

PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 2.45 p.m. – 4.04 p.m.

Gibraltar, Monday, 6th November 2017

Contents

Congratulations to the Chief Minister on election as Bencher of the Middle Temple	3
Questions for Oral Answer	3
Chief Minister	3
Q696/2017 Gibraltar Private Sector Workers and Pensioners Association – Government decisions	3
Q671/2017 Emergency Services hub at Rooke site – Government intentions	8
Q673/2017 Bus fleet purchase agreement – Expiry date on buy-back clause	8
Q674-675, 693-695/2017 Fire Station; GBC; roof gardens; amphitheatre; domiciliary care - Government plans	
Q676/2017 Gibraltar Development Plan – Plans to revise	11
Q677/2017 Official travel of Ministers – Policy on air miles	13
Q678, 686-689/2017 Civil Service recruitment – Grades, promotions, sub-contracts, vacancies	14
Q679/2017 Developing the Rooke site – London and Regional interest	17
Q680/2017 Blue Water development – Negotiations with Camoren Holdings Limited	18
Q681/2017 Mount Alvernia site—Potential sale to hotel developer	21
Q682/2017 Consultative Council – Ad hoc membership	22
Q683-684/2017 Construction of affordable housing schemes – Financing	22
Q685/2017 Waterport Terraces purchases – Excessive delays	24
Q690/2017 Imperial Ocean Plaza – Waiving of import duty for construction and fitting out	24

GIBRALTAR PARLIAMENT, MONDAY, 6th NOVEMBER 2017

	Q691/2017 Question withdrawn	25
	Q692/2017 Affordable home purchasers – Obtaining mortgages	25
Que	stions for Written Answer	. 25
Adjo	ournment	26
The	House adjourned at 4 04 n m	26

The Gibraltar Parliament

The Parliament met at 2.45 p.m.

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

[CLERK TO THE PARLIAMENT: C McDonald Esq in attendance]

PRAYER

Mr Speaker

Congratulations to the Chief Minister on election as Bencher of the Middle Temple

Mr Speaker: Before we proceed with questions, I want to take the opportunity to congratulate the Chief Minister on his being elected as a Bencher of the Middle Temple. He is the second of Gibraltar's Chief Ministers to have been so elected, following in the footsteps of Sir Joshua Hassan.

Congratulations, I am sure, on behalf of everyone. (Banging on desks)

Questions for Oral Answer

CHIEF MINISTER

Q696/2017 Gibraltar Private Sector Workers and Pensioners Association – Government decisions

Acting Clerk: We continue with answers to oral questions. Question 696/2017. The Hon. Ms M D Hassan Nahon.

- **Hon. Ms M D Hassan Nahon:** Has Government made any decisions yet in connection with the Gibraltar Private Sector Workers and Pensioners Association following the association's discussions with Government for the last six years and also following the general statements of the Chief Minister in his budget address of this year?
- 15 **Acting Clerk:** Answer, the Hon. the Chief Minister.

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Chief Minister (Hon. F R Picardo): Mr Speaker, I am very pleased to be able to inform the House that the Trustees of Community Care have now informed the Government that, in coming days, they will be making a statement specifically on the additional financial support measures

for pensioners in order to ensure that the standard of living of such pensioners keeps up with the growth in the economy.

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The reason the statement has not been made before today is that this question has been pending answer in this House.

Hon. Ms M D Hassan Nahon: Mr Speaker, I appreciate that answer, but as the Chief Minister might understand, we have seen assurances twice in the 2011 manifesto, 2015 manifesto, we have had announcements in the Budget, we have had union representatives making announcements on *Viewpoint* and *GBC*, also announcements in the May Day Rally this year.

How can the Pensioners Association be assured that this time these announcements are for real and can we have any idea of an implementation date as well?

Hon. Chief Minister: Mr Speaker, I am sorry to say to the hon. Lady that she is woefully confused.

The announcements by the union leaders that she is referring to relate to the introduction of the principle of pensions in the private sector for those who are working now. That is completely different to the issue on which she has asked me a question, supposedly on behalf of the Gibraltar Private Sector Workers and Pensioners Association – incidentally an association that my Government is the only Government to have entertained and an association with which we have had a long association.

But it is true to say that we have not been able to make an announcement before. What I have said is that it is very likely that these payments would not be payments which the Government would be responsible for, that they would be matters that would be dealt with at Community Care.

We have had discussions with Community Care. I said I expected to say something in September, which has not been possible. She filed questions in mid-October. That stopped the clock because if we answer questions once hon. Members have filed a question, they get upset that things happen. So what I am saying to her is: the minute this session is over, I understand that the Trustees of Community Care are ready to make that announcement.

But it is not an announcement which relates to the issues which union leaders have been dealing with and have been raising in programmes and have made other announcements in relation to, which we are also progressing on. This is a separate issue. It is about existing pensioners, not future pensioners, who are receiving amounts which in many instances are even below the minimum wage.

Hon. Ms M D Hassan Nahon: Thank you, Mr Speaker. Can the Chief Minister give us any idea of implementation dates?

Hon. Chief Minister: Mr Speaker, I always hesitate to deploy with her the sort of remark that I might deploy with others. But she should know that when it comes to Community Care, the Government is not in any control and therefore the Government is not going to be able to make a statement as to implementation.

The reason for that is not to try and avoid a question. The reason for that is not to try and avoid giving information to members of the Private Sector Workers and Pensioners Association for whom I have the very highest regard and who have done a magnificent job in advocating for those who might be less well-off in our community; but because Community Care is an independent charity. And if it were perceived not to be an independent charity, then what it does so successfully for Gibraltarian resident pensioners, it might not be able to continue doing.

Hon. Ms M D Hassan Nahon: Mr Speaker, can the Chief Minister give us any assurances that he may ensure that things move on as independently as he can from that further position once

he has told us that there will be an announcement? If we do not hear anything, can we hear something back from the Chief Minister?

Hon. Chief Minister: Well put it this way, Mr Speaker: the Chief Minister stands by what he says in this House. She is not going to get the opportunity to embarrass me by asking in Parliament next month whether what I said in answer to Question 696/2017 is going to materialise in December, instead of in November.

But the answer I have given her talks about the aspects of this that the Government had to deal with itself. That I have told her, in the context of this answer, has now been dealt with. Action now moves to an independent third party, who must remain independent for the reasons I have already indicated.

Now, if she will excuse me for saying, if she stops playing to the gallery and lets things just play out in coming days, as this statement I have just read suggests, she might find that the Gibraltar Private Sector Workers and Pensioners Association are very pleased indeed with the work that the Government has done on their behalf in the past six years.

Mr Speaker: The Hon. Roy Clinton.

Hon. R M Clinton: Thank you, Mr Speaker.

If I may ask the Chief Minister, the Scheme that is envisaged to be announced, is this going to be on the same form or structure as the previously discussed Universal Credit Scheme that was communicated to the Gibraltar Private Sector Workers and Pensioners Association?

Hon. Chief Minister: Well, Mr Speaker, I am grateful for that question from the person in a caretaker leadership capacity in the party that did not entertain them when it had the opportunity to do so as a government, because he too needs to understand that what I have said is that an announcement is going to be made by an independent third party. So therefore, it would not be an independent third party if I was making announcements on behalf of it in this House.

Mr Speaker: The Hon. Mr Feetham.

Hon. D A Feetham: Mr Speaker, just to be absolutely clear, Community Care is an independent charity, it is run by independent trustees and the Governments on both sides of whatever political persuasion throughout the years have always defended the independence of Community Care.

Therefore, although this is an announcement that the Chief Minister is making in answer to a question from the hon. Lady, just to be absolutely crystal clear, this is an initiative from independent trustees who have made independent decisions to effectively pay this money at this particular rate but it is not a decision that is a decision of the Government.

There might have well have been discussions in the background but this is an independent decision from independent trustees out of the resources of that particular trust.

Hon. Chief Minister: Mr Speaker, that is absolutely right and this is an issue that is very topical. In fact in the news overnight, people may have seen the issues that now surround Lord Ashcroft in respect of the management of a trust beyond the reach of the trustees who should be making independent decisions according to what we have read in some newspapers and seen on some television programmes.

That is why the statement that I have read simply says that I am very pleased to be able to *inform* the House that the trustees of Community Care have *informed* the Government, because a question has been asked of the Government and I sought their views, that they will be making an announcement about what they have agreed to be paying.

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GIBRALTAR PARLIAMENT, MONDAY, 6th NOVEMBER 2017

It is true that we have made representations to the trustees on behalf of the Gibraltar Private Sector Workers and Pensioners Association which the hon. Member will have heard me say before in this House, but I entirely support the way that he has phrased the independent decision-making which must occur in the context of this trust, Community Care Trust, as there must be independent decision-making in respect of every single trust. That is why, Mr Speaker, no GSLP Chief Minister will ever consider Community Care as a ticking time bomb or anything like that.

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Hon. R M Clinton: Mr Speaker, just one final question on this. If for any reason the Gibraltar Private Sector Workers and Pensioners Association are not satisfied with the forthcoming announcement, to whom should they turn? Should it be the Government or Community Care?

Hon. Chief Minister: Well, Mr Speaker, it certainly should not be to the party that had the opportunity of assisting them when they were in Government and did not.

Hon. R M Clinton: Mr Speaker, I do not believe I had an answer to my question.

Hon. Chief Minister: Sorry, Mr Speaker. It certainly should not be to the party that had the opportunity of assisting them when they were in Government and did not.

Hon. R M Clinton: Mr Speaker, I know he may have been made a Bencher of the Middle Temple, but we are here in this Parliament and I have asked a very simple question on behalf of the people in this gallery – he does not even have to look at the camera; he can look at them directly. If he can turn to them and tell them, if they are not happy, who do they turn to?

Hon. Chief Minister: Oh I see, Mr Speaker, so the Leader – well, the putative or current or caretaker Leader – of the GSD has now taken to making representations for the Gibraltar Private Sector Workers and Pensioners Association, the group that they ignored when they were in Government. Well, I see.

Well, Mr Speaker, if that is the question, then what the Gibraltar Private Sector Workers and Pensioners Association know is that they can continue to turn to the only Chief Minister that has entertained them in the time that they have had an opportunity of doing something.

And I know that they are all there, they are very welcome, like every citizen of this nation, to come and see us and hear what we have to say, in particular when we are fulfilling our commitments to people – those commitments which we acquired when the party that he now leads failed to even meet them.

Mr Speaker: The Hon. Daniel Feetham.

Hon. D A Feetham: Mr Speaker, the Hon. the Chief Minister has indicated that the trustees of Community Care will be looking at 8% – sorry not 8%; 8% is the increase in GDP – increases in GDP. Does he know what would be the position, for example – or perhaps the discussions have not gone that far, bearing in mind that it is the trustees that make the decision – but if there is a slow-down in the economy and for example there is no economic growth, do we then envisage that there will be no increase in payments because of it?

Hon. Chief Minister: Mr Speaker, I am quite surprised that the hon. Gentleman who was Minister for Justice in the Government that did not entertain this collective is now pursuing what would happen in the event of the economy not growing, given that when the economy was growing, he as Minister for what must now be referred to as *injustice* failed to address the issue.

But, Mr Speaker, I think from my own logic, what would not make sense is that there should be any group that might see their rewards grow when others do not. So if the economy were not

to grow, therefore if inflation were to be at zero, for example – and growth in the economy can be measured in many different ways, but one of the ways in which it is also determined is if there is growth by way of inflation – and if state pensions did not grow, then it would be surprising to see other benefits also grow which related to pensions.

But that would not be a matter for me. He is asking me a question that I should simply have answered by saying it is entirely hypothetical because he is asking me in effect to do that which he warned me not to do, and put myself in the position of the trustees and make a decision for them, if only by way of indication, if not by determination.

In which case, if what he is asking for is by way of indication, not determination, that is hypothesis and that is not an appropriate question in this House.

Hon. D A Feetham: Mr Speaker, the hon. Gentleman, I have to say, even in my semi-retirement, manages to sort of lure me out of my semi-retirement state!

Hon. Chief Minister: Welcome back.

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Hon. D A Feetham: Thank you very much.

Mr Speaker, there is and this is precisely part of why I asked the question that I asked ...

The hon. Gentleman has stood up; he has on the one hand attempted to claim credit for this initiative by answering the question from the hon. Lady. And then on the other, he has said, as must be the case, because it is the trustees of Community Care of course — it must be the position — it is not the Government's decision; it is the decision of Community Care.

So he cannot have it both ways. He cannot claim credit and say, 'Because I have entertained and I am the one that should be gaining the credit for this – but it is a decision that has been taken by the trustees of Community Care.' If it is a decision of the trustees of Community Care, it is a decision of the trustees of Community Care.

But he is wrong, Mr Speaker. He is wrong in his analysis and there is a serious point – forget about all the political toing and froing, there is a serious point here – and it is this: that you can have a situation where you can have rampant inflation, for example, and an economy that is contracting. You could have that kind of situation.

I am just trying to drill down into what would happen – now if he does not have the answer, he does not have the answer – but what would happen if there is a contraction in the economy but there is a growth in inflation and therefore effectively these individuals would be losing out – losing out because the economy contracts, but also losing out because inflation increases. I just wonder what the position would be in that situation.

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Hon. Chief Minister: Mr Speaker, I miss him so much. (Laughter) I never thought I would, I really never thought I would.

Mr Speaker, I miss him because he manages to conflate and not clarify, in the process of seeking answers to questions.

There is a very important point here and the very important point, Mr Speaker, is that there are people in our community who do not have pension provision made available to them which allows them to have a dignified retirement. That was the point that was made to me in 2011 and that is the point that I have analysed with the Government in Cabinet and that is the issue which I told the House before we would be making representations to Community Care about. And that is what Community Care have now, as a result of those representations, told us that they will seek to address in a statement that they are about to make.

Now, what the hon. Gentleman is asking me to do is to look forward to a situation which has not occurred and say how it will be dealt with. That is a hypothetical question. It is a question, Mr Speaker, that is not in order under the Rules.

But I will tell him, Mr Speaker, why it is also in my view, not a relevant question. Because in Gibraltar, at least in the time that I have been in office and indeed in the time that my

predecessor as Chief Minister was in office, state pensions have always grown by the rate of inflation, not with a view to the growth of the GDP.

So, Mr Speaker, looking into the future is a mug's game and I will not do it. But by looking at the past, I can tell the hon. Gentleman that everything that relates to pensions in this community has gone up based on the growth of inflation, not on the overall growth of the economy.

Mr Speaker: May I point out to the Chief Minister that during the years when I was in Government, state pensions, old age pensions, were increased in accordance with the increases in average earnings. Just for the record – nothing to do with inflation.

Hon. Chief Minister: Thank you, Mr Speaker.

I was not around then and I do not want to debate with you but those who were seem to recall that there might have been some instances where that was not quite the case, but we are not here to debate; it is Question Time.

Mr Speaker: Next question.

Q671/2017 Emergency Services hub at Rooke site – Government intentions

Acting Clerk: Question 671. The Hon. R M Clinton, on behalf of the Hon. E J Phillips.

Hon. R M Clinton: Mr Speaker, can the Government confirm that it intends to create an Emergency Services hub at the Rooke site?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, this continues to be one of the opportunities potentially available.

Hon. R M Clinton: Mr Speaker, just by way of clarification, would the Chief Minister then confirm that there is a project or there are plans certainly to move at least the Fire Brigade to another location?

Hon. Chief Minister: There is a similar question in the Order Paper later on, Mr Speaker.

Q673/2017 Bus fleet purchase agreement – Expiry date on buy-back clause

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Acting Clerk: Question 673. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, can the Minister say if there is an expiry date in the purchase agreement for the bus fleet of the buy-back clause and if so, when that date is?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, there is no expiry date.

Q674-675, 693-695/2017 Fire Station; GBC; roof gardens; amphitheatre; domiciliary care -Government plans

Acting Clerk: Question 674. The Hon. T N Hammond.

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Hon. T N Hammond: Mr Speaker, when does Government intend to move the current City Fire Brigade Fire Station as proposed in its 2011 manifesto and to what location?

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

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Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Questions 675 and 693 to 695.

Acting Clerk: Question 675, the Hon. T N Hammond.

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Hon. T N Hammond: Where does Government intend to move GBC to as proposed in its 2011 manifesto and when does it consider that the move might take place?

Acting Clerk: Question 693, the Hon. L F Llamas.

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Hon. L F Llamas: Mr Speaker, can the Government explain why the roof garden displayed in their 2011 manifesto on affordable housing projects never materialised and confirm if they intend to provide roof gardens in the affordable projects recently announced where artist's impressions provide these?

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Acting Clerk: Question 694, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, does the Government intend to construct the 400 outdoor amphitheatre promised in their 2011 manifesto?

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Acting Clerk: Question 695, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, will the Government be expanding domiciliary care to include cooking, shopping and household chores as promised in their 2011 manifesto?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, Questions 674, 675 and 693 to 695 relate to manifesto commitments of the GSLP Liberals for the 2011 General Election.

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As a matter of principle, the Government will not subject itself to examination by the hon. Members about pre-Election facts and periods because in a democracy elections renew the mandate of the Government and they draw a line under the arguments of the Opposition up to that date because the electorate have expressed their judgement on those political arguments.

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Hon. T N Hammond: Mr Speaker, from that answer, can I just confirm with the Chief Minister that therefore all, or any, of the many, many many, non-delivered commitments of the 2011

GIBRALTAR PARLIAMENT, MONDAY, 6th NOVEMBER 2017

manifesto will now not be delivered or that the Government will not in any way be accountable for their delivery, including the move of GBC and including the move of the City Fire Brigade?

Hon. Chief Minister: Is that despite having seen the expressions of interest announced in *The Chronicle* a couple of weeks ago, Mr Speaker?

Hon. T N Hammond: I do not think that answered the question, Mr Speaker.

Hon. Chief Minister: Mr Speaker, the hon. Gentleman has seen in the local press that there is an advertisement in respect of the relocation of GBC. So is he asking me the question in light of that public statement which he will have seen in the local press?

Hon. T N Hammond: Mr Speaker, I have not seen that advertisement in the local press and I do not know if that advert went out after this question was submitted or not. But perhaps the Chief Minister could clarify where it is the intention to move GBC, which is the nature of the question.

Hon. Chief Minister: Well, Mr Speaker, I am not here to answer questions about things which are public and the hon. Gentleman is expected to at least keep up with the local newspapers, Mr Speaker. And there has been an advertisement in the local press, not when hon. Members filed questions – it was not a statement; it was an advertisement seeking expressions of interest for a particular site in Gibraltar, including for the relocation of GBC.

Now, it is really quite something if a Member of Her Majesty's loyal Opposition does not read the papers, Mr Speaker.

Hon. T N Hammond: Mr Speaker, with regard to the City Fire Brigade, is it the intention to move or has an advert gone out in similar vein, because I missed that one as well.

Hon. Chief Minister: Well no, Mr Speaker, he did not miss an advert; he missed an answer a moment ago. Because the hon. the current acting Leader of the Opposition – let me rephrase that. The hon. the current Acting Leader of the current Opposition –

Mr Speaker: Let me clarify the position.

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As far as I am concerned and therefore, in consequence Parliament, when the Hon. Daniel Feetham resigned as Leader of the Opposition, I was asked by the majority Members of the Opposition of the GSD to recognise the Hon. Roy Clinton as Leader of the Opposition.

Consequentially we have recognised him here in Parliament and he is being therefore paid by the Treasury the appropriate allowance in respect of that.

So as far as I am concerned, until I am told otherwise, Mr Roy Clinton is the Leader of the Opposition.

Hon. Chief Minister: Except, Mr Speaker, he has referred to himself as caretaker and acting. But I have no problem, Mr Speaker, let me put it this way. The current Acting Leader of the GSD, his party, has just asked me a question about the emergency services hub at Rooke and I have just given him an answer about that.

He did not even have to read the papers – just had to keep his ears open.

Hon. T N Hammond: Yes and, Mr Speaker, I believe part of that answer was that there is another question on the Order Paper, which was specifically about the City Fire Brigade, not an emergency services hub.

So I am talking about the City Fire Brigade which was specifically committed to in the 2011 manifesto for it to be moved to another site.

Now, the other question I do understand, refers to an emergency services hub, I can see the two could go together. However, that was not clear and when the Hon. the Leader of the Opposition asked a follow-up question specifically to the City Fire Brigade, the Chief Minister replied, there is a further question in the Order Paper referring specifically to the Fire Brigade, which is why I am now asking questions specifically about the Fire Brigade, because it does not necessarily follow that an emergency services hub would contain the City Fire Brigade, although of course it may do.

Hon. Chief Minister: It would.

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Hon. L F Llamas: Mr Speaker, the reason why I asked questions about the 2011 Manifesto is because the Government at the time gave the undertaking in the manifesto that they would complete their manifesto commitments within the four years.

However, there is part of one of the questions which is to do with the current manifesto and the plans that have been recently announced to do with the housing projects, whether those gardens, the roof gardens which did not materialise in the 2011 affordable projects — the affordable projects done in the first term of office and we did not see them transpire — if those will be happening, given that they have been shown once again in artist's impressions and they did not materialise in the last parliamentary legislature?

Hon. Chief Minister: Well, Mr Speaker, the hon. Gentleman told us in this House last time we were here, in a debate on matters relating to self-determination that he continued to be a disciple of Sir Peter Caruana and some of the things that he had set out when he was Leader of the GSD.

What I have read out to him, Mr Speaker, about how you account in this House is *word for word* Peter Caruana in answer to Question 627/2007. It is actually vintage Caruana if you had seen the performance on the day and the hon. Gentleman, as an admirer of my predecessor, the former Chief Minister, would have enjoyed being in this House when he uttered those words.

So, Mr Speaker, in relation to the 2011 Manifesto, we have the obligations that we have. I think it is clear that we are continuing the process of delivering, but in relation to the current housing that the hon. Gentleman is talking about, all that we have seen at the moment are outline designs, more about massing and look. It is not clear yet whether those will be the final architect's designs.

But if he looks at the architects designs announced at the time that the projects got underway under the last manifesto, they have been built exactly as those who were purchasers and saw the designs actually were led to believe at the time that they bought.

I would say something else in that respect, Mr Speaker, if he cares to look again, because he is obviously the person to have most recently read it from cover to cover, at our 2011 New Dawn manifesto he will see that Mons Calpe Mews has been built identically, almost, to the images that appeared in that magnificent manifesto for the 2011 General Election, which I am reminded we were in the process of fighting this month six years ago.

Q676/2017 Gibraltar Development Plan – Plans to revise

Acting Clerk: Question 676. The Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, are there any plans to revise the Gibraltar Development Plan?

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

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

Hon. D A Feetham: Mr Speaker, can the Hon. the Chief Minister give an indication of when the exercise of revising the Gibraltar Development Plan will be completed?

Hon. Chief Minister: No, Mr Speaker, I cannot give an indication.

Hon. D A Feetham: Can he at least inform the House as to whether the Gibraltar Development Plan will be binding upon the Development and Planning Commission?

Hon. Chief Minister: Mr Speaker, the position in respect of the Development Plan will continue to be the same under the current legislation, whether it is reviewed or not reviewed, and under the new legislation, provision will be made in relation to Gibraltar Development Plans which is set out in that legislation. I have seen a draft and I expect it will be published shortly.

Hon. D A Feetham: Yes, thank you very much for that answer, but can he give any information as to whether there will be a tightening up of a requirement that the Development and Planning Commission basically adhere to the Gibraltar Development Plan.

I mean, there is a considerable amount of concern, certainly the people that I have spoken to from the Heritage Trust and indeed others, that there are a number of developments that have been built or are planned to be built, particularly within the walls of Gibraltar, that have been given the go ahead by the Development and Planning Commission that do not comply with the Gibraltar Development Plan and that it is important that there be clarity as to the legal status of the Gibraltar Development Plan.

There is a school of thought for example that suggests that the Gibraltar Development Plan at the moment is binding. I know that the Government and certainly the Development and Planning Commission take a different view. But is there going to be clarity in relation to that and a tightening up of the requirement that the Gibraltar Development Plan be adhered to?

Hon. Chief Minister: Mr Speaker, that is a matter that will be clearer when the Bill is published. There has been already a Command Paper which has led to a considerable number of representations made to the Government, the Government will publish a Bill that will take into consideration those of the representations which we have believed to have merit.

But all of these concerns, of course, Mr Speaker, that the hon. Gentleman refers to, do not equate to the considerable relief that is expressed to the Government by those who are very pleased indeed that the DPC now sits in public, that it publishes its minutes and that the debates of the DPC can be attended by any member of the public, and indeed that members of the public can make representations if they wish to object to a particular development because it contravenes the Development Plan, the current GSD Development Plan which, from memory, I think was developed almost more than a decade after they took power.

And, Mr Speaker, all of that I think demonstrates that there is a better opportunity today to give vent to those concerns in the context of decision-making in front of the DPC than was the case when the DPC met secretly under the administration that he was a member of and did not publish its minutes.

But if I may end on a more conciliatory note, Mr Speaker, I recall that in my early days of becoming politically aware, there were a raft of articles in a publication now defunct called *The Democrat*, I believe, which related to just this issue of the Development Plan. In particular in relation to a development over Rosia Bay, which I think became known as Rosia Plaza, and there one particular practitioner from a firm he used to practice in set out in great detail in those articles his in-depth knowledge of planning law and whether or not the plan should be binding

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or not. I think that might have been – talking totally from memory – 1986 or 1987. It is a debate that has run and run and I expect that the Bill, when published, will deal with it.

Q677/2017 Official travel of Ministers – Policy on air miles

465 **Acting Clerk:** Question 677. The Hon. D A Feetham.

Hon. D A Feetham: Thank you very much. What is the Government's current policy in relation to who should have the benefit of air miles accumulated as a consequence of the official travel of Ministers?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, the position of the Government is set out in the Ministerial Code.

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Hon. D A Feetham: Mr Speaker, it is a Ministerial Code that as I understand it is still not effective.

Now of course, again not wishing to become unduly belligerent in my semi-retirement state, can I say that of course I recall, and he must recall as well, that when he was on this side of the House, he would almost — well it was not monthly, but every time that we had a session of Parliament, he would ask about this particular issue because he felt it was an important one.

And therefore, six years on, when can we expect that the hon. Gentlemen opposite take a leaf out of the Hon. the Chief Minister's discourse when he was on this side of the House and ensure that air miles that are accumulated as a consequence of ministerial travel go effectively for the benefit of the Taxpayer?

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Hon. Chief Minister: *Already,* Mr Speaker, is the answer to that question, because that is the way in which this Government has behaved, even before we published the draft Ministerial Code, which I consider to be binding as far as I am concerned and indeed I think colleagues take the same attitude.

But in relation to this, as I said in Question 695/2008 to the then Chief Minister, I think the Taxpayer is entitled to the credit for the miles that are paid for by his/her pounds, shillings and pence and that is how we have acted from the moment that we were elected.

But not every airline gives air miles, Mr Speaker, and Ministers now do not ensure, as they might have done in the past, which he might remember was also one of my bug bears, that they fly with the airline that gives them miles even if it is more expensive for the Taxpayer simply because they are then able to spend them for themselves and their family, as was the case, Mr Speaker.

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He will recall me saying, in the time that he was a Minister in the former Government – although I do not know what he uses his air miles for – but there was one particular individual who I was very fond of, Mr Speaker, although he was on the other side of me, who was notorious for the collection of air miles, the spending of air miles on his own family's travel and indeed, Mr Speaker, other practices in relation to travel which I will not deal with in the context of this answer.

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But he can rest assured that I acted in keeping with my own views from the minute that I was elected in relation to this matter.

Hon. D A Feetham: Well, Mr Speaker, I am very glad to hear that and indeed therefore, the answer to the original question, it had nothing to do with the Ministerial Code because the Government as I understand it, all the Ministers that is the answer that the hon. Gentleman, correct me if I am wrong, all the Ministers of the Government have acted in accordance with that policy since they were elected in December 2011.

Hon. Chief Minister: Mr Speaker, that is a discussion we had in Cabinet and the position we took in Cabinet.

By the way, Mr Speaker, we had that discussion reminding ourselves of what we called the 'lack of shame' of practices before our time.

Q678, 686-689/2017 Civil Service recruitment – Grades, promotions, sub-contracts, vacancies

Acting Clerk: Question 678. The Hon. D A Feetham.

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Hon. D A Feetham: Mr Speaker, further to the answer to written question W119/2017, can the Government please explain why the recruitment process for those AA vacancies is still on hold?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Question 686 to 689.

Acting Clerk: Question 686. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, will the Government consider whilst it considers whether or not it is going to recruit AAs in the Civil Service of ensuring the persons who are covering these positions from recruitment agencies receive the basic scale of the post they are covering and the minimum leave entitlement of civil servants?

Acting Clerk: Question 687. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide a schedule with sub-contracted workers in the public sector including (a) since when has the person been sub-contracted; (b) reason for cover; and (c) the Department providing services for?

Acting Clerk: Question 688. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide a schedule of officers in the public sector who were temporarily promoted including (a) the grade the officer holds; (b) the grade the officer has been temporarily promoted to; (c) date of temporary promotion; and (d) the department.

Acting Clerk: Question 689. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide a schedule of vacant posts in the public sector including (a) grade; (b) dates since when the post has been vacant; and (c) the department.

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

Chief Minister (Hon. F R Picardo): Mr Speaker, the GSLP Liberal Government is committed to maintaining the number of civil servants at the level at which the previous Government had left it in December 2011.

Between 2011 and 2015 the numbers were increased, not as a result of representations from the staff side, in the majority of cases, but in order to meet the demands created by the implementation of Government manifesto commitments and other policy decisions. These additional Civil Service numbers are spread over the whole of the service and are therefore above the threshold inherited in 2011.

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As has been repeatedly stated, the Government is now undertaking an efficiency review in the light of changing working methods and technology, in particular the introduction of egovernment which requires less manual processing of paperwork. The vacancies are therefore on hold to be reviewed once we see the effect of the implementation of the changes in technology.

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Given that the GSD and in particular the former Leader of the Opposition regularly criticised us for having invested in and grown the size of the Civil Service, it is incomprehensible that he should now, in the light of his alleged impending departure from this Parliament, be pressing for positions to be filled when they became vacant. Indeed, I memorably recall, Mr Speaker, statements that, in the GSD's view, the Civil Service was bloated.

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It is really quite remarkable, therefore, that they should now seemingly be asking us to further increase the numbers, unless they have changed their position on this also in the past few months.

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As regards the rate of pay of supply workers, this is determined by the recruitment agencies that provide these workers; they are not employees of the Crown and will not be paid Civil Service salaries.

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In fact, Mr Speaker, quite recently I recall the acting caretaker Leader of the Party opposite and Leader of the Opposition, saying 'Civil Service pay is not based on merit. There is no merit in it at all. There is just relativity', he said.

The Hon. Mr Llamas, having been a civil servant, knows that prior to 2011, shortages in Departments were not provided with supply staff. Departments were therefore expected to cope with shortages with the existing staff remaining. They had to cover the work of absent colleagues themselves or have individuals temporarily allocated to the departments where shortages were greatest.

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Mr Llamas will also know that the introduction of supply staff was an initiative of the GSLP/Liberal Government in order to ease the pressure on civil servants in departments that were experiencing staff shortages for a variety of reasons.

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I am not sure if this innovative and positive introduction of temporary cover is one of the things he was on about, when he said almost exactly two years ago that he had seen things in the Tax Office that worried him so much that he decided he had to stand for election with the party he has since left!

There is, of course, no shortage of candidates – if you will excuse the pun – for the supply list,

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given that being employed in the provision of supply services greatly improves the prospects of recruitment when vacancies arise. The experience gained is also useful when applying for vacancies that arise in the private sector.

The public sector as a whole includes the Civil Service and the employees of Government

agencies, authorities, companies, etc. but does not have a complement of posts in the way the Civil Service itself does. As a result, there are no vacant posts as such.

That is to say, if one employee moves from one agency to another agency, authority or company, or within the departments of any such entity, it is not the case that he or she leaves behind a vacancy that requires filling.

This was in fact one of the great disadvantages that the GSD under Sir Peter Caruana put forward at the time that it decided to fragment the unified Civil Service and convert it into a range of different employers as separate Government agencies, authorities and companies.

The Hon. Mr Llamas has said that he still believes in the positions set out in a whole host of issues as set out by Sir Peter. I am, sure, therefore that the fragmentation of the Civil Service which I have alluded to must have enjoyed his support.

This Government believes that that fragmentation ushered in by the GSD has led to diseconomies of scale and ways are being explored of addressing and correcting this problem through the efficiencies which I have referred to at the beginning of this answer.

As regards the Civil Service positions, I will write to the hon. Gentleman in coming days to provide the figure requested.

Hon. D A Feetham: Mr Speaker, I have to say that I do not know who is the greatest disciple of Sir Peter Caruana – the Hon. Mr Llamas or the Hon. the Chief Minister! Today I have seen something that I did not think I would ever see and that is, quoting word for word an answer that Sir Peter had given when he was there and he prays in aid of that answer in order to answer us a question from this side of the House.

Mr Speaker, the reality in relation to the question that I have asked, the AA vacancies – and I am not commenting one way or the other about whether they should be filled or whether they should not be filled; I am asking a specific question about Government policy in relation to those vacancies – but the reality is that shortly before the General Election in 2015, the Hon. the Chief Minister made public statements and, if I may say, made a considerable song and dance about the fact that those AA vacancies had come out and that they were going to be filled and that here you had a situation where 'This nasty Opposition, led by Daniel Feetham, wants to contract the Civil Service, whereas here we are in Government, led by me and we are releasing these vacancies.'

Now, that was over two years ago, because I think these particular vacancies, if my memory serves me right, were advertised either before December 2014, or just after December 2014. Therefore I think that the public deserve an answer as to how long at least will the process take for these efficiencies, so that we know one way or the other whether these vacancies are going to be filled.

Mr Speaker, may I also say this: that the position in relation to the public finances of Gibraltar and in relation to whether those public finances could stand increases in the Civil Service have been well known well before the 2015 election. The question therefore arises as to whether the Chief Minister was entirely candid with those people who were invited to apply for those AA vacancies just before the 2015 election.

Hon. Chief Minister: Well, Mr Speaker, a very nasty Opposition it was too – very nasty, Mr Speaker. (Interjection) So nasty in fact, Mr Speaker, that it made some of the elderly residents in our community fear for their savings in the Gibraltar Savings Bank because of investments that that bank or lending that that bank had done through Credit Finance. (Interjection by Hon. D A Feetham) No, no, Mr Speaker, I am sorry the hon. Gentleman raised the issue of public finances before the election and accused me of not being candid. I am going to deal with that point.

Mr Speaker: Briefly.

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Hon. Chief Minister: And the lending that Credit Finance Company Limited had done to the Sunborn, Mr Speaker, which hon. Members said was a huge gamble that could go wrong,

Mr Speaker. I have not heard them say the word 'Sunborn' since that company announced that it had repaid Credit Finance entirely. (A Member: Hear, hear.) So, Mr Speaker, people will be putting the nastiness of that Opposition into its proper context, Mr Speaker.

But, Mr Speaker, it is true that I have quoted on two occasions Sir Peter Caruana as authority for a proposition in this House. I have done so advisedly, (Interjection) of course, because I am facing, in the context of this question in particular, the hon. Gentleman Mr Llamas who has said only in the previous meeting that he continues to believe in a place of hope called Peter Caruana and the way he used to do things, and I am dealing with the hon. Gentleman who is reputed to have said that Sir Peter Caruana was the greatest Gibraltarian of all time. (Interjection) Not of his time or of our time, allegedly what he said, Mr Speaker, was that he was the greatest Gibraltarian of all time.

But I will give him a by on that because whether he said that he was the greatest Gibraltarian of all time, his time or our time, he thought him pretty good. (Laughter) And so what I do not want to do, Mr Speaker, is offend the hon. Gentleman's sensibilities by not quoting Sir Peter with authority for a particular proposition.

Now, it also appears to me, Mr Speaker, that the only thing that unified them on that side of the House was Sir Peter Caruana and his iron fist, because nobody else seems to be able to keep them together, not even their common dislike of us sitting on this side of the House.

But having said all that, Mr Speaker, what I have answered is the question that he asked. 'Why are the vacancies on hold?', he asked. He did not ask until when, he asked why. That is Question 678/2017 and I have told him why in the context of my first answer.

Mr Speaker: Any other supplementary?

Hon. D A Feetham: Just one, Mr Speaker, because I do get a lot of representation. When?

Hon. Chief Minister: Mr Speaker, I need separate notice of that question. That is not the question he asked.

Q679/2017 Developing the Rooke site – London and Regional interest

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Acting Clerk: Question 679. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, is London and Regional still interested in developing the Rooke site?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, as drafted that question would appear to be one addressed to London and Regional.

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Hon. R M Clinton: Well, Mr Speaker, I think the Chief Minister should be in a position to answer the question, in that he made a great big announcement during the Gib Day in London in October 2015, making a great big fanfare about London and Regional developing the Rooke site. Surely he can advise this House whether London and Regional are still interested in developing the site.

Hon. Chief Minister: Well, Mr Speaker, he is not asking me whether we are involved in discussions with London and Regional or not. He is asking me, is London and Regional still interested in developing the site? Well, that is not a question addressed to me; it is a question addressed to London and Regional.

But perhaps, Mr Speaker, what I should do is instead of quoting Peter Caruana back at him, I should quote him back at him. Or is it that he has forgotten in the halcyon days when he did not carry the responsibility that he carries, perhaps for another few weeks or perhaps for longer, that he said before the summer, I would ask that we as politicians refrain from making announcements until the ink is dry on the agreement and the money is in the bank.

So I am going to follow his advice, Mr Speaker, and now until an agreement is signed and the money is in the bank, I am not going to give him any information about what may be going on.

Hon. R M Clinton: Mr Speaker, I love hearing myself quoted back to me, it is always a good sign.

So, Mr Speaker, will the Chief Minister then confirm that he has no agreement signed with London and Regional?

Hon. Chief Minister: Mr Speaker, I do not think he needs to ask me that question because if I had, following his advice I would have made an announcement. So he might like to hear himself quoted back at himself, but he does not seem to pause to work out what it was that he said that is now being quoted back at him.

Hon. R M Clinton: Mr Speaker, a very simple yes or no answer would be appreciated from the Chief Minister.

Hon. Chief Minister: Well, Mr Speaker, you see the trained cross-examiner is me, Mr Speaker, and I am not here to answer questions in the way that the hon. Gentleman might wish.

Hon. R M Clinton: Mr Speaker, I believe here on this side of the House we are the ones asking the questions, so therefore, Mr Speaker, I ask the Chief Minister once again: is there or is there not an agreement signed with London and Regional?

Hon. Chief Minister: Yes, Mr Speaker, they are the ones asking the questions and we, Mr Speaker, are the ones answering them. Therefore, Mr Speaker, to use the parliamentary parlance used at Westminster, which he might be a little bit more schooled on by the end of the month, although it might or might not be of any use to him, I refer the hon. Gentleman to the answer I gave a few moments ago.

Q680/2017 Blue Water development – Negotiations with Camoren Holdings Limited

Acting Clerk: Question 680. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, is the Government still in negotiations with Camoren Holdings Limited in respect of the Blue Water development?

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

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Chief Minister (Hon. F R Picardo): Now that is a better question, Mr Speaker, it is very easy. Yes, sir.

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Hon. R M Clinton: Mr Speaker, conscious of my previous statement about not saying anything until you have signed a deal, I assume that no deal has been signed yet with Camoren Holdings Limited.

Hon. Chief Minister: Mr Speaker, I refer the hon. Gentleman to the statements he made in lines 1715 to 1720 of the *Hansard* for this Parliament of Monday, 26th June 2017.

Hon. D A Feetham: Mr Speaker, I recall when I was a young boy, my grandmother used to tell me, *El cuento de la buena pipita*. When will this particular *cuento de la buena pipita* end, and when does the Government expect the process with Camoren Holdings – which is yet again, one of those which the hon. Gentleman announced with great fanfare before the 2015 General Election – when does he expect, if at all, that that process will bear fruit for the people of Gibraltar?

Hon. Chief Minister: Well, Mr Speaker, the problem is that the *cuento de la buena pipita* was one that I started to hear from the hon. the former greatest Gibraltarian of all time – (*Interjection*) Sorry, the former Chief Minister – he may still be the greatest Gibraltarian of all time in the hon. the former Leader of the Opposition's estimation – some years ago.

What I have told the hon. Gentleman is that we are in negotiations. When we are able to finish those negotiations in a way that is in the interest of the Taxpayer, we shall make an announcement. But, Mr Speaker, they cannot tell us not to make announcements until we have signed agreements and then press us to make announcements before we have signed agreements.

Mr Speaker, I do not tire of saying it although perhaps I have not said it whilst the current putative Leader of the party opposite and also of the Opposition has been in post, but this is starting to become reminiscent of Monty Python. They tell us to do one thing and then ask us to do another. I mean, it really is quite remarkable!

Hon. D A Feetham: But, Mr Speaker, does the Hon. the Chief Minister not agree that on this side of the House and indeed, by extension the rest of Gibraltar, can treat the announcements that he made in 2015 and this process now with Camoren Holdings Limited, with a huge, huge pinch of salt? Because you have a situation where this has now dragged on for more than two years and I think that people are entitled to a straight answer from the Chief Minister as to when he expects that process to be complete.

Or at least, for the Chief Minister to come to this House to say, 'Look, I made the announcement in 2015. Unfortunately there have been events that have overtaken that announcement and therefore I do not believe that this is going to happen.'

But this has now taken over two and a half years and certainly on this side of the House there is a significant amount of scepticism, even though of course we want it to succeed and of course we want it to come to fruition, but people are entitled to know, Mr Speaker, how long the Chief Minister thinks that this process is going to continue.

Hon. Chief Minister: Mr Speaker, they announced two projects on the East Side development. The East Side Reclamation, as it was known until 1996 by those who were Members of the GSLP, was known as a rat-infested rubbish dump by the then GSD.

The morning after the 1996 election, that area became the East Side Reclamation also in their parlance, and then they did a deal with one developer and then with another, including Norman Foster Designs and for well nigh on the 15 years that they were in office they were telling us the

cuento de la buena pipita of the towers that Norman Foster was going to build on that land, right?

Now, in all of that time, I will recognise one objectively justifiable delay: the Joint Sovereignty issue, which stopped things for a considerable time in Gibraltar, it created uncertainty as to future investments in Gibraltar, because of course Joint Sovereignty with Spain does not create certainty that things are going to go better. Joint Sovereignty with Spain makes capital fly from the potential that Gibraltar might not be entirely British, as he and I completely agree.

Now, will he recognise that I have said beyond this House, on television on two occasions, that Brexit which happened months after we made this announcement has had a negative effect on the ability to deliver *that* project in *that* way and that therefore negotiations have been affected by that? Because I have said that already. I have said that already.

So we made one announcement about 24 months ago and something called Brexit happened about 18 months ago – at least the announcement by Mr Cameron of the referendum which halted everything and then the referendum more than 12 months ago, 16 months ago.

So, Mr Speaker, I have recognised that has had an effect on the Blue Water Development. Does he simply just want me to keep saying that? Because if he does, is it that he wants me to send out a signal of a lack of confidence in Gibraltar? Because I would have thought that in retirement, in semi-retirement or in active, what we all need to do is to demonstrate our confidence that Gibraltar is going to do very well in the future and that projects like Blue Water will not just take off; they will be a great success whoever is in Government to the profit of our whole community.

Hon. D A Feetham: Mr Speaker, of course everybody wants this particular project and many other projects to succeed. I am a partner in a business here in Gibraltar employing over 300 people. Part of the business belongs to me. If Gibraltar does not do well, I do not do well personally. I hope my children continue in Gibraltar, and continue to thrive and prosper in Gibraltar.

But I have a duty to discharge from this side of the House, as every Opposition Member on this side of the House has a duty to discharge, and that is to ensure that the Government is held to account through questions, particularly questions about projects of this nature, because people are entitled to know, Mr Speaker.

And therefore, I accept everything that the Chief Minister has said about Brexit – indeed, even before Brexit. If he reads my 2015 Budget speech, the Hon. the Chief Minister will see that I retraced the history of the East Side development. It was a particular project that when the Hon. the Father of the House was in Government, there was quite a lot of optimism that the first GSLP Government could pull off an East Side development and if they had, the economy would have grown even further than it did at the time.

But it is a particularly difficult project, it is not an easy project. There have been three Governments that have attempted to make this project a success. And all that, I accept all that.

But, Mr Speaker, I think that I am entitled on behalf of the people of Gibraltar the exercise of my role is to drill down and to see whether for example, it is envisaged that rather than having the Blue Water scheme, which is a rather grandiose scheme which the Government announced at the time would be worth £1 billion, whether it is now envisaged that there might be a smaller scheme worth significantly less.

And perhaps may I ask the Chief Minister, whether that is the position at the moment, whether the Government is trying to downscale or is talking about with the developers, the downscaling of this particular project from that £1 billion project to something that might be smaller, might be more manageable and then of course, we would be able to ask further questions and drill down further about whether that involves, for example, hotels, whether it involves a marina, etc.

But that is our job; our job is to ask questions in this House.

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Hon. Chief Minister: Mr Speaker, really I always considered him a gift when he was Leader of the Opposition, and it is for reasons like this you see. He says in this tone of high representation and almost quasi-indignation, it is our role to ask questions, to get to the bottom, to dig. Whilst he told us that the Budget speech from the now current Acting Leader of the GSD and of the Opposition was one of the best that he had ever heard. And in that speech we are told not to answer questions like the one that he has asked.

In other words, we are told by the one hand of the GSD make statements only when the ink is dry and we are told by him in righteous indignation, give us a blow by blow account of what is happening on that plot. And he tells us that he has to come here to find out what is happening.

Well it may be, Mr Speaker, because he seems to have switched off a little bit from politics, that he is not watching quite as assiduously my *Direct Democracies*. But I have dealt with this question when I have had it asked of me by Members of that group of people that he used to consider the ring of steel, who nonetheless also honestly discharge their obligations as Members of the fifth estate and ask me difficult questions. And I have given them the answer.

So I refer him, Mr Speaker to the detailed answers I have already given in public about the progress of negotiations in relation to the East Side and the potential for that plot to change, grow or to be in alternative use as it develops for the future for Gibraltar. It is at the end of the day a property lung for Gibraltar. It is an opportunity for further expansion and development, Mr Speaker.

There is the opportunity that the plot might grow further, so that instead of there being a marina which houses boats, there may be more land which houses more properties for a larger development. So he need not, with his eye cocked on the gallery, hoping to see if he can persuade people that things may not be going quite so well, (Interjection) – the gallery is virtual these days, Mr Speaker, it is not just current – that things might not be going as well, Mr Speaker, because look, what we all have to ensure is that things do go as well.

And Members on this side of the House, every single one of them works every hour that we have available in order to ensure that we do deliver on these and better deals for Gibraltar, across our geography and across our portfolios. Because that is our obligation and that is what we will ensure happens and that is what will ensure that Gibraltar does very well, Brexit or no Brexit, Mr Speaker, for his children, for mine and for all future generations of Gibraltar.

Q681/2017 Mount Alvernia site— Potential sale to hotel developer

Acting Clerk: Question 681. The Hon. R M Clinton.

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Hon. R M Clinton: Mr Speaker, can the Government confirm if the site of Mount Alvernia has been sold, or is being negotiated to be sold, for the amount of £53 million to a hotel developer?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, I really do not understand that part of this question which goes to 'or negotiated to be sold' when that comes from exactly the person who asked me not to make any statements until things had been signed and ink was dry.

But, Mr Speaker, no sir, there have been no negotiations at all with any party at any time for any purpose or any price in respect of this site.

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The hon. Member appears to have swallowed an empty rumour, hook, line and sinker. He should, however, have worked this all out for himself when we told him in September, in answer to Question 456/2017 that there were no plans to relocate Mount Alvernia.

Maybe he is getting forgetful, Mr Speaker, or maybe he just needs to learn not to believe everything he hears on his coffee mornings in Main Street and the bars and coffee shops of Gibraltar which he is happily sipping at Taxpayers' expense whilst Ministers are working hard for this community!

Q682/2017 **Consultative Council –** Ad hoc membership

Acting Clerk: Question 682. The Hon. R M Clinton.

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Hon. R M Clinton: Well, Mr Speaker, I thought it was part of my job description to meet the electorate, but never mind.

Mr Speaker, can the Government advise to whom it has written or communicated in respect of invitation to ad hoc membership of the Consultative Council and what was the selection criteria for each individual identified?

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

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Chief Minister (Hon. F R Picardo): It is his work description and all of our work descriptions to meet members of the electorate, which we all do, Mr Speaker. It is in nobody's work description to swallow rumours, hook, line and sinker - something of which they will happily accuse others in this House but do not realise they sometimes fall for too.

Mr Speaker, the Government will make a full announcement in respect of ad hoc membership of the Consultative Council in due course.

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Hon. R M Clinton: Mr Speaker, if I may ask the Chief Minister, has he actually issued any invitations, as at today's date?

Hon. Chief Minister: Yes, sir.

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Hon. R M Clinton: And, Mr Speaker, would he be willing to advise the House how many invitations have been issued?

Hon. Chief Minister: No, sir.

Q683-684/2017 Construction of affordable housing schemes -**Financing**

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Acting Clerk: Question 683. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise how it intends to finance the construction of the three new affordable housing schemes announced on 28th September 2017? 935 **Acting Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Question 684.

940 **Acting Clerk:** Question 684. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, how does the Government envisage to finance the affordable housing projects?

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

Hon. Chief Minister: Mr Speaker, the Government is considering a number of different options to finance the housing projects. As the House should appreciate, we are at an early stage of this process having only just sought expressions of interest that will help with the makeup of these buildings in the form of one-bedroom to four-bedroom properties.

This exercise will have an impact on cost, which will need to be included when financing the affordable housing projects. As is required for these large projects, we will be pursuing competitive procurement for this work. It is anticipated that the procurement notices will include a number of options including design, build and finance of these projects.

Hon. R M Clinton: Mr Speaker, if the Chief Minister would just indulge me, there is a question at the end of this.

Going back to the construction of the Aerial Farm site at Eastern Beach and the Coach Park site, in that development, those two developments, 944 units were created at a cost of about £115 million according to the press release in September 2013. That equates to about £122,000 per unit, add a bit of inflation, call that £133,000 per unit. For 1500 units, that would come to about £200 million.

Mr Speaker, what I would like the Chief Minister to advise is if with these ballpark figures – and again, they are ballpark – how would he intend to finance this construction? Is it by direct Government borrowing or will it be indirect Government borrowing, through Government-owned companies?

Hon. Chief Minister: Mr Speaker, I do not do ballpark and I have already given my answer.

Hon. R M Clinton: Well, Mr Speaker, I will ask the question in much simpler terms. Does the Government intend to borrow directly in order to finance these projects?

Hon. Chief Minister: Mr Speaker, it is not that I did not understand the question; it is as I told him, I do not do ballpark and I have already given the answer as to financing. It is in my first answer.

So as I said before, he will realise when he goes to the House of Commons what this phrase means: I refer the hon. Gentleman to the answer I gave a few moments ago. It is already in that answer.

Hon. R M Clinton: So, Mr Speaker, if I recall his answer correctly, there was an element of design, build and financing. Can the Chief Minister then confirm that this design, build and financing will be with a Government company or with the Government of Gibraltar as the contracting party?

Hon. Chief Minister: Mr Speaker, he just does not get it. The first sentence –

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Mr Speaker: I am going to read out the first line of the answer.

Hon. Chief Minister: Exactly.

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Mr Speaker: Maybe the hon. Member did not hear it.

The first line is:

the Government is considering a number of different options to finance the housing projects.

Hon. R M Clinton: Mr Speaker, it may be beneficial in future if we get a copy of that as well. **(Hon. Chief Minister:** Exactly!**)** It is very difficult because you overpowered me with your wonderful speech.

Hon. Chief Minister: Thank you very much. It's the nicest thing you have ever said to me! (*Laughter*)

Mr Speaker: Any other supplementaries? We move on.

Q685/2017 Waterport Terraces purchases – Excessive delays

Acting Clerk: Question 685. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide details of the compensation paid to all who suffered 'excessive delays' in completing their purchases of Waterport Terraces?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, the issue of delays on payment of compensation happened during the GSD administration, for which we are not accountable.

Hon. L F Llamas: Mr Speaker, this question has been filed as a result of their 2011 Manifesto where they pledged that they would be looking into paying out compensation. Therefore, can the Chief Minister confirm that this Government has not paid out any compensation to any purchasers of Waterport Terraces who have suffered excessive delays?

Hon. Chief Minister: When this administration was elected, all those who had suffered damage had had the amounts paid to them or commitment to pay to them, entered into by the former administration which was the GSD administration.

We did a trawl, we sent out a notice, we received representations, we took advice and everybody who had suffered delays and had suffered loss, had had monies paid to them by then.

Q690/2017 Imperial Ocean Plaza – Waiving of import duty for construction and fitting out

Acting Clerk: Question 690. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government explain whether it was this administration's decision to waive the import duty for the construction, fitting out and equipping of Imperial Ocean Plaza and if possible, the estimated revenue this project would have generated had the import duty not been waived?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, the certificate of exemption from import duty was signed by me on 3rd March 2017. The logic behind the decision is the same as has been the case in every instance that a Chief Minister has waived such duties – namely, to encourage development and economic activity and to ensure that such development occurs within a specific period.

It is not possible to gauge the level of import duty that would have been generated had it not been waived, as presently the site is still in its very early stages of development and very few imports have been registered.

Q691/2017 Question withdrawn

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Acting Clerk: Question 691. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, I give notice that I have withdrawn this question. Thank you.

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Mr Speaker: This question has been withdrawn.

Q692/2017 Affordable home purchasers – Obtaining mortgages

Acting Clerk: Question 692. The Hon. L F Llamas.

1050 **Hon. L F Llamas:** Mr Speaker, is the Government confident that eligible prospective affordable home purchasers will be able to obtain mortgages?

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

1055 **Chief Minister (Hon. F R Picardo):** Mr Speaker, yes sir.

Questions for Written Answer

Acting Clerk: Answers to Written Questions, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to table the answers to Written Questions numbered W131 to W188/2017.

ADJOURNMENT

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Chief Minister (Hon. F R Picardo): And, Mr Speaker, I am grateful to the Hon. Mr Llamas for having withdrawn Question 691 after the discussion that he and I had earlier.

I now move, on a day that I note from a reference in that august daily *Panorama* is exactly 14 years after I left Hassans to go into politics in Gibraltar, as Leader of this House, it is now my pleasure to now ask that the House should adjourn *sine die*.

Mr Speaker: The House will now adjourn sine die.

The House adjourned at 4.04 p.m.