



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.33 a.m. – 1.07 p.m.

Gibraltar, Tuesday, 20th December 2016

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<i>The House adjourned at 1.07 p.m.</i>	51

The Gibraltar Parliament

The Parliament met at 10.33 a.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: Confirmation of Minutes – the Minutes of the last meeting of Parliament which was held on 18th and 24th November, 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 Minister for the Environment, Energy, Climate Change and Education.

10

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, I have the honour to lay on the table the accounts of the Gibraltar Heritage Trust for the Financial Year ended 31st March 2016.

15 **Mr Speaker:** Ordered to lie.

Questions for Oral Answer

CULTURE, THE MEDIA, YOUTH AND SPORT

Q842/2016

Gibraltar Sports and Leisure Authority – Two vacancies

Clerk: (vii) Reports of Committees; (viii) Answers to Oral Questions.
We commence with Question 842, the Hon. E J Reyes.

20

Hon. E J Reyes: Mr Speaker, sir, following on from the answer provided to Question 732/2016, can the Minister for Sports inform this House if the two vacancies within the Gibraltar Sports and Leisure Authority have now been filled?

25

Clerk: Answer, the Hon. the Minister for Culture, the Media, Youth and Sport.

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, the Centre Manager (Grade 5) interviews were held on Monday, 19th December – yesterday. The successful candidate should be notified shortly.

30

The interviews for the post of Assistant Administration Manager will be held in January 2017.

Q843/2016

Sports related grants – Update on payments made

Clerk: Question 843, the Hon. E J Reyes.

35

Hon. E J Reyes: Can the Minister for Sports provide updated details of all payments made during this current Financial Year, in respect of any sports related grants since the answer provided to Question 733/2016?

Clerk: Answer, the Hon. the Minister for Culture, the Media, Youth and Sport.

40

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, I now hand over to the hon. Member opposite an updated schedule in relation to all payments made during this current financial year in respect of any sports related grants.

45

Again, Mr Speaker, I take this opportunity to remind the hon. Member that updated information is posted on the GSLA website, www.gsla.gi. These changes are effected on a monthly basis or as and when required, as I explained to the hon. Member last time.

Answer to Question 843/2016

Grants Awarded for Sports Development Projects.

Athletics	4,427.71
Badminton	2,597.42
Chess	29,475.16
Hockey	2,986.50
Netball	514.48
Rhythmic Gymnastics	5,664.00
Rowing	832.53
Shooting	27,730.62
Triathlon	290.00
Kenjitsu Association	712.80

Grants awarded for International Competitions.

Island Games	83,019.31
Straits Games	10,147.55

Grants awarded to Sporting Societies.

Athletics	7,718.84
Basketball	60,790.20
Darts	6,904.64
Hockey	20,254.61
Netball	5,409.87
Pool	14,713.95
Rowing	4,615.23
Sea Angling	8,465.50
Shooting	11,090.67
Tenpin Bowling	3,704.14

Hosting of Special Sports and Leisure Events.

Classic Vehicle Association	1,200.00
Cleaning after Boxing event	57.60
Cleaning after Bike Rally	45.00
Cleaning after Beer festival	240.00
EHF Challenge 3 Cup	5,124.50
FIBA Senior Women's Cup	210.00
Backgammon Tournament	42,201.37
Gib Kennel Club	10,176.15

Answer to Question 843/2016

Gib Snooker Tournament	77,515.00
PDF Darts Trophy	119,990.65
Gibsport Sports Day	3,000.00
GMF Geotextile Flooring	4,870.00
Harley Davidson rally	4,500.00
Inauguration of Sports Complex	1,750.00
Jnr Chess Tournament	5,000.00
Kings Bowl Rock Master Tournament	16,000.00
Netball Europe U17 Champs	8,163.08
Sports Days Sound System	6,100.00
Thundercat racing event	27,950.00
UEFA Champ League	2,990.20
UEFA Futsal Comp	8,340.34
Yacht Regatta	6,528.00

Mr Speaker: Let us move on to the next question and I will allow the hon. Member to raise any supplementaries arising from the schedule if he so wishes.

Q844/2016
Cultural grants –
Details

Clerk: Question 844, the Hon. E J Reyes.

50

Hon. E J Reyes: Can the Minister for Culture provide updated details of any cultural grants awarded since the answer to Question 734/2016?

Clerk: Answer, the Hon. the Minister for Culture, the Media, Youth and Sport.

55

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, since my answer to Question 734/2016, two further cultural grants have been awarded, these being: Gibraltar Heritage Trust – Publication of book by Manolo Galliano, £4,370; Child Line Gibraltar – Publication of book, £3,245.

Q845/2016
Gibraltar Sports Authority's premises –
Cancellations due to being unfit for use

60

Clerk: Question 845, the Hon. E J Reyes.

65

Hon. E J Reyes: Can the Minister for Sports provide details in respect of all cancellations at any of the Gibraltar Sports Authority's premises which were due to facilities being unfit for use, inclusive of reasons why the cancellations were necessary and dates involved?

Clerk: Answer, the Hon. the Minister for Culture, the Media, Youth and Sport.

70

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, due to damage suffered as a result of the current storms and in particular, that caused by high winds, it was necessary to cancel the use of the Victoria Sports Hall on the following dates due to water ingress: Monday, 21st November, from 4 p.m. onwards; Saturday, 26th November, from 3 p.m. onwards – earlier sessions unaffected; Sunday, 27th November, all day; Thursday, 1st December, from 4 pm onwards; Sunday, 4th December, all day.

75

Given that the rain in that period was considered the worst for some time and that in the neighbouring areas life almost came to a standstill, these disruptions must be set in context. Nonetheless, works are being undertaken to repair the problems giving rise to these cancellations.

80

Hon. E J Reyes: I am grateful for that, Mr Speaker. The Minister ended up by saying that works ... are they to be undertaken or have already been undertaken? I did not quite catch that.

85

Hon. S E Linares: Mr Speaker, they are already ongoing actually. They have already started looking at everywhere that the water ingress came from and the contractor that fixed certain other ... Remember, we are talking about the old Victoria Sports Hall, because I can inform the

hon. Member that not a single drop came into the Tercentenary Hall because already refurbishment had been done previously and the contractor had actually fulfilled their mandate not to allow water to come in. But unfortunately some came in through the old sports hall.

90 **Hon. E J Reyes:** Yes, I am grateful and concur with the Minister that with the Tercentenary Sports Hall, we seem to have at long last seem to have solved the minor issue, the ventilation shafts in the newer Tercentenary hall sometimes because of the direction of the wind it did allow a bit of water ingress in that one.

95 In respect of the Victoria Sports Hall does the Minister expect this to be a huge expense that will require additional supplementary funding in favour of the Sports Authority or does he hopefully expect that it will be covered in the ongoing maintenance provisions that they have?

100 **Hon. S E Linares:** No, Mr Speaker, it will be on the ongoing maintenance and it will be covered with their own costs. Because of the type of rain we had, there was a lot of water ingress but it might just be one particular place and that can be covered with the normal maintenance.

Q846/2016
Garrison Gymnasium –
Intended use

Clerk: Question 846, the Hon. E J Reyes.

105 **Hon. E J Reyes:** Mr Speaker, can the Minister for Sports inform this House what is the intended use for the Garrison Gymnasium?

Clerk: Answer, the Hon. the Minister for Culture, the Media, Youth and Sport.

110 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, the intended use for the Garrison Gymnasium is for the whole of the sporting community and allocations to be made via the Gibraltar Sports and Leisure Authority, once this facility is refurbished to meet health and safety standards and it has adequate changing and showering amenities.

115 **Hon. E J Reyes:** Yes, I asked that question, Mr Speaker, because in the last session the Minister kindly gave me the schedule of locations and I had picked up that there were no allocations made for the Garrison Gymnasium.

120 Does the Minister have any possible date when these facilities will be put back for public use so that bookings may be made in the same manner as all the other facilities?

125 **Hon. S E Linares:** No, Mr Speaker, I do not have any specific dates but the hon. Member must understand that we are trying to do that as quickly as possible because the Garrison Gym, as he well knows, was in a very, very sorry state of affairs and therefore we did have some monies, as the hon. Member knows, in the estimate. So we are working at that, we are talking about the gymnasium, so yes.

130 **Hon. E J Reyes:** Can the Minister inform us, I know that it requires a fair amount of work and so on. Is one of the problems in respect of repairs that asbestos has been found within the facilities?

Hon. S E Linares: Mr Speaker, not that I know of. As far as I understand it, there is no asbestos, but again if there is asbestos we will deal with it.

135 **Hon. E J Reyes:** I would be grateful if the Minister can take a personal interest because the word round the sporting community, and they are not always 100% accurate, is that it has been out of action for some time because of the implications to health and safety that comes about in carrying out repairs to the asbestos.

140 So although I know the Minister will not be able to have an answer now, I would be grateful if he were able to pursue this so that in future, we may exchange views and put this much needed facility back into community use as soon as possible.

Hon. S E Linares: Okay.

ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION

Q847/2016

Principal Auditor's Report 2014-15–

Details of capital works

145 **Clerk:** Question 847, the Hon. L F Llamas.

150 **Hon. L F Llamas:** Mr Speaker, in connection to 3.7.13 and 3.7.14 of the Principal Auditor's Report 2014-15, can the Government disclose the details of the capital works the Principal Auditor is referring to, the name of the successful contractor, the full cost of the project and confirm whether the successful contractor was the cheapest.

Clerk: Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

155 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, the information requested by the hon. Member is in the schedule that I now hand over.

Answer to Question 847/2016

Site	Capital Works	Contractor	Cost	Cheapest quote?
Lathbury Barracks	Emergency sewer works	Site Trading	£ 4,100.00	no - 2nd
Lathbury Barracks	New sewer system	Site Trading	£ 29,825.00	yes
Jews Gate	Repairs to gutter	Site Trading	£ 3,200.00	yes
Jews Gate	Ticket Office refurbishment	Site Trading	£ 29,295.00	yes
St.Michael's Cave	Painting Exterior areas (after Hours)	Site Trading	£ 2,618.55	Part of existing maintenance contract
O'Hara's Battery	Restoration of site	Fotografiks	£ 135,000.00	no -3rd
Great Siege Tunnels	Mannequins exhibits	Fotografiks	£ 134,900.00	Only quote received
Great Siege Tunnels	Cornwallis Chamber	Site Trading	£ 152,900.00	yes
Great Siege Tunnels	Ticket Office refurbishment	Site Trading	£ 36,716.00	yes
Great Siege Tunnels	Viewing platform and Holy Land Tunnel refurb	Site Trading	£ 27,813.00	yes
Great Siege Tunnels	St. George's Hall	Site Trading	£ 147,700.00	2nd
Great Siege Tunnels	Extra works to Cornwallis Chamber	Site Trading	£ 10,981.24	Extra works to above
City Under Siege	Site refurbishment - Mannequins and exhibits	Site Trading	£ 105,300.00	yes
City Under Siege	Exterior beautification	Site Trading	£ 9,650.00	Extra works to above
WWII Tunnels	Removal of asbestos	Sky Bridge	£ 14,680.00	yes
WWII Tunnels	Electrical installation	Site Trading	£ 58,350.00	yes
WWII Tunnels	lighting and fire alarm	Site Trading	£ 7,600.50	Extra works to above
WWII Tunnels	Removal of asbestos	Sky Bridge	£ 15,245.00	yes
WWII Tunnels	Toilet refurbishment	Home Emergency	£ 1,149.00	yes
WWII Tunnels	Mannequins exhibits	Site Trading	£ 215,320.00	no - 2nd

Contd Answer to Question 847 of 2016.

100 Ton Gun	Maintenance office and toilets	Site Trading	£ 50,000.00	no - 2nd
100 Ton Gun	Steps to exhibition	Site Trading	£ 2,900.00	Extra works to above
100 Ton Gun	Railings and repairs to steps leading to toilet	Site Trading	£ 18,486.00	yes
Upper Rock Sites	Maintenance contract	Site Trading	£ 81,806.40	yes
Upper Rock Sites	CCTV Cameras	Securitek	£ 48,314.24	yes
Upper Rock	Refurbishment of Upper Rock areas	Site Trading	£ 95,745.00	yes
Cruise Terminal	X-Ray machine	Commercial Technologias	£ 60,968.00	Only quote received
Camp Bay	Staircases x3	Selina Ltd	£ 20,050.00	Only quote received (urgent)
Beaches	Walkways and shower platforms	Portman	£ 58,320.00	Only quote received (urgent)
Beaches	Concrete weights, crane hire and wooden cabin	Portman	£ 29,525.00	Only quote received
Beaches	Installations of waterparks	Steel Mac	£ 10,500.00	yes
Beaches	Medusa netting and anchoring sets	Portman	£ 21,158.00	Only quote received - same supplier
Beaches	Medusa netting installation	Portman	£ 14,805.00	Only quote received - same supplier
Beaches	Walkways	Portman	£ 13,500.00	yes
Beaches	Repairs to facilities	MC Construction	£ 15,250.00	yes
Beaches	Pre-season works to facilities	Site Trading	£ 15,480.00	Only quote received

Mr Speaker: We will move on to the next question.

Q848/2016

MidTown Car Park and Royal Anglian Way Suspension Bridge – Signage

160 **Clerk:** Question 848, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide an update as to when the signs for the MidTown Car Park and the Suspension Bridge at Royal Anglian Way will be put in place?

165 **Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, the signs are planned to be placed after the festive season.

170

175 **Hon. L F Llamas:** Mr Speaker, can I ask the hon. Gentleman what is the delay? We asked this question two months ago and the answer given was that especially the MidTown parking one was imminent and it was already ordered. I think people listening, especially the sign manufacturers will understand will be asking what can take six months of planning to put a sign up?

Hon. Dr J E Cortes: Mr Speaker, I can answer in relation to the Upper Rock. They are two very different areas, I have answered both in order not to split a rather simple question into two.

180 In relation to the Upper Rock, my latest information is that the signs have been ordered and there are quite a whole lot of signs to revamp the whole of the Upper Rock and that is part of that consignment.

I am not aware of the specific details of the MidTown signs; maybe my colleague may be able to provide that information.

185 **Mr Speaker:** Clearly we have a situation here where a question is addressed at two different... and dealing with two different matters. I think it has escaped the notice of myself and the Clerk. This should have been two separate questions. MidTown Car Park has got nothing to do with the Upper Rock. The responsibility of one Minister is for MidTown Car Park and another Minister for the Upper Rock. So it should have been two shorter questions. Keep it in mind for the future.

Hon. L F Llamas: It was just, Mr Speaker, because last time it was answered in one –

195 **Mr Speaker:** Well, we slipped up. (*Interjection by Hon. L F Llamas*) Let us all keep that in mind for the future, okay.

Q849-853/2016

Upper Rock Nature Reserve; Windsor Suspension Bridge; Devil's Bellows; Mount Misery – Daily visitor statistics; security guards

Clerk: Question 849, the Hon. L F Llamas.

200 **Hon. L F Llamas:** Mr Speaker, can the Government provide a schedule with the daily statistics showing how many visitors have entered each attraction on the Upper Rock Nature Reserve during the last five years?

205 **Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, I will answer this question together with Questions 850 to 853.

210 **Clerk:** Question 850, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide a schedule of daily statistics with how many visitors have visited the Windsor Suspension Bridge since its inauguration?

215 **Clerk:** Question 851, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, is the Government content with the working conditions under which the security guards at the Windsor Bridge and Devil's Bellows have been working since they have been placed?

220 **Clerk:** Question 852, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, what has been the cost of having security guards at Windsor Suspension Bridge and Devils Bellow's since placed at each location?

225 **Clerk:** Question 853, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, what has delayed the opening of Mount Misery from October 2016 to before Spring 2017?

230 **Clerk:** Answer the Hon. the Minister for the Environment, Energy, Climate Change and Education.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):
Mr Speaker, the data in relation to Question 849 is not available as requested. The information
235 available is as presented in the answer to Written Question 67. In other words, we do not have a breakdown as has been requested, but an overall figure which the hon. Member will be able to see in the Written Answer and then he may want to ask again in the future.

In relation to Question 850, the statistics are not kept.

In Questions 851 and 852, the security officers at these sites form part of larger contracts,
240 move between sites and therefore the specific cost of security at Windsor Bridge cannot be determined.

The officer at Devil's Bellows is part of another contract for the Upper Rock which is held within my recently acquired portfolio for the Upper Rock tourist sites and therefore again the specific cost is difficult to identify.

245 Both guards have access to facilities at Jews' Gate.

The main cause of the delay has been severe weather.

Hon. L F Llamas: Mr Speaker, given that obviously Gibraltar is a popular tourist destination and having seen especially the security guard down at Devil's Bellows with a beach umbrella and
250 a Portakabin, working in very warm conditions, does the Minister intend to continue this practice or is it a possibility that perhaps a more permanent building or facility will be provided in the near future?

Hon. Dr J E Cortes: Mr Speaker, it clearly is as we have been having a bit of a conversation
255 here, we have to be careful how much money we spend in presenting facilities which could go over the top.

However, I am aware of what the hon. Member has said, but whatever steps we take, and there are various things here. Clearly the employing firm has a responsibility to look after the conditions in which their workers work and I am not aware of any requests made to Government
260 in respect of that.

Secondly I think we need, in taking over the Upper Rock sites I am reviewing the whole question of access to the Upper Rock and obviously this will all be considered. But clearly there is no, as I said earlier, it may be that the hon. Member is encouraging us to spend large amounts of money on very plush facilities and if that is the case and we do provide them, which I suspect
265 we will not provide very plush facilities, then clearly we will not be criticised.

But I know what the hon. Member is referring to and in analysing what we do with access to the Upper Rock this is part of the different areas that we are looking at.

270 **Hon. R M Clinton:** Mr Speaker, perhaps the hon. Member could just expand a bit on his answer and advise whether there is any intention to move the ticket office or establish a ticket office at Devil's Bellows?

275 **Hon. Dr J E Cortes:** Mr Speaker, I am not able to reply to that. I took over responsibility for the sites just weeks ago really, six weeks ago or something like that and I am looking at the whole Upper Rock product. This is something that we need to look at but I am not in a position at this stage to give any details, no decision has been taken.

280 **Hon. R M Clinton:** Thank you, Mr Speaker. I thank the hon. Member for that. Can he advise, or is he aware, whether any architects have been instructed at all in respect of the Devil's Bellows sites regarding proposals?

Hon. Dr J E Cortes: I am aware that no architects have been instructed.

285 **Hon. L F Llamas:** Mr Speaker, just coming back to Questions 849 and 850, I understand that the statistics as requested are not kept. Would the Government perhaps look into keeping these types of statistics in order to have an insight of what sites are performing better, what sites are not being attended to and the performance of the general Upper Rock?

290 **Hon. Dr J E Cortes:** Mr Speaker, I am one to like having statistics as information but not for the sake of having it and if keeping statistics for every particular part of the Upper Rock means, for example, having a person stationed there for 24 hours or at least during daylight hours with additional pay and so on, I think that that money can best be used for other things or not used.

295 So we have to be careful that we do not obtain statistics for every little corner of the Upper Rock or anywhere else just for the sake of having them. So this is part of the exercise of what we would need the statistics for. How important it is to know how many people are crossing the bridge, I am not sure. It is a bridge I'll cross when I come to it.

300 **Hon. L F Llamas:** Mr Speaker, I am not implying that specific people are actually placed; I am more referring to for example, St Michael's Cave, the Suspension Bridge where there are already people placed, the Great Siege Tunnels, in attractions where there are already employees working on those sites. Perhaps they could just keep an estimated record or at least maybe in order to just know how many people are coming, I think it is a useful statistic that will provide an insight on how the attractions are actually performing.

305 **Hon. Dr J E Cortes:** Mr Speaker, in trying to make a question out of that, I will agree that they would be useful statistics. Whether they are necessary statistics and whether they would warrant additional expenditure in order to achieve them is a decision that will have to be taken when all the information is available.

Q854/2016
Gibraltar Tourist Board –
Update on arrears

310 **Clerk:** Question 854, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, further to Questions 740/2016 and 741/2016, can the Government provide an update on the arrears position in relation to the Gibraltar Tourist Board?

315 **Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, further to the answer to Question 741/2016, the arrears are: Debtor A, £2,752.65; Debtor B, £106,672.70.

320 **Hon. L F Llamas:** Mr Speaker, can I ask: are there any interest penalties or any additional anti-debtor strategies being put in place in order to curtail this behaviour and to try and avoid this sort of trend that we are seeing?

325 Obviously the figures are quite substantial and these are users going up to the Upper Rock who are benefiting from taking tourists up, so there is no reason why they should have this delay in paying their entry fees.

Hon. Dr J E Cortes: Mr Speaker, I am not aware, I would have to ask the Member, it is a new Department that I have taken over, I can find out the information.

330 I think to put it in context, in relation to Debtor A, the sum is identical to what it was when I answered about a month ago.

In relation to Debtor B, we must remember that two payments of about £30,000 had come in in fairly rapid succession which had reduced it to £93,000 more or less, and obviously that has now increased by £13,000. So it may be that some other payment has not come in or has not been processed yet, but we are aware what is owed and there may be a bit of a time lag.

335 So I think it is worth waiting for another month to see where we are and I will enquire as to what system the Department has to discourage debts. But I do not have that information available.

Q855/2016

Public toilets at Cathedral Square – Closure

340 **Clerk:** Question 855, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government explain why the public toilets at Cathedral Square have been closed for the past few months?

345 **Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, the toilets have been closed because of a fault in the plumbing which has resulted in them being out of order.

Hon. L F Llamas: Mr Speaker, are the repairs being undertaken and does the Minister know when these toilets will be reopened once again?

355 **Hon. Dr J E Cortes:** Mr Speaker, my information is that the matter is being looked into. Remember, it is a very old toilet and in all likelihood with old metal pipes and so on, it may be more complex than it appears from my answer.

Also the cost of having the plumbing redone is being looked at. So it is being looked at but no decision has been taken. There are other facilities nearby – there is a pay toilet in

360 Commonwealth Park and there is the Leisure Centre – but as I say, we are looking into the extent of the problem and to see what costs will be involved in repairing this.

Q856/2016
Temporary power turbines –
Total cost since 2012

Clerk: Question 856, the Hon. T N Hammond.

365 **Hon. T N Hammond:** Mr Speaker, can the Minister say what the total cost of the temporary power turbines has been since January 2012?

Clerk: Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

370 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, the total rental cost of the power turbine since January 2012 has been £12,849,567.42.

Q857/2016
Gibraltar's energy needs–
Percentage from renewable energy sources

375 **Clerk:** Question 857, the Hon. T N Hammond.

Hon. T N Hammond: What percentage of Gibraltar's energy needs is currently being met from renewable sources?

380 **Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

385 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, the percentage in the grid is approximately 0.05%. This, however, does not include solar thermal installations which can be considered as 'non-usage' for which figures are not available.

390 **Hon. T N Hammond:** Mr Speaker, bearing in mind the figure of 0.05% does the Minister still believe it is possible that we will achieve the 20% target that is established in their manifesto and of course by EU requirements by 2019-20?

Hon. Dr J E Cortes: Mr Speaker, absolutely sir.

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

Q858/2016

**Gibraltar's energy needs –
Expected change by 2019**

Clerk: Question 858, the Hon. T N Hammond.

400 **Hon. T N Hammond:** Mr Speaker, does Government expect there to be any change in the energy demand between now and 2019 and if so, what is the anticipated change?

Clerk: Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

405

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, the Government expects electricity demand for Gibraltar to increase by about 1.5% between now and 2019.

Q859/2016

**Bayside Comprehensive students decanted to Victoria Stadium –
Reasons**

410 **Clerk:** Question 859, the Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, can the Government explain the reasons for decanting students from Bayside Comprehensive to Victoria Stadium for the purposes of holding lessons which fall outside physical education?

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Clerk: Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

420 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, this was necessary in order to accommodate the increasing number of students on a wide choice of optional subjects.

425 **Hon. E J Phillips:** Just one further supplementary: how many students have actually been decanted into Victoria Stadium?

Hon. Dr J E Cortes: Mr Speaker, I do not have that figure. It was not asked so therefore it has not been provided in my reply. I am sure that if the hon. Member writes to me I can get the information from the Department, but I do not have that figure here.

430 **Hon. E J Phillips:** One further question: what measures are going to be put in place in order to avoid that decanting into obviously clearly an unsuitable site for the education of children?

Hon. Dr J E Cortes: Mr Speaker, there is a manifesto commitment regarding Bayside School and new schools and we will take this into the planning.

435

Hon. E J Phillips: Just to confirm that Victoria Stadium will still be used and continue to be used until the new schools are built?

440 **Hon. Dr J E Cortes:** Mr Speaker, I have to assume so. Again, I have not got the information, I do not know whether the school has looked at alternative venues but clearly if we have to accommodate students we will find accommodation for them in order for the lessons to proceed.

The alternative is to not have those options available and I think that educationally we will agree that it is better to walk across the road and have the class than to stay put and not have it.

Q860/2016
Bullying in school –
Minimisation measures

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Clerk: Question 860, the Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, can the Government set out what measures are in place to minimise the incidence of bullying in schools?

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Clerk: Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes)
455 Mr Speaker, firstly let me start by saying that a single incident of bullying in or out of school is an incident too many, I am sure we all agree.

As such, we take a very serious view of bullying, which is tackled in two ways: first, through the delivery of a comprehensive Personal, Social and Health Education programme in all the schools where bullying and the consequences of bullying are openly discussed. Every attempt is made to make sure that bullying is reported and, furthermore, that victims feel safe in the knowledge that they can speak to someone in confidence and that something will be done.

460 The programme also strives to educate and teach children to celebrate their differences, to be respectful and tolerant of each other and to never be afraid to speak out when they see injustice.

465 Secondly, despite all of this it is of course regrettable that sometimes bullying still happens. All schools take a zero tolerance view at this stage and will deal with reported incidents swiftly and diligently in accordance with their discipline protocols.

470 I would, however, like to remark if I may on the positives. Only a few weeks ago I witnessed with my colleague, the Hon. Samantha Sacramento, 1,000 boys locking hands in solidarity with the victims of domestic violence, particularly women and girls. This is the education I am referring to and I am immensely proud of the work being done in schools by teachers.

COMMERCE

Q861/2016
Financial Services Ombudsman Act 2016–
Bringing into effect

Clerk: Question 861, the Hon. R M Clinton.

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Hon. R M Clinton: Mr Speaker, can the Government advise when it intends to bring into effect the Financial Services Ombudsman Act 2016?

Clerk: Answer, the Hon. the Minister for Commerce.

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Minister for Commerce (Hon. A J Isola): Mr Speaker, we intend to bring the Financial Services Ombudsman Act into effect on 1st April 2017.

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Hon. R M Clinton: I thank the Hon. Minister for the answer. Has there been any start to the process to recruit or identify the Ombudsman?

Hon. A J Isola: Yes, Mr Speaker, there has.

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Hon. R M Clinton: Mr Speaker, may I ask the Hon. Minister how that process has commenced? I do not recall seeing any adverts in any local papers.

495

Hon. A J Isola: No, there have not been any adverts, Mr Speaker, because we are not looking at recruiting a specific team. We would hope that the hon. Members opposite would welcome a setting up of an Ombudsman's office using current resources from other Departments and other agencies which would serve the purpose it would require under the Act.

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Hon. R M Clinton: So, Mr Speaker, if I understand the Minister correctly, he is looking to staff and resource internally within existing resources, presumably within the GDC or the Civil Service and not to recruit externally?

Hon. A J Isola: Well, Mr Speaker, we are looking at using existing resources by agreement, whether internal or external, to carry out the functions that we require. We would hope that you would welcome this and not seek the recruitment of further people into the public sector.

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Hon. R M Clinton: Mr Speaker, maybe I misunderstood the Minister. He said existing resources whether internal or external. Perhaps he could clarify what he meant by external.

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Hon. A J Isola: Well, Mr Speaker, it is questionable whether certain agencies within the Government are internal or external.

Hon. R M Clinton: Perhaps the Minister could then perhaps... just a final supplementary on this one. If I understand him correctly, then, by external he means potentially other Government agencies, but not for example third party private entities such as law firms or accountancy firms?

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Hon. A J Isola: Yes, exactly.

Q862/2016

New Statutory Regime for Financial Services and Professional Services – Update on introduction

Clerk: Question 862, the Hon. R M Clinton.

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Hon. R M Clinton: Mr Speaker, can the Government please provide an update on the introduction of the New Statutory Regime for the Financial Services and Professional Services

Market announced in its press release 43/2015 dated 27th January 2015 and the legal costs incurred to date?

Clerk: Answer, the Hon. the Minister for Commerce.

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Minister for Commerce (Hon. A J Isola): Mr Speaker, the Legislative Reform Programme (LRP) encompasses the development of policy and the drafting of legislation for: new consolidated primary and secondary legislation relating to financial and professional services; transposition of financial and professional services directives; the implementation of elements of EU regulations through statutory amendments; and other Government initiatives to amend financial services law such as the implementation of a new regime for pensions.

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To date the LRP has delivered on financial service legislation, including European Directives and Regulations. In terms of the new primary and secondary legislation, significant progress has been made in the drafting of the legislation and we expect to be able to consult on the new consolidated legislation in the second half of 2017.

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We assume the reference to 'legal costs' is to the costs of the drafters. Details of those costs incurred to date can be found on the Government's website and I am advised and pleased to report that we are on target to complete this work on budget.

Q863/2016
Double taxation agreements –
Negotiations

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Clerk: Question 863, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise with which jurisdiction it is currently concluding a double taxation agreement and has the UK agreed to enter into one with Gibraltar?

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Clerk: Answer, the Hon. the Minister for Commerce.

Minister for Commerce (Hon. A J Isola): Mr Speaker, Gibraltar Finance officials have been negotiating Gibraltar's first double taxation agreement since the beginning of this year. The negotiations have turned out to be more protracted than anticipated due to the very technical nature of these agreements and the final draft is now with a private sector working group which has assisted Government with these matters. Government expects to conclude this process and arrange a signing early next year. I will happily disclose the name of the jurisdiction to the Member outside the Chamber.

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The draft DTA takes into account the OECD's BEPS Programme and Action Points that have become the standard for international tax reporting and which are designed to prevent the erosion of national tax bases and impede the shifting of profits to lower tax jurisdictions. Gibraltar is in the process of transposing the EU equivalent of BEPS.

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I am pleased that we are now close to delivering an important manifesto commitment with respect to DTAs in partnership with the private sector. We now hope to build on this by developing a network of double taxation agreements going forwards, on terms similar to the draft referred to above, in full compliance with the OECD BEPS action points.

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We are in discussions with Her Majesty's Government and our desire to enter into a DTA with the United Kingdom.

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Hon. R M Clinton: Mr Speaker, I am grateful to the Hon. Minister for that answer. In respect of the jurisdiction, although he may... he obviously will not identify these jurisdictions, would he be able to say whether it is a European jurisdiction?

570 **Hon. A J Isola:** Mr Speaker, I am happy to inform the hon. Member of the name of the jurisdiction behind the Speaker's Chair if that will help.
The answer is no.

575 **Hon. R M Clinton:** Mr Speaker, talking about – if I can ask the Hon. Minister about the double tax agreements, the negotiation as he will know from this one double tax agreement that has been negotiated with the help of a private sector working group, is quite a protracted affair, and the development of a huge double taxation network will be an ambitious one, have any thoughts been given to piggy-backing on the UK Government's double tax treaty network?

580 **Hon. A J Isola:** Mr Speaker, the issue of DTAs is one that we have discussed in Parliament before. We did have two DTAs ready to go with two different jurisdictions to the one I have referred to earlier, but of course the introduction by the OECD of the BEPS action plan and action points, has almost derailed that entire process and I believe that there is now going to be an entirely new regime of DTAs signed across the world which have to comply now with the
585 OECD BEPS action points.

So this is the first one and I fully believe that the future of DTAs will very much be in line with this format. This will now become the standard procedure and the jurisdiction with whom we have entered into or about to enter into the first DTA had a representative on the OECD Committee on BEPS and therefore their input has been extremely helpful in understanding the full implication of the BEPS programme.
590

We have discussed with the UK and will continue to talk to them about our own DTA with them and what other possibilities may arise as a result of that.

Q864-866/2016
Bitcoin/Cryptocurrency –
Working group, challenges and regulation

595 **Clerk:** Question 864, the Hon. E J Phillips.

Hon. E J Phillips: Can the Government confirm whether a Bitcoin/Cryptocurrency working group has been established and if so, who sits on the group?

600 **Clerk:** Answer, the Hon. the Minister for Commerce.

Minister for Commerce (Hon. A J Isola): Mr Speaker, I will answer this question together with Questions 865 and 866.

605 **Clerk:** Question 865, the Hon. E J Phillips.

Hon. E J Phillips: Can the Government set out what challenges it sees in relation to the regulation of Bitcoin/Cryptocurrency in Gibraltar?

610 **Clerk:** Question 866, the Hon. E J Phillips.

Hon. E J Phillips: Can the Government confirm what steps it is taking to regulate Bitcoin or other forms of Cryptocurrency in Gibraltar?

Clerk: Answer, the Hon. the Minister for Commerce.

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Minister for Commerce (Hon. A J Isola): Mr Speaker, a Cryptocurrency working group was formed in July 2014 by the private sector with our support. The working group included Paul Astengo, David Parody, Joey Garcia, Albert Yome and Nicholas Gomez, as well as representatives from local and international firms. The private sector group approached Government in summer

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2014 and offered to set up a group at no cost to Government, to consider and report on these issues. The working group produced its first report in December 2014 which was circulated by Gibraltar Finance on 24th December 2014 for consultation by the Finance Centre Council to its member firms and direct to contributing firms and individuals who were not part of the Finance

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Centre Council. After considering the multiple responses to the consultation, a second report was published in January 2016 which was circulated by e-mail on 22nd February 2016 for consultation by the Finance Centre Council to its member firms and directly to contributing firms and individuals not part of the Finance Centre Council. This second report contained the views of the working group

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on a proposed regulatory framework, for firms engaged with virtual currencies. In answer to Question 865, HM Government of Gibraltar is not seeking, nor has it ever sought, to regulate Bitcoin or any other Cryptocurrency in Gibraltar.

And in answer to Question 866, Government is not taking any steps to regulate Bitcoin or Cryptocurrency.

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By way of assistance I would add that HM Government of Gibraltar is seeking to establish a regulatory framework via the Gibraltar Financial Services Commission, for firms not otherwise subject to regulation that use Distributed Ledger Technology for the transmission and storage of value. Virtual currencies are recognised as one application of DLT. This is work in progress and we will inform our thoughts and decisions in this area and an announcement of our progress will

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Hon. E J Phillips: Just one further question. I thank you for that comprehensive answer. Can the Minister just explain what DLT is and how it differs in the context of digital currency? I am not too clear on what DLT is. I am grateful.

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Hon. A J Isola: Well, Mr Speaker, quite simply, Distributed Ledger Technology is technology. So for example blockchain is one type of DLT. A virtual currency – and a Bitcoin – is regarded as a sort of Cryptocurrency. So when the hon. Member asks if we are going to be regulating Bitcoin or virtual currency, the answer is no, because we are not going to regulate the currency like we do not regulate fiat currencies or even commodities like gold and silver. But we are going to regulate what is not already regulated: those that touch or engage with it. So that is the difference really between DLT and the currencies themselves.

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Q867/2016
Business with Hong Kong firms –
Economic benefit to Gibraltar

Clerk: Question 867, the Hon E J Phillips.

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Hon. E J Phillips: Further to Question 199/2016, can the Government confirm what real business is being done between Gibraltar and Hong Kong firms in which Gibraltar derives direct or indirect economic benefit?

660 **Clerk:** Answer, the Hon. the Minister for Commerce.

Minister for Commerce (Hon. A J Isola): Mr Speaker, the use of the Hong Kong Office has enabled a significant number of Gibraltar companies and organisations as well as Government with its trade missions in financial services, shipping, education and trade, to have access to real and significant business opportunities in Hong Kong.

665 Furthermore, the Hong Kong Office is now also assisting trade missions to mainland China having facilitated and attended visits with Ministers Bossano and Isola in recent months, with further visits planned in early 2017.

670 There is no question that serious business has been conducted between Asia and Gibraltar since the launch of the Gibraltar Government office in Hong Kong and engagements with huge state owned enterprises continue both in China and Gibraltar. The investments currently under discussion are substantial and are ongoing.

675 Mr Speaker, I would like to take this opportunity to thank Mr Jason Cruz, our man in China, for having significantly raised the profile of Gibraltar in Asia and worked tirelessly and professionally to deliver real business and opportunity to all of our firms in the private sector, as well of course as Government.

Hon. E J Phillips: I am grateful for the answer and obviously we will get to Mr Cruz later on in Question Time. But in relation to the question that I put to him about the real business opportunities, I will just remind the hon. Member of what he said in relation to the answer to Question 199. He said:

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 a fruitful conclusion.

Can the Minister explain a bit more about that and what type of public announcement he expects, given that it was some time ago that he made that statement.

685 **Hon. A J Isola:** Yes, Mr Speaker. The statement that I was referring to at that time were ongoing negotiations for a very high profile Hong Kong firm which had 800 staff in Hong Kong and 3,000 worldwide, that was in the process of finalising its position to open its office in Gibraltar.

690 The little matter of the announcement of the Brexit vote in early 2016 put that on hold and unfortunately did not proceed following the voting on 23rd June this year.

TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT

Q868/2016

**Queen Elizabeth class carriers –
Works necessary for berthing**

Clerk: Question 868, the Hon. D A Feetham.

695 **Hon. D A Feetham:** Mr Speaker, does the Government know whether operating one of the new Queen Elizabeth class carriers from Gibraltar will necessitate any works to any of the Moles or the Port?

700 **Clerk:** Answer, the Hon. the Minister for Tourism, Employment, Commercial Aviation and the Port.

Minister for Tourism, Employment, Commercial Aviation and the Port (Hon. G H Licudi): Mr Speaker, it is anticipated that the new Queen Elizabeth class carriers will berth at the South Mole within MOD property when they call at Gibraltar. It is understood that MOD staff are looking into any work required on the infrastructure here in Gibraltar to support these ships and they will be better placed to provide any details.

705 There is no expectation that the carriers will berth elsewhere in the Gibraltar Port.

Hon. D A Feetham: Mr Speaker, will he also join me in stating in this House how welcome it will be for one of these Queen Elizabeth carriers to be operating from Gibraltar, and does he expect or has he had any information from the MOD as to what extra economic activity that may bring to Gibraltar, which again would be very welcome indeed as a consequence of having this carrier operating from Gibraltar?

710 **Hon. G H Licudi:** Mr Speaker, we are certainly very happy to state that we welcome the arrival of this new class of aircraft carriers to Gibraltar. They will be very, very welcome indeed. Matters to do with the works are clearly for the MOD. We anticipate that it will be possible for those carriers to be berthed in Gibraltar and certainly with a large crew like is expected with this class of carriers, it is anticipated that when they call it will generate economic activity for Gibraltar.

720 It is impossible I think to quantify what that economic activity will be but it will be most welcome – not just from the point of view of the economics of what Gibraltar will derive from such visits, but from the point of view of the continuing link with the United Kingdom, the continuing close link with the MOD and the use of the Gibraltar facilities which will always be available for the MOD to maximise its use and to make use of Gibraltar to the best way possible, in partnership obviously between Gibraltar and the United Kingdom as we have always done.

725 **Hon. D A Feetham:** Mr Speaker, thank you very much for the answer.

Mr Speaker, the Government will obviously not have a final answer in relation to this because he has already indicated to me that the MOD are undertaking their own surveys, but of course if the surveys indicate that substantial work will be necessary to the South Mole, that is also going to be a very welcome generation of economic activity here in Gibraltar.

730 But the question I want to ask is, is it something that the Government has discussed with the MOD that having this class of carrier operating from Gibraltar may also lead to the need for a reconsideration perhaps of the MOD's stance in relation to the staff and workers that it may need here in Gibraltar and the proposed voluntary redundancies going forward? Is that something that has been discussed between the Government and the MOD?

Chief Minister (Hon. F R Picardo): Mr Speaker, yes at the very highest level between the Chief Minister and the Minister for the Armed Forces.

740 Because the position of the Government of Gibraltar as the Minister has said, is that bringing the Queen Elizabeth class to Gibraltar and indeed the Queen Elizabeth itself to Gibraltar, is not just a demonstration of the continuing relationship between Gibraltar and the United Kingdom in all matters, but in particular in relation to sovereignty, but is a sign that Gibraltar is the home of the Royal Navy in the Mediterranean Sea and that in that home there must be a forward mounting base that is able to support Her Majesty's Armed Forces as required at any particular

750 time – in particular given these dangerous times in which we live, which former Prime Minister David Cameron was right to say, demonstrated just how dangerous it was to live on the shores of the Mediterranean. And, Mr Speaker, those who work in the Ministry of Defence today are fully assured of the support of the Gibraltar Government and know that they will have all our support to demonstrate just how important their work is and will be in the future in particular, with the Queen Elizabeth class calling here.

755 And I have made that point directly to the Minister of the Armed Forces, Mike Penning, who if I may say so has demonstrated in the time that he has been Minister for the Armed Forces, that he is an excellent supportive friend of Gibraltar in every post he has held and in particular, in this post in which he himself has said is the post that he wished most to have of all the ministerial offices available. So, Mr Speaker, the House can rest assured that the Government has made those points and many more in support of our employees in the Ministry of Defence.

760 **Hon. D A Feetham:** Mr Speaker, I welcome that statement, on behalf of the Opposition.

Hon. Chief Minister: Thank you. It was a statement on behalf of the Government, not on behalf of the Opposition.

ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION

Q847/2016

Principal Auditor's Report 2014-15– Supplementary question

765 **Mr Speaker:** Is there a supplementary arising from Question 847?
The Hon. Lawrence Llamas.

770 **Hon. L F Llamas:** Mr Speaker, just one supplementary arising from Question 847/2016. On the second page of the schedule handed over by the Minister for the Upper Rock, there is one item, Refurbishment of Upper Rock Areas – a total sum of £95,000. Is the Minister able to provide a breakdown, because obviously the reference of Upper Rock areas is quite broad, is it possible to provide a breakdown of what the works have actually been on this occasion?

775 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** I am sure it is. I do not have the information. I have given the headings. If I were to have broken down every single one of them, obviously that would have been quite an onerous task, but once again I would be happy to do that by exchange of correspondence. I am sure that if the information is available, there will not be any problem in providing it.

HOUSING AND EQUALITY

Q884/2016

Government rental homes – Urgent decanting of tenants

780 **Clerk:** We now move to Question 884, the questioner is the Hon. E J Reyes.

Hon. E J Reyes: Mr Speaker, can the Minister for Housing provide details of how many tenants required urgent decanting from their homes since the answer to Question 772/2016, indicating the reason why, the date when said decanting became necessary and the date when the tenants were able to return to their home?

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Clerk: Answer, the Hon. the Minister for Housing and Equality.

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, none.

Q885/2016

**Government rental homes –
Eviction of squatters**

790 **Clerk:** Question 885, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing say how much expenditure has been incurred in respect of legal costs relating to the eviction of squatters from Government rental homes since the answer to Question 773/2016, providing a breakdown showing the number of homes involved and to whom payments were made?

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Clerk: Answer, the Hon. the Minister for Housing and Equality.

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, none.

Q886/2016

**Government rental homes –
Repair works pending**

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Clerk: Question 886, the Hon. E J Reyes.

Hon. E J Reyes: Further to Questions 603/2016 and 774/2016, can the Minister for Housing please now provide a revised answer with updated details in respect of all pending repairs. That is still not fully completed jobs to rental homes, indicating the dates when these reports were first made by tenants and stating how many will be repaired by (a) the Housing Works Agency; (b) sub-contractors; and (c) the assigned tenants themselves?

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Clerk: Answer, the Hon. the Minister for Housing and Equality.

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Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, huge progress has been made since the days that Members opposite were in Government and there were thousands of outstanding/pending repairs to rental homes.

To date, there are 288 pending repairs to rental homes and these are as follows: 14 in May 2016; 23 in June; 15 in July; 18 in August; 10 in September; 47 in October; 141 in November and 20 in December.

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(a) 32 of these will be repaired by the Housing Works Agency; (b) 256 of these will be repaired by sub-contractors; and (c) two on a self-repair basis.

820 **Hon. E J Reyes:** Mr Speaker, I wrote to the hon. Lady saying that some tenants had reported to me that they had pending works prior to May and she was going to look into those. I think from today's answer she again quotes pending works going as from May. Has she been able to find out the veracity of those claims to have works outstanding prior to May?

825 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, and I am grateful to the hon. Gentleman opposite for giving me a list of tenants who had approached him. There were a number of names there, Mr Speaker.

On the whole, all of those have now been progressed; some have been completed; some of them, as happens ... one of them had reported and then someone else in the household had cancelled the report which is why it was not reflected in my answer because it was not pending.
830 In other cases there was no report at all, so sometimes people do not report according to the channels.

But again as I said I am grateful to the hon. Gentleman of course we are dealing with huge volumes of works, it is a system which may from time to time give rise to human error and there are only a couple of the works that the hon. Gentleman forwarded to me that had not been
835 actioned but they have now. So I am grateful for that.

Q887/2016

**Government rental homes –
Expenditure on refurbishing empty homes**

Clerk: Question 887, the Hon. E J Reyes.

840 **Hon. E J Reyes:** Can the Minister for Housing provide details of all expenditure incurred since the answer to Question 775/2016 in respect of contracts awarded for making empty homes suitable for reallocation, stating to whom payments were made, how much has been paid, the number of residential homes pertaining to each payment, as well as indicating the type/nature of repair works or cleaning services undertaken?

845 **Clerk:** Answer, the Hon. the Minister for Housing and Equality.

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, one contract has been awarded and that was to A J Windows for £11,355 in relation to one property. The work
850 carried out by this company was general refurbishment including plastering walls and ceilings, painting, replacing floor tiles and doors, plumbing and electrical works.

Q888/2016

**Government rental homes –
Outstanding arrears**

Clerk: Question 888, the Hon. E J Reyes.

855 **Hon. E J Reyes:** Can the Minister for Housing provide details of outstanding arrears in respect of Government rental homes, providing a breakdown by month since February 2016?

Clerk: Answer, the Hon. the Minister for Housing and Equality.

860 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, the information on arrears is as follows since the answer to Question 383/2016 it is as follows: on the 30th June, the balance was £5,433,274.03; 31st July, £5,391,027.42; 31st August, £5,363,754.45; 30th September, £5,320,899.92; 31st October, £5,306,588.97; 31st November, £5,248,007.90.

So, Mr Speaker, just under £5.25 million.

865 **Hon. E J Reyes:** Mr Speaker, would the hon. Lady kindly repeat the figure for August? Five million three hundred and something, I missed that part. (*Interjection*) The schedule is coming, then I am grateful for that. Thank you, Mr Speaker.

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Q889/2016
Bruce's Farm admissions –
Number who have relapsed in last 12 months

Clerk: Question 889, the Hon. E J Phillips.

875 **Hon. E J Phillips:** Can the Government confirm how many of those people admitted to Bruce's Farm in the last 12 months have relapsed?

Clerk: Answer, the Hon. the Minister for Housing and Equality.

880 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, of those who have undertaken rehabilitation in the last 12 months, Bruce's Farm is aware that there are currently nine who have relapsed.

Hon. E J Phillips: Mr Speaker, out of the total, what is the total of those who have been admitted or have undergone a period of rehabilitation?

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Hon. Miss S J Sacramento: Mr Speaker, the number of admissions so far are 49.

Hon. E J Phillips: Within that 12-month period, that is correct, thank you.

INFRASTRUCTURE AND PLANNING

Q890/2016
Zebra crossing from Midtown parking to Reclamation Road –
Accessibility for wheelchairs and pushchairs

890 **Clerk:** Question 890, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, does the Government intend to make the only zebra crossing from the Midtown parking to the pavement opposite on Reclamation Road, wheelchair and pushchair friendly?

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Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

900 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, the Highways Section of the Technical Services Department assessed the said crossing in August 2016 following the completion of the Midtown Coach and Car Park and recommended that this zebra

crossing be made accessible. It is Government's policy to provide adequate accessibility for all facilities, particularly those that are Government projects. Thereafter, the design work was prepared to ensure that the existing zebra crossing would meet the requirements of wheelchair users. The works order was placed and I am pleased to confirm to the hon. Gentleman that preliminary works to the pavement commenced last week.

Therefore, Mr Speaker, I expect for the works to be completed before Christmas.

Hon. L F Llamas: Mr Speaker, from that answer I understand that the Government actually looked into the situation post building the parking area and obviously I think, from what Government has been campaigning in the last couple of weeks, to do with accessibility and the Disability Bill, it would have been far more well-thought if Government would have actually included the accessibility to this parking before actually completing the project. It is things that obviously should arise as part of common sense.

If the Government brings over a specialist from the UK to talk about accessibility, but yet in implementing new projects which are so recent as this fail to understand that these things need to be factored in through the planning process, I would like to ask the Minister if it would be an additional cost and why it was not actually factored in at the time of the actual planning for the Midtown parking?

Hon. P J Balban: Mr Speaker, I would have to ask my Department the specific question. I think, if I am not mistaken, that they were considering different options for a zebra crossing within the road itself. Because it was not easy because of the way, I think, that cars and motorbikes parked in the area to find the best crossing point.

So I would need to ask my staff exactly why but I think the reason was that they built a zebra crossing the best they could at that time, until they had fully assessed the area. That is my understanding.

Hon. L F Llamas: So does that mean that the zebra crossing is moving its location or is it still going to be in the same location?

Hon. P J Balban: No, Mr Speaker, the decision was taken that that was probably the best location and that is why the works have been carried out. It would be useless to actually put a zebra crossing there if the intention was thereafter to move it to another location.

Hon. L F Llamas: The only other question which I asked was: is this an additional cost to the Taxpayer or is it encompassed within the actual project?

Hon. P J Balban: Mr Speaker, I will have to find out and revert to the Gentleman.

Q891/2016
Speed cameras –
Date to become operational

Clerk: Question 891, the Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, since the law has now been amended to allow for their use, when does the Government believe that the speed cameras will become operational?

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, it is expected that this project will go live shortly. A further visit from the contractors is necessary before the project goes live and final arrangements are in place for the company to complete the commissioning and training in late January.

Mr Speaker, without wishing to commit to a date for obvious reasons, I envisage the speed cameras should be in operation sometime during the first quarter of 2017.

Q892/2016
Midtown Car Park –
Number of spaces and number sold

Clerk: Question 892, the Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, what is the total number of parking spaces in the Midtown Car Park and of that total, how many have been sold to individuals or companies?

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, the total number of parking spaces is 1,011; and the total number of completed sales to individuals or companies is 456.

Q893/2016
Midtown Car Park –
Serviceability rate for machines

Clerk: Question 893, the Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, can the Minister provide figures for the serviceability rate for machines in the Midtown Car Park since it became available for use by the public?

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, since Midtown Coach and Car Park was opened to the public, Gibraltar Car Parks Ltd have encountered several issues as follows: coins jamming within the mechanism of Pay Station No. 2 – the coin readers were replaced under warrantee and at no cost. Pay Station No. 2 also encountered a software issue as a result of a faulty motherboard – the motherboard was also replaced under warrantee and at no cost.

Pay Station No. 2 was out of order on three occasions as it was out of change. These situations were promptly addressed by the contracted security company for the car park and replenished as necessary.

Initially the coin readers to both Pay Stations No. 1 and No. 2 encountered issues where some series of £1 coins would be rejected. This is a common issue that manifests in coin readers installed within pay stations, ATMs, pay phones and other platforms.

Hon. T N Hammond: Mr Speaker, I thank the Minister for that answer, and it is a comprehensive answer. However it does not quite give me the information I was after, which is

really how often the machines have been out of service as a ratio to the time they have been open. And I raise the question because the concern has been raised directly or the frustration has been raised directly with me by members of the public who have encountered problems.

990 So the frequency from their anecdotes, if you like, would appear to be relatively high rate of unserviceability and I wonder if the Minister could just clarify.

Hon. P J Balban: Mr Speaker, it would be impossible to give the hon. Gentleman an exact idea of the frequency because there are certain issues that happen unfortunately quite frequently, which are the issues we are experiencing with certain £1 coins. That I think is one of the biggest matters that come to my attention and on occasions the coins slip through.

995 So again, if you change the coin it works and this happens throughout. You often see, on machines you may see scratch marks on the side and that is because sometimes people think that by adding some friction to the coin, it will accept it. Sometimes the coin is accepted.

1000 So I say, it is unfortunately something that happens quite frequently which is beyond our control in that respect, but we are looking at the actual issues as to why it happens to see where this can be corrected.

1005 It is also important to note that Gibraltar, although not totally unique in this respect, because other areas have this issue, but because we accept coins, UK Pounds sterling and we accept Euros, the hoop that is in the machine, the actual mechanism within, has to know and accept different weights and measures for particular coins. That is also something which is also a lot more complicated for machines technically than just a machine which deals in one currency. So that is another factor that we encounter.

1010 **Hon. R M Clinton:** Once again, I thank the Minister for what was a comprehensive answer, one final question because he referred to certain £1 coins. Has it been identified which particular coins? Can people be advised to use a particular kind of coin in these machines, whether it be a local coin or a UK coin as a preference?

1015 **Hon. P J Balban:** Mr Speaker, we are actually having difficulty to find out which coins. It seems that there are some of the local Gibraltar coins but not all of them. We have checked their weights and they were identical and the variance by law is miniscule, so miniscule that the weighing component of the machine would not be able to pick it up.

1020 So they are so specific it could be to do with a particular design which is perhaps on some of our coins and not on others. It is something that is not only experienced in our car park machines but is experienced in other machines unrelated to Government throughout Gibraltar.

Q892/2016
Midtown Car Park spaces –
Supplementary questions

Mr Speaker: Let us go back to – sorry.

1025 **Hon. D A Feetham:** Yes, may I go back to 892 which is on the Midtown Car Park.

This is a question asked by my hon. Friend about how many parking spaces had been sold to individuals or companies in the Midtown Car Park and out of 1,011 car parks 456 had been sold to individuals or companies.

1030 Does the hon. Minister have the information as to how many have been rented out to individuals or companies, as opposed to just simply just sold?

Hon. P J Balban: Yes, Mr Speaker, we are currently letting out 131 spaces.

1035 **Hon. D A Feetham:** And does the Minister also have the information as to how many, if it is on top of that 131 and the 456 that have been sold, have actually been retained or required by the Government itself or Government owned companies or entities?

Hon. P J Balban: Not that we are aware of, Mr Speaker.

1040 **Mr Speaker:** The Hon. Edwin Reyes.

Hon. E J Reyes: Yes, Mr Speaker, thank you.

1045 Still on Question 892, the quick calculation I am doing is 1,011 parking spaces, 456 were sold, 131 on hire gives us a figure of 424. Is that the figure available now for daily use by the public or are there some parking spaces assigned for coaches. For example as you drive in you know that the ground and first floor are for coaches. Does that form part of those 424 or not?

1050 **Hon. P J Balban:** No, Mr Speaker, when we spoke about car parking spaces, we referred exclusively to car parking spaces and not coach parking spaces. The ground floor as you are aware are for the big 50 plus seaters and the first floor are for the mini coaches that operate the rock tours within Gibraltar.

When we were speaking the question from your side was targeting the actual car parking spaces and that is the reply that was given.

Q893/2016
Midtown Car Park machines –
Supplementary questions

1055 **Mr Speaker:** Arising from?

Hon. R M Clinton: Question 893.

1060 **Hon. R M Clinton:** Mr Speaker, I followed with interest the exchange with my colleague, the Hon. Mr Hammond and the Minister in relation to the problems with the coins going into machines. And purely perhaps as an aside, I would like the Minister to confirm whether he is aware that in March next year there will be a new 12-sided pound coin. This is obviously going to cause havoc throughout Gibraltar, and whether there are some plans in preparation for that.

1065 **Hon. P J Balban:** Mr Speaker, yes we are well aware on this side that there is a new £1 coin coming out and obviously we will prepare in advance for that eventuality. I believe the normal £1 pound coins, the round ones when they arrive at the bank or are taken to the bank, they will be held back and I would presume that probably the only logical way of progressing will be at one stage at one point in time, is to stop accepting the round £1 coins and only accepting the new 12-sided ones. Otherwise, we would end up with many currencies to accept and that will just throw machines off for sure.

1070 **Hon. R M Clinton:** And, Mr Speaker, and I really do risk incurring your wrath. The logical extension to the argument is obviously the Government itself locally will look to introduce the 12-sided local £1 coin. Obviously the Minister may not be able to answer that question.

1075 **Hon. P J Balban:** Mr Speaker, that is correct, the National Mint is looking at that so that our coins will be exactly the same as those in the UK.

Q894/2016

**Parking area opposite Mid Harbours –
Opening for public use over Christmas period**

Clerk: Question 894, the Hon. T N Hammond.

1080

Hon. T N Hammond: Mr Speaker, while the area lies fallow, has Government considered opening the parking area opposite Mid Harbours for public use during the Christmas period and beyond, if the area is not to be immediately developed?

1085

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, at present there is no intention for the area to be made available as parking.

1090

The area was ear-marked for a concert on 3rd December that was subsequently cancelled due to the heavy rains and it is intended that this be rescheduled in due course.

This area will also be used to help support the construction of the Three Kings Cavalcade floats during the next few weeks.

1095

Hon. R M Clinton: Thank you, Mr Speaker. The Minister may or may not be able to answer this question, but is it envisaged that the ground will be broken at that site any time soon?

Chief Minister (Hon. F R Picardo): Mr Speaker, the answer remains as set out in the answers to an almost identical question at the last meeting in relation to that site.

1100

Hon. T N Hammond: Mr Speaker, and to some extent the Minister may have answered this question already, but once the postponed concert has taken place and after the Cavalcade on 5th January, would the Government then consider perhaps allowing the parking area for use by the public?

1105

Hon. Chief Minister: Mr Speaker, it is unlikely that that area will remain vacant for very long.

Q895/2016

**Parking fees –
Increase**

Clerk: Question 895, the Hon. T N Hammond.

1110

Hon. T N Hammond: Mr Speaker, has there been a rise in the parking fees paid to Gibraltar Car Parks Ltd or any other Government-owned company or agency for the renting of parking spaces and if so, by how much of the fees risen for each of the areas for which Gibraltar Car Parks Ltd or any other Government-owned company or agency is responsible?

1115

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, to date the answer is no. However, subscribers have recently been given written notice that fees shall be increased as from 1st February 2017.

1120 **Hon. T N Hammond:** Mr Speaker, can the Minister indicate how much of an increase fees are anticipated to rise as from 1st February 2017 as a percentage of the fees currently paid?

Hon. P J Balban: Mr Speaker, this is in line with the cost of living increases. So we have taken –

1125

Mr Speaker: Then it is practically nothing. *(Laughter)*

Hon. P J Balban: So as I said, it is to do with the cost of living increase.

1130 **Hon. T N Hammond:** Mr Speaker, the cost of living generally has been increasing by less than 1% or at around 1%. So can I infer from that, that the rise will be approximately 1%?

Hon. P J Balban: Mr Speaker, the rise will take into consideration when the prices were set originally. So the new rates of parking will take into account the cost of living from that point in time over the years, so it is accumulative.

1135

Hon. T N Hammond: In which case, Mr Speaker, can the Minister clarify for me, from which point of time I can refer back to?

1140 **Hon. P J Balban:** Mr Speaker, when they were originally set. I do not think I have the exact date they were set, but these were set ... in fact I do, 2009. So it is since 2009 that they were last set by the previous administration.

There has been no increase since then so the increases are in line with what would be expected due to the cost of living increases since that date.

1145

Hon. T N Hammond: Mr Speaker, my understanding is that the costs will therefore be somewhere between 20% and 30% of what is currently paid. Is that correct? *(Interjection)*

Hon. P J Balban: Mr Speaker, round about roughly around 10%.

1150

Q896/2016
South District parking provision –
Plans for additional facilities

Clerk: Question 896, the Hon. T N Hammond.

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Hon. T N Hammond: Mr Speaker, what additional parking facilities does Government intend to provide in the South District and when does it intend to provide them?

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

1160

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, there are currently a number of plans to provide additional parking spaces in the South District. The Government is reviewing expressions of interest received in June of this year from developers, investors, or organisations for the development of a plot of land at Rosia Lane. It is expected that this would lead to the creation of additional parking in the area.

1165

Hon. T N Hammond: Mr Speaker, does the Minister know perhaps approximately how many additional parking spaces that may provide at Rosia Lane?

1170 **Hon. P J Balban:** Mr Speaker, we are currently looking at all the expressions of interest to
come to a final decision so we are not in a position to know – (*Interjection*) and there are
different combinations, different options available. Some will provide more parking spaces,
some will provide less parking spaces but the expressions of interest were actually set out in that
way. What the Government wanted was to be able to have parking spaces that would contribute
to what is available in the area.

1175

Q897/2016
Residents' parking scheme –
Roll-out programme

Clerk: Question 897, the Hon. T N Hammond.

1180 **Hon. T N Hammond:** Mr Speaker, will the Minister describe the next phase of the roll-out
programme for the residents' parking scheme and which area the roll-out programme will
affect?

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

1185

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, the Government is
currently working on a residential parking scheme for the area of Alameda Estate and Grand
Parade. The scheme will see the introduction of a combination of exclusive residents' parking
areas, free parking and pay-and-display areas. The intention of the scheme is to improve the
chances of parking for residents of the area, whilst at the same time recognising the needs of
visitors and other users of the area.

1190

Hon. T N Hammond: Mr Speaker, a Utopian vision of parking, I must say. But can the Minister
apply any more detail as to how that is going to be achieved? Because yes, that would be an
ideal solution clearly in helping visitors, allowing residents to find parking, all the things that
everybody wants.

1195

But can the Minister provide any detail as to how that will be achieved and indeed when it
will be achieved and where. Because I understand the plan is not to implement it over the
entirety of Gibraltar in one go but to take measured steps. So could the Minister describe those
steps please?

1200

Hon. P J Balban: Mr Speaker, I think that this is as close to Utopia as we can get. If we
compare this scheme to the one that we saw back in 2011 which we actually had to put a stop to
because of the complaints that we received and the comments regarding the lack of visitors
parking, we thought that was very relevant.

1205

The old scheme did not provide parking space for people who wanted to come and visit and
we have gone through this on a number of occasions – family members wanting to come and
visit, commercial vehicles that wanted to deliver etc. So in terms of Utopia, we will not strike
Utopia with parking. It will be a very difficult balance to actually get right, that we are clear
about.

1210

But at this moment in time we are not in a position to be able to give you further details. This
is something that is extremely complicated, we have been at it very thoroughly, a lot of work has
been done with the plan and we will make an announcement very shortly when we are ready to
do so.

Q898/2016

**Road resurfacing programme –
Outline for next six months**

1215

Clerk: Question 898, the Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, will the Minister outline the road resurfacing programme for the next six months?

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Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, a tender for the current phase of the Government's resurfacing programme was authorised in late September 2016. The tender is currently being reviewed and an award is expected shortly with a view of works commencing in the New Year.

1225

This phase of works will see the complete resurfacing of the northern end of Cumberland Road as well as of the Sundial Roundabout. During the current year to date, resurfacing works have been carried out along Queensway and Reclamation Road by the Mid-Town Car Park and along Europort Avenue from Charles Bruzon House to its junction with Queensway.

1230

Hon. T N Hammond: Mr Speaker, will the Minister recognise that certainly with the recent rains in particular, a lot of the road surfaces have been very badly damaged by that rain and will remedial action be taken? I refer in particular to the area between the runway at the Frontier now which is very much falling to pieces quite frankly, there are large potholes there and indeed up to the Sundial Roundabout which I understand is to be programmed.

1235

There are many other areas that need to be looked at. Is there any way that an acceleration of a programme can be implemented or some remedial action taken with some urgency to fix some of these areas? Because really, if you are on two wheels for any reason, whether that be on a moped or a bicycle, currently many of the road surfaces are virtually impassable.

1240

Hon. P J Balban: Mr Speaker, rains in Gibraltar of that type, although not uncommon do often catch us by surprise and the devastating effects that these rains have on our roads is clearly evident. It is impossible for us to be able to rush out and fix everything in one given moment in time but remedial works have been carried out already to date of those areas which were exceptionally bad and we will continue to do so.

1245

That is not part of our highways resurfacing programme, that is something that can happen in December, it can happen in February, and that is taken more in terms of emergency works and we fix and repair these dangerous or uneven potholes as and when they surface.

1250

As I say it is an ongoing process where we attack the worse potholes first and move on from there as we have been doing.

Q899/2016

**Chief Minister's G1 Tesla –
Servicing and repairs**

Clerk: Question 899, the Hon. R M Clinton.

1255

Hon. R M Clinton: Mr Speaker, can the Government advise who currently has the contract to service the Chief Minister's G1 Tesla and are the repairs and servicing undertaken in Gibraltar and at what cost?

Clerk: Answer, the Hon. the Minister for Infrastructure and Planning.

1260 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, all repairs and services are performed in Gibraltar by Bassadone Motors in conjunction with Tesla Motors. The cost of repairs will vary, depending on the works required from time to time.

Clerk: Question 900, the Hon. R M Clinton.

1265

Hon. R M Clinton: Mr Speaker, may I return to Question 899 just briefly, a supplementary? *(Interjection by Mr Speaker)* Thank you, Mr Speaker.

Coming back to 899 in respect of the Tesla, is there any other service provider in Gibraltar who would be able to service the Tesla?

1270

Hon. P J Balban: Mr Speaker, the hon. Member must realise that such an advanced car has a system whereby most of the issues surrounding the Tesla are diagnosed remotely and fixed from wherever Tesla fixes the car and I think the closest place is Bordeaux in France, if I am not mistaken. So most of the issues can be looked at and investigated on line.

1275

In fact Tesla knows exactly where that vehicle is, what is happening, if that Tesla suffers an accident or if it has any issues whatsoever with components, electrical components or whatever. The moment that car rolls into the garage, the mechanics know exactly what the issues are with it.

1280

Hon. R M Clinton: So, Mr Speaker, would I be correct in interpreting what the Hon. Minister has said is that Bassadone Motors would be the only service provider in Gibraltar able to service the Tesla?

1285

Hon. P J Balban: Mr Speaker, Bassadone Motors are the suppliers and the agents of the vehicle so it is logical to assume that it would go back to them for any works required.

ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS AND THE GSB

Q900/2016

Retail Price Index –

Reason for October increase

Clerk: Question 900, the Hon. R M Clinton.

1290

Hon. R M Clinton: Mr Speaker, can the Government explain why the Retail Price Index at 1st October 2016 has risen to 1.5% whereas it was 0.1% at 1st January, 0.4% at 1st April and 0.5% at 1st July 2016?

1295

Clerk: Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

1300 **Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano):** Yes, Mr Speaker. It is because in the third quarter of last year, there was a 0.5% drop in the index, whereas in the same quarter of this year, there has been a 0.5% increase. The annual rate is therefore from a lower base. The 1% difference in the quarterly rate in 2016 compared to 2015 explains why the 12-month rate goes up from 0.5% in July to 1.5% in October.

1305 **Hon. R M Clinton:** I am grateful to the Hon. Minister for his answer. He is obviously aware of the various components of the Retail Price Index. Is there any particular component in there, because obviously it is very difficult for me to work out what the impact is of any particular increase if I do not have the weightings of the various components in the Retail Price Index?

1310 Is there anything in there, alcoholic drink, tobacco, clothing, footwear, durable household goods, food, housing, other goods, services, transport and vehicles, which in his view, or in the view of the Statistics Office, has actually contributed to this increase in the Retail Price Index?

1315 **Hon. J J Bossano:** Well, I think there have been two factors. One has been the value of the pound and the other one has been the price of the oil which fell dramatically earlier and has now recovered to something like \$50 a barrel. So transport costs is one area that has actually gone up, the prices in transport and vehicles went up by 1.8% between July and October and that compared with a decrease of 2.5% in the preceding year. So a significant part of the minus 0.5% and the plus 0.5% has been that change. If you think in that particular component, that is 1.8% up this year and it was 2.5% down last year. I think the biggest element in the total has come from that area.

1320 But currency effects – taking into account, for example, given that our main imports come first from UK and then the second biggest supplier to Gibraltar is Spain and other Eurozone countries, the exchange rate makes a big difference independent of the level of prices that are going up at source.

1325 **Hon. R M Clinton:** Mr Speaker, I thank the Minister for that. Does he have any feel for whether inflation is going to creep up any further or is there any kind of indication that there might be increases in costs coming ahead. It may be difficult with these obviously retrospective statistics whether he has any feel for the current statistics?

1330 **Hon. J J Bossano:** I do not have any formal input from my statistics office on this but my own view is that inflation is likely to be higher in 2017 than it has been in 2016. That is what I would expect.

Q901-908/2016

Gibraltar Savings Bank –

GAR Ltd property purchase; Public Accounts and Public Debt

1335 **Clerk:** Question 901, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, has the Government used or intends to use GAR Ltd as a vehicle to raise external borrowings secured on its property?

1340 **Clerk:** Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano): I will answer this question, Mr Speaker, with Questions 902 to 908.

1345 **Clerk:** Question 902, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please provide a list of all properties purchased by GAR Ltd from the Government or Government-owned companies and the consideration paid for each?

1350 **Clerk:** Question 903, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please advise when it intends to *Gazette* the audited accounts for the Gibraltar Savings Bank for the year ended 31st March 2016?

1355 **Clerk:** Question 904, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise when the audited accounts of the Gibraltar Savings Bank for the year ended 31st March 2015 were gazetted?

1360 **Clerk:** Question 905, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please advise how total liquid reserves are invested/held, giving details of all bank/savings bank accounts and cash held for 1st November 2016?

1365 **Clerk:** Question 906, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please advise the total liquid reserves figure and its constituents, namely Consolidated Fund, Improvement Development Fund, Government Owned Companies, Deposits, Contingencies and other Funds, for 1st November 2016?

Clerk: Question 907, the Hon. R M Clinton.

1375 **Hon. R M Clinton:** Mr Speaker, can the Government please provide the total Gross Debt, Aggregate Debt after application of the Sinking Fund to Gross Debt, Cash Reserves and Net Debt figures for Public Debt as at 1st November 2016?

Clerk: Question 908, the Hon. R M Clinton.

1380 **Hon. R M Clinton:** Mr Speaker, can the Government advise what dividend has been paid to the Government and the Gibraltar Savings Bank by GibTelecom in respect of the respective holdings of A and B shares for its Financial Year ended 31st December 2015?

1385 **Clerk:** Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano): Mr Speaker, as regards the total liquid reserves composition, where, when and how these are invested on a particular date chosen by the Hon. Member opposite, the position continues to be as previously stated.

The position of the Public Debt on 1st November 2016 is as it was estimated on 1st October 2016 except that the cash reserves are now estimated at £77 million and the net debt at £369 million.

1395 The audited accounts of the Gibraltar Savings Bank will be published in the Gazette after the annual audited accounts of the Government have been published.

The Government does not provide details of the commercial activities of Government companies.

1400 As regards the dividends, in 2015 £4 million was paid to the Gibraltar Savings Bank and £2.1 million was paid to the Government.

Hon. R M Clinton: Mr Speaker, I thank the hon. Member for his answers and again, Mr Speaker, I beg your indulgence while I go through his answers.

1405 In respect of the Gibraltar Savings Bank, do I understand the Hon. Minister correctly that the audited accounts for 31st March 2015 are not going to be gazetted but yet the Principal Auditor's Report has already been published with the accounts for that year? I know the Principal Auditor has actually completed his audit for the 2015 and 2016 accounts as he says in his report, so am I correct in saying that the 2015 accounts of the Savings Bank have not been gazetted?

1410 **Hon. J J Bossano:** They have not been gazetted, no. They will likely be gazetted in early 2017. But of course they are public and available because the audited accounts were tabled recently in the House.

1415 **Hon. R M Clinton:** Does the Hon. Minister not find it somewhat inconsistent that the Principal Auditor's report will come out before the audited accounts are available in that, I know the Act itself says 'as soon as practical after the Principal Auditor has finished his work', but does he not have a time period in mind, given the public interest in the Savings Bank, of say three or six months to actually gazette them, as has been the practice in the past?

1420 **Hon. J J Bossano:** No, Mr Speaker, I do not think it is inconsistent because the fact that it is public ... I do not think people go round avidly waiting for the Gazette to find out what is in it. Maybe he and I do but I doubt that there are many other Gibraltarians doing it.

1425 The answer is there is no limit laid down in the law. There is a limit to the time after the Auditor has audited that I get it and the policy I have adopted is that when the whole of the accounts are made public, it is after that date that I think it should go into the Gazette.

But there is no limit. In the past, I can tell the hon. Member that these things have never been overlooked, and years have gone by before they were gazetted because there is no time limit.

1430 **Hon. R M Clinton:** Mr Speaker, I would invite the hon. Member to consider whether to introduce an amendment into the Savings Bank Act to set a time limit, not just for this Government but for any future Government so as to make it perhaps more applicable to the modern age we live in?

1435 **Hon. J J Bossano:** I would think, Mr Speaker, that in the modern age we live in, things would not be put in the Gazette at all actually. *(Laughter)* And certainly, if it was necessary to do it earlier, they had an opportunity to put it in there for 15 years and even if I put it there, there would be no guarantee that if they come back they would keep it there, since they chose not to have it in the 15 years they were there before.

So the answer is no.

1445 **Hon. R M Clinton:** Finally, Mr Speaker, *(Laughter)* on the subject of the Savings Bank, by all means certainly posting them online would be good, but does the Minister have any intention of producing any glossy type financial statements as was produced at the time of the General Election for the Savings Bank?

1450 **Hon. J J Bossano:** Well, I do not necessarily agree that it was glossy compared to what other company accounts are like. I try to make mine as modest as possible and as economic as possible. But it is the intention to send a copy to all the depositors, yes. It is just that we have not got around to doing it but it is going to happen.

1455 **Hon. R M Clinton:** Mr Speaker, just coming back to GAR Ltd, having looked at the properties that have been transferred into it, am I correct in saying that the Minister will not give any further information in respect of any property holdings it has and is he saying that he will neither confirm nor deny whether GAR Ltd may or may not be used to raise external finance?

1460 **Hon. J J Bossano:** That seems to me a reasonable deduction from the answer that I have given him.

1465 **Hon. R M Clinton:** Mr Speaker, moving to Question 908 in respect of GibTelecom, can the Minister advise, as he indicated that the A and the B shares seem to have received a different level of dividend, have the memorandum and articles of association of the company been changed, to his knowledge, so that they have different rights or is this just a dividend declaration that decided that a certain class of the shares should receive a higher dividend? My understanding was that they ranked equally.

1470 **Hon. J J Bossano:** Well, the reason why the figures that I have given the hon. Member are the way they are is because the calendar year, which is what he has asked for, does not coincide with the financial year and therefore the dividend that is paid to the Government is ... I have given him the answer to the question that he asked in the way that he asked it.

1475 Since he wanted the information based in the year to December, in the year to December that is the dividend that was received respectively by each side. But he needs to understand that the way that GibTel pays its dividend is that it actually pays the dividends in arrears and not in the year when the profits arise.

So there is no other particular significance.

Q909-911/2016

Government construction projects – Numbers and categories of workers

Clerk: Question 909, the Hon. D A Feetham.

1480 **Hon. D A Feetham:** Mr Speaker, can the Government please state how many (a) Gibraltarians; (b) resident non-Gibraltarians and (c) foreign non-residents are working in Government construction projects, either on behalf of a Government contractor or their sub-contractors?

1485 **Clerk:** Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano): Mr Speaker, I will answer this question with Questions 910 and 911.

1490 **Clerk:** Question 910, the Hon. D A Feetham.

1495 **Hon. D A Feetham:** Can the Government please state how many (a) Gibraltarians; (b) resident non-Gibraltarians and (c) foreign non-residents are working in the Laguna, Glacis and Moorish Castle Estate Government projects, either on behalf of a Government contractor or their sub-contractors?

Clerk: Question 911, the Hon. D A Feetham.

1500 **Hon. D A Feetham:** Can the Government please provide a list of Government contractors and their sub-contractors working on Glacis, Moorish Castle and Laguna Government projects?

Clerk: Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

1505 **Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano):** Mr Speaker, the Government does not keep a record of where construction companies have their employees classified by nationality, residence or indeed at all. Except that when a specialist Spanish sub-contractor undertakes works, they normally bring their work force who also are Frontier Workers.

1510 As is publicly known, the main contractor of the three estates is GJBS who currently have 19 Gibraltarians, four residents and one frontier worker on site.

The sub-contractors on site are Endash Ltd; General Lifts; Workforce Ltd; Jamena Ltd, In-line Framing Construction Ltd; and Fill-a-skip Ltd.

1515 **Hon. D A Feetham:** Mr Speaker, in the light of the answer that the hon. Gentleman has provided, how does he keep tabs on the number of Gibraltarians that are actually working on these three Government flagship projects, given that it is obviously desirable that as many Gibraltarians as possible are working on Government projects?

1520 **Hon. J J Bossano:** Mr Speaker, the tabs are kept through the approved contractor list. With the approved contractor list, what we try to do is maximise the number of Gibraltarians and other Gibraltarian residents, which is what the policy is and what the policy was when it was announced in 2010 by their administration.

1525 And it is not on which side they happen to be. We do not keep tabs because construction companies move workers from one site to another unless they are specialists. If somebody is coming to do a specialist work on a site, then they come in, they bring their workers, they do the work and they disappear.

1530 If we are talking about general construction work, then the reality of it is that if any of these sub-contractors that are private companies have got a mix between local and frontier workers or between Gibraltarians and non-Gibraltarians, on any one day, this is the most recent figure taking a spot photograph of who was on the site that day. The next day there could be more people or less than the day before that because it is not that people are fixed on the site all the time, they move them between sites, obviously within their trade.

1535 **Hon. D A Feetham:** No, I understand that, and of course one of the indicators would be the number of Gibraltarians that are employed by the approved contractors on the approved contractors list which we introduced and they continued.

1540 But is he satisfied, looking at the proportion of – because he must have these figures – Gibraltarians employed by those approved contractors, to foreign workers and in this case probably frontier workers, that the proportion of Gibraltarians has increased or that the proportion of Gibraltarians is satisfactory, certainly in the time that he has been in charge of this particular area.

1545 **Hon. J J Bossano:** Well I think it is information that the hon. Member already has from the employment survey reports and the employment survey reports show that since October 2011 in the subsequent years, independent of the fluctuations in the size of the construction industry, the Gibraltarian component has been moving only in one direction.

So for example the percentage is deceiving because of course when the construction sector has shrunk, it has shrunk by losing frontier workers. The percentage of Gibraltarians have

1550 sometimes increased dramatically because there have been less Frontier Workers, not necessarily because there has been more Gibraltarians.

But the trend is that in the cycle of the construction industry, for example I expect that this year's October figures for the construction sector will be less than last year's, because the area [Inaudible] knows are the areas that have been completed. But I suspect that that reduction will be predominantly in frontier workers and that therefore the proportion of Gibraltarians in the construction industry is certainly higher now than it was in 2011 and will continue in my view, to be higher when the October 2016 figures show than they were previously.

So the answer is the trend goes in that direction but as I have explained to the Member opposite, the main emphasis both of the training that we do and of the companies that take on the trainees, is in maintenance rather than in new-build and for a very simple reason: new-build has a start and a finish and if people were engaging new-build in a place like Spain or in the UK people specialise and if they are brick layers they only lay bricks. When the bricks are laid on one side they just go to another and do brickwork.

We are training our people to do maintenance because the more buildings there are the more there will be a maintenance industry in construction which will be growing because the pool of buildings to be maintained gets bigger all the time. We believe that is where predominantly the resident workforce will have to be and that is what we are training them for, to be there.

1570 **Hon. D A Feetham:** In relation to the approved contractors on the approved contractors list, is there a proportion of locals that are required to be employed by those companies in those lists? How is that basically determined? How does the Government look upon that and deal with that?

1575 **Hon. J J Bossano:** We are carrying on with the scheme that they initiated, so there was never any proportion introduced in that scheme in the first place and we have not introduced a proportion. Nor do we think that rationally it is possible to determine a proportion because it depends on the nature of the work that the company is doing.

What we have is a situation wherein Government contractors on the approved contractor list would normally not be allowed to take on unskilled workers if there are unskilled workers unemployed and registered as seeking employment and willing to work in the construction industry. They would normally be required to take on people who have already done their Level 1 and are doing their Level 2 but there we are constrained by the content of the course that the trainees are required to follow. So the people who are now doing Level 2 for example in the wet trades or somebody is doing Level 2 in carpentry, has got to actually do the kind of work on the site that is laid down by City and Guilds.

So the influence we can exercise on our side is determined by the suitability of the employer that can provide the kind of work that the apprentice needs to demonstrate he has done so that the assessor goes on site and sees the work that has been done and that is a portfolio of his work and that is how he then gets his Level 2 in construction.

But in overall terms, if it unskilled or semiskilled then there is no minimum percentage or maximum percentage. As far as we are concerned if we have got the people that is what they are required to take on. And people are co-operating but frankly, I think it is not a straightforward exercise because if people are willing to take them on and the effect of that is that the apprentice is going to have problems in completing his Level 2, the apprentice is not very keen to go there and we are not very keen to put him there.

We have got a particular problem where certain companies in Gibraltar employ almost entirely one nationality and there is a language problem. Therefore an apprentice that does not speak a third language other than English and Spanish, I do not want to pinpoint the company, has a problem of communication so they are not very keen to be there, even though the

company is happy to accept them, the trainees are not keen to be in a context where they have got a problem of communication like that.

So far we have not found an answer to that problem.

1605 **Hon. D A Feetham:** How does he explain, and this is not intended as a criticism of Government policy, everybody really tries their best in relation to this. I know they were very critical of us, we would say we tried at the time and I accept that the hon. Gentleman tries himself in relation to this and indeed feels passionately, as I do about this issue.

1610 But how does he explain, for example, that I get people that come to my surgeries and tell me, 'Look, I am prepared to work anywhere and I am prepared to work in construction sites', and I had a kid say to me, 'I open the windows every morning at Moorish Castle and I see foreign workers working on the site – all I want is to have a job and to be able to help my mum over Christmas'?

1615 How does he explain that somebody like that and there are a number of people who are willing to work in the construction industry, cannot actually get into the construction industry, not necessarily as trainees, completely unskilled, in circumstances where they are willing to do it and in circumstances where there are many frontier workers working in Gibraltar in those sites?

1620 **Hon. J J Bossano:** Well, the simple answer is that it should not be happening. It is as simple as that. We require an approved contractor that opens a vacancy for a labourer to take a labourer that is unemployed that is resident or a Gibraltarian or another nationality, but certainly we do not allow contractors to work on Government contracts – not just in the construction. For example, if there is a security company and the security company wants to employ non-Gibraltarian labour which they frequently do, then we require them to put in the contract that that worker will not be used on a Government site if we have got available workers and they have not taken them on.

1630 So the answer is that the hon. Member has actually approached me directly in some cases and I have immediately acted on it and made sure that the person concerned was given the opportunity to be taken on by different construction companies and in some cases, what we do is, we actually provide a financial incentive. If there are people that have got personal problems which are considered to limit their opportunity for getting work, sometimes because in a place like Gibraltar, as we all know, everybody knows everybody and somebody then carries his whole history with him in Gibraltar whereas somebody can come across the frontier and be a serial killer and nobody would be any the wiser here. So what we do is, we actually say, 'Well look, let us say that you are going to give him training to become a semi-skilled worker and we will then provide you with funding for two or three months in order to make it financially more attractive but you take the local one'.

1635 But certainly, I am quite open to any ideas that I have not thought of and put them to the test if it will increase the take-up, because as far as I am concerned, the commitment is 100%.

1640 **Hon. D A Feetham:** Can the hon. Gentleman ... ? The young boy that I spoke to him about, he has not received a call and I would appreciate it. It would be a wonderful Christmas present for him and his family if he did receive a call.

1645 **Hon. J J Bossano:** Certainly I will first find out why it has not happened, because I was under the impression it had happened already.

Q912/2016

**Calpe House building in Norfolk Square –
Discovery of asbestos**

Clerk: Question 912, the Hon. Ms M D Hassan Nahon.

1650 **Hon. Ms M D Hassan Nahon:** Does the Government have any intention of launching an investigation into the circumstances surrounding the discovery of asbestos in the new Calpe House building in Norfolk Square, after the purchase had already taken place?

1655 **Clerk:** Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano): No, Mr Speaker.

1660 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I ask this question because it appears that there are some very serious discrepancies between Mr Albert Poggio's words on this matter. On the one hand we have a non-intrusive survey which took place, because we were told by Mr Poggio that the survey was restricted due to regulations and yet on the other hand, when we look at the Health and Safety Executive Guidelines, they say quite the opposite.

1665 The HSE highly recommends that, when buying a Grade II listed building, that intrusive and thorough checks take place with regard to asbestos management and I quote, 'a very much higher standard of care must be applied.'

1670 So there are questions, Mr Speaker, which concern an entire community which spends most of its time during the year raising money for Calpe House, who have raised a lot of money for our very sick patients who end up in Calpe House and all of a sudden we find that it seems that a purchase was made at any cost without the proper checks. Questions such as 'who was restricting the survey?', because apparently it would have been the duty holder who had the duty to ensure that an intrusive survey took place.

1675 I think these discrepancies are of huge public interest and I think the Government should reconsider sending someone from Gibraltar like a project manager from No. 6 to find out exactly why a purchase which affects the entire community was made without the thorough checks.

1680 **Hon. J J Bossano:** Well, I am of course very close to Calpe House as the hon. Member may know, because the initial idea was launched way back in 1988-89. We are all giving £100 a month of our money to Calpe House, so we have got a personal interest in making sure that that money is being well spent for what it is intended.

1685 But of course this is a private charity that is independent of the Government and it is not the Government that has to do an investigation because that would imply that we do not trust the trustees, we do not trust the people who are doing it and that they require to be investigated. In fact, when the matter was brought up with the trust, the trust did carry out its own investigation. The level of asbestos is the kind of level of asbestos that you would expect in any building anywhere in London and it has been identified and it has been put right and it has cost I am told, £125,000 which means that in the cost of the building of £9 million, there could not have been much asbestos there because it was £125,000.

1690 Nevertheless, the people that are engaged professionally by the trust are looking into the matter to see if there was any negligence amongst the professionals that they engaged to do this work and the £125,000 can be recovered if there is a legal case for recovering it. But the charity has carried out a thorough investigation itself and it is satisfied that there is nobody that can be held responsible for not having found the asbestos at an earlier stage in the construction.

1695 Sometimes you have to decide whether you are going to spend a lot more money doing a
much more thorough thing and you then take advice and the advice that you get is look, it will
cost you £x to do a survey of this level and twice £x ... and if the risk of finding asbestos is
considered to be below a certain level then a judgement is made to do a less thorough
assessment because it would have cost us considerably more than the £125,000 it has cost to
1700 put it right, if we had done a Rolls Royce assessment from day one on the building.

And when I say 'we', I mean the Calpe House people and that is the explanation that they
have given me because I have obviously contacted them in order to be able to provide any
further information which I am only able to provide because they have been good enough to
give it to me. But they are an independent charity, I can say that I continue to support them, I
1705 continue to urge people to support them and I continue to put £100 out of my own pocket every
month. I believe it is still worth supporting the charity, notwithstanding that they have had to
spend £125,000 out of the £9.5 million put in, by the asbestos thing.

Hon. Ms M D Hassan Nahon: Mr Speaker, it is absolutely worth supporting and this is exactly
1710 why I have such a concern about the discrepancies raised by the very person who was engaged
in making this purchase and this is why things do not add up.

The other thing that does not add up is that in the architect's website, it says that the client is
the Government of Gibraltar and the Calpe Charitable Trust and in the amendment of the lease,
it says that this purchase is supported by HMGOG and the Calpe House Charitable Trust.

1715 So there is no way that the Government can shirk off responsibilities of a purchase which was
made full of discrepancies and doubts, and it is precisely because it is such a worthy cause that I
am bringing it up. And when we talk about risk, I think that there should be zero risk. The irony –

Mr Speaker: The hon. Lady must realise that although this is a matter of great public interest,
1720 we cannot have a debate at Question Time.

I have allowed her to make lengthy explanations and preamble because it is a matter of
interest, but I think she must direct a question to Government. Having regard to the fact that she
has mentioned that in the something or other the Government is mentioned, she is quite
entitled to pursue that and ask the Government, 'does the Government therefore not consider
1725 that they have some kind of public duty?' But what we cannot have is exchanges which are by
way of a debate. We can have questions and we can have answers.

Hon. Ms M D Hassan Nahon: Mr Speaker, sorry about that and thank you for your
intervention.

1730 Basically the question is: considering the fact that we are sending our most vulnerable, most
of which we are sending cancer patients to a property which was ridden with asbestos, the irony
of it I think merits an investigation so that these type of discrepancies and purchases which
could affect our very vulnerable do not happen again.

1735 **Hon. J J Bossano:** Well, certainly it will not happen again because we are not going to have a
third Calpe House being bought, certainly not for a very long time. And in any case, the hon.
Member seems to be rather ignorant of how this works. We are not actually sending patients
into a building site at the moment; we are sending them into the existing Calpe House which has
no asbestos that we know of, although we never did an asbestos survey in 1988 when we
1740 bought it. People were not as sensitive in 1988 as they are now and if it has asbestos then it has
had asbestos since 1988 and our patients do not seem to have been affected.

Because you can have asbestos in a building and as long as you do not touch it, you are okay.
It is only when you start removing asbestos that people require to have special protection
because the asbestos that goes into the air is the asbestos that goes into your lungs. So it is in
1745 the process of demolishing things that sometimes you find that there is asbestos where you did
not expect it to be.

1750 When you do an initial survey of a building, then you look at where there is probability that there may be asbestos and you do a survey of the building and you look in all the places where you would expect asbestos to be and that will cost you £x. You can say, 'Well look, I want to do a survey that makes it impossible for there to be asbestos without my knowing beforehand' and then instead of spending £x you spend 20 x £x.

1755 The way that most people that do buildings operate is that they do a survey that is reasonable to do and then if they come across the unexpected, they spend money putting it right. The money that has been spent to putting this right has been £125,000 and it has taken something like three weeks to put right. So it is not that the place was riddled by asbestos as the hon. Member opposite seems to think from what she has read about it, because in fact if that were the case, then the cost would have been considerably higher and the time taken to put it right considerably longer.

1760 So what I am telling her is that the Government will not launch an investigation, because an investigation has been carried out by the trustees and the trustees are satisfied with the result, they have produced the necessary evidence, they are now looking only to see if the cost that has been incurred can be attributed to insufficient professional activity from the people that were engaged to do the surveys initially, or the people who were engaged to the contraction and if the responsibility can be, if the finger can be pointed at who made the mistake at an earlier stage and did not identify it, if it was possible to identify, then they will take the necessary legal advice as to whether somebody can be pursued for the recovery of the £125,000.

1770 As far as the Government is concerned, the Government is satisfied that the trust has done everything that it needed to do to make sure that the little amount of asbestos that was found has been removed and that there is no risk at all that there will be a finished Calpe House receiving patients, full of asbestos, which will result in the patients getting sicker by going into Calpe House than they were before they left Gibraltar.

1775 It is complete nonsense to suggest that is a potential risk resulting from the fact that in the basement of a building you found asbestos when you were doing the building. That has no connection with where the patients will be when the building is finished in the future. When the building is finished in the future, there will be no trace of asbestos anywhere in the building.

1780 **Hon. Ms M D Hassan Nahon:** Mr Speaker, is it of no concern to the Minister that the agent buying this property on our behalf said that he was restricted by surveys when the Health and Safety Executive specifically recommends that intrusive surveys have to be made on Grade II listed buildings in terms of how we do our things and how we carry out our business?

1785 **Hon. J J Bossano:** Well I do not pretend to be as knowledgeable about construction or asbestos as the hon. Lady appears to be. I am relying entirely on what the people engaged to do this work report and on the results of the investigation. And the results of the investigation are that they have concluded that the level of asbestos that was found was identified, it was put right, it was removed and that it has cost £125,000.

1790 The argument of the hon. Lady is 'why was it not found earlier?' Well, partly because it would have cost more to do a more thorough search than what it has cost to put it right. But it has nothing to do with what is going to happen or not happen to patients that are sent to Calpe House in future when the place is finished and ready to be occupied.

1795 So whatever it is, if there was anybody in danger, the only people in danger were the construction workers in the building which is when the asbestos was found in the course of construction. This is not a unique situation; it happens in many old buildings that where you least expect it, you find asbestos. It happens everywhere in Gibraltar when you go to a building that is over 100 years old.

But the fact is that the people who are responsible for health and safety require protection to be provided and action to be taken when it is discovered. Because when it is discovered is when you have got to say you cannot just barge in and start. It happens, we have had situations very

1800 recently where in one particular site people were taking on frontier workers who had been taking off asbestos sheeting and dumping them on a lorry as if it did not make any difference, putting their own health at risk and the risk of health of everybody in the vicinity because this stuff goes into the air.

1805 But this building is being done in the United Kingdom, under the United Kingdom controls on the laws that apply to building sites and nobody has suggested that they were breaking UK law and no Health and Safety Inspector in the UK has come in and reported anybody for breaking the law.

1810 The reality of it is that it would have been preferable if there had not been this asbestos found because the £125,000 would not have been spent, but I think it is being blown out of proportion by the way this thing was actually put into the public domain. And it does, you are not doing anything for the benefit of the charity by suggesting that we are going to be sending patients in the future into a building that is ridden with asbestos but which will have been finished with the asbestos still in it and would have been allowed by the authorities in London to have continued to be operating and housing people with asbestos.

1815 Even if we wanted to do it, which would be a very stupid thing to do, we would not be allowed to do it by them. So you know the entire concept of people being at risk is entirely hypothetical and in fact completely false and wrong.

1820 **Hon. Ms M D Hassan Nahon:** Mr Speaker, with respect I feel like the hon. Gentleman is not answering my question. Instead he is diverting on a message that I am suggesting that people are going to be housed in a building full of asbestos and suffer another type of illness.

1825 What I was saying was the irony of the fact that we are supposed to be caring for our sick, while we buy a building without doing the proper checks and balances, and my question is again, which the hon. Gentleman has not answered, is he satisfied about the way that we carry out our business in a way which is contravening to the recommended guidelines on a matter of such public importance?

1830 **Hon. J J Bossano:** I do not accept that that is what she is asking. That is what she has just asked now, because she has talked about sending the patients there in a place where there is asbestos.

And I do not accept that the Government has got a responsibility to supervise the building, because we have full confidence in the trustees and in the charitable trust and in the fantastic work they have been doing over the years for patients from Gibraltar.

1835 As far as I am concerned, what she wants me to do is to put in doubt the professionalism or the integrity of the people concerned and I will not do that because I do not agree with her. And I will not carry out an investigation because it has already been investigated. I trust the people that have investigated it and I believe the results they have come out with and there is no asbestos there any more. So what is it that she wants us to do? I think she is just stirring it up for the sake of getting attention.

1840 **Mr Speaker:** Any other supplementaries?

1845 **Hon. D A Feetham:** Mr Speaker, just on this particular issue, and indeed may I say before I ask the question, I think that at some stage, or it may well be that it is still there, that some estates like Varyl Begg for example had asbestos and as long as one did not attempt to remove it or work with it, people lived there and nobody was decanted.

1850 But the question is this: is it that the survey that was originally done in relation to the new building did not pick up the fact that there was asbestos in the building and therefore presumably that could potentially lead to a professional negligence action against the people who did the survey, or was it that they never undertook the type of survey that would have picked it up?

There is a difference between the two. And of course in relation to the former, I take the point that the hon. Gentleman has made that if it is going to cost you £125,000 to instruct lawyers in London to take proceedings in relation to that, it is going to cost you much more and that has got to be weighed up. But I am not clear which one it is, the former or the latter.

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Hon. J J Bossano: Well, I think if it was missed out then probably there is somebody who did not do the job as thoroughly as he should have done, and therefore if it is not pursued it is because the cost of pursuing it would be more than what we would eventually get if we won. When I say 'we', I mean the charity. So I think that is the way they are looking at it. But they are considering that possibility but that depends on the professional and technical advice that they get, whether the survey that was done should have picked it up.

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What I can tell him is that from my own knowledge of how these surveys are done, having been in the construction myself, amongst the many things I have done, the reality of it is that when you employ somebody to do that kind of survey you decide how high and how thorough you want it to be and there is a price to be paid.

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Therefore you get advice that 'Look, we can look in every nook and cranny and spend six months and that will cost you a million quid; or, we can look at where it is 90% likely that if there is it would be in such and such a place and that will cost you considerably less.' What they did was what was standard for that type of building with that age in that location. No more than the standard which is what was recommended at the time and that is what was done. It was not that somebody recommended something and it was overruled or anything like that, because then there would have been a record of that having happened. To my knowledge, there is no such record.

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So, it is regrettable that it was there, it can happen with any building unless you decide to spend more on the investigating if there is asbestos than you spend on the building itself, which is not recommendable and it has been identified and it has been put right. Therefore the investigation has been carried out by the trust as far as I am concerned it has been investigated successfully and with a successful result, the removal of the asbestos at a relatively low cost compared to the size of the contract for the building.

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There is nothing left to investigate and we are not going to re-investigate what has already been investigated once.

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Q913/2016

Calpe House building in Norfolk Square – Government role in purchase

Clerk: Question 913, the Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: Can the Government clarify the nature of its role in the acquisition of the new Calpe House premises in Norfolk Square?

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Clerk: Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.

Minister for Economic Development, Telecommunications and the GSB (Hon. J J Bossano): Mr Speaker, the Government's role in the acquisition of the new Calpe House premises in Norfolk Square has been to give the charity whatever support and assistance they require, including financial support, to which I referred in my Budget speech in 2015.

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1895 **Hon. Ms M D Hassan Nahon:** Mr Speaker, once again I draw attention to the architect's website where it clearly states that the client is HM Government of Gibraltar and the Calpe House Trust and to the amendment to a deed which again says HM Government of Gibraltar.

Therefore I ask whether the Minister might want to review that answer, given that on print it says differently.

1900 **Hon. J J Bossano:** Well, Mr Speaker, the Government approved the purchase, we agreed a soft loan, the Financial Secretary was involved in the advising of the purchase negotiations, the Chief Technical Officer of the Government of Gibraltar was fully briefed on the refurbishment and the GHA, the Occupational Therapy and the Sponsored Patients' Departments were fully engaged on what the project was intended to achieve. That is the whole of the involvement we have had.

Ultimately, we are involved in something that is an independent charity.

1910 **Hon. R M Clinton:** Mr Speaker, if I may ask the Minister, the nature of this soft loan, was it via the Improvement and Development Fund and maybe I can find it if I look for it? And secondly, is this loan secured on the property?

1915 **Hon. J J Bossano:** Yes, there was an initial loan which was without security and that has been replaced by a loan by a bank in the United Kingdom secured on the property. And what we have provided in the I&D Fund which I asked the Members opposite to support in the Budget of 2015 was a provision and I said parallel to that that we do when we provide soft loans for the housing estates, for home owner estates, where what we do is we provide the difference between the commercial rate of servicing the loan, and the soft loan element being that we in effect contribute to the cost.

1920 **Hon. R M Clinton:** Mr Speaker, I am not sure if I understood the hon. Gentleman correctly. The commercial bank that stood in and is now providing the loan secured on the premises, that loan is to whom, to the Calpe Trust or to the Government?

1925 **Hon. J J Bossano:** It is not to the Government, obviously. *(Interjection by Hon. R M Clinton)* No, no, I mean if it was to the Government, they would not need to be securing on anything. The Government is so strong that people give us money without security. *(Laughter)*

1930 **Hon. R M Clinton:** Mr Speaker, I am grateful to the hon. Gentleman. But I was trying to understand I guess, is there still a soft loan in place between the Government of Gibraltar and the Calpe House Trust?

1935 **Hon. J J Bossano:** Mr Speaker, originally, the loan was in anticipation of the finance that will be provided by a bank in London, because they needed money initially to pay costs but they had not yet acquired the property.

Remember that we have got a situation where the existing property, the existing Calpe House is quite a valuable property which will become available to be sold once the new one is ready to be occupied. So that in itself is expected to come back and provide a great deal of the repayment cost of the existing building.

1940 So we in a way provided, if you like, a bridging loan until they close the deal which they have got at quite a reasonable rate. I think they are only paying something like 2.5% for the loan for the building because, for a loan on a building like that which is a valuable property in a valuable part of London, there is no problem with getting money from institutions in London.

1945 Therefore the only help that we now give is any help in the servicing of the loan, in meeting the interest costs of the loan because in effect it depends ... The money that is being raised is the money for the capital investment, not the money to pay the interest.

1950 Initially the support that we gave them was greater because in fact they needed the money without having the asset to secure the loan. Now they have got the loan secured, it is at a good rate and is fixed for a number of years. The rate of interest is fixed so they are protected against interest rates going up in the future if they do.

So we are happy that the arrangements are reasonable and that the level of support they need for us is not going to be escalating.

1955 **Hon. R M Clinton:** I am grateful to the Hon. Minister for that answer. I guess I would say that it will come as a great comfort to him and the people of Gibraltar that a commercial bank would be willing to lend on the property, which indicates the confidence that a lender will have in the quality of the property.

1960 **Hon. J J Bossano:** It is quite a well-known big bank in London that is putting the money up, yes.

Mr Speaker: Any other supplementaries?
Next question.

ADJOURNMENT

1965 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I move that the House do now adjourn –

1970 **Mr Speaker:** May we do ... ? I have one final question here with me: it is for the Hon. the Deputy Chief Minister to answer, and that might mean that he does not need to be here first thing this afternoon.

Hon. Chief Minister: We are not going to come back this afternoon, Mr Speaker.

Mr Speaker: We are not?

1975 **Hon. Chief Minister:** No. So I move that the House do now –

Mr Speaker: Can we then please do this final question?

1980 **Hon. Chief Minister:** No, Mr Speaker, the Deputy Chief Minister and I will be here together at the next –

Mr Speaker: You are the Leader of the House –

1985 **Hon. Chief Minister:** Thank you. For no reason other than, Mr Speaker, that I know that everybody else has commitments now with the Royal Gibraltar Police, who have an organisation ...

Mr Speaker: Adjourning till when?

1990 **Hon. Chief Minister:** Tomorrow at 2.00 p.m.

Mr Speaker: The House will now adjourn until tomorrow at 2.00 p.m.

The House adjourned at 1.07 p.m.