



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.06 p.m. – 4.43 p.m.

Gibraltar, Wednesday, 21st June 2017

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The Gibraltar Parliament

The Parliament met at 3.06 p.m.

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

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

Questions for Oral Answer

CULTURE, THE MEDIA, YOUTH AND SPORT

Q376/2017

Gibraltar Sports and Leisure Authority – Assistant Resources Manager

Clerk: We continue with answers to Oral Questions.

We recommence at Question 376 and the questioner is the Hon. E J Reyes.

5 **Hon. E J Reyes:** Mr Speaker, further to the answer provided to Question 227/2017, can the Minister for Sport update this House in respect of the outcome relating to the selection of the Assistant Resources Manager, which was a grade 4 post, within the Gibraltar Sports and Leisure Authority?

10 **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 selection process was finalised and a successful candidate identified. This individual started her new post on 1st June 2017.

15

Hon. E J Reyes: And, Mr Speaker, does it follow from there that there are now any vacancies arising within the Gibraltar Sports and Leisure Authority, or was the successful applicant an external applicant?

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Hon. S E Linares: No, Mr Speaker, the successful candidate is not an external candidate but from within, and now it will probably go down the line, as it usually does. But I must emphasise that the GSLA has not yet agreed as to the money levels as it goes down the line. Because this is a managerial post, people from within the organisation will probably apply for these posts and then we will need to review the whole of the organisation at the bottom part.

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Hon. E J Reyes: Mr Speaker, can I deduce from that ... In previous answers some months ago the Minister did mention that they were holding discussions with the staff side representatives and so on. Is that process still ongoing and needs to be updated now in light of this vacancy, or is the process now at its final conclusion stages?

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Hon. S E Linares: Mr Speaker, it is still ongoing.

Q377/2017
GSLA Swimming Pool Complex –
Lockers

35 **Clerk:** Question 377. The Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Sport provide details of how many lockers are installed at the GSLA swimming pools and, of these, how many are (a) available for public use, (b) currently awaiting repairs, (c) assigned for use to GASA members or any other entity, and all this, together with details of terms and conditions for their use?

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, at present there are: (a) 152 lockers available for public use at the GSLA swimming pool; 110 of these are located in the accessible pool and 42 in the 25-metre pool. (b) Only five of these lockers are awaiting repairs and replacement locker units ordered; these are located in the accessible pool. (c) No lockers are assigned for use to any entity.

Hon. E J Reyes: Mr Speaker, can I ask the Hon. Minister to please have a look at the situation there, because I am told by members of the public who go there that although the number of lockers was well in excess of 100, such as the Minister has confirmed today, that very few of them were actually available for use, hence leading to a sort of a hypothesis that they are either awaiting repairs – which has now been confirmed as being only five and that none have been assigned to GASA and others. It seems to be the same lockers that are constantly, from opening time to closing time, unavailable, so something has gone wrong somewhere in the system. I do not know if the Minister knows any further information at present or if he can commit himself to look into this as soon as possible.

Hon. S E Linares: Mr Speaker, in relation to the lockers, the information that I have here, obviously pre-empting the hon. Member's supplementary, is that there seem to be people of the public who keep the key. Therefore the problem is being looked at. People get the key and take it home with them, and the problem obviously is that then if you have 100 lockers of which 90 people open the locker and take the key, the availability is going to be only 10.

I can tell you that the management is actively looking at a way in which people are not able to take the key and also telling the people to bring back the key. Another thing that they do is they try and take the actual lock off and put new locks in, but again the same thing happens, so it is a problem that the management is trying to sort out due to the people taking the keys home.

Hon. E J Reyes: I am very grateful for that part of the answer. Yes, it does lead to [???](#)55.56 which is why I had ended my question saying 'together with details of terms and conditions for their use'. I am sure one can deduct from there that the terms and conditions are that it is for day use only and the keys will be returned.

Rather than a question, I want to end up with an assurance to the Minister that he can count on my full co-operation so that we can eradicate this abuse by what is today's phrase, the *caraduras*, once and for all.

Hon. S E Linares: Yes, thank you, Mr Speaker, and thank you to the hon. Member for that.

80 We were trying to solve the problem and one solution would have been to pay a pound, for which you keep the key and then you get your pound back, but obviously people were leaving the pound there and keeping the whole locker for themselves.

I thank the hon. Member for stating that he will help and we will try and eradicate the *caraduras*.

85

Hon. E J Reyes: And I dare to say even Mr Speaker will join us.

Q378/2017

**GSLA Swimming Pool Complex –
Solar panels**

Clerk: Question 378. The Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, can the Government state the total cost to the taxpayer of the
90 installation and maintenance of the solar panels at the GASA pool?

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 GASA
95 pool has been under the GSLA management and known as the GSLA Swimming Pool Complex since April 2012.

The total cost to the taxpayer for the installation of the solar panel system at the GSLA pool complex was £683,250.43.

The maintenance contract for both systems is £68,000 per annum.

100 The contract is held by Green Resources and entered into as part of the installation package. This is up for renewal in 2018.

It is important to note that since the swimming pool complex has been utilising solar panels our cumulative savings on the electricity bills are currently at £270,339.13, with fuel savings of approximately £75,000 per annum. Therefore the total saving to date is approximately
105 £720,000. Not only has it surpassed the capital expenditure, but it is also producing surplus electricity which is fed back into the grid.

I have not got anything prepared here, because the hon. Member should also know that from the £683,000-odd that I told him, approximately £290,000 of that was EU funding.

110 **Mr Speaker:** Next question.

INFRASTRUCTURE AND PLANNING

Q379/2017

**Illegal parking –
Intention to increase fines**

Clerk: Question 379. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, I tabled this question some time ago, so if I may just rephrase it slightly because it is not quite in date anymore. (*Interjection*) Yes, I appreciate that,

115 and so the answer should be the same; I just need to rephrase the question ever so slightly to
make it make sense. So, I would ask...

Chief Minister (Hon. F R Picardo): As a matter of procedural propriety, I do not think it is
120 possible for the hon. Gentleman to change the question that is on the Order Paper. I appreciate
that he may wish to seek to make it relevant, but I think for the purposes of the record he must
read the question as it is on the Order Paper and then perhaps as a supplementary he may wish
to clarify, as he has, matters that relate to the updating of the question.

Mr Speaker: Ask the same question.

125 **Hon. T N Hammond:** I am happy to ask the question as written; it does not require much
explanation, Mr Speaker.

Can Government say if it is the intention to raise the fine for illegal parking on 1st April; and if
so, by how much?

130 I just wish to clarify that the intention is 'Was it raised last 1st April?' This is not a reference
to the next 1st April.

Hon. Chief Minister: Mr Speaker, the hon. Gentleman needs to know that the record of
135 *Hansard* for Question Time is produced with the question read out and then the answer. So
everything he has said will not likely be in the *Hansard*. If he wants it to be in the *Hansard* – I am
not saying it should not be in the *Hansard*; there is no difficulty with that – he has to do it in the
context of his first supplementary because the *Hansard* of questions and answers is question-
answer, and then the supplementary can be the clarification. Otherwise, what he has said today
just now, what you want on the record – and I think it is absolutely right it should be on the
140 record – will not be on the record.

Mr Speaker: The Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, fines for illegal
parking were not raised on 1st April 2017.

Mr Speaker: Now withdraw that.

145 **Hon. T N Hammond:** I thank the Chief Minister for his advice. Just to clarify, the question was
lodged before 1st April and hence it was written in a different tense to the one that is now
relevant.

Q380-381/2017
Bus Company –
Bus drivers working on supply

Clerk: Question 380. The Hon. T N Hammond.

150 **Hon. T N Hammond:** Mr Speaker, can the Minister say how many bus drivers work on supply
to the Bus Company and for how long they have been on supply?

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

155 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, I will answer this question together with Question 381.

Clerk: Question 381. The Hon. T N Hammond.

160 **Hon. T N Hammond:** Do supply drivers for the Bus Company enjoy the same terms and conditions as full-time drivers; and if not, can the Minister explain how these terms and conditions differ?

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

165

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, as far as our Bus Company goes, three drivers have been taken on as from 14th June 2017 to work on a supply basis. These drivers are only called as and when required and do not enjoy any of the terms and conditions of a full-time driver.

170 At present there are no other drivers on the payroll that work on a supply basis.

Q382/2017

Sustainable Transport, Traffic and Parking Plan – Environmental zones

Clerk: Question 382. The Hon. T N Hammond.

175 **Hon. T N Hammond:** Mr Speaker, can the Minister clarify what special provisions will apply within the environmental zones as described in the Sustainable Transport, Traffic and Parking Plan?

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

180 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, the environmental zone should not be considered as a standalone project but rather be viewed as an overall objective of the STTP which is to improve the current traffic, transport and parking situation and encourage behavioural change and a shift in modal transport towards more sustainable alternatives which will be better for the environment.

185 An environmental zone can be considered as a low-emission zone aimed at improving air quality. The manner in which this can be achieved is by the control of parking within the zone and also by improving traffic flow within these areas so as to reduce congestion.

The control of parking looks at, where possible, relocating parking outside the zone so as to encourage less vehicles to enter the zone, coupled with the redesignation of parking facilities to accommodate essential parking by the introduction of pay and display parking.

190 Other measures which are being considered include making access to areas within environmental zones limited to commercial vehicles and/or permit holders only. An example of this is what has recently been introduced in Main Street whereby access has been restricted to fewer hours and special loading and unloading hubs have been provided within the close proximity of Main Street, thus reducing vehicular movement in the centre of town.

195 In addition to these measures, the environmental zones will be complemented by improved pedestrian access to the zone and by enhancing public transport links.

Q383/2017
Governor's Lane –
Measures to curb speeding

Clerk: Question 383. The Hon. E J Phillips.

200 **Hon. E J Phillips:** Mr Speaker, can the Government confirm what further specific traffic measures it will introduce in the area of Governor's Lane, where the book shop is located, to curb speeding?

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

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, at this moment in time the Government cannot be categorical on what traffic measures will be introduced to curb speeding at Governor's Lane. The width of this road and the restricted access by the Gibraltar Book Shop makes identifying a solution challenging when trying to balance pedestrian safety and continued traffic flow in the area.

210 As part of the STTPP a number of options are currently being developed for consideration by the Traffic Commission and once a full assessment has been completed a decision will be taken.

Q384/2017
Redibike scheme –
Upkeep and maintenance

Clerk: Question 384. The Hon. Ms M D Hassan Nahon.

215 **Hon. Ms M D Hassan Nahon:** Who is responsible for the upkeep and maintenance of the RediBike scheme?

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

220 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, the upkeep and maintenance of the RediBike scheme is carried out under contract by Gibraltar Parking Management Services Limited.

225 **Hon. Ms M D Hassan Nahon:** Mr Speaker, could the Hon. Minister say whether this contract went out to tender?

Hon. P J Balban: Mr Speaker, the actual cost involved in the Redibike scheme was actually funded by a private company; it was done with Gib Oil. The actual part of the maintenance was in addition to the contract held by the company that does parking management, so it is part of the same company as the PMOs. So the contractor that deals with parking management, PMOs, have this as part of their contract. It is in addition to that. *(Interjection)* And that went out to tender. That went out to the three quotes system originally.

235 **Hon. Ms M D Hassan Nahon:** I am sorry, I am a little bit confused. So because it was privately funded there was some sort of agreement with the parking company that they would then get the contract for the maintenance?

Chief Minister (Hon. F R Picardo): No, there are two stages which the hon. Lady is confusing. The launch of the scheme, the funding of the scheme, is not something the Government has paid for; it has been paid for through sponsorship. There was an announcement which details how it was paid for. The maintenance of the scheme is something that was included in the three quotes that were sought generally in relation to parking. So the parking scheme, the enforcement of the parking scheme which is run by this company, Gibraltar Parking etc., was the subject of three quotes sought from the companies that could do that sort of work, and that included the maintenance of the Redibikes. So there was a competitive process in respect of this as part of that general traffic parking maintenance contract.

Hon. R M Clinton: Mr Speaker, just a simple point of clarification: can the Chief Minister confirm that Gibraltar Parking Management Services Limited is not owned or controlled by the Government, it is an independent third party private company?

Hon. Chief Minister: Well, Mr Speaker, we are not in the habit of seeking quotes from ourselves. *(Laughter and interjection)* Yes, but it is quite different to charge yourself import duties, stamp duties etc., which the law requires, and quite something *[inaudible]* *(Laughter)*

ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION

Q322-323/2017

East Side wave power generator – Serviceability; output

Clerk: Question 322. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, can Government confirm that the East Side wave power generator is still serviceable and whether it has suffered any periods of unserviceability in the last six months?

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 Question 323.

Clerk: Question 323. The Hon. T N Hammond.

Hon. T N Hammond: What has been the average monthly output and peak output of the East Side wave generator since October 2016?

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

Hon. Dr J E Cortes: Mr Speaker, the East Side wave power generator recently suffered several months of unserviceability due to repairs and modifications undertaken following the severe weather experienced on 29th September last year and subsequent storms. It is currently serviceable.

The average monthly output since October 2016 is 40.2 kWh. Peak output is 4.5 kWh.

Hon. T N Hammond: Can the Minister please advise: from 29th September was it one single long-term outage until it became serviceable or were there several shorter outages in that period?

285 **Hon. Dr J E Cortes:** Mr Speaker, I think we must remember that this is not a Government facility, it is Eco Wave that runs it, but I am able to facilitate the information.

It was out of action due to storm damage from 29th September to 5th October. You will recall that there has been a lot of bad weather over the winter period right into the spring. There were modifications being carried out on it and that took a number of months from
290 28th October to 2nd February. From 2nd February it was working partially as they were monitoring how the modifications were going, and the modifications were completed by the end of March.

Hon. T N Hammond: I do thank the Minister for the answer and I do recognise it is a private project, of course, but it is a private project which is very much, I believe, supported by
295 Government when it was initially launched.

I do wonder whether these extensive outages have made the Government consider whether wave technology of this nature is in the best interests of Gibraltar in terms of long-term renewable energy strategy or whether other forms of renewable energy might be exploited,
300 bearing in mind we have had, over a six-month period, the best part of five months with the system either unserviceable or being upgraded.

Hon. Dr J E Cortes: Mr Speaker, the use of the words 'in the interests of' is a curious one. Any renewable energy is in the interests of Gibraltar and of everybody else on the planet, needless
305 to say, no matter how little.

I think we must remember that this is a prototype, it is a new design; and the Government was very pleased to offer Gibraltar as a location for this innovative form of power generation. Like every pilot scheme, people will learn from the difficulties they experience. They have learned; they have changed. In fact, only yesterday there was an announcement of a very similar
310 plant being opened very soon in Mexico using the example that Gibraltar has given, because they have been able to modify and make it more effective.

So, because it was minimal investment from the Government – I think all we did was throw the cable down the cliff to connect it; it was all done at the expense of Eco Wave – I think it is certainly worth allowing that to continue. Hopefully they will be able to refine the technology
315 and it will then be producing a lot more power for Gibraltar and using the lessons learned elsewhere in the world.

Mr Speaker: Next question.

Q324-326/2017

Upper Rock –

Mount Misery glass lookout; Skywalk; mobile app

Clerk: Question 324. The Hon. L F Llamas.
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Hon. L F Llamas: Mr Speaker, does the Government have an estimated opening date for the Mount Misery glass lookout and an estimated final cost for the entire project?

Clerk: Answer, the Hon. the Minister for the Environment, Energy, Climate Change and
325 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 325 and 326.

Clerk: Question 325. The Hon. L F Llamas.

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Hon. L F Llamas: Mr Speaker, did the Government consult or have any knowledge when planning the glass lookout at Mount Misery that the cable car was planning its own glass walkway at the top station?

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Clerk: Question 326. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, has the Government made any progress in updating or launching a new Upper Rock mobile app?

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

345

Hon. Dr J E Cortes: Mr Speaker, the works were affected yet again by severe weather and the completion date was further delayed. The works are very near completion and are awaiting other works in the area to ensure safety. I will not at this time commit to a date. The final cost will be available once the project is completed.

The Skywalk was tabled and discussed publicly at the Development and Planning Commission, where the public had the opportunity to comment.

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Finally, the app has been completed and will be released to coincide with the opening of the Skywalk.

355

Hon. L F Llamas: Just one supplementary, Mr Speaker. Can the Minister just confirm that the delay has been purely attributed to the weather and there have not been any other factors which have contributed to the delay?

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Hon. Dr J E Cortes: Mr Speaker, I believe one consignment of glass was found to be defective and had to be replaced at the cost of the company producing it. That is the only reason that I know that there may have been a little bit more of a delay; and also obviously when working in an area which is quite busy, things like putting up the crane and removing it had to be timed so that there was not a cruise liner and so on in port. But the main reason is certainly the weather.

Mr Speaker: The Hon. Roy Clinton.

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

I am not sure whether I heard the Minister correctly, but did he give an answer to Question 325 in terms of consulting and knowledge in respect of the cable car previously? You said it was mentioned at the DPC, but in terms of the consulting or having knowledge of the cable car before you did your own glass walkway was there any knowledge or consultation beforehand?

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Hon. Dr J E Cortes: Certainly not, no. The answer I gave in fact says that we ... Obviously anybody, including the cable car, could have commented. No, certainly we had no knowledge that the cable car was planning ... We do not even know if it was planning or they just thought it was a good idea and wanted to have one too. But no.

Q327/2017
St Michael's Cave –
PA system

375 **Clerk:** Question 327. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide details of the electrical or sound works being carried out at St. Michael's Cave, including cost, contractor, date works commenced, date works completed and details of the works?

380

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):
385 Mr Speaker, the PA system works consist of 16 speakers, three amplifiers, cabling, two microphones and stand, rack and labour. Also included is a 12-month maintenance attendance and warranty which will be effective in the current financial year 2017-18.

Works were approved and started on 9th December 2016 and finished on 24th March 2017. Works were carried out by Sound Reinforcement Systems Limited. The works' cost was
390 £19,975.34 and the maintenance is £975 a year.

Hon. L F Llamas: Mr Speaker, I would ask the Minister ... Obviously it is difficult to pinpoint whether I am asking the correct question or not, given that I do not know what the cables are for, but there seem to be a lot of cables exposed around the stairways in the cave, some are in
395 conduits, others are just open and I am not sure if they are electrical or sound. Perhaps the Minister would be able to know whether these are the works he has quoted, or could there be other works which are pending? Obviously it seems like it is a job which either has not been finished or has been bad workmanship in terms of craft.

Hon. Dr J E Cortes: Mr Speaker, if the hon. Member wanted to know what the cables were he could have asked me directly and I would have found out. I do not know. My information is that the works were finished on 24th March; therefore I can only assume that these are other cables. I will certainly find out, but I do not have that information here.

405 **Mr Speaker:** Next question.

Q328-331/2017
St Martin's School and Early Birds Nursery –
Modifications; projected student numbers; bus replacement

Clerk: Question 328. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, what modifications to St Martin's School and Early Birds Nursery are being carried out or being planned in preparation for September 2017?

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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):
415 Mr Speaker, I will answer this question together with Questions 329, 330 and 331.

Clerk: Question 329. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, what is the projected number of students expected to be at Early Birds Nursery for each academic year 2017-18 and 2018-19?

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Clerk: Question 330. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, what is the projected number of students expected to be at St Martin's School for each of the academic years 2017-18 and 2018-19?

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Clerk: Question 331. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, following on from last year's Budget speech, what arrangements have been made to replace the old bus for St Martin's School?

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

435

Hon. Dr J E Cortes: Mr Speaker, St Martin's School is expecting an increase in pupil numbers in September 2017. Modifications are therefore focused on providing temporary additional and appropriate classroom space. Plans for this include the installation of new specialist toilet facilities along the same lines as was provided last academic year. This is an interim measure as the development of St Martin's new school is a priority for Government.

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The projected number of students expected to be at Early Birds Nursery for each academic year 2017-18 and 2018-19 is as follows: academic year 2017-18, 17 students; academic year 2018-19, 16 students.

The projected number of students expected to be at St Martin's School for each academic year 2017-18 and 2018-19 is as follows: academic year 2017-18, 49; academic year 2018-19, 53.

445

A generous provision has been earmarked specifically for a new bus for St Martin's School. Details will be disclosed during the course of the Budget debate.

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Hon. L F Llamas: Mr Speaker, I would just like to ask one supplementary: therefore, the portakabin that has been placed in the car park – I take it that is for toilet facilities, or is it for classroom facilities?

Hon. Dr J E Cortes: Mr Speaker, specifically which portakabin is he referring to? There are several on the site.

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Hon. L F Llamas: I believe it is the one where the bus usually did a three-point turn, just as you go in, in the main entrance.

Hon. Dr J E Cortes: The portakabin at that level I believe is a toilet facility.

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Mr Speaker: Mr Clinton.

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

Would the Minister be able to tell the House how many portakabins are currently in use at St Martin's?

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Hon. Dr J E Cortes: No, Mr Speaker. Had I had notice of the question I would certainly have been very happy to provide it, but as I said earlier in my question, these are all interim measures

as St Martin's School is a priority for this Government – unlike the Opposition, who specifically said they would not build a new St Martin's School during the last election campaign.

470 **Hon. Ms M D Hassan Nahon:** Mr Speaker, if I may, I am picking up on this as a supplementary because I received a question from a constituent about these portakabins, saying that it was chaos when dropping kids off 'especially on rainy days', to quote. Can I know when this interim situation will be alleviated, when the parents will see the difference, please?

475 **Chief Minister (Hon. F R Picardo)** Mr Speaker, I had the same representations made to me some time ago, not just in relation to this portakabin but in respect of the design of St Martin's as it is today, how it has outgrown the purpose for which it was built in the 1970s. At the time that it was built St Martin's was of the standard required in the United Kingdom for special students like the ones we have there, and that is what led the Government to make the decision
480 that we had to build a new St Martin's. And so, Mr Speaker, the hon. Lady will be delighted to hear that during the lifetime of this Parliament those concerns that were raised with me at the end of the lifetime of the last Parliament will have been entirely alleviated.

The reason for rising, Mr Speaker, is that this is an important issue which the Hon. the Minister for Education is dealing with, with the Deputy Chief Minister and with myself, and an announcement will be made which will clarify how we intend to deal with those and other issues
485 as soon as we are able to, but in good time to ensure that the solution is in place in respect of that and other aspects affecting linked educational establishments in the lifetime of this Parliament.

490 **Mr Speaker:** Next question.

Q332/2017
Teachers –
Continuing professional development courses

Clerk: Question 332. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government state the total number of teachers who have completed continuing professional development courses since December 2011?
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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):
500 Mr Speaker, all our teachers undergo continuing professional development (CPD) from the moment they start their teaching careers. *(Interjection)*

Hon. E J Phillips: Mr Speaker, the Minister has confirmed that all teachers have completed CPD courses ... all teachers in Gibraltar have completed them since 2011. *(Interjection)* All
505 teachers, courses.

Hon. Dr J E Cortes: Mr Speaker, the question was not courses, although many of them do, both in Gibraltar and outside, but continuous professional development – I know this myself: as a chartered biologist I have to continue undergoing this – has different types. There is the formal
510 course element and there is the at-work or in-service course element. Therefore, all teachers have undergone continuing professional development. All of us who are or have been parents or

grandparents know those days off that the children have, which are down to in-service training. That is part of the CPD that teachers undertake and there are also regular courses. People come sometimes from the UK in more specialist areas like special needs and so on; teachers will go to the UK for courses. So I am very happy to say that all our teachers carry out this continuous professional development.

Hon. D A Feetham: I rise as somebody who really does not know anything about CPD specifically for school teachers; I know about CPD for lawyers. I have a practice certificate in England and I do my CPD there; it is not a requirement here in Gibraltar. But listening to the hon. Gentleman it did strike a chord because CPD for lawyers in England is of two types. You can, for example, undertake lectures yourself and that will count for your points in terms of your CPD. But for lawyers, for example, you cannot just simply do all your points in lectures that you yourself do; you have got to go and do courses. So there is a mixture of both or just courses, and I just wonder what the position is in relation to school teachers.

Hon. Dr J E Cortes: Mr Speaker, I am very familiar with that. Again, in my own professional life I have had to do both. I was instrumental in bringing in formal CPD for doctors during my time as Minister for Health. In the case of teachers, they do undergo courses but not all of them are in the UK. In-service training – there is a whole programme of professional work that is done there and these are lectures by different members of the profession, by other professions from other areas, and that is all part of the continued professional development provided for teachers.

Q333/2017
GCSE grading system changes –
Measures to support staff

Clerk: Question 333. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government state what specific measures the Department of Education has put in place to ensure all teachers and support staff are able to deal with the significant changes in the GCSE grading system emanating from the United Kingdom?

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 changes to the grading system are *not* significant. This year the assessments for GCSE English and mathematics will be reported using numbers from 1-9 as opposed to letters. A level 9 represents a super-A* only accessible to a very small number of pupils, as an example.

Hon. E J Phillips: Mr Speaker, insofar as the statement that they are not significant, I hesitate to disagree, actually, with that analysis.

One of my questions I would like to put to the Minister is that the teachers' unions in the United Kingdom have expressed huge uncertainty given the significant changes that have taken place in relation to the GCSE grading system, and I would have thought – and I would ask the Minister to state the Government's view on this – that it is quite clear that the change to the system, which I understand will be piecemeal from English language now and mathematics to other subjects until 2019 ... that significant problems have been identified in respect of the pressure that would occur in relation to the students. The unions in the United Kingdom have

expressed their deep concerns regarding the grading system. I wonder whether the Government is aware of those concerns and whether the teachers' union has raised them here with him directly, and what measures the Government is intending to put in place to alleviate any issues such as pressure on students.

Hon. Dr J E Cortes: Mr Speaker, I think where we differ is that the main changes and where the changes are more significant is in the content of the GCSE rather than the grading. Essentially they have become harder, both in breadth and depth of study. That is where the main concern has been and that is something where I have spoken to students directly about their concerns. But the team of advisers and senior management in schools are confident that they have been able to deliver. Through the year, UK experts have delivered in-service training to staff, and senior managers have travelled to the UK and attended conferences and then fed back to teachers in order to be able to deal with this.

There is therefore no reason to worry about these changes, but it is true that our results will probably suffer a slight dip in line with what UK results are expected to suffer as a result of these changes, and in fact these changes have been designed specifically to achieve this. So that is, I think, where the problem lies. I think that our teachers and the students have dealt with this magnificently this year. I have, in fact, attended exam days in both Westside and Bayside and seen it for myself. But it is likely, as in the whole of the UK, that there will be a slight dip in the grades. That will not be a reflection on the teachers or the students; it will be a reflection on the changes to the content of the GCSE.

Hon. E J Phillips: I think we should, of course, congratulate the teachers for the sterling work they are doing (**A Member:** Hear, hear.) (*Banging on desks*) to deal with the issue of the grading system changes in the United Kingdom, but what I would say in respect of – (*Interjection*) Have you quite finished? What I would say in relation to this point is that English is being taught as a language now, as English language as opposed to English, and a substantial amount of material is now going to be put to these students. One of the questions I had stemming from this question was to what extent have our teachers received further training or gone on courses in relation to that particular point on English language, because the material is now going to be much more extensive, the exams will be a lot harder and, as the Minister has indicated, there will be a dip in the results, which is to be expected in the circumstances.

Hon. Dr J E Cortes: Mr Speaker, I am confident that the training I mentioned earlier will be sufficient and that the results will probably be much better even than we think they will be.

If I may just comment that having attended Bayside and Westside during a maths GCSE exam and an English GCSE exam, I asked afterwards to be sent copies of the papers because I wondered whether 40 or more years later – 45 years later – I would still pass. I must say that, having a look at both papers, I thought I might struggle with the English one but I would pass the maths one – the fact that the Speaker was my maths teacher may in fact be related to that! (*Laughter*) So thank you, Mr Speaker, for those days in the old Grammar School.

Mr Speaker: The only thing is that all those ones that we got in those days today are no good; the nines are much better.

Hon. E J Reyes: I declare a vested interest, Mr Speaker: you were also my teacher and, you may recall, had we in our day achieved a grade 9 I do not think we would be on speaking terms now, because the numbers seem to have been reversed: a grade 1 was something to celebrate and a grade 9 was something to avoid Mr Canepa, if you saw him down Main Street!

Q334/2017

**Post-Graduate Certificate in Education –
Local need; consultation**

Clerk: Question 334. The Hon. E J Phillips.

610 **Hon. E J Phillips:** Mr Speaker, can the Government state what local needs there are for a
bespoke Post-Graduate Certificate in Education and confirm the nature of the consultation that
was conducted with the teachers and educators as part of the collaborative working between
the University of Gibraltar and the Department of Education?

615 **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, firstly the Department of Education works closely with the University of Gibraltar on
a range of subjects which are of mutual interest, this being one of them.

620 Further, the Department, under the social partnership arrangement with the Gibraltar
Teachers' Association, keeps teachers informed of developments in education throughout and
also endeavours to always consult teachers by engaging them in debate and affording
opportunities for active discussions.

625 Through supporting the University, we essentially want to become the gatekeepers into
education by providing a single pathway into teaching and guaranteeing the quality of the
product. Furthermore, we want to give mature students, who perhaps have worked in different
industries, the opportunity to become teachers and enrich the lives of students through their
experience elsewhere. We passionately believe this can only be good for Gibraltar.

Q335/2017

**UK Student Loan Company –
Department of Education debt**

Clerk: Question 335. The Hon. Ms M D Hassan Nahon.

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Hon. Ms M D Hassan Nahon: What is the Government's position with regard to the
Department of Education debt with the UK Student Loan Company since I uncovered this debt
several months ago?

635 **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 Department of Education has no debts with the Student Loan Company (SLC).
640 The Department pays the company on behalf of the students for loans made to the students
themselves.

645 Government's position remains unchanged: it is fully committed to repaying all student loans
awarded by the SLC in respect of university tuition fees prior to 2010-11. In fact, Government's
position is clearer than ever, given that during the past financial year significant inroads have
been made to establish student payment thresholds and guide students through the yearly
overseas assessment process to prevent accumulation of arrears.

The hon. Member should note that this student debt was created by the previous administration and not the present Government; therefore, she did not uncover the debt, given the arrangement was entered into by the party of which she was once a member.

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Hon. Ms M D Hassan Nahon: Mr Speaker, I am well aware of this story because I uncovered it to the point that no one on the opposite side knew about it until I said it, and I was actually told it was not there – until a few days later I was told I was in fact right and there was a debt. And even though perhaps technically the debt belongs to the student, I think we all know that this was, yes, a mechanism perhaps from the previous administration, but that effectively falls on the Department of Education's lap.

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So I think the hon. Gentleman knows where I am coming from and what I am trying to get to, and the basic answer I want is to know that there is a backlog and when will it be paid, because there are students who are still receiving demands to be paid and I believe that it is the Department of Education that has to settle this debt.

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If I may just say, to give comfort at least to the students: when will these letters stop and when will this matter be resolved?

Hon. Dr J E Cortes: No, Mr Speaker, it is just not like that at all. The loans are given to the students. If a student is in any difficulty whatsoever, all they have to do is contact the Department of Education.

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I can say that funds are awarded on a yearly basis to the level of around £600,000 in order to pay these debts. In fact, the outstanding amount at the moment is just over £400,000 less than it was six months ago, so this is regularly being paid. The Education Department has been paying monthly instalments of £50 per student blindly, in the sense that unless a student comes to the Department and says, 'This is the repayment that I have,' then the Department has no idea of how much it is.

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The problem has been that the Student Loans Company was not prepared to give the Department of Education information on individual debts to individual students – one can understand that. So what has happened over the past year or so is that we have obtained consent to share status from the students, and the Department has painstakingly made sure that they have contacted all the students and finally we have been able to achieve that. So we are now able to ask the Student Loans Company for that information. There is an added difficulty in that the information now is paperless and so the student has to personally log on to the account; it is not a question of sending a bill through.

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But I can say, Mr Speaker, that we are making the progress that is expected. There is nobody who is in any difficulty whatsoever. The number of students today who still owe money is about 40 or so less than six months ago, so we are regularly doing this and we offer all sorts of facilities, Mr Speaker. Students, for example, who remain in the UK are tracked and identified and placed on deduction of earnings from their salary, and then if those students send us their payslips we will reimburse them directly because those are deducted in the UK directly to the Student Loans Company. Moreover, students who have settled in the UK and have difficulties with their credit rating in applying for mortgages and so on, if they apply to the Department of Education with the information the Department will pay off all the loan.

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So there is no difficulty, but certainly if there is some exchange between the loan company and the student that the Department is not aware of, then a payment cannot be made. But doors are open and there is no difficulty, and I can say absolutely that no student and no parent, no families, should at all be concerned. If they have any difficulty whatsoever they can get in touch with the Department or myself personally and we will sort it out.

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Hon. E J Phillips: Mr Speaker, just one supplementary question in relation to this point. I have been in a room when one of these students in particular – it was just three weeks ago – was contacted by the Student Loans Company and this was the fifth call that they had received in as

700 many weeks relating to the student loan debt. This person got quite distressed by the fact that
this company had been calling them on a regular basis to ask them about the debt and the fact
that they had to pay it and that they had had no luck with the Government of Gibraltar in
securing payment of that debt. I have been in the room when this has happened, this telephone
call from the Student Loans Company, so I am telling you from what I have heard myself.
(Interjection by Hon. Dr J E Cortes) No, I am not saying that. It is just that the difficulty that we
705 have got ... We have got to realise the difficulties being faced by students who are in full-time
employment and are being chased by this company, and although I understand that there is this
consent to share, which is a useful mechanism in order for the Government to contact directly
and discuss individual debts with the Student Loans Company, what I am seeing on the ground
and the reports I am receiving and the first-hand knowledge that I have from hearing this
710 discussion with the Student Loans Company with this particular former student – and this is a
2009-10 student – is that it is becoming quite distressing, and the challenge that is being
presented there. I understand that this individual has contacted the Department of Education
but there has been no luck in respect of that particular debt. I only offer that as information to
the Minister so that active steps can be taken.

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Hon. Dr J E Cortes: Mr Speaker, I can categorically say that no student need be worried and if
they have that kind of call they should contact us. It is very possible that a desk officer in the
Student Loans Company generates this information out of their computer and they make a
phone call. This has happened before in other scenarios. It happened, I remember, to doctors,
720 who were getting calls from the General Medical Council about an issue that we, at a high level,
had resolved but the desk officers were not aware. We will take this up and if that student wants
to get in touch we will take their case directly.

There is a more recent option now to enter into a power of attorney, which would allow
greater flexibility, and if students want to enter into this arrangement, again those doors are
725 open. But nobody should be worried, absolutely nobody, and if anybody is, they know where my
office is and I will be very happy to accommodate all of them.

Hon. R M Clinton: Mr Speaker, if I may ask the Minister whether he is aware – he may be
aware – of a press release issued by the UK Department of Education, HM Treasury, Student
730 Loans, on 6th February this year, talking about the process of selling part of the English student
loan book, which will affect the Student Loans Company. This may explain the sudden ... or
appear to be the sudden perseverance of the Student Loans Company in chasing these loans.
Looking at the notes to editors – and I can give him the page link if he is not aware of this:

Unlike these previous sales the income contingent loans included in this sale will continue to be collected by
HMRC and SLC

– the Student Loan Company. And it says:

This sale involves securitising the remaining future repayments on the loans and selling securities representing the
rights to these to a range of purchasers. The sale process is expected to take several months.

735 So it may be that the Government needs to review its position and perhaps consider the
financial implications of settling all these loans at once, because it is evident that the UK
Government itself is in the process of repackaging these loans and selling them off to third
parties.

740 **Hon. Dr J E Cortes:** Mr Speaker, the Government is exploring that possibility.

Q336/2017
New schools –
Sale of land for funding

Clerk: Question 336. The Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: Regarding the new schools that Government has promised to build in this electoral term, can the Minister for Education confirm that no public land is being sold off to fund them?

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, arrangements for the funding of the new schools will be detailed when the relevant projects are announced.

Hon. Ms M D Hassan Nahon: Can I ask the Minister how long that will take, considering there are two years left to build these five schools?

Hon. Dr J E Cortes: A couple of weeks perhaps, Mr Speaker – there might even be surprises next week.

ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS AND THE GSB

Q385-387/2017
Supported Employment Company; Project Search –
Applications outcomes; employees in public and private sectors

Clerk: We now move to Question 385. These are covered in the supplemental notice of questions which was circulated this afternoon.

We will start with Question 385. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, since January 2012, in each calendar year how many applications to become employed by the Supported Employment Company have been (a) accepted, (b) declined, or (c) remain pending a decision?

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 together with Questions 386 and 387.

Clerk: Question 386. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government state how many employees of the Supported Employment Company are currently working within the public sector or Government-owned companies and how many are working in the private sector?

Clerk: Question 387, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, what inroads have been made in relation to Project Search or any other supported internship model?

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

Hon. J J Bossano: Mr Speaker, there are no applications in the Supported Employment Company made, accepted, declined or remaining pending a decision since January 2012 for any calendar year, as I have previously explained in Parliament.

790 As at the end of September the Supported Employment Company had 32 employees placed in the public sector and 36 employees placed in the private sector.

I refer the hon. Member to my previous answer on Project Search. I am not sure what he means by 'inroads' in relation to Project Search, but to date, to my knowledge, there has been no further development of Project Search or other supported internship model. As initially introduced, this entails affording young people with special needs career pathways such that they feel supported and empowered to do well and progress with their lives and careers. At the moment there is a Learning Support Assistant (LSA) seconded to the Education Department. The current role is simply to identify potential school leavers with special educational needs and afford them guidance and support as they make the transition from school to full-time employment. Students are given the opportunity to participate in short-term work placements. These consist of either one full or half-day period over six weeks. The student still remains at school for the remainder of the time.

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Hon. L F Llamas: Mr Speaker, could I then just clarify, because I have heard of people who have tried to approach the Government with a view to getting employment for their children and there does not seem to be an actual official mechanism whereby you can actually put ... You do not fill out an actual application, you leave your details, but it does not seem that people are getting answers whether they can be accepted into the company as an employee or not. So it seems to me at least ... I know of two people who are wishing to seek if there is a possibility of becoming employed by SEC but are not getting anywhere, so I cannot deduce from the answer that the Hon. Minister has given me whether there are any pending decisions to be made, given that it does not seem to be a very formal process in order to get into SEC.

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Hon. J J Bossano: Mr Speaker, I know the hon. Member was not here when we started on this. The position was that initially, on the 1st February 2012, within the number of people that were on the VTS scheme some 40 were identified as persons who had learning disability problems and therefore, it was considered by the people who had been running the scheme under the previous Government, would be people who would have great difficulty in finding work in the private sector or in the public sector on a competitive basis. They were initially transferred to the Employment Training Company together with the other 200, or however many there were at that point in time, and once people started moving out of the Employment Training Company into normal jobs in the private sector, those that had been identified for us were in fact transferred to the newly created company, the Supported Employment Company, where they have got indefinite contracts, as I explained to him in my answer the last time round. To those we have added people in the last four or five years, four and a half years, on the basis that the people we monitor to send to normal employers. If we find that really there is no way that we can actually get them into the normal market, then the decision is taken that they will come in and they are given a 20-hour slot within Supported Employment and a contract. But that only happens not because they make an application and not because applications are refused, but because we actually process almost everyone that goes into the employment market unless they come in basically passing through. There are a number of people who come in to the employment service register and get out on the same day because they come with a

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contract of employment in one hand and the registration in the other. But anybody else that is there for more than 24 hours gets referred to the training programme to see if we can, either
835 through assisting the wages or in some other form, persuade somebody in the private sector to take the candidate of the ETB in preference to a candidate from outside.

Anybody with disabilities is treated the same as anybody without disabilities in that system, and only when we come to the conclusion that it is not going to be possible to do what we think is a preferred option – that they would enjoy a normal job with a normal employer – do we then
840 give them the offer of coming into SEC. So anybody who has not had that offer, it is because we are still trying to get them another job.

Mr Speaker: Next question.

Q388-390/2017
Government-owned companies –
Inter-company transactions

Clerk: Question 388. The Hon. R M Clinton.
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Hon. R M Clinton: Mr Speaker, further to Question 299/2017, can the Government confirm whether it or any of its owned companies has entered into a contractual agreement with Gibraltar Capital Assets Limited to pay to it a housing allowance; and if so, which Government-owned company is liable for this payment?
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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):
855 Mr Speaker, I will answer the question together with Questions 389 and 390.

Clerk: Question 389. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please advise why Gibraltar Land (Holdings) Limited sold the Eastside Reclamation site to GAR Ltd, another Government-owned company, on 22nd May 2014 for £75,469,680 and how much stamp duty was paid to the Government on this transaction?
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Clerk: Question 390. The Hon. R M Clinton.
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Hon. R M Clinton: Mr Speaker, can the Government advise if GAR Limited has been granted any loans by Gibraltar Investment (Holdings) Ltd; and if so, what amount was outstanding at 31st December 2016?

Clerk: Answer, the Hon. the Minister for Economic Development, Telecommunications and the GSB.
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Hon. J J Bossano: Mr Speaker, the amount of stamp duty paid on the transaction regarding the Eastside was £2,640,082 and the transaction took place because the government decided that it should in the context of the negotiations for the developments that were then taking place.
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880 Further to the answer to Question 299/2017, the position has not changed. The hon. Member has been told many times, and those of his colleagues who were here before him even more times, that the company cash balances are collectively pooled and managed by the Treasury following the model created by the GSD administration when they were in government.

885 As regards the extension of an agreement, my understanding is that the relevant company is the Residential Property Company, but this has to be understood in the context of what I have just explained to him again regarding the common pool of cash balances.

Hon. R M Clinton: Mr Speaker, I am grateful to the Minister, as ever.

890 To go back to Question 299 – and I have read *Hansard* from last time we discussed this in March; he said he would go away, come back and let me know, if he could – am I correct in saying that the company that has an agreement with Gibraltar Capital Assets Limited is Gibraltar Residential Property Company Limited (GRP)?

Hon. J J Bossano: That is my understanding, yes.

895 **Hon. R M Clinton:** Does the Minister have any detail as to the nature of this agreement and the term of the agreement?

Hon. J J Bossano: No, I do not have the details, but I advise the hon. Member that he need not bother to ask me, because if I had them I would not provide them.

900 **Hon. R M Clinton:** Mr Speaker, I thank the Minister, at least we have the name of a company, which is more than we had before.

905 If I may turn to Question 390, I believe he has given the usual stock answer of the cash pool of the companies but he has not actually answered the question whether GAR Limited has been granted any loans. Could he elaborate on that?

Hon. J J Bossano: Yes, Mr Speaker, the cash pool is accessible to everybody in the companies and therefore they either put money in the pool or take money out of the pool as and when required. He has got a written answer on loans to companies and he will see in that written answer what the explanation is.

910 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister for his answer and I look forward to that schedule.

915 In terms of the sale of Eastside Reclamation to GAR Limited, could he explain what the economic rationale for that transaction was, other than it should be done?

920 **Hon. J J Bossano:** Mr Speaker, we have had a debate on this point on countless occasions. The Government takes policy decisions, which is the job that the Government has to do in dealing with situations with investors or with anybody else. Those decisions might not be the ones that the hon. Member might take if he was faced with the responsibility of taking it, but the Government takes the decision that it thinks is necessary. If the Government had to satisfy the hon. Member or justify itself to the hon. Member for every decision, in effect he would be replacing the Queen as the Head of State.

925 **Hon. R M Clinton:** Mr Speaker, I am flattered by that remark but I would never dream of substituting Her Majesty.

Surely the Minister must recognise that in incurring a stamp duty liability of £2.6 million there must be a very real economic reason for doing this – and I know there must be because I know he, as a very longstanding economist, would not accept any transaction that did not provide

930 some economic value. Is there anything he can share with this House as to why this put the
Government in a better negotiating position?

Hon. J J Bossano: Mr Speaker, the position, as he well knows, is that it is not that the
company is paying money that belongs to the state to a different party; it is a state-owned
935 company paying to the state. The money that is paid is not in the account of the company but it
is in the account of the Government. The stamp duty is being paid by a Government-owned
company to the Government. There is no economic cost involved because the Government
originally owned a company with £2 million and did not have in the Consolidated Fund the £2
million, and now the Government has got £2 million in the Consolidated Fund and the company
does not have it in its account. So the economic effect is zero.

940 The reality of it is that at one stage the Government decided to make property transactions
of the Government liable to stamp duty and a number of other things when they were running
out of borrowing capacity. I have explained this in connection with some of the other changes
that took place in the accounting systems where we have got a number of duplications of things
that come in and out. For example, the fact that we have a situation where contributions from
945 the Social Insurance, which never used to go through the Consolidated Fund, now go through
the Consolidated Fund and come out of the Consolidated Fund was because before the
Government altered the threshold for loans they were reaching the loan ceiling on the 80%, and
instead of tackling the 80% like we have done and accepting that the 80% is in fact a limitation
on the borrowing ability of the Government, which is a stranglehold because the growth of the
950 GDP by definition will always be faster than the growth of the Government revenue ... So 80% of
Government revenue will always produce a lower debt than 40% of GDP. So, for example, a
number of things were done, like paying rent on property to itself, paying stamp duty on
property to itself, which in effect ... doing what I have just told the hon. Member with the
authorities and the agencies which previously used to get income coming in directly and now
955 they get money coming into the Consolidated Fund. With the book that he has he will see that
the book shows money coming in into an agency which was collected by the Government on
behalf of the agency. The collection of the Government on behalf of the agency meant they
recovered revenue higher. If the money had been collected by the agency without passing
through the Government, the recovery of revenue would have been lower. Every pound that
960 went through that system made possible another 80p worth of debt.

So that is how the system came about, which appears to him, looking at this particular
transaction, as being a situation where an economic decision has been taken when in fact the
decision was taken originally to make some things payable that would otherwise have been
impossible to exempt from payment simply because ... and we have left the system as it was
965 because, frankly, it is more hassle to try and change the book than to leave it as it is because the
effect really is that in economic terms it is a paper exercise. It is money that goes in and goes
out, but ultimately the collective wealth of the Government is in the assets in the company and
the assets in the Government.

In terms of the cash pool, the cash pool which was really invented when the Government
970 decided to have many trading companies, which did not exist in 1996; they had no employees
and only had assets ... when they started trading, in effect what the Government did was to
some extent create for the companies the equivalent of what has existed since time immemorial
in that there is an ability to have deposits and advances in public sector entities. Therefore, all
those deposits and advances only get cleared when you close the accounts on 31st March, but in
975 between 1st April and 31st March the money can go in one direction or the other and it is used
as part of the mechanism that the Treasury has for the flexibility of medium-term liabilities in
one corner of the empire when there are moneys available sitting in another corner. That is
really the best way that I can paint the picture, parts of which will be things perhaps that the
hon. Member is not familiar with and I happen to be, just because I have been seeing the
980 changes happening over a long period of time.

Hon. R M Clinton: Mr Speaker, I am extremely grateful for the Minister's explanation. Maybe he can correct me if I am wrong with his statement: effectively, in terms of stamp duty it is a zero sum gain in that, as he says, it is coming from the left pocket and going to the right pocket, but the stamp duty will be showing as revenue in the Consolidated Fund and a liability would technically remain with the company. Would he accept that as correct?

Hon. J J Bossano: I said that technically it is a paper exercise, that is correct; but the owner of the company is the owner of the pocket where the money is.

Q391-394/2017

Training –

Gibdock NVQ courses and certificates; Future Job Strategy cost and success rate

Clerk: Question 391. The Hon. E J Phillips.

Hon. E J Phillips: Can the Minister for Training provide details of how many trainees have completed their NVQ course with the training scheme run in partnership with Gibdock and when that training was completed?

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 together with Questions 392 to 394.

Clerk: Question 392. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government explain why the Gibdock partnership trainees have still not received their accredited certificates?

Clerk: Question 393. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government state the total costs to the taxpayer of the Future Job Strategy since inception?

Clerk: Question 394. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government state: (i) the total number of people who started on the Future Job Strategy; and of those people (ii) how many are currently in full-time employment?

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 number of trainees who have completed their NVQ courses with the training scheme run in partnership with Gibdock by year of completion is as follows: 1999, 15; 2000, 16, 2001, 11; 2002, 10; 2003, 12; 2004, 7; 2005, 14; 2006, 13; 2007, 13; 2008, 11; 2009, 14; 2010, 15; 2011, 15; 2012, 16; 2013, 7; 2014, 6; 2015, 29; 2016, 12.

1025 Any apprentices who have not yet received their certificates have not done so because all the necessary procedures have not yet been completed.

The Government rejects the hon. Member's philosophy that providing training for employment is a cost to the taxpayer. The Government considers it an investment in creating a pool of skills which benefits the individual and potentially assists economic growth. The amount invested in providing training and related infrastructure is already known to the hon. Member opposite and was identified by the Leader of the Opposition in the 2011 election campaign as £11 million a year. Provision for an amount of this order has been made in every budget and approved by Parliament.

1035 The expenditure in support of training for employment under the Future Job Strategy continues at this annual level and the concerns of Members opposite in the past that it would have to be increased over the years has not materialised. It is currently at the same level and is expected to continue at under £1 million a month to the financial year 2019-20.

1040 The number of persons who have benefited from starting on Future Job Strategy training programs to April 2017 has been 2,802 and of these 1,859 obtained employment at the end of the training period.

Hon. E J Phillips: Insofar as the Future Job Strategy is concerned, I am not going to recite our views in relation to that; they are well known and I disagree with the hon. Gentleman in respect of his analysis of what we say the costs were. But it is quite clear from the figures that the Hon. Minister has deployed as of up to April 2017 – 2,802 people have engaged on the Future Job Strategy, and of those he says that 1,859 have secured full-time employment – that there is a significant number just under shy of a thousand people who have not been guaranteed a placement pursuant to the Government's commitment to guarantee everyone a job.

1050 **Hon. J J Bossano:** Mr Speaker, the people who completed the training got employment; not everybody completes the scheme. Some people give up when they do NVQ Level 1, even before they finish the NVQ Level 1.

Let me remind the hon. Member that the Leader of the Opposition asked me in December of 2012 what was the percentage of the number of people who had completed and got a job, and it was 28%. He then told me that what we were doing was clearly no better than what was there before, under the GSD, because the GSD had a 28% success rate. I pointed out to the Leader of the Opposition then – and the hon. Member was not here – that the 28% in the first year was in fact because it was the first year and those people we were taking on in the training companies initially included all the people who were in the VTS, and for those people we did not have a job guarantee before they entered. Those people had to be recycled because they were placed with employers who told us at the time ... I explained it in 2012 when we took over that there were people who were saying, 'Well, look, I didn't really need somebody in my business and I haven't got a business that is big enough to take on another employee, but as far as I was concerned I was willing to take somebody into the business as long as it didn't cost me anything in order to give that person an opportunity maybe to learn some skills and go back to the unemployment list and get a job, because that was all that the Government was asking of me – but if you are telling me that if I keep him I have to then give him a job, then take him back, I do not want him.' That meant that we had to move people out. Initially we moved them into the public sector, in many areas, simply because we did not have enough places in the private, but they were all eventually found places in the private sector and when that happened, since there is a thing called a contract between the placement provider and the Training Company on the basis that after the first month of probation any further training that goes into the job is on the basis that the person has got one month, the employer has got one month, to decide whether he thinks the candidate is going to be suitable or not, then if they carry on with the trainee for five or six or seven or eight months and then they turn round at the end of the nine months and say, 'Well,

I don't want to keep him,' they have to refund the nine months. That is how the scheme has been working.

1080 Once that scheme started taking people fresh from the unemployment list and not having to deal with the people we had in the beginning, the success rate was beginning to go up. In fact, I think at the rate that is there it is something like 62% or 63% - or something like that, I am not really sure. I have not worked out the percentage, but I know that it has been consistently over the years in between 65% and 70%, depending ... Sometimes we have got better months in terms of retaining trainees. Sometimes the trainees decide themselves to resign. There is nothing we can do about that. Sometimes people are training to do something ... For example, I
1085 can tell the hon. Member we have got some apprentices who in the middle of their apprenticeship have seen vacancies coming out in the public sector and decided to abandon the apprenticeship and go to the public sector if they can get the job, even though the job in the public sector might be one that is less skilled than the one they would get, because the scheme from the beginning has only guaranteed employment in the private sector with the person with
1090 whom we are in partnership. The partnership agreement requires the commitment that the person would be employed. In the training that I explained to him not long ago of the coach drivers for the tour operators, the agreement with the tour operators is that after we finish the training period, which we are subsidising, they take them on.

1095 Obviously we would like to be able to achieve 100%, but I think what we have been able to achieve until now is in the 60s. In fact, when the Leader of the Opposition used to ask me the reasons why people were falling out, it was invariably either people discontinuing themselves or people having to be terminated for disciplinary reasons and it was not the fact that the employer was at fault. There have been very few employers who have defaulted, and they have had to pay and in fact they have not come back for more trainees.

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Hon. E J Phillips: Does the Minister agree with me that now is the time to revisit the viability and the sustainability of the Future Job Strategy, given what can be estimated at £66 million of spending in respect of a success rate that gravitates between 60% and 65%? Would the Minister agree that now is the time to revisit the viability of that moving forward?

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Hon. J J Bossano: I think that the position is that we have got declining numbers of potential candidates because the levels of unemployment are much lower. The hon. Member does not have the employment survey – it has not been tabled yet, I do not think – but he will see that the employment levels are higher, so if there are more people working and fewer people
1110 unemployed ... The throughput of people is lower now than it was at the beginning and we are in fact open to look at anything that is worth supporting in terms of the commitment that we have got.

1115 We decided in the election of 2011 that that was the amount of money we were going to commit to doing this. That commitment has been maintained. It is the only part of the budget really that has not grown, simply because of the fact that the amount that we pay the trainees has gone up but has been compensated by the fact that there are fewer people available to become trainees. So there are fewer people in the system and even though each person gets paid more now than they were getting five years ago, the total cost is still manageable within that budget, which pays for a number of other things more than just the wages.

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Certainly we are prepared to revisit the scheme in the context of anything that anybody can put to us which will result not simply in people becoming more skilled and remaining unemployed, but more skilled with a clear opportunity to take up a job because a job exists and because we know the job exists – because that is the commitment of the scheme from day one: we train for employment, we do not train to have very skilled unemployed people.

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Hon. E J Reyes: Mr Speaker, may I bring the Hon. Minister back to the reply he gave in respect of Question 392. The Minister says that the trainees have still not received their

accredited certificates because the process was ongoing or something. Does he have any information to expand that further, and what is actually missing?

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Hon. J J Bossano: I think there were a small number of people who, having finished the preparation of the portfolio, the assessor who was employed left the centre and frankly had not done some of the work that required doing, and there was a period when that work was not being done until we, some time later, were able to recruit somebody who was a retired craftsman who we have been able to get trained and qualified to be an assessor and accepted by the awarding body in the UK and then has then come in and done a catch-up exercise on some of those.

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There are people, for example, in those circumstances who are already craftsmen and are already working as craftsmen but have still not had their certificates, but I do not think anything else is required of them. It is a matter for the people in the Training Centre to make sure that the paperwork is being done. We have just had somebody from City and Guilds this last week looking at the procedures that we are following and the infrastructure we have got and we have got a good report from him, and I think somebody from EAL is coming next week to do a similar exercise.

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I think the difficulty has been a lapse on the work that needed to be done in order to submit the reports to the awarding body in order to get the awarding body to send us the certificates.

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Hon. E J Reyes: It does offer some explanation, Mr Speaker, yes, because we have spoken in the past about an assessor no longer being in the Training Centre, but I thought there was a safety margin because the assessors are subject to what is called an internal verifier, of which we have continuation of that.

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The only thing that worries me, Mr Speaker, but I think I read properly into what the Minister was answering is that a fair amount of time seems to have lapsed since the trainee completed the portfolio and therefore ceased to be a trainee there. Are we in any risk of too much period of time having elapsed and then the awarding body, when it sends its ultimate ... the external verifier who comes like an overall auditor, to put it in [*inaudible*] terms ... Do we run the risk of that? If that is the case, then I urge the Minister can he please expedite the matter because it would be a pity for the individual to have had so much work put in, so much time and so much Government money thrown into a project for it all to be lost at the last minute.

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Hon. J J Bossano: I think that the risk that the hon. Member is explaining existed, from what I have been told ... I do not understand the system as well as he does, but from what I have been told action was taken in conjunction with the people in the UK and I am told that everything is in place to their satisfaction and that the people involved expect that before the end of this year anybody who is without a certificate will get one. That is what I am told.

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ADJOURNMENT

Chief Minister (Hon. F R Picardo): Mr Speaker, I move that the House do now adjourn until tomorrow at 3 p.m.

The House adjourned at 4.43 p.m.