culmination of that was the arrest of Mr McKeeva Bush, who was the Chief Minister of the Cayman Islands, as a result of an investigation which was being run into the manner in which the  
2785 government was disposing of government assets. So the issues afflicting the Cayman Islands were very, very different to an issue just related to what the debt was. There was serious instability in the Cayman Islands at the time. We are not in a position to make any statements about that, but it is obvious that the position now, under Premier Alden McLaughlin, has changed considerably.

2790 Mr Speaker, Bermuda is not a situation where the UK can impose anything. In the first of the documents that I read him from the Foreign and Commonwealth Office I was able to point to the fact that Bermuda also is not covered by the requirement to seek the consent of the Secretary of State to borrow, so this is not a case of imposition, but Gibraltar is in a much stronger position also than Bermuda and we must not go away thinking for one moment that any of the things  
2795 that happened to Bermuda can befall Gibraltar at any time, certainly whilst we are in administration. What happened to Bermuda was that its services became too expensive for its clients in a whole range of areas – some of its financial services and some of its tourist services. I have had long discussions with the current and former Premiers of Bermuda – Craig Cannonier and Michael Dunkley – about how they found themselves unable to sell services to tourists etc.  
2800 because they had become too expensive, and that led to a breakdown of their income which then led to the difficulties that they are experiencing.

Mr Speaker, if there is one thing that we will agree on it is that – whether it is Cayman, Bermuda, Jersey or A N Other – where there is a problem that others go through it would be foolish for us not to understand what that problem was and learn from it. Absolutely right. And  
2805 in that respect you are already preaching to people who I think I have now been able to demonstrate have done the analysis of what was wrong there and understand those issues. None of those issues afflict Gibraltar. But if what we are going to have is an attempt to suggest that we are going to have the same problems as they have had, simply because we are an



2810 Overseas Territory, then nothing could be further from the truth and I trust that they join me in  
hoping that our ability to manage the affairs of Gibraltar will actually produce a dearth of  
support for them, at least on this subject, because we will show that Gibraltar will prosper and  
will not experience any of those issues. And again I am surprised he did not bring up the issue of  
Jersey.

2815 Mr Speaker, he told us that the panel of experts has understood that in Bermuda the ratio of  
debt to GDP was 38%, and if there is a panel of experts that is giving advice to Bermuda then I  
sincerely hope it is good advice for the people of Bermuda and that following it they will be able  
to once again ensure that their ship is as steady and strong as we in Gibraltar no doubt wish that  
it should be. And by taking these examples and making these comments I want to make clear  
2820 that the Government of Gibraltar is making no comment on the current state of the Bermudan  
economy or the Caymanian economy, because we have no expertise to comment in respect of  
any of them – we are simply working on the basis of the reports that we have seen. But we  
certainly wish them all the very best indeed ... And that the experts, he said, in Bermuda had  
recommended that the debt to GDP ratio should be 15%. Mr Speaker, I would have thought if he  
2825 had wanted to reply to me – but I saw that he had a prepared text, and one is often tempted to  
simply read and get it off one's chest – that he would have paused there and congratulated the  
Government, given that ours is presently 17%, or will be at the end of the financial year when  
we reach £314 million on a GDP of £1.8 billion, and that we are aiming for 12.5%. So the  
reference, I would have thought, would have been to applaud the fact that we have reduced the  
debt to GDP ratio from 26%, as it was when we inherited it in 2011-12, to 17% now and that we  
2830 are aiming to 12.5%.

My conclusion, Mr Speaker, at that moment was that, actually, perhaps on reflection, and  
given that he is neither a red rag to me and nor do I think I am a red rag to him, that on  
reflection, and when he reads my speech now, and perhaps during the Budget debate and after  
my speech on the Budget debate, despite his views as to whether I am good with numbers or  
2835 not – I think that is irrelevant – that he might actually ask me for a membership form of the  
GSLP, or perhaps even of the Liberal Party if he cannot come to terms with joining the GSLP.

But, Mr Speaker, given that he was recommending that we should be aiming for a Bermudan  
15% GDP debt ratio, and we are aiming for 12½%, I would have thought he would have said  
very well indeed, especially because if he had been aiming for 10% I would have thought, 'Well,  
2840 he has set a higher standard,' but he went into a General Election telling us he was going to take  
the debt limit to £900 million. They were going to take the net debt to 50% of GDP. They were  
going to take it to 50% of GDP out of £1.8 billion, Mr Speaker. So, look, if he had set a lower  
standard, perhaps I would have accepted that he might not want to come over – but I accept  
these things can be embarrassing and he may just want to sit where he is for now and eventually  
2845 make another sort of political decision.

It is contrary to good government to borrow more than you can repay – absolutely,  
Mr Speaker, absolutely, we agree, and that is why we would not put Gibraltar in that position.  
That is why we have worked to bring the ratios down. That is why they are now in a lower debt  
to income ratio and debt to GDP ratio, Mr Speaker.

2850 The hon. Gentleman talked about us being able to go up to £616 million of debt – he knows  
the calculation I did was slightly different to the one he did – and I have told him already, in my  
speech, Mr Speaker, that this was not going to happen and I explained to him why we needed  
the flexibility already, but he went on in his speech to say how terrible this was. But, Mr Speaker,  
he went on television and his leader went on television and told us that the only safe thing for  
2855 Gibraltar to do was to go to £900 million. Well, look, Mr Speaker, I do not know how they  
reconcile it, but there is one thing that I learnt today about the hon. Gentleman, or had  
confirmed today about the hon. Gentleman, that I sincerely believe is to be commended, and  
that is that he reads *The New People*. (Laughter) I had heard that his reading of *The New People*  
had got him into very hot water indeed (Laughter) with the Knight of the Realm formerly known  
2860 as the greatest Gibraltarian of all time, and that that hot water had led him to walk out of a

meeting and never walk back whilst that man was still the leader of that party, Mr Speaker. (Laughter) The only reason I know that is because I read it in *The New People!* (Laughter) Given that the hon. Gentleman gives it such credibility, it must be true, Mr Speaker. It *must* be true.

2865 He then went on to talk about the question of why it was that we needed the greater amount of flexibility if we were just going reschedule debt, and I have explained that to him. But he then went on to deal with the other limb, which was the question of whether recurrent revenue had in fact fallen to such an extent that this was why we were having to decouple from the recurrent revenue criteria. Again, I sense – but I am prepared to accept it was not there if he tells me it was not – an angst that that should be the case, a desire that recurrent revenue had fallen  
2870 through the floor and that this would cause the Government a huge problem. He is shaking his head, so I take it in good will from him, Mr Speaker, that he did not wish for that to be the case and that if I detected that sort of thing in his intervention it was not the case – because he would have been very disappointed if that is what he had wished for, Mr Speaker. In fact, he would be very disappointed indeed, if that had been the case, to hear that recurrent revenue is holding up  
2875 very well indeed. He has no need to worry himself, Mr Speaker.

But let us not do ourselves out of a Budget debate where we deal with all of the actual numbers of recurrent revenue as they will be declared to have been for this year by the Treasury when we come to look at the Estimates Book for 2016-17 when we all have it available. He seemed to have relied, however, on *The New People* almost as if it were a Bible, Mr Speaker, and  
2880 took what that publication had said about the reason for the publication of this Bill – and other commentators have commented as well. I am surprised he only chose that one. He needs to understand, Mr Speaker, that Bills are presented for the reasons that hon. Members who present them set out in this House in their speeches, they are presented for. Not for the reasons that *The New People* might set out. So it is my speech that matters, not what he reads in *The New People* that matters, but I understand that he was preparing himself for this debate on that  
2885 basis.

Well, Mr Speaker, what can I say to him? The fact is the Government has set out its reasoning in the Second Reading. I am now replying to what they have said. But there is a point more important even than the point in *The New People*. Hon. Members issued press statements at the  
2890 beginning of this year, in fact when the year was still in the single digits of January, dealing with this Bill and giving us their point of view. The hon. Member then wrote to me, in a letter which I believe I have replied to and he believes he has not had a reply to, telling me how imprudent he believed that this was and passionately suggesting that I should change my views in relation to it. Part of my reply tells him that I was surprised that he had taken that attitude without hearing  
2895 what it was that we had to say, because he took that attitude without listening to the presentation I had made about the flexibility required and he asked a question about why we needed that flexibility in his intervention. I have now replied to it, Mr Speaker.

The hon. Gentleman needs to understand, as a young whippersnapper of a parliamentarian that he is, that we tend to wait until we are here in our interventions at the Second Reading to  
2900 make up our minds about legislation, because the Parliament is otherwise useless. If we are going to publish something and we are going to hear what their attitude is and they are not going to support it before we come to Parliament, what is the point of having a parliamentary debate on a Bill? Others might wish to comment, but when we are here we present our reasoning for a Bill, they present their views, usually after they have heard us. Sometimes they  
2905 might come with a prepared speech. But I would have thought if they want to hear us and why it is that we are presenting a Bill ... and then make up their minds, however much research they may want to do in the interim ... But, Mr Speaker, that should not dissuade him from continuing to read that excellent weekly publication that is *The New People*, the oldest weekly publication in Gibraltar – a very good reason for Members to continue to read avidly that publication.

2910 Mr Speaker, the hon. Gentleman then reminded us of the tips that CAB have put out for people who may have got themselves into a difficult position in relation to debt: do not bury your head in the sand and think carefully about taking more. I entirely commend those tips to

them. The economy of Gibraltar is doing very well indeed. Borrowing is very much under control. However much they might wish to drum up support for their idea that things are not going well, people have a very good litmus sense as to whether things are going well or not, and they determined at the last General Election – by seven out of 10, when rounded up to the ‘wholest’ human (*Laughter*) – that actually things are going very well indeed, and they are sticking their heads in the sand like ostriches by continuing to say that things are not going well.

Mr Speaker, it is true that his letter contained a proposal to change the definition of aggregate public debt. I wrote back to him telling him that the Government agreed that there should be a change in that respect and that we were going to bring a different amendment which we will be moving at the Committee Stage. I trust that he will be able to agree it.

And then, Mr Speaker, almost at the end of his presentation and in what I thought was an attempt at dramatic flurry, he reminded us that it is a fiduciary duty of a government not to incur more debt than it is able to repay. He said it is a dangerous road indeed that we go down if we forget that. If it is any consolation to him, we do not think it is just a fiduciary duty; we think it is part of the sacred trust that is deposited in us by the people of Gibraltar in those ballot boxes that we should always be more than prudent and ensure that the economy and the public finances are safe in our hands. We would never put that in danger or at risk, Mr Speaker.

‘Is there a desperate need for cash?’ he says. There is no desperate need for cash. I have explained to him why it is that we are doing what we are doing. At that time, when he was saying those things, because he had them in his prepared speech he was in effect ignoring everything that I had told him. It was almost as if this had been a dialogue of the death. I had made a speech and he got up and made a speech, which did not reply to mine; it was just the speech that he felt appropriate he should make. I trust, Mr Speaker, that I have demonstrated to him, in getting up now and replying to the detail of what he said, that perhaps I am not so bad at numbers and that in fact what we need to do in this House is engage in debate, rather than just deliver set speeches.

I am delighted that he has indicated that he does not wish upon us the difficulties that we have seen afflicting the Cayman Islands and Bermuda, and therefore with this part of my reply I hope that I have satisfied many of the things that he raised during the course of his intervention.

Mr Speaker, then the Hon. Mr Feetham got up after Mr Bossano had spoken and spent much of the first part of his speech describing Mr Clinton’s demeanour and ability – and, as I have said before, whether somebody is erudite or not erudite is really not something that is going to concern the Parliament when considering a Public Finance Bill.

But then he moved quickly to say that this Bill shows that we successfully pulled the wool over the eyes of people at the last General Election. Mr Speaker, how can it be that we successfully pulled the wool over the eyes of people at the last General Election if the hon. Member had listened to any of what I had said and understood any of what I had explained to the House as the reasoning behind this Bill? It can only be one of two things: either that he did not listen or understand; or that he believes that I am somehow presenting a case for this Bill which is different to the reality of what is actually the position. Because I have told him that it is not about borrowing more; it is about changing the profile of our debt. But he does not just stop now about what it is that I am doing with this Bill. He goes back and says that the seeds of future problems for Gibraltar were sown in 2011 when we came up with £750 million in capital projects in the last four years. Doesn’t he know that they spent more in their last four years in office than we spent in our first four years in office? I know he is not looking at me, but I really want him to understand because I do not like him to make the same mistake twice. He said it before, and I do not want him to have to say it again. He said that £750 million was far too much to spend in four years, and they spent more in their last four years in office ... unless that is also one of the things that they are decrying about the manner in which the man formerly known to him as the greatest Gibraltarian of all time had run the Gibraltar economy. Look, he needs to reconsider.

But then again, Mr Speaker, should I stop him when he is making a mistake? Only when the way that he does it calls into question Gibraltar’s public finances and therefore goes against

2965 what Mr Caruana was saying an Opposition should do, which was to assist to create confidence where it is in the interest of Gibraltar to do so in areas of economic development and creating confidence amongst lenders and investors in our economy. He does the opposite.

But I am going to set him a challenge, Mr Speaker, and the challenge is this. Given that he says that we have sown the seeds of our problems for the future, it is a very simple challenge indeed: will he be prepared to stand up and applaud us if all the problems that he says he has been pointing out in the wilderness turn out not to be the case and actually what we continue to provide future prosperity for our nation in exactly the way that we predict in our economic plan and in the manifesto, which he said he read so avidly, at least in respect of the bits that the Hon. Mr Bossano was responsible for writing? Well, at least we *had* a manifesto, Mr Speaker.

2975 He said that you do not have to be an economic guru to realise that we could not afford the £750 million, which was less than the amount that they, when they were the economic gurus, had spent in their last four years. Well, you know what? I do not believe that gurus should be the standard. I believe that the people who are wiliest, who are best able to work out who is telling them the truth, what is or is not in the best interests of our community, are the people of this nation – and by 68% they decided that what we were doing was not sowing seeds that would cause problems, but actually that we were doing the right thing for the prosperity of our nation. And Mr Bossano explained exactly why it was the right thing to invest in our future, to invest in jobs in Gibraltar, etc. Of course, what he is saying is that 68% of our electorate are easily duped – and that is a huge disrespect, not to us but to the general public and to the voters of this community.

2985 He then went on to say that the changes in the Savings Bank Act had moved away from liquidity etc. Well, Mr Speaker, Mr Bossano has dealt with issues relating to the Savings Bank today and nauseam and our analysis is different to his, as he knows, but he should recall that the debt interest that the Government had taken on in Government debentures amounted to approximately £9 million a year just being paid to pensioners in those debentures.

2990 And then he became very impassioned, talking about his obligations as Leader of the Opposition. He does that. Hon. Members opposite should not be surprised that they will see this happen once in a while – he will get very impassioned, talk about how won't shut him up etc. We have no intention of shutting him up. In fact I want to encourage him to continue in that vein, Mr Speaker. But the people of Gibraltar have been very astute indeed in the last Election. They have agreed with the analysis that I and Mr Bossano have been making about the way that we have invested this money.

3000 Mr Speaker, then he went on to say at one stage that £47 million was the amount available for borrowing, that the debt ceiling was £47 million away. He does realise, doesn't he, that that is £31 million more than the position on the day that we were elected after they had been in administration: £31 million more. He has got to at least give us credit for that. If the position was £47 million of available credit, well, it was £31 million more than they had.

And then he accused me of making sneaky commitments in letters to teachers.

3005 **Hon. J J Bossano:** Not overtime, I hope.

**Hon. Chief Minister:** Certainly not a commitment to pay teachers overtime, Mr Speaker. We only heard of that today. *(Laughter)*

3010 We obviously have different models of politics, Mr Speaker. I believe that telling people what you are going to do, understanding what it is that they want addressed and dealing with it in writing so that it is clear and it becomes your commitment to them is the right thing to do. They might believe in just saying something to people in the streets, trying to gain their confidence, trust and therefore their vote, and then not doing it. But not all of them, Mr Speaker.

3015 I do not think that is sneaky; I think that is the right way to do things. And neither do all of them think that that is sneaky, because I saw and I reminded him the other day ... I saw an email from Mr Reyes to the Gibraltar Darts Association promising them premises after the last

election, and I did not see that in the manifesto. So I am pleased to see that other people in his party take the view we take, that things should be in writing so that the commitments are clearly recorded and that sneakiness is left to those who will not stick their colours to the mast.

3020 The Government, he said, ought to have been honest with the people of Gibraltar, to set out the fact that he says we are the opposite. Well, if there is one thing that we are it is absolutely honest with the people of Gibraltar and we will never be anything but, Mr Speaker. People are good judges of character and that is why they have put us here twice and they put him there twice. In fact, they put them there with the second lowest result in the history of politics in  
3025 Gibraltar, so I think people are being very astute indeed.

Then he went on to say that we are going to borrow more and that is why we have brought this Bill etc. Well, I have answered those points and I dealt with those issues in my presentation, and I have told Mr Clinton the circumstances in which we may increase the debt etc. This is *not* about borrowing more; this is about flexibility. Mr Bossano has explained that flexibility, not just  
3030 today – Mr Bossano explained that concept in 2009 in the way that he replied to the then Chief Minister’s presentation of the Bill at the time, in 2008 at the time that he made the presentation of the Bill at the time, and in 1988 when he brought the first Borrowing Powers Bill to this House.

He then went on to say that this was a fundamental aspect of our community and that we are going to saddle our community with debt. Well, we are not going to saddle our community with  
3035 as much debt as we found it with, Mr Speaker. I have already demonstrated that the debt is going down.

He said that we are taking a huge gamble. Well, I have been hearing that language now for the past two years. I have seen the advert with the attractive cartoon depiction of me. People  
3040 did not buy it. He can go on ... I am not going to stop him saying it, he can say it for as long as he likes, but it is nonsense. It is absolute and utter nonsense. We are not going to mortgage our future. The only mortgage I would advise the people of Gibraltar to enter into is one for a very long period of time at a very low interest rate if it was in the interest of Gibraltar to reschedule its debt in that way.

3045 He said he would not be silenced or sit idly by. Well, I would be apoplectic if he did not continue to make his case as he has been doing so, because I then would find it much harder for us to persuade people as successfully as we have of why we are doing things right and they are not.

Mr Speaker, I think that has dealt with all of the points that hon. Members opposite have  
3050 made. I do think that there is a need for me to say much else, but I would just deal with this point. The net debt of Gibraltar today has been reached on the basis of us delivering everything that we promised to deliver in 2011. It has not yet been a hundred days since the last Election – in fact, it has been 98 days since the last Election. We are already moving to deliver on our new manifesto. But what they did not do at the last Election, and I put it to them that they will have  
3055 to do at some stage, is that if they are against the level of the net debt today, if they say it is all too high they need to tell us – beyond No. 6 Convent Place, which is the project they do not like – which of the things we have done that they would not have done. Would they not have employed the 47 new teachers, although they believe teachers should even have overtime, let alone not be on permanent supply? Would they not have made the repairs to the affordable  
3060 estates that were occasioned as a result of the works done whilst they were in office? Would they not have repaired the MOD properties that were in such a terrible state of disrepair? Would they not have repaired the MOD properties that were in such a terrible state of disrepair? Would they not have built more affordable homes, although now they chase us on how they are being allocated? Would they not have increased the public sector by one individual? Although they chase us to do more about tobacco, don’t they support the 60 new Customs officers? Given  
3065 that they want us to fill all the vacancies in the Civil Service, surely they must believe that we need to be spending more in recurrent expenditure if that is what they are encouraging to do. Or is it that they want us to pay overtime to teachers and have 17 full-time IT technicians in the

schools? Because, when they are making those points they do realise they are urging us to spend more, don't they?

3070 Mr Speaker, I am very comfortable in the skin of the Chief Minister who has led this community to the prosperity that it enjoys today after the great four years that we have experienced of our economic management, I am very comfortable with the work that we have done with the money that has been put at our disposal by the hard work of this community, which has produced the recurrent revenue that we have today, and I have heard nothing, 3075 Mr Speaker, in any of the speeches of hon. Members opposite to persuade me to do anything other than to commend the Bill to the House. *(Banging on desks)*

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Public Finance (Borrowing Powers) Act 2008 be read a second time.

3080 Those in favour? (**Several Members:** Aye.) Those against? (**Some Members:** No.) Carried by Government majority.

**Clerk:** The Public Finance (Borrowing Powers) Act 2016.

3085

**Public Finance (Borrowing Powers) Bill 2016 –  
Committee Stage and Third Reading to be taken at this sitting**

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

3090 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**Parliament (Amendment) Bill 2016 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Parliament Act.

3095 **Mr Speaker:** Before we proceed, before I call upon the Chief Minister, I should inform hon. Members that I have received a letter from the Chief Minister certifying that under the provisions of section 35(3) of the Constitution the time required for consideration of this Bill should be abridged (**Hon. D A Feetham:** Why?) on the grounds of its urgency. The Chief Minister considers this to be an urgent Bill. No doubt he will explain in more detail in the course of his moving of the Bill why that is the case.

3100 The Hon. the Chief Minister.

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

3105 **Mr Speaker:** I will put the question, which is that a Bill for an Act to amend the Parliament Act be read a first time.

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

3110 **Hon. Chief Minister:** Mr Speaker, I have the honour to move that the Bill now be read a second time.

Mr Speaker –

**Mr Speaker:** Hang on a moment. Carried.

**Parliament (Amendment) Act –  
Second Reading approved**

3115 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the Bill now be read a second time.

Mr Speaker, I have heard what the hon. Gentleman has said during his earlier intervention in respect of the Select Committee in respect of this issue. He also usefully read the House – and given the hour, I am not going to repeat – what it was that the Select Committee recommended should be the case after the General Election ... (*Interjection*) the Commission on Reform had recommended.

3120 Mr Speaker, many things that that Commission recommended have been done, even though the Select Committee has not reported. In this instance, I have had indications that this is a Bill designed to do the new Members opposite out of something, and I hope I will be able to demonstrate to them that it is actually quite the opposite. It is a Bill designed to protect hon. Members for the following reason.

3125 The new schemes which are applicable to members of the Civil Service joining after 1st January 2012 are contributory schemes. In other words, you start to contribute from the moment that you join the Civil Service and you create a pot for yourself which then you are able to contribute more or less to etc. The old scheme is a non-contributory scheme, so under the old scheme there is no contribution in the Civil Service but you have a final salary at the end.

3130 That is not exactly the position for Members of this House. Members of this House, under the old scheme, must do 90 months before they are able to qualify for a pension. In other words, if you do 89 months you do not qualify for a pension. If any of the hon. Members opposite who are new Members were to decide not to stand at the next election, no pension. If they stand at the next election and they become Ministers or they continue to become Members who are in opposition, and whoever is the Chief Minister calls the election on the 89th month – and that does not have to mean a very great shortening of the period – no pension, and if they then decide not to continue or they are not elected, no pension. They have done almost eight years here and no pension.

3140 That is not a fanciful position. There is one particular individual, who was a Member for Parliament with the GSD – he was a Minister from 1996 to the early 2000s – who misses out on a pension, as presently structured, by a month or two, right? That is something which should be looked at; it has happened to others in the past. But essentially ... Some people say the rule should be two terms, or not 90 months, because 90 months is two terms, and then if a Chief Minister decides to call it earlier, well, you have done two terms and you should not suffer because a Chief Minister has called an election earlier.

3145 Today, the hon. Gentleman read out that the recommendation was that after the election of 2015 the new scheme should have been in place and the Select Committee, which was supposed to report in six months, has taken two years to report and has not reported yet and nobody has put in place any reporting for anybody to give us advice on salaries or pensions.

3150 Today, hon. Members will have been Members of this House for two and a half months, or three months, since the ceremonial opening. What this Bill will do, and I want them to understand it and why it is urgent is that they will be able to contribute immediately – in my view, from the date of the election – towards their pots, and the Government, the Parliament, will be contributing as well from the date of their election. So, from their first salary, which I think was December, they would make the contribution – they have an option as to what that

3160 contribution should be – and the Government would make their contribution as well. In the event of them not standing again in four years or leaving earlier, their pot is their pot and they can take it. If they do eight years, their pot is their pot. If they do 12 years, 14 years, 16 years, their pot would be their pot and they would have it from now, Mr Speaker.

Should there be a decision – I cannot imagine any circumstances when this would happen – where hon. Members were to ascribe to themselves the final salary scheme, which was non-contributory, whilst denying it to the Civil Service, they would have both the final salary scheme and they would have this. I think it would be an absolute scandal if that is what they proposed to do, because you could have as many pensions as you like – this is a contributory scheme and I think it would be an absolute scandal. But given that it would be an absolute scandal, and I am sure that politically they see it would be an absolute scandal for them to try and get for themselves that which they, when they were in Government, stopped for the Civil Service ... and therefore, as we are moving to a contributory scheme, we have to allow them the possibility of moving to it as soon as possible. And therefore, if they decide, *lo Bueno que soy*, if they decide not to stand again, they have got four years in their pot, if they continue they have got as many years as they like, and it is now quick and soon enough that the Government will go back and make the contributions from their first salary, from December. Right, Mr Speaker.

3175 I have seen that the hon. private Member has put a motion proposing that we deal with this and that we once again outsource this, in the terms of the Commission, to third parties. That, Mr Speaker, is an issue we are going to deal with dealing with that motion. We think it is an issue for the Select Committee. We agree that the Select Committee should make that recommendation, it should come to Parliament and it should happen. If that body – whichever body it may be, whoever it may be made up of – recommends something different, it is very easy for hon. Members to be given an enhancement or to be given a reduction, or whatever it is that that body provides for. But if we do not move now to enable them to make the contribution and to have the offer made to them ... They do not have to do this, it is completely voluntary. The Chief Secretary will make them the offer – probably the Clerk, in the case of Members, but the Chief Secretary or the Clerk will make the offer. They can then enter the contributory scheme, they can start contributing and the Government will go back and contribute from their December salary.

3180 The alternative, Mr Speaker, is that they are without a contributory scheme because there is no provision to offer them a contributory scheme, and they are without the final salary scheme, because there is no question of the Government agreeing to extend to them the final salary scheme, especially given the recommendations of the Commission, which were public, especially given the fact that the final salary scheme is something that they stopped for all new entrants to the public sector. But if they want to make that case, they can still make it despite this; this just protects them and gives them the opportunity of making contributions from now, with contributions from the Government also from the date of their first salary package.

3195 And so, Mr Speaker, for all those altruistic reasons by which I look out for the five new Members of this House in my obligations as Leader of this House to do so, I commend the Bill to the House.

3200 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of this Bill? Yes.

3205 **Hon. Ms M D Hassan Nahon:** Passing unilateral laws that are carefully designed to only affect one side of the House does make me very nervous, and it makes me wonder whether this is the beginning of the end of democracy. This is not about me and my pension rights or the different element of a pension. This is about the fact that the Government has come up with a scheme and designed a scheme that is only affecting one side.

I would like to know why exactly October 2015. Why not back to 2011 or 2007? How come only as from the newcomers that were only on the GSD side? It makes me worry because this



3210 new Bill seems designed only to affect one opposing party, and it is reminiscent of that part in George Orwell's *Animal Farm*:

All animals are equal but some animals are more equal than others.

I urge, Mr Picardo, that you reconsider this terribly unjust Bill because it is retrospective and you are the party that set up the Ministry for Equality. To me, this goes against equal opportunities values, and I urge you to live up to those values. (*Banging on desks*)

3215 **Mr Speaker:** The Hon. Mr Roy Clinton.

**Hon. R M Clinton:** Mr Speaker, having worked in the private sector for many years, in fact all my life, I am only too aware of the cost of final salary pension schemes, which are now becoming practically ... very hard to find in the private sector because of the cost.

3220 Having seen this Bill, again I fail to understand the urgency for this Bill, because this can go to the Select Committee and the Select Committee can issue their recommendations. What I find hard to understand is why the Members opposite, or in fact the other Members of the House who were previously elected, should be allowed to retain their non-contributory final salary scheme to the detriment to those of us who are new to this House. If the principle is it is not fair because the civil servants no longer have access to this, well, fine, Mr Speaker, we should abolish it for the whole House and not for the new five Members. Maybe that is something for the Select Committee to consider.

3225 Furthermore, without wanting to embarrass any Members of this House, I understand that it is the practice that Members who are over 55 may cash out their pensions at the end of any parliamentary period, which, to be honest, I was very surprised about this. Perhaps those who have cashed out should be on the new scheme and not on the old scheme.

3230 Again, Mr Speaker, I feel that these are things perhaps left to the Select Committee to consider on a non-partisan basis, because at the end of the day, as I keep on saying, we are servants of the people.

3235 **Mr Speaker:** The Hon. the Leader of the Opposition.

**Hon. D A Feetham:** Mr Speaker, when I came to consider last week about our position in relation to the constitutional one and the formation of the Select Committee on Constitutional Reform, what the Government is actually doing here, actually it did play on my mind in terms of our approach to that, because here you have a Select Committee on Parliamentary Reform that has been set up, and we were assured, in 2013 I think it was when the hon. Gentleman brought the motion to the House, that the recommendations of the Independent Commission would be considered by the Select Committee, the Select Committee of this House would then make recommendations, and that it would not be a unilateral decision by the Government of the day as to which ones they implemented and which ones they did not.

3240 The hon. Gentleman has, during the course of an earlier intervention and this intervention, spoken about some of the measures that were implemented without regard to the Select Committee. But actually, when you read that debate you will see that we were in favour of the televising of Parliament, we were in favour of the monthly meetings of Parliament. But in relation to the other recommendations that were being made by the Independent Commission it was quite clear that the hon. Gentleman gave a commitment to this House and to those Members of that Select Committee that he would not go it alone and that it would be discussed within the Select Committee and that he would allow the Select Committee to make a recommendation – that does not mean that we have a right of veto; of course not, because they have got a majority in the Select Committee – but what he would not do was precisely what he is doing now, and that is why I am sceptical about assurances that the hon. Gentleman makes

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and gives me in relation to the motion on the constitutional reform. Look at how he is behaving in relation to this.

3260 Mr Speaker, it is all very well for the hon. Gentleman to come to this House almost like a financial adviser saying, 'But you're all going to be better off,' but it is not affecting him, it is not affecting the Members on that side of the House, it is not affecting me. Yes, it is not affecting me and it is not affecting Mr Reyes, but it is not affecting *them*. They are the movers of this particular Bill. It is not affecting them and – rightly, as Mr Clinton has pointed out – it is also not  
3265 affecting those on that side of the House, one of whom was very vigorously bashing on the table, who have cashed in their pensions.

Mr Speaker, I can now start the restart of the clock in terms of the future. It does not affect them. It does not affect them, but it affects five new Members on this side of the House who are now going to have their pension rights affected retrospectively.

3270 I also remind the hon. Gentleman of the answers that he gave in Parliament, I think it was last week, and I just wonder how far the answer that he gave me last week had played a part in him certifying that this Bill is urgent. Because last week – and when he was answering the question the penny had not dropped, but it dropped afterwards – last week what he said was that in relation to the 47 teachers who were on supply and had this claim at this Election ... They were  
3275 taken on ... so that people who are listening understand it, 47 supply teachers that they took on, post the 2011 Election, and in relation to those 47 school teachers, who were placed on the contributory pension scheme, even though some of them, as he rightly pointed out, had already started on supply, I think he said, three months before the Election – three months before the election, Mr Speaker, that is the time limit that he used – and there was a claim that was made  
3280 on behalf of those 47 and he took the view, 'Well, actually, because they started before the General Election, albeit some of them only three months, we do not want to affect their rights retrospectively and we think they should have the same acquired rights' – because they were not changing their rights retrospectively, because they were supply teachers, but anyway, they should have the same rights as those who had come into the Civil Service prior to 2011.

3285 Well, Mr Speaker, my five colleagues, who all do not want the Hon. Member – it does not matter what advice the hon. Gentleman comes to this House with – do not want to have their rights and pension rights affected retrospectively, they are in exactly the same position, because they were elected in November, and lo and behold this Government comes to this House with a Bill in March.

3290 Mr Speaker, I urge him – for the sake of attempting to have that constructive relationship between the Opposition and the Government in relation to not only the Select Committee and the work of the Select Committee on Parliamentary Reform, but others – show us that the hon. Gentleman is capable of at the very least being fair in relation to this. He is not being fair in the light of what he told this House, in the light of the assurances that were given to me when I  
3295 formed part of the Select Committee in 2013, when I was part of the Select Committee in 2013, that he was not going to unilaterally be making decisions outside that Select Committee.

And you know, Mr Speaker, my five colleagues, who obviously feel uncomfortable with the situation because they are advocates in their own cause, because it affects them ... It is quite understandable that the hon. Gentleman is placing them in that situation, but it is not right that  
3300 the hon. Gentleman should use the power that is vested in him as Chief Minister of Gibraltar, backed by a Government, to affect retrospectively, and affect the rights of just simply five Members of the Opposition.

If he were to just amend this Bill and for this Bill to say 'this part does not apply to a person who *after* the 31st December 2015 has become an elected Member' instead of October 2015,  
3305 well then anyone who stands for election next time round knows that this is the law and that therefore their pension rights are going to be determined in accordance with the law. But what he is attempting to do is, after people have been elected, is affecting their rights retrospectively.

Mr Speaker, I have gone on for too long, but I just ... I do not hold my breath that I will be able to appeal to the hon. Gentleman's sense of fairness, because as I say, nothing that I can say

3310 is ever going to persuade the hon. Gentleman. But if he does not want to take my views on board as to why we are voting against it, well maybe the hon. Gentleman will listen to the hon. Lady's impassioned speech as to why hon. Members ought not to proceed in the way that they are proceeding.

3315 **Mr Speaker:** The Hon. Elliott Phillips.

**Hon. E J Phillips:** Just to add to the Leader of the Opposition's comments in relation to the amendment, I understand from the amendment to the Act that that would also remove and dis-apply directly those provisions that deal with death in service under section 97-98 of the current Parliament Act. It would be helpful if the Chief Minister could also confirm the position in relation to that.

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**Mr Speaker:** Does any other hon. Member wish to speak on the Second Reading?

**Hon. R M Clinton:** Just as an afterthought, Mr Speaker –

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**Mr Speaker:** You have spoken already.

**Hon. R M Clinton:** Oh, sorry, my apologies.

3330 **Mr Speaker:** In committee, you are able to rise again on a particular clause; not on the whole thing, but you are able to speak on each clause separately.

Does any other hon. Member wish to speak?

I call on the Hon. the Chief Minister to reply.

3335 **Hon. Chief Minister:** Mr Speaker, I really do not believe my ears. First of all I am accused of passing unilateral laws. Well, I do not know what a unilateral law is. I may have just passed one because they did not support the Public Finance Bill, but that was not referred to as a unilateral law. I forget which are the other ones they have not voted in favour of – are they all unilateral laws?

3340 Mr Speaker, this is a serious place where we have to put serious arguments. It is not about *Animal Farm* and all animals being created equal; it is about the policy of *their* party. The hon. Lady seems to forget that the most trenchant advocate against the final salary scheme is no longer here: it was Peter Caruana. He was the one who said that the final salary scheme was a noose around the neck of Gibraltar, and that it was ended as from 1st January 2012 and closed for good.

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**Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** A ticking time bomb.

3350 **Hon. Chief Minister:** A ticking time bomb, he used to say it was.

All we have done is ensure that those who were employed before that date continue to have the benefit of that scheme. This is not a Bill that affects only one side; this Bill could affect anybody who is elected with us in the future.

3355 The fact is that hon. Members have got up and have completely ignored what I have told them. Look, it is very simple. Let me explain it to them again. We will have a Select Committee. The Select Committee, not this House when it deals with a motion, will appoint that independent review. They can make whatever submissions they want in that independent review. If they are able to persuade the independent review to recommend that they should have the final salary scheme, and then that is accepted by the Committee or by the Parliament, 3360 they can have the final salary scheme, because they do not have to contribute anything to the

final salary scheme. All we would need to do is amend the law, because that would be the recommendation of the Committee. If we do not do this apparently unilateral law today, and whoever it is that we appoint does not say that they should have the final salary scheme, where are they? What are they left with? Say that takes three years, what are they left with? They have to go into the contributory scheme *then*. Are they going to make up the payments for three years *then*? Are they going to then continue to pay? Mr Speaker, it is very simple: they can have their money back after three years, if that is what is recommended, and they can go on the final salary scheme. I really do not see what they have worked themselves up into a frenzy over. All I am doing is giving them the opportunity – they do not have to take it, by the way; it is the opportunity – to enter into a contributory scheme today. Should they ever win Government, should they ever persuade an independent body that this is the right way to go, then they can have their final salary scheme and they can either ... In fact, I was wrong. They can either have their money back or they can continue with a contributory scheme as well, if they like, because a contributory scheme is a pot. I think the Government would stop contributing, because if the Government is contributing and also giving them final salary it would be too much, but they could continue to put 8% into a pot, if they wish.

We are not doing away with anything that they have, Mr Speaker. Or is it that they do not realise that they do not have a pension at the moment? No one who has been elected at the last Election, or even at the former election, has yet got a pension. They have to do the 90 months. This gives them an opportunity to have a contributory pension. Yes, it does. The hon. Lady is shaking her head. This gives them an opportunity to have a contributory pension as from today, and if it is determined that they should have a final salary non-contributory pension in the future, they can have that as well and they can take the money out of the pot –

**Hon. Ms M D Hassan Nahon:** It is not about the money.

**Hon. Chief Minister:** Well, if it is not about the money I do not understand what it is about.

**Hon. Ms M D Hassan Nahon:** It is about equality.

**Hon. Chief Minister:** Mr Speaker, if it is about equality she is sitting with the wrong party, (*Laughter*) and I will tell her why: because *we* did not stop the final salary scheme. We have now got civil servants working next to other civil servants who are not on equality (**Hon. J J Bossano:** Exactly.) because of *their* policy to get rid of the final salary scheme. So you have got civil servants making contributions to a defined contribution scheme next to civil servants on a final salary scheme – because of GSD policy implemented by the GSD.

What we did was we said it would be unfair for somebody employed before that bit to not have the benefit of the final salary scheme. The final salary scheme has gone, and whilst we are in Government they will not persuade us that they should have extended to themselves the benefit of a non-contributory final salary scheme which they have taken away from civil servants (**Hon. J J Bossano:** Exactly.) and which their former leader described as a ticking time bomb and as a noose round the neck of Gibraltarians. But if they are able to persuade an independent body that they should have it, it is very easy, because then you take your money out of this pot – whatever you have put in you can have back – and you can have your final salary scheme.

The alternative is very dangerous, Mr Speaker. They do not want to hear me, but the alternative, they need to understand, is very dangerous. If in four years' time the issue has not been resolved, they will walk out of this place, if they lose their seats, *without a penny*. This gives them a different sort of opportunity. (*Interjection by Hon. Ms M D Hassan Nahon*) If they, in the future, are able to persuade a body that they should have the final salary scheme, they can have it, but this creates a prejudice to them by not extending the right to them today. They do not seem to agree, Mr Speaker. We seem not to be able to agree on anything today; I suppose that is why we sit with different sides.

3415 This is not about us imposing anything. Nothing could be easier, I believe, for them to understand if they had an open mind about why this is happening, but they have come here with a prejudice. They have come convinced that we are here to do them *(Interjection by Ms M D Hassan Nahon)* something which is a damage, and this is far from a damage. This is an advantage that we are creating for them. They will have the ability – *(Interjection by Ms M D Hassan Nahon)* Mr Speaker, it is not usual to be heckled from a sedentary position. The hon. Lady needs to keep her wits about her. This is not going to do her out of a penny. She needs to keep her wits about her and listen to my explanations.

3420 Mr Speaker, the Hon. Mr Clinton said when he put his first motion that he did not know – **(Hon. D A Feetham: Disgusting.)** The Hon. Mr Feetham is saying from a sedentary position that what I am doing, in giving them the same opportunities that they decided should be the opportunities given to civil servants, is disgusting. Well, they might like to explain that to the new civil servants.

3425 Mr Speaker, the Hon. Mr Clinton said, when he put his first motion, that he did not know how much he was going to earn as a Member of Parliament. I believe him: neither did I – when I became a Member of Parliament I became a Member of Parliament because I am here to serve the people of Gibraltar at whatever cost, and that is what we are here to do. But suddenly, 3430 although he did not know how much he was going to earn, he wants to hang on for dear life to the final salary pension scheme. That, to me, is very surprising indeed, Mr Speaker. It is a complete contradiction in terms.

3435 He talks about people who are over 55 who have commuted. He might care to hear me tell him that the push for commutations for people who are beyond 55 has not come from anybody on these benches. He might be surprised to hear that the person who has had the greatest desire to receive a commutation from Credit Finance Company Ltd, which is the company that does the commutations – and if he does not know that, he needs to go back and read all the *Hansards*, where we explained how they work, Mr Speaker – was the Knight known as the greatest Gibraltarian of all time. *(Laughter)* He is the post-55-year-old who has wanted a 3440 commutation. It has been foisted on another one, who did not want it. *(Laughter)*

3445 So that point – No, I do not have any intention whatsoever of giving way at nine o'clock in the evening when I am giving my explanations, Mr Speaker. So that point is not a point that he has in order to make any valid reference against what the Government is doing. Actually, the Government is offering commutations to anybody who qualifies, and the request to qualify has been by a Member who was opposite.

3450 Mr Speaker, of course there will be a non-partisan decision as to what happens when the committee, or whatever is set up to look at salaries ... and when they make that decision the only prejudice that hon. Members opposite will have suffered is that they will have paid into a moneybox. And let me be clear again: if the decision is that they should have the final salary scheme, or any other scheme, they have their moneybox back and they are put in the position that they would have been in. The alternative is that they are then told three, five or six years down the line, 'You have now got to come up with six years of contributions if you want to have all your period of service considered.'

3455 So, Mr Speaker, frankly, when the hon. Gentleman got up and said all of the things that he has said, it was absolute *nonsense*, designed to try and play to what they must have believed this law was about rather than to the logic that we have presented to them is the reality of what this law is about. But let me be very clear: all that is going to happen is that they are going to be *offered* this product, and if they do not want it they do not take it. They do not have to pay anything in and they can take their chances and wait to see whether they persuade those who 3460 are coming to advise us independently, when they come, that they should have the other scheme. No problem. They do not have to pay into the moneybox, they can leave the moneybox empty; it is up to them. That is all that this does: it creates that opportunity. It deprives them of nothing, Mr Speaker. But look, if they want to raise this issue to the level of whether this is equality or not equality, rights to pensions, when they might all walk out of here without any

3465 pension – and, Mr Speaker, if they continue to perform as they are doing today I doubt whether any of them will be afforded the privilege by the people of Gibraltar of doing 90 months in this place – it is a matter entirely for them.

Finally, Mr Speaker, the issue of death in service is not one which I believe is affected by this. I believe there is an insurance policy that deals with death in service with everybody who is on a public emolument.

Mr Speaker, I therefore commend the Bill to the House.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Parliament Act be read a second time. Those in favour? (**Several Members:** Aye) Those against? (**Several Members:** No.) Carried by Government majority.

**Clerk:** The Parliament (Amendment) Act 2016.

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**Parliament (Amendment) Bill 2016 –  
Committee Stage and Third Reading to be taken at this sitting**

**Hon. Chief Minister:** 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.)

**Friendly Societies (Amendment) Bill 2016 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Friendly Societies Act.  
The Hon. the Minister for Financial Services and Gaming.

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

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

**Clerk:** The Friendly Societies (Amendment) Act 2016.

**Friendly Societies (Amendment) Bill 2016 –  
Second Reading approved**

**Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I have the honour to move that the Bill for the Friendly Societies (Amendment) Act 2016 be read a second time.

This Bill delivers yet another commitment from our election manifesto to continue to develop services for cancer patients and survivors as it would be of primary benefit to the Cancer Relief Society.

3500 We are currently working with the Society for the provision of hospice services by that charity at the Cancer Relief Centre. The Society views its current structure as unsuitable for the provision of such services and is keen to restructure as a private limited company and to transfer all its engagements to that company.

3505 This Bill amends the Friendly Societies Act so as to allow a society registered under the Act to transfer its engagements to a company or to convert into a company, subject to the fulfilment of certain conditions. In particular, the Registrar of Friendly Societies must confirm the transfer or conversion in order for it to take effect.

3510 The Registrar of Friendly Societies also has a residual power to give a direction requiring a registered society to transfer all or some of its engagements to a company, mainly in the interest of its members. The main conditions which the Society are required to fulfil prior to a transfer or conversion are set out in the new schedule 5, which sets out the information that a registered society needs to give votes to its members and the Registrar.

Finally, Mr Speaker, the new sections do not apply to any engagements relating to the carrying on of insurance business as defined in the Financial Services (Insurance Companies) Act.

3515 Mr Speaker, I commend the Bill to the House.

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

The Hon. Mr Edwin Reyes.

3520 **Hon. E J Reyes:** If I may, Mr Speaker, just very briefly to say that this side of the House will be supporting the Bill, for the obvious reasons that the Hon. Minister has just highlighted, and we can at least in the notes here, say that we will be unanimous in continuing to offer our undivided support to Cancer Relief Gibraltar.

3525 **Mr Speaker:** Any other hon. Members?

I now put the question, which is that a Bill for an Act to amend the Friendly Societies Act be read a second time.

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

3530 **Clerk:** The Friendly Societies (Amendment) Act 2016.

**Friendly Societies (Amendment) Bill 2016 –  
Committee Stage and Third Reading to be taken at this sitting**

3535 **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.)

**Gibraltar Pilotage Bill 2016 –  
First Reading approved**

3540 **Clerk:** A Bill for an Act to make provision for and to consolidate, revise and re-enact the laws on pilotage and for connected purposes.

The Hon. the Minister for Financial Services and Gaming.

3545 **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 and to consolidate, revise and re-enact the laws on pilotage and for connected purposes be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for and to consolidate, revise and re-enact the laws on pilotage and for connected purposes be read a first time.

3550 Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Gibraltar Pilotage Act 2016.

**Gibraltar Pilotage Bill 2016 –  
Second Reading approved**

3555 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I have the honour to move that the Bill for the Gibraltar Pilotage Act 2016 be read a second time.

This Bill is an important piece of legislation for the Gibraltar Port Authority that seeks to streamline the pilotage services in port waters.

3560 The Bill updates and modernises very old outdated and obsolete provisions for pilotage service in the existing legislation.

The Bill also introduces endorsement of pilots by way of authorisation or licence granted to them by the Captain of the Port and also provides for pilotage exemption certificates to a master or a chief mate of a ship if the Captain of the Port is satisfied that his skill, experience and local knowledge is sufficient for piloting any ship within our waters.

3565 Further, Mr Speaker, the Bill sets out required qualifications for people to be authorised or licensed for pilotage services. Basically, both authorised pilots and licensed pilots have to have the same qualifications but the authorisation and licensing procedures are slightly different.

3570 The Bill also introduces the Pilotage Committee, headed by the Deputy Captain of the Port, which Committee holds inquiries into the conduct of authorised pilots and licensed pilots and submits its findings and recommendations to the Captain of the Port. The Pilotage Committee is also tasked to oversee training of personnel engaged in the pilotage service and to investigate and advise the Captain of the Port on matters referred to it.

3575 The Bill allows the Minister to make regulation for various purposes, including determining additional qualifications for pilots, to fix the rate of payment of charges to be paid to authorised pilots and licensed, and to regulate the quantum of pilotage fees.

The Bill amends the Merchant Shipping Act by way of repealing part 9, sections 180 to 2003, and the end result is that a standalone piece of legislation dealing with all aspects of pilotage will be implemented for Gibraltar British Territorial Waters.

3580 Mr Speaker, I commend the Bill to the House.

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

3585 I now put the question, which is that a Bill for an Act to make provision for and to consolidate, revise and re-enact the laws on pilotage and for connected purposes be read a second time.

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

**Clerk:** The Gibraltar Pilotage Act 2016.



**Gibraltar Pilotage Bill 2016 –  
Committee Stage and Third Reading to be taken at this sitting**

3590 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**COMMITTEE STAGE**

**Supplementary Appropriation (2014/2015) Bill 2015;  
Gibraltar Savings Bank (Amendment) Bill 2016;  
Public Finance (Borrowing Powers) Bill 2016;  
Parliament (Amendment) Bill 2016;  
Friendly Societies (Amendment) Bill 2016;  
Gibraltar Pilotage Bill 2016**

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

3595 **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 Supplementary Appropriation (2014/2015) Bill 2015; the Gibraltar Savings Bank (Amendment) Bill 2016; the Public Finance (Borrowing Powers) Bill 2016; the Parliament (Amendment) Bill 2016; the Friendly Societies (Amendment) Bill 2016; and the Gibraltar Pilotage Bill 2016.

*In Committee of the whole Parliament*

**Supplementary Appropriation (2014/2015) Bill 2015 –  
Clauses considered and approved**

3600 **Clerk:** A Bill for an Act to appropriate further sums of money to the service of the year ended the 31st day of March 2015.  
Clause 1.

3605 **Mr Chairman:** Notice has been given of an amendment to substitute '2016' for '2015'.

**Hon. D A Feetham:** Mr Speaker, we are happy to take any letters that have been lodged as effectively proposing the amendments, rather than the hon. Gentleman having to read them out.

3610 **Mr Chairman:** Yes, I am going to take it that all amendments have been circulated. Unless hon. Members of the Opposition tell me to the contrary, I will accept them and we will incorporate them on that basis into the necessary clause.

3615 **Chief Minister (Hon. F R Picardo):** This Bill will suffer no amendment other than the change of date.

**Mr Chairman:** Well, just that: 2016 instead of 2015. So, clause 1 as amended stands part of the Bill.

3620 **Clerk:** Clause 2.

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

**Clerk:** The schedule.

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

**Clerk:** The long title.

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**Mr Chairman:** The long title. Stands part of the Bill.

**Gibraltar Savings Bank (Amendment) Bill 2016 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to amend the Gibraltar Savings Bank Act.  
Clauses 1 and 2.

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

**Clerk:** Clause 3 as amended.

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**Mr Chairman:** Clause 3 as amended stands part of the Bill.  
The Hon. Mr Roy Clinton.

**Hon. R M Clinton:** Mr Speaker –

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**Mr Chairman:** You may be seated and address the Chairman.

**Hon. R M Clinton:** Chairman, okay.

Mr Chairman, before we go through every single clause I just have an observation, on reading the Savings Bank Act, that maybe the Members opposite may want to consider, and that is with the main amendment to the Savings Bank Act there is the provision where the Minister will be the Minister of the Savings Bank. But if they look at clause 8 – and they may or may not have considered this – where the guarantee is given by the Government for the money in the Savings Bank, there is a clause that says:

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if at any time or times the assets of the Savings Bank shall be insufficient to pay the lawful claims of every depositor, the Minister shall cause such deficiency to be met out of the Consolidated Fund, and the Financial Secretary shall certify such deficiency to the Minister without delay.

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Obviously, if he is not the Minister for Public Finance he may not have the power to do that. I wonder whether Members opposite will want to change the word ‘Minister’, or say ‘Minister for Public Finance’ or something else.

**Chief Minister (Hon. F R Picardo):** Mr Chairman, just dealing with that point, I do not think it is necessary to make the amendment, because I think the Minister, whether he is the Minister for Public Finance or whether he is the Minister for the Savings Bank or otherwise, does not have the ability to simply engage spending on his own. He engages spending as part of a Council of Ministers and all spending eventually ends up here, so it really is the Government that does the spending. The Minister is the instrument through which the Government is engaged. Therefore, I genuinely do not believe that that is a necessary change. The Minister for the Savings Bank would simply be the one that presents the case to the Council of Ministers for a Bill to be

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3670 published for an appropriation for that purpose, or in effect for the Appropriation Bill to deal  
with that issue in that particular year if there were that shortfall. On the basis of collective  
responsibility, that is the way that it would be handled, so I do not ... The hon. Member should  
not think that the Minister for Public Finance is simply the man who has the cheque book, and  
that if you move away from the Minister for Public Finance then the cheque book moves into  
somebody else's hands – or rather he has the responsibility but he does not have the cheque  
book. That is not the way it works. It works on the basis of the Council of Ministers having to  
engage that payment. Neither the Minister for Public Finance nor the Minister for the Savings  
3675 Bank on their own would engage that. That is why the language is 'would cause to' and the  
cause would be to cause the Government to do it through the instrument of the Council of  
Ministers publication of appropriation etc.

**Hon. R M Clinton:** Mr Chairman, thank you.

3680 I will obviously defer to the hon. Member's reading of the clause as it would stand when the  
Minister for the Savings Bank becomes the Minister responsible. Again, it was just an  
observation.

Thank you.

3685 **Clerk:** Clause 3 as amended.

**Mr Chairman:** Clause 3 as amended stands part of the Bill.

**Clerk:** The long title.

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

**Public Finance (Borrowing Powers) Bill 2016 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to amend the Public Finance (Borrowing Powers) Act 2008.  
Clauses 1 to 2.

3695 **Mr Chairman:** Stand part of the Bill.

**Clerk:** Clause 3 as amended.

3700 **Hon. R M Clinton:** Mr Chairman, I do not seem to have a copy of that. Not the Savings Bank  
one. This is the Borrowing Powers.

**Mr Chairman:** Do you have it?

3705 **Hon. D A Feetham:** Sorry, we have not seen the amendment.

**Mr Chairman:** You have not seen it?

**Hon. D A Feetham:** No, we have not seen it.

3710 **Hon. R M Clinton:** Mr Chairman, I was trying to find my copy of the Borrowing Powers Act. I  
seem to have misplaced ... Ah, found it.

The change in definition seems to be to aggregate public debt not net public debt. I just wonder why that would be the case and you would not want it in the net public debt.

3715 **Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):**  
Well, Mr Speaker, I think the hon. Member was informed that we had already in the pipeline considered a possible change as he was suggesting, but that it was not exactly the same as he was saying. In fact, we feel it is more appropriate that when the money is put into the sinking fund it does not simply affect the net debt but it affects both the net and the aggregate, because  
3720 there is no logic saying it affects one and not the other. By reducing the aggregate, automatically it reduces the net.

**Hon. R M Clinton:** Thank you, Mr Chairman, I understand his point.

3725 **Clerk:** Clause 3 as amended.

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

**Clerk:** The long title.

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

**Parliament (Amendment) Bill 2016 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to amend the Parliament Act.  
Clauses 1 to 3.

3735 **Mr Chairman:** This is the Parliament Act.

**Hon. D A Feetham:** This is the Parliament Act? Mr Chairman, are we on the Parliament Act?

**Mr Chairman:** Yes, we are.

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**Hon. D A Feetham:** Yes, Mr Chairman. Perhaps the hon. Gentleman can clarify this point that has occurred to me. I alluded to it during the course of my own speech, but it has crystallised in my mind as I was listening to the Hon. the Chief Minister.

3745 Can he explain what is the difference between somebody who becomes an elected Member and therefore he takes the view that should not be subject to the final salary pension scheme, just as civil servants are not subject to the final salary pension scheme if they joined after 2011, and a situation where someone, a Member of this House – let's put it neutrally; it does not have to be a Member of the Government, although I think that it does affect Members of his Government – has cashed in their pension because they have had the entirety of their pension  
3750 paid, commuted, and therefore, as I understand it ... I may be wrong, but as I understand it the time for qualification for a further pension begins to run again, so therefore they have got to serve two terms before they qualify for a pension again. Surely they are in exactly the same position as the new Members of Parliament who are effectively having to qualify, and in relation to that aspect of people within the Government they should also be subject to the contributory  
3755 not the final pension scheme, Mr Speaker.

3760 **Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, he is wrong in the interpretation. What happens is that the maximum that a Member can accumulate is 20 years and the threshold is eight. So anybody who has got a day less than eight gets nothing – as was the case with the Civil Service, except that in the case of the Civil Service the minimum was 10 – and anybody who does more than 20 – (**Mr Chairman:** Twenty eight.) The maximum is 28 years?

3765 **Mr Chairman:** Twenty eight years of reckonable service.

**Hon. J J Bossano:** Well, 28 years, and anybody who has more than 28, even if he comes back, does not start with a new one. Otherwise, I should now be collecting my third pension, given that I am in the 44th year. (*Interjection by Hon. D A Feetham and laughter*)

3770 What happens is that a Member who has got a pension ... For example, when this issue was first raised ... When I left the office of Government in 1996 I already had 24 years' service and I was 57. Nobody at that time had suggested that you could actually collect your pension and come back. Nobody had suggested it before 1996, or since 1996 until 2011 when the GSD lost Government. The then leader of the GSD raised the issue of being able to collect it and then come back and count the years after, which in fact he did and which I was told applied to me as well, although I had not asked for it and I found it very odd that if it applied to me then they owed me back money going back to 1996, but I did not make a claim.

3775 So what happens is that the accumulated years get reconsidered and revalued in the same way that a civil servant who has had a break in service ... before, the break in service would have meant that he would have to start from scratch again. That was changed by the GSD, and I think rightly so, and there were people who had more years than somebody else but got a smaller pension because there was a gap. In some cases the gap was that they had been a week out of the service. They had finished in one week and had come back one week later, and although before that week and after that week together they had many more years, they were getting a smaller pension and were entitled to a smaller pension. The Government allowed the Civil Service Pension Scheme, by amending the Pensions Act, to provide for people to be able to, if there was service before a date and after a date, to put the two periods together in order to maximise what they were entitled to.

3780 That is what happens when there is a situation where somebody has left Parliament and come back later. The same provisions were applied to the parliamentary pension, and when somebody comes back after an election, whatever they maybe have being collected, the next time they leave the Parliament, if their entitlement as a result of doing more years is higher than the one they got before, they are entitled to the difference.

3785 In my case, obviously there is no way I can increase the years because I have already got too many. (*Laughter*)

3795 **Hon. D A Feetham:** Yes, Mr Speaker, but of course I understand it in his case because he has reached the 28 years, but you could conceivably ... I do not know what the personal circumstances of Members opposite, but you could have a situation where there are Members of the Government who have commuted their pensions. It is legislation that they introduced, that applies to parliamentarians, that they could commute and then the clock starts all over again and they are in exactly the same position as effectively people who have got elected to Parliament. For pension purposes that must be true, that must be the reality, because the clock starts ticking again and they are not entitled to anything unless they serve eight years. That is the ...

3800 **Hon. J J Bossano:** Mr Chairman, the explanation I have given the hon. Member is, for example, when this issue was raised by the former leader of the GSD for the first time since I joined the House, I thought it was the wrong interpretation. It went to the Principal Auditor and

3810 the Principal Auditor said he was right and that I was wrong, and then what happened was that he commuted 25% of his pension but he was able to continue clocking up service when he got re-elected into the Opposition. That is what happened, and it happened on an issue where the initiator of that policy was the GSD, not us.

3815 **Mr Chairman:** May I remind hon. Members that a Bill came to Parliament (**Hon. J J Bossano:** Yes.) in February last year to give effect to 100% commutation.

3820 **Hon. J J Bossano:** I know, but the point about the continuing service is relevant whether it is 25% ... Look, the 100% commutation is the maximum that you can take. It is not that everybody is required to take it. Within the Civil Service, in fact, the average take-up is 45%. Most people do not take the 100%.

3825 So what I am telling the Member is that it is not that if you take the commutation and if, for example, he were to find that there was evidence through opinion polls that the GSD would stand a better chance of being elected if its former leader came back, then the former leader could come back, stand for election and get elected, but he would not then start counting a new pension from zero and have to do eight years minimum. Every month after he came back would mean that what he got previously would be recalculated at the end of the second term.

**Chief Minister (Hon. F R Picardo):** But the amounts that he had taken would be deducted.

3830 **Hon. J J Bossano:** But the amounts that he has already had ... He gets paid the difference. He does not get a pension every eight years – that is not what happens.

3835 **Hon. R M Clinton:** Mr Chairman, would it not be equitable, where Members have either commuted their pensions or come back to the House, that they should be made to join the new scheme and not continue in the old scheme?

3840 **Hon. Chief Minister:** Well, Mr Chairman, as the hon. Gentleman is saying, when they have commuted 100% of their pensions, I assume, not if they have taken their gratuity of 25%, for example. That is not an issue which is current, in the sense that, as far as I understand it, certainly on this side of the House that situation has not arisen. It may have arisen on the other side of the House – it may have arisen in relation to somebody who is no longer there or to somebody who is there – but that is an issue that the Independent Commission can look at, and I am very happy that they should look at it and make a determination.

3845 It is not urgent, in the sense that they have gone already and if there is anybody who is going to accrue in that way in the future so be it, but it is not as urgent as enabling them the opportunity of being able to contribute to the new scheme in the event that they wish to, to ensure that there is no period for which they are not covered.

3850 It is something that we can certainly look at and we can look at what opinions have already been given by the Principal Auditor in that context.

**Hon. R M Clinton:** Mr Chairman, I am grateful for that contribution.

3855 Given that he is extolling the virtues of the new scheme, I wonder if it is possible to give any indication to the Members on this side of the House what that scheme would be, because it seems to be at the complete discretion of the Chief Secretary as to what type of scheme that would be.

3860 **Hon. Chief Minister:** Well, Mr Chairman, I think it is the scheme that is offered to civil servants which is the scheme that would be offered to them. Now, which of those ... I think there is an option of two. This is the Committee Stage: we are looking at the detail of the words on the page. I am quite happy to facilitate a meeting with the Chief Secretary so that they can

understand and deal with him on the subject of which scheme they consider to be the most advantageous and go on to most advantageous, to the superannuation scheme and others, but this is about the words on the page and those say they will be offered a scheme.

3865 **Hon. R M Clinton:** Mr Chairman, my experience is that when you talk about pension schemes you make reference to whether they are contributory or non-contributory or a combination. This amendment to the Bill makes no reference to what type of scheme it is.

3870 **Hon. Chief Minister:** I am sorry, Mr Chairman, I entirely disagree. The section is absolutely clear, and if he cares to read it, it says:

89B. A person who, but for the operation of section 89A would be entitled to a pension under this Part shall be offered, by the Chief Secretary an opportunity to join such pension scheme as may be available to officers in the public service.

Those are the contributory schemes that are now available, there are no other schemes available, and they are available to members of the Civil Service and also not to members of the Civil Service – that is why it says *public* service. I think even members of the Civil Service or public service have an option of what scheme to join, and they should be given that option too.

3875 **Hon. D A Feetham:** Mr Chairman, I want to also make it absolutely crystal clear that we do not disagree with the principle, even though I have to say that I would have preferred the matter to have been formally put through the Select Committee and the Select Committee would have recommended ... but it is the date. We fundamentally disagree with the situation where  
3880 effectively what they are doing is, they are affecting the rights of five Members of Parliament retrospectively, all on this side of the House. If this had said 31st December we would have voted in favour of it, but not in the circumstances that it affects just simply five Members on this side of the House retrospectively, as it does.

3885 **Hon. Chief Minister:** Well, Mr Chairman, this is the Committee Stage and it is not for speeches on rights and how people would have voted or not voted in the Second Reading.

The fact is it gives the date it gives because that is, I think, the date of the dissolution of Parliament. That is why that date has been fixed, and he might be surprised as to how many Members on his side it might affect, given his interpretation as to commutations and what effect  
3890 that should be.

But this is about the stage where we are looking at the detail of the words that are used in the legislation. I think his comment is entirely out of place in the Committee Stage and should not have been allowed, frankly.

3895 **Clerk:** Clauses 1 to 3.

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

**Clerk:** The long title.

3900 **Mr Chairman:** Stands part of the Bill.

**Friendly Societies (Amendment) Bill 2016 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to amend the Friendly Societies Act.

Clauses 1 and 2.

3905 **Mr Chairman:** Stand part of the Bill.

**Clerk:** The long title.

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

**Gibraltar Pilotage Bill 2016 –  
Clauses considered and approved**

3910 **Clerk:** A Bill for an Act to make provision for and to consolidate, revise and re-enact the laws on pilotage and for connected purposes.  
Clauses 1 to 33.

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

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**Clerk:** The long title.

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

**BILLS FOR THIRD READING**

**Supplementary Appropriation (2014/2015) Bill 2015;  
Gibraltar Savings Bank (Amendment) Bill 2016;  
Public Finance (Borrowing Powers) Bill 2016;  
Parliament (Amendment) Bill 2016;  
Friendly Societies (Amendment) Bill 2016;  
Gibraltar Pilotage Bill 2016 –  
Third Reading approved: Bills passed**

3920 **Clerk:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the Supplementary Appropriation (2014/2015) Bill 2015 as amended, the Gibraltar Savings Bank (Amendment) Bill 2016, the Public Finance (Borrowing Powers) Bill 2016, the Parliament (Amendment) Bill 2016, the Friendly Societies (Amendment) Bill 2016 and the Gibraltar Pilotage Bill 2016 have been considered in Committee and agreed to with amendments, and I now move that they be read a third time and passed.

3930 **Mr Speaker:** I now put the question, which is that the Supplementary Appropriation (2014/2015) Bill 2015, the Gibraltar Savings Bank (Amendment) Bill 2016, the Public Finance (Borrowing Powers) Bill 2016, the Parliament (Amendment) Bill 2016, the Friendly Societies (Amendment) Bill 2016 and the Gibraltar Pilotage Bill 2016 be read a third time and passed.

Those in favour of the Supplementary Appropriation (2014/2015) Bill 2015? (**Several Members:** Aye.) Those against? (**Several Members:** No.) Carried by Government Majority.

3935 Those in favour of the Gibraltar Savings Bank (Amendment) Bill 2016? (**Several Members:** Aye.) Those against? Carried.



Those in favour of the Public Finance (Borrowing Powers) Bill 2016? (**Several Members:** Aye.) Those against? (**Several Members:** No.) Carried by Government majority.

3940 Those in favour of the Parliament (Amendment) Bill 2016? (**Several Members:** Aye.) Those against? (**Several Members:** No.) Carried by Government majority.

Those in favour of the Friendly Societies (Amendment) Bill 2016? (**Several Members:** Aye.) Those against? Carried.

Those in favour of the Gibraltar Pilotage Bill 2016? (**Several Members:** Aye.) Those against? Carried.

#### PRIVATE MEMBER'S MOTION

##### Review of Members' salaries and pensions etc. – Motion not carried

3945 **Clerk:** Private Member's Motion. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, I have the honour to move the motion standing in my name, which reads as follows:

*This House believes that the salaries, pensions and other benefits enjoyed by Members of Parliament should be determined by a body independent of Parliament.*

3950 We seem to have been superseded by events, but nevertheless I will carry on my prepared speech. (*Laughter*) I do carry on, do I?

**Hon. D A Feetham:** Yes.

It's your penance for taking away his pension rights! (*Laughter*)

3955 **Hon. R M Clinton:** Mr Speaker, I bring this motion in the same spirit as that of my last motion in January, in that I am looking to Parliament as a whole to ensure best practice and transparency in governance of MPs' pay and conditions. This is not and should not be considered a partisan issue.

3960 First of all, I wish to record my thanks to the Chief Minister and the Clerk to the House in so rapidly ensuring that the parliamentary website has been updated to include full details of MPs' allowances and method of calculation going back 20 years.

3965 Mr Speaker, I am also grateful to you for having directed me to review the report presented to Parliament in January 2013 by the Commission on Democratic and Political Reform, which in turn has led me to review the minutes of *Hansard* of 4th June 2013, during which the Select Committee was formed.

3970 I do not intend to dwell upon the merits of my motion – they should be self-evident – but perhaps illustrate the current practice in the United Kingdom in support of my motion. In the United Kingdom the Independent Parliamentary Standards Authority (IPSA) was created by Parliament in the wake of the MPs' expenses scandal. IPSA was given the remit and powers to introduce independent regulation over MPs' business costs and expenses, and subsequently pay and conditions and pensions. On their website they state:

Our approach and rules are a clean break from the old system of self regulation by MPs and the House of Commons. The new rules are fair to MPs and the public purse, workable and, crucially, transparent – anyone can go online and see what their MP has claimed for and what they are paid.

IPSA is independent and in everything we do, we focus on our main duty: to serve the interests of the public.

The Constitutional Reform and Governance Act 2010 in the UK provided for IPSA to be given responsibility for determining MPs' pay and pensions: pay in May 2011, and pensions in October 2011.

3975 The IPSA issued their final report on MPs' pay in July 2015. The following two quotes are pertinent. I quote:

No-one can be in any doubt that consideration of MPs' pay is a toxic issue.

– as we have seen today –

A thousand and one reasons can be advanced for putting it off. There is never a right time to do anything. But putting it off for decades led ultimately to disaster in the form of the expenses scandal of 2009. What we are putting in place will settle pay for a generation.

Also, they said:

MPs

– without patting ourselves on the back too much –

are an indispensable part of our parliamentary democracy. Our duty is to provide a package of remuneration which, while still modest by professional standards, does not deter people from entering political life, nor confine it to the independently wealthy.

– or, I should add, lawyers (*Laughter*) –

This is what our decisions are designed to achieve.

**Hon. D A Feetham:** [Inaudible].

3980 **Hon. R M Clinton:** Sorry, that was my addition, Mr Speaker! (*Interjection by Hon. D A Feetham and laughter*)

IPSA's Chair, Sir Ian Kennedy, said:

Parliament gave IPSA the power to deal with the vexed issue of MPs' pay independent of Parliament and Government. Pay has been an issue which has been an issue which has been ducked for decades with independent reports and recommendations from experts ignored. An MP's salary is supplemented by an opaque and discredited system of allowances.

3985 Mr Speaker, in reading *Hansard* from 4th June 2013, during which the report of the Commission was discussed extensively, I note that the Chief Minister in line 530 onwards suggests the Select Committee appoint independent assessors to consider MPs' salaries and pensions. I gather we have not yet had the report of the Select Committee created almost three years ago in June 2013, and that the Government has now indeed reconstituted that Select Committee today to continue its work in considering and advising on the recommendations of the Commission on Democratic and Political Reform.

3990 I believe this House should make the work of the Select Committee easier by agreeing to one fundamental point, that being that the pay of and any changes to salaries, pensions and other benefits enjoyed by MPs should be determined by an independent body similar to the IPSA and not by Members of this House, in what could be perceived by the general public as an obvious conflict of interest.

3995 Mr Speaker, with your leave, I commend my motion to the House. (*Banging on desks*)

**Mr Speaker:** I now put the question in the terms of the motion moved by the Hon. Mr Roy Clinton.

4000 **Chief Minister (Hon. F R Picardo):** Mr Speaker, rising to reply on behalf of the Government, together with other Members who will speak, the hon. Gentleman will be disappointed to know that the motion he brings today will not enjoy the support of the Government benches. The principle does enjoy support, Mr Speaker. The principle enjoys support and will be something that we see through.

4005 The hon. Gentleman said that having to hear his speech despite it being overtaken by events was a penance. Well, Mr Speaker, it is the last time I try and do him a favour in ensuring that he has got a pension from the first moment he has been elected, if I am supposedly going to be made to suffer a penance as a result of it.

4010 The hon. Gentleman has read what he says is the best practice in the United Kingdom in support of his motion. Well, I do not think he has read it in support of his motion, and I think that he should not pretend that this proposal is his doing, by suggesting that he is reading something in favour of his proposal. This is the doing of the Commission that was constituted by my Government to recommend reform, Mr Speaker, and it is in the Select Committee that we have now created that we will be considering exactly this issue and, certainly with our support, bringing inter alia other proposals to this Parliament for this exact issue, as I have indicated – to deal with salaries and pensions etc. Because, Mr Speaker, we fully agree it is an obvious conflict of interest for this House to be determining salaries, and to do so would create an invidious conflict – *(Interjection)* And pensions, Mr Speaker, especially when people are trying to take advantage and avail themselves of pensions that they do not have and pretending that they have them.

4020 For that reason we did not support the former GSD administration when they brought the issue of salaries to this House, Mr Speaker. The Hon. Mr Bossano is going to remind us of that in a moment and take us in detail, no doubt, through the discussion at the time, but the current salaries are the salaries that have been fixed for the first time in the history of this Parliament by this Parliament. Previously, the salaries of this Parliament were fixed by independent commissions and advice from outside – until the GSD took office and they decided that, even with the votes of Members opposite against, they would fix for themselves new and higher salaries. So, given that he has today also disavowed that particular practice of the GSD, he will find that we are of the same mind but we were of the same mind some time ago. We sent these recommendations to a Select Committee – in fact, on the advice of the former Chief Minister, who suggested that we should send all of these to the Select Committee – and we will continue to do that work in the Select Committee and come back with this one from the Select Committee, but not otherwise, Mr Speaker.

4035 I do not think I need to deal with any other point that the hon. Member has raised, other than to say that, for those reasons, we will not be supporting his motion.

**Mr Speaker:** Did I hear that the Hon. Mr Joe Bossano is going to contribute to the debate?

4040 **Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano):** Mr Speaker, I am glad to see that the new GSD has abandoned the position of the old GSD, but I think it is important for them to know just how awful the position of the old GSD was.

4045 When the salary structure that exists now was introduced, it was introduced by the GSD by bringing a motion to the House about which there had been no prior consultation with anybody. They decided what it should be and they brought the motion here in 1998. They decided what the salary should be and they decided what it should be in 1999. And they decided that they were going to change the structure that existed by giving themselves in Government a bigger pay rise than they would give the Opposition. That is what they decided.

4050 **A Member:** And the Speaker.

**Hon. Chief Minister:** And the Speaker.

**Hon. J J Bossano:** And the Speaker, yes, that is right.

**Hon. Chief Minister:** With unilateral legislation. (*Interjection*)

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**Hon. J J Bossano:** The point that I made when we opposed what they were doing ... because in fact on the previous occasion that there had been a review of the pay of Members of Parliament, or Members of the House of Assembly as it then was ... what the AACR Government had done, under Sir Joshua Hassan as Chief Minister, was that Sir Joshua actually consulted both Peter Isola, who held the majority of the Opposition seats, and me as the leader of the GSLP with one seat. Not only did he consult the majority Opposition, he came to get a consensus view as to how we should approach a review of the salary, because it was following the introduction of parity in the public sector, and therefore the effect of that very big increase after a long period when there had been no pay rises meant that there was a disparity between what people got paid in this House and what people were being paid outside the House. Sir Joshua felt – and Peter Isola felt, and I felt – that it was a difficult thing that we should be taking decisions putting our own pay up.

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Therefore it was agreed by the three of us that we should approach the UK Parliament and find out how they did it. They sent a person they said was an expert in this area, (**A Member:** David Pring.) David Pring, and the Pring report was what suggested what our relativities should be. That was what operated until the GSD was in Government, when the GSD decided unilaterally to do it on the basis of what they thought was good for them, what they thought was good for us on the opposite side and what they thought was good for the guy in the Chair.

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When I suggested that it might be better to bring somebody from the UK so that nobody could accuse us of paying ourselves more money I was accused of wanting to go to London to be told by Bwana what was good for us. That was the wording of the greatest ever Gibraltarian. (*Laughter*) I pointed out that I was not particularly well known for going to Bwana to be told what to do, but certainly he was accusing not just me – he was accusing Peter Isola and Sir Joshua Hassan of wanting to go to Bwana to tell us what we should be paid.

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As well as rubbishing that, he said that the idea that people should enter politics because it was a vocation, because it was a matter of wanting to serve the people, was a romantic nonsense (*Laughter*) and that this was a job like any other. (**Hon. Chief Minister:** Shame!) (**A Member:** Oh, brilliant!) (*Laughter*) He said, 'We do not subscribe to this romantic notion that politics is a vocation and that one should do it for nothing.' Well, look, we were not doing it for nothing. I accept that when I joined I was doing it for practically nothing, because I had three kids, one on the way, and a pay of £500 a year in 1972.

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**Mr Speaker:** £350 – you were a Member of the Opposition.

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**Hon. J J Bossano:** Oh, yes, £500 in the Government. Yes, £350, right. And of course when my good friend Mr Speaker left his post in the education he did it to take a pay cut.

**Mr Speaker:** £700 a year ... [*Inaudible*]

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**Hon. J J Bossano:** So the reality of it is that there has been a tradition in this Parliament of people joining because they want to contribute to the welfare of our community, a view that in 1997 clearly the GSD did not share, and if there is one good thing about the change it is that narrow view of what it is to be a Member of Parliament, which is a career just like each other ... I pointed out to the greatest ever Gibraltarian – he was not that at that time, but I pointed out to him that he could hardly say that it was the same as anybody else entering into any job and having a career. Because, look, people who enter at the bottom do not all get to the top, and in any event there are quite a number of people who enter after they have ended their career. There are a number of people on the opposite side who have finished one career and are

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4105 coming here after completing one career. And I, in fact, at that point in that debate in 1998, said  
that this was a good thing because people had come from working in the private sector or  
working in the public sector and they brought to Parliament years of experience in their  
profession, which would be a useful input when we were taking policy decisions and debating  
legislation. It is not like entering the Civil Service as an AA and finishing up as Head of the Civil  
Service. Therefore, to say 'Because this is a career, if the Head of the Civil Service earns  
4110 £100,000, then I as Chief Minister must earn £75,000' ... Well, look, but you have had a career in  
the private sector as a lawyer earning a lot of money, and the person who got to be the Head of  
the Civil Service had to work his way up.

I was a bit surprised about this motion – and I do not know whether it was connected with  
the Bill that dealt with the pensions or not, or what prompted it – because my first reaction to  
4115 the motion was to say, 'Well, what is it that the Hon. Member Mr Clinton is raising? An issue  
because he thinks the pay is not enough, or because the pay is too much?' Normally, I would not  
say we need to review what we are getting unless I thought it was too much or too little. I would  
not expect to say we need a review to tell us that it is just right.

4120 Given that what we are getting, in my view, is too much ... was something that the GSD  
introduced, then ... and I have heard nothing from their side that they think they are getting too  
much, and in fact the thought of losing final salary pension is seen as an attack on their rights ...  
It is a right that they only enjoy after eight years, not after two months, so the right does not  
exist at this point in time, but –

4125 **Hon. D A Feetham:** It exists now.

**Hon. Chief Minister:** Nonsense.

**Hon. D A Feetham:** Yes it does.

4130

**Hon. Chief Minister:** And what happens if they do not get re-elected? They get nothing.

**Hon. J J Bossano:** They get nothing. *(Interjection)*

4135 **Hon. Chief Minister:** Because it is true. That is why it is relevant.

**Hon. J J Bossano:** I suggested that there should be somebody externally because that is what  
we had done the last time. And the last time that we had done it we had not done it on my  
suggestion – it was the suggestion of Sir Joshua, and Peter Isola agreed with it and I agreed with  
4140 it, and we all felt that given that we all entered politics with an idea that this was not a career  
and that ... And the Chief Minister who was in office when this dramatic change in values took  
place argued that that was because we were all part time before, but now that we were not part  
time it was different. He said that when it suited him in 1997. When we pointed out that some  
of his Ministers were still happily running their businesses, his answer was that there was no  
4145 obligation to be full time on public duties when you were a Minister – and that is right, there is  
no obligation. There is nothing in our Constitution, in Parliament or in anything else that says  
that Ministers should not have private interests. It is the GSLP who made it a condition in 1988  
that everybody who stood as a candidate stood as a candidate on the basis that we were  
fighting to get into Government and that if we got into Government it should be a full-time job.  
4150 In fact, Mr Speaker was the only Minister in the AACR who did that by giving up a job in the Civil  
Service as a school teacher and not taking a part-time job in the private sector, and was the only  
full-timer that there was in the Government.

That approach means that I think, when we are looking at a motion saying we need  
somebody to look at the benefits, we need to look at it from the philosophical point that it is  
4155 right that the money should be sufficient, and indeed one of the things that I argued was that it

had to be sufficient so that a person would not need to have a second job, even in Opposition. When I became the Leader of the Opposition in 1996 I did not look for a second job. I spent 16 years in Opposition, having accumulated enough years that if I had chosen to take my pension I probably would have been better off. But the idea that you are in Opposition... Well, look, I do not know to what extent our society has changed, but I can tell Members opposite that, from a socialist perspective, if you were a socialist Member of the Opposition and you did not have a job that you kept, you did not have an easy ride in trying to find another job. And certainly when I came back in 1972 I found it extremely difficult to persuade anybody to employ me. I came back knowing that that was a risk I was taking, and I came back with a very young family. Therefore, those values ... I think, whatever we may do or may not do, whether we contribute a lot or we contribute a little, it depends on our ability and on how many mistakes we make while we are here. But what we should encourage is that the people who come to this place and offer themselves should be doing it for the right reasons – and the right reason is not so that they get parachuted to the top jobs in our society on the basis that it is a career but it is a career that you can reach overnight through the ballot box and not through working your way up.

I think there are Members on both sides of the House who have had that view for many years, and I am glad that it can now be the view unanimously of this House and not, as it was under the previous administration, a view only held by the Opposition and decried and ridiculed by the GSD administration of those years. *(Banging on desks)*

**Hon. D A Feetham:** Mr Speaker, very briefly, because it is very late and no doubt hon. Members want to get on to other things.

It is slightly incongruous that the hon. Gentleman agrees with the principle behind the motion and yet they are voting against the motion. Not only are they voting against the motion but also they have come to this House amending the Parliament Act in order to unilaterally change the pension rights of five Members of the Opposition without sitting down, without that collegiate approach which he rightly emphasised in the 1980s between himself, Peter Isola and Sir Joshua Hassan.

That is precisely the type of approach that I would have expected from the Hon. the Chief Minister in relation to the Parliament Act. That is precisely the type of approach that I would have expected, bearing in mind that there is a Select Committee, that he was going to reconstitute a Select Committee, and that this particular issue was going to be considered by a Select Committee. He has chosen not to do so, unfortunately, and we are where we are.

It does not serve to increase trust between the Government and the Opposition in relation to other areas of business where the Government and the Opposition ought to be working together, because going it alone in these circumstances really does not bode well for mutual trust and confidence.

I only end by saying this, Mr Speaker. The hon. Gentleman has always attempted to give Members of this House a history lesson, but of course it may be right – it is right – that the GSD Government in 1998-99 changed the salaries and increased the salaries for everybody, for the Government and for the Opposition, but he must also recognise ... And I recognise everything that he has said. For me, being in politics is not a career, it is a vocation. I have always wanted to be involved in politics, to make a contribution to my community, to help keep my community safe and secure. That is what I am doing. But when he made Government full time, quite rightly, in 1988, he did not actually increase the salaries in 1988. *(Interjection)* No, indeed. So what happened then was that you had Government Ministers on a full-time basis for a part-time salary, because the salary was pegged on the basis that Government Ministers were on a part-time basis, and actually –

**Mr Speaker:** In fact, if I may –

**Hon. D A Feetham:** Yes, of course.

4210 **Mr Speaker:** There was a benchmark created and the benchmark was that a Minister would get half the salary of the Financial Secretary, and then the structure was developed on that basis.

**Hon. D A Feetham:** Yes, Mr Speaker, and I –

4215 **Hon. J J Bossano:** Above the minimum wage.

**Hon. D A Feetham:** Mr Speaker, because I come from a family with roots on that side, as he delights in reminding me at every single opportunity – reminds me how far I have fallen, the fallen angel who came from the GSLP and fell to the GSD, the political equivalent of Lucifer, from the dark side, the darkest, darkest, pitch black side of the political spectrum – I can tell the hon. Gentleman that of course I remember. (*Interjection*) (**A Member:** Hear, hear.) Yes, Mr Speaker, exactly! (*Banging on desks*) For the first time this evening applause, Mr Speaker, for the Leader of the Opposition from the Government benches!

4225 Of course, because I come from a family with roots on the other side he knows as well as I do that there were Ministers on his side, on the then GSLP Government side, who decried the fact that he was – how can I put this in diplomatic terms ... perhaps there is no way I can do so at this time of the night, my brain is not fully engaged – that he was rather tight with money and that he did not want to correct what was an obvious injustice that Ministers on his side, in his Government, were working full time for a part-time salary. Effectively, what the GSD did was correct that anomalous position, and the GSD what it did was it basically paid a full-time salary for a full-time job, which in the end also benefitted Members of the Opposition.

4230 I just thought that I might maybe complete the history lesson with my own memory, Mr Speaker, coming as I do from his side, as he delights in reminding me.

**Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares):** Mr Speaker, I would like to declare a few things about what has been said today, because we have been given history lessons by different parts, and I remember as well – because, like Mr Speaker, I was a schoolteacher – the elections of 2000, when I had three options. When you stand for election there are three options: (1) you either win and you become a Government; (2) you are not elected at all; or (3) you become a Member of the Opposition.

4240 I had already planned out what could happen, whichever scenario, and what happened was the worst scenario for me personally, which would be becoming a Member of the Opposition, because I had to leave my teaching profession to become a Member of this House. At the time, I was earning what a schoolteacher was earning with an A allowance, and my salaries were knocked down to £14,000. I did not have the opportunity of getting a job, because it was then the GSD Government that was there, and therefore I found it very, very difficult to have a wife, with my second child at the time and then a third one, at that salary. So yes, it is a vocation that I had at the time, and I remember that when the salaries were increased by the GSD they were increased substantially for Ministers, and it is what we are here now ... in that we are earning the same, but for the Members of the Opposition it was not that substantial, the amount of money that we were getting.

4250 **A Member:** There was an increase.

**Hon. S E Linares:** There was an increase, yes, of course, and now what I am saying is that you are earning what, £39,000 or whatever. (**A Member:** Thirty four.) Thirty four, right – £34,000 or £35,000. I was earning £14,000. Therefore, I would like to state that I am convinced that the people who stand for election should be on a conviction, not a career like is happening in many places, in many parliaments where politicians become career politicians – they are not conviction politicians.

4260 I thought I would say that because I have been very quiet here, seeing how people have said about their families and all that. Well, I can tell you that my family suffered. We knew what we were getting into, but I am glad that I did. (**A Member:** Hear, hear.)

Thank you. (*Banging on desks*)

4265 **Hon. L F Llamas:** It is very, very late. I will not go on for long and I am not going to bring out any saga stories of how many children we all have and the sacrifices we all make to become parliamentarians and serve our community. We are not disputing the fact that we come here on a point of conviction – we agree entirely with that principle.

4270 I think what we are trying to express is that we were sworn in on certain rules and certain legislation, and that is being changed retrospectively. That is the only point that we want to make (*Banging on desks*) and that is the only point that we want to raise, because for us that is the only point that we fear can – (*Interjection*) Well, I accept that, and I took that (*Interjection*) on board when I joined the GSD. Yes, I had the final salary scheme but I took that on board, that if I would only serve in Parliament for four years I would go back with nothing. All those things  
4275 are taken into consideration, yes.

**A Member:** [Inaudible]

4280 **Hon. L F Llamas:** Yes, but all those things were taken into consideration. What we did not take into consideration was the force with which things would be shoved down our throats without being given the opportunity of having sight of these issues.

4285 **Hon. Chief Minister:** The only thing that is being shoved down your throat is your ability to contribute to a scheme that you can cash out of in four years ... [*Inaudible*]

**Hon. L F Llamas:** Fine, I accept that, but obviously, if in four years' time (*Interjection*) I leave and I leave with a pot, well it is better than nothing. Fine, but perhaps it should have come as a two-sided opportunity (**Hon. D A Feetham:** Of course.) and we should have discussed it. (*Interjection by Hon. Chief Minister*)

4290 **Hon. L F Llamas:** I must actually say that he did look out for me.

4295 **Mr Speaker:** Order, order. You are now speaking across the floor. I know it is very very late and we all want to go home.

**Hon. L F Llamas:** No, but for him to say that he did not look out for us five ... I can personally say that he did. He told me 'It is a big risk' and he tried to force me not to join, and I have to appreciate that he was more concerned for me than I was. I leave it at that.

4300 **Hon. D A Feetham:** There is a silver lining to this cloud, which is that you are not going to be able to buy out any members of the Opposition... [*Inaudible*]

**Mr Speaker:** Does any other hon. Member wish to speak? Yes.

4305 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, can I just ask a very quick question. The Members opposite refused to support a Bill to review the Constitution, which we were reminded constantly was modern, 10 years old – maybe not quite so modern now. Could I just understand from the mover of the Bill what it is that he believes needs to be reviewed in respect of the Members' of the Parliament remuneration package? That is all I  
4310 would like to understand. What is it that he believes requires to be reviewed by the independent body?



**Hon. T N Hammond:** If I may, (*Interjections*).

4315 **Mr Speaker:** The hon. Member should make a note of that point, and then, when he exercises his right to reply he can answer. Now there are other Members who may wish to contribute.

The Hon. Trevor Hammond.

4320 **Hon. T N Hammond:** If I may, Mr Speaker, I think we have actually drifted quite a way from the original motion. The motion is very straightforward. I will actually read it. It is whether 'this House believes that the Salaries, Pensions and other benefits enjoyed by Members of Parliament should be determined by a body independent of Parliament.'

4325 Nobody on this side of the House is suggesting the salaries should be higher, lower, different, the same. (*Interjection*) All we are suggesting is that they should be determined by a body other than this Parliament, (*Interjection*) and if that body should determine they should be lower then so be it, and if that body should determine that they should be higher, so be it. That is the point. It should not be determined by this Parliament. It should not be within the power of this Parliament to set its own salaries. (**Hon. Chief Minister:** We agree.) And you appear to agree; however, you will not vote for the motion, which seems an oxymoron.

4330

**A Member:** Agreed!

**Hon. Chief Minister:** ... [*Inaudible*] which is the mechanism we have already voted for in selecting the Select Committee.

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**Hon. D A Feetham:** Yes, and if you check that ... [*Inaudible*]

**Mr Speaker:** Does any other Member wish to speak?

4340 **Hon. Chief Minister:** Because it is urgent, because otherwise they would not start contributing. I will not tire of making the point.

**Mr Speaker:** I then call on the mover to reply. The Hon. Mr Roy Clinton.

4345 **Hon. R M Clinton:** Mr Speaker, it is late. Listening to the contributions, in fact from both sides of the House, I could not help but be reminded of the famous Monty Python sketch (*Laughter*) of the four Yorkshiremen, where they say, 'You were lucky' and 'You thought you had it good.' And unfortunately, Mr Speaker, I shudder as to how the general public – if anybody is viewing this – will react.

4350 I am grateful to the Hon. Joe Bossano, as ever, for having explained the background to the methodology in how salaries have been arrived at – about which, to be perfectly honest, I really had no idea.

4355 I think we agree on the basic principle, and this is perhaps where I am slightly disappointed that the Government cannot bring itself to vote in favour of a motion which should cause them no offence whatsoever. I think both sides of the House agree that it is perhaps not good form for us to sit here and decide amongst ourselves what we should or should not be paid.

4360 Going back to the Hon. Albert Isola's question, I can set his mind at rest that the way I wrote the motion ... I have no intention of suggesting that there should be a review, merely that the point of principle should be that we here should not determine it. It is as simple as that – nothing more, nothing less, as I said in my opening address. There is no malice – there is nothing in my motion which should cause offence (*Interjections*) to anyone in this House, including you, Mr Speaker. It is really a point of principle, and also to avoid these sorts of unseemly debates, which I do not think are appropriate in the Parliament in a modern age.

4365 And so, as I said in my opening address, I hoped it would have been a simple point of principle which we could all agree on, but if the Chief Minister feels that it has been superseded by the Select Committee ... I think it is complementary to the Select Committee, but of course there is nothing I can say that will persuade him otherwise. *(Interjection by Hon. Chief Minister)*

4370 **Hon. D A Feetham:** You have chosen to come to this Parliament unilaterally.

**Hon. Chief Minister:** You just don't understand what ... *[Inaudible] (Laughter)*

4375 **Hon. R M Clinton:** Mr Speaker, without wanting to castigate either my own leader or the Chief Minister, this is precisely the sort of debate that we should not be having, and this is precisely why I have brought this motion to the House.

If the Chief Minister feels he is unable to support it, so be it, but I take comfort in that the Hon. Joe Bossano at least agrees with the principles of my motion. *(Interjections)*

4380 **A Member:** We all agree with your principles.

**Hon. Ms M D Nahon Hassan:** So why don't you support it?

**Hon. R M Clinton:** Mr Speaker, in that case –

4385 **Hon. Chief Minister:** As I have explained, it is already happening in the Select Committee.

**Hon. Ms M D Nahon Hassan:** But you are passing a Bill.

4390 **Hon. Chief Minister:** We passed the Bill to give you ... *[Inaudible] (Interjections)*

**Mr Speaker:** The Hon. Mr Clinton, you can either carry on with your speech and, by speaking over and above them, do not allow them to make these comments; or else I suggest that, if the hon. Member has finished, he sits down and I will put the motion.

4395 **Hon. R M Clinton:** Mr Speaker, that is a tempting thought. *(Laughter)* Perhaps I should continue for the next hour or so as to the merits of bodies determining their own pay.

I think I have said enough. I have tried to make my point. I have obviously not been able to make inroads into the Chief Minister's mind. I leave it at that, and I will sit down. *(Laughter)*

4400 **Mr Speaker:** I now put the question in the terms of the motion proposed by the Hon. Mr Roy Clinton.

Those in favour? **(Several Members: Aye.)** Those against? **(Several Members: No.)** The motion is defeated by Government majority.

The Hon. the Chief Minister.

4405 **Hon. Chief Minister:** Mr Speaker, to leave people with no possibility for doubt, the Chief Minister agrees that we should not be setting our own salaries. That will be an issue dealt with in the Select Committee, and that is why we have voted down this motion.

#### ADJOURNMENT

4410 **Chief Minister (Hon. F R Picardo):** Now, Mr Speaker, I very happily move that the House should now adjourn *sine die*.

**Mr Speaker:** The House will now adjourn *sine die* – and I am not putting it to the vote!  
(Laughter)

*The House adjourned at 10.20 p.m.*